

ANNUAL COMPREHENSIVE FINANCIAL *Report* '21



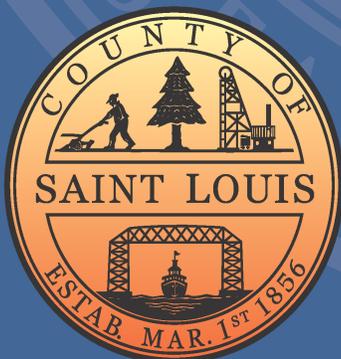
**IRON TRAIL MOTORS
EVENT CENTER - VIRGINIA**

Photo by Brandon Larson



SNOW REMOVAL

Photo by David Bednarski



COSTCO

Photo by David Bednarski

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

ST. LOUIS COUNTY, MINNESOTA – NANCY NILSEN, COUNTY AUDITOR/TREASURER

Iron Trail Motors Event Center

The \$38 million Iron Trail Motors Event Center in Virginia had its grand opening in September of 2021. The new conference center has a 6,400 square foot ballroom, two 500 square foot meeting rooms, a 320 square foot board room, and two 17,000 square foot hockey rinks.

Snow Removal

St. Louis County has a fleet of 120 snowplows, each with a life expectancy of 12 years. The County typically purchases ten new trucks each year. The newest ones have a 12-foot wide plow on the front, a 10-foot blade on the side, and an 11-foot blade underneath. But what makes them unique is the added tanks and equipment that give them the ability to dispense brine as a pre-treatment ahead of a storm and the ability to customize blends of sand and salt based on weather and road conditions during and after a storm. The brine recipe can be adjusted to match the temperature and storm conditions and is applied to roads several days before a storm to prevent ice and snow from bonding to the road.

Costco

Costco, one of the most prominent names in the grocery and shopping space, opened a new store in Duluth in October of 2021. The new Duluth Costco is located just north of the Miller Hill Mall and east of Walmart and Menards off Highway 53. The store also features gas, a food court, a pharmacy, and a vision center. It is the 13th Costco in Minnesota, but only the fourth outside the Twin Cities metro area.

St. Louis County Minnesota

Annual Comprehensive Financial Report
for the Fiscal Year Ending
December 31, 2021



Nancy Nilsen
County Auditor-Treasurer

"The mission of St. Louis County is to promote health and safety, ensure sound infrastructure, embrace our natural resources, and support an environment where communities prosper."

ST. LOUIS COUNTY, MINNESOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

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ST. LOUIS COUNTY, MINNESOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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Saint Louis County

County Auditor-Treasurer - 100 North 5th Avenue West, Room 214 - Duluth, MN 55802-1293 Phone:
(218) 726-2380 Phone – Virginia: (218) 749-7104 Fax: (218) 725-5060

Nancy Nilsen
St. Louis County Auditor-Treasurer

June 29, 2022

To: The Citizens of St. Louis County, Minnesota
The St. Louis County Board of Commissioners
All Other Interested Parties

The Annual Comprehensive Financial Report of St. Louis County is hereby submitted for the fiscal year ended December 31, 2021. This report was prepared by the County Auditor-Treasurer's Accounting and Finance Division. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County.

The financial management of St. Louis County is based on an accounting and financial reporting system that must provide accurate, timely, and relevant information. The assets of the County are protected from fraud, errors, and misuse through the institution of internal controls. Internal controls are designed to safeguard assets, as well as to ensure that accounting data is accurate for the preparation of financial statements in conformity with generally accepted accounting principles, and to accomplish the County's policies. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

St. Louis County is audited annually, as required by Minnesota Statutes §6.481. This requirement has been complied with and Baker Tilly US, LLP has issued an unmodified ("clean") opinion on St. Louis County's financial statements for the year ended December 31, 2021. The Independent Auditors' Report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) provides "financial highlights" and interprets the financial reports by analyzing trends and explaining changes in the financial condition of the County. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. St. Louis County's MD&A can be found immediately following the Independent Auditors' Report.

Profile of the Government

St. Louis County was established in 1856. Located in northeastern Minnesota, St. Louis County is geographically the largest county east of the Mississippi River, covering 7,092 square miles, including water surface, from the Canadian border to Duluth. The County's 2021 census population was estimated at 199,182 residents, while the 2012 census population was 200,255. The County has an average of 28 people per square mile living in small mining towns, farm communities, and busy cities. St. Louis County is empowered to levy a property tax on both real and personal property located within its boundaries.

The St. Louis County Board of Commissioners consists of seven commissioners elected by the citizens of the County's seven districts. All commissioners serve overlapping four-year terms of office. Each member of the County Board serves on various committees. Major committees include Public Health and Human Services, Environment and Natural Resources, Public Works and Transportation, Finance and Budget, Central Management and Inter-Governmental, and Public Safety and Corrections.

An Equal Opportunity Employer

The Board appoints a County Administrator, who is the chief administrative officer of the County. The Administrator is responsible for the administration of Board policy and for the management of various County divisions and departments. The County Attorney, County Auditor, and Sheriff are elected officials.

The County provides a full range of services contemplated by statute. These services encompass public safety, public works, public health, county attorney, cultural and human services, maintenance of property records, vital statistics, issuance of various permits and licenses, and the administration of property tax assessment, collection, and distribution for local governments within the County.

The St. Louis County Board of Commissioners is required by state law to annually adopt a budget for the next fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds. The County incorporates budgetary controls, which ensure that County departments comply with the annual budget. Encumbrance accounting is used to determine the availability of funds prior to incurring a specific obligation and to ensure that policies and regulations have been followed. Encumbrances outstanding at year-end are reported as assignments of fund balances. County departments are comprised of one or more sub-departments (agencies). County departments can spend their agency-level budgets on any line item within that agency as long as the total agency budget is not overspent. However, no public aid assistance and/or personal services budget authority may be used for any other purpose without the County Board's approval.

Local economy

Major industries in the County are mining, health care, wood and paper products, shipping, education, and tourism.

The mining industry continues to be a driving force in the region's economy. The most recent data shows that the taconite industry supports roughly 11,600 jobs with an economic impact of \$1 billion in labor income, \$2.1 billion in value-added spending, and more than \$4 billion into the state's economy annually. Preliminary totals indicate that taconite plants produced 38.7 million metric tons in 2021, an increase of 28.1% from 2020. All the taconite operations produced and were steady throughout 2021 as demand for iron ore increased.

The Port of Duluth-Superior connects the heartland of the United States and Canada to the rest of the world, ranking among the top 20 ports in the U.S. in cargo tonnage. It is by far the largest cargo port on the Great Lakes, with the principal cargoes being iron ore (62%), coal (24%), grain (2%), and other (12%) in 2021. The Port of Duluth-Superior has averaged more than 35 million tons of cargo and nearly 900 vessel visits each year. The Port reported 32.9 million tons of cargo with 718 ships that visited the port in 2021, compared to 25.8 million tons and 617 ships in 2020. The Port is ideally situated for moving cargo, and logistics experts now rank it in the top 10 in North America for transporting wind turbine components.

In 2021, the Port announced that the Duluth Clure Public Marine Terminal now has the ability to handle significantly larger volumes of international shipping containers transported by vessel. This is now possible through recent investments in infrastructure and capabilities to ensure homeland security compliance. The expansion augments existing road and rail-based international container service and makes Duluth the second United States port on the Great Lakes-St. Lawrence Seaway System capable of handling containers by direct water connection. These changes give Port customers even more flexibility in their supply chains and a fluid alternative for containers to move inland and bypass coastal Port bottlenecks.

Essentia Health is building a \$900 million expansion for downtown Duluth called "Vision Northland", which will replace St. Mary's Medical Center as well as renovate existing buildings on its downtown campus. The building, resembling a ship, will be over 942,000 square feet and have two towers. The new hospital will also have a dining center, shops, conference rooms, classrooms, an outpatient pharmacy, and a chapel and will bring 21st century care to its patients. This project will be the most significant private investment in Duluth's history and is expected to be completed by the first quarter of 2023.

Essentia Health also purchased the old Younkers and Sears spaces at the Miller Hill Mall and constructed their Fitness and Therapy Center in what was Younkers. In addition, they will be opening an outpatient surgery center in the former Sears space. The outpatient surgery center is anticipated to open in the spring of 2022 and will include a laboratory and a pharmacy.

St. Luke's Hospital plans to add a two story expansion on top of its Building A. The addition would add 56 single-patient rooms and house the intensive care and cardiac care units. Because the expansion of the ICU and cardiac unit will add more inpatient rooms, existing inpatient rooms will be remodeled from double to single-patient private rooms. In addition, they plan to rebuild the hospital parking ramp to add 177 spaces and an additional floor. The total project is estimated to cost \$88 million and should be completed by the end of 2024.

Aspen Grove Properties, an assisted living facility in Chisholm, constructed a new 14,000 square foot assisted living and memory care facility. The new facility provides full-time care for residents with dementia. The Aspen Grove facilities offer 60 beds and employ 65 people.

Zup's grocery store in Ely completed a business expansion project that transitioned their operations from their existing building to the vacant Shopko building down the road. The new 36,000 square foot grocery store features groceries, fresh deli, catering, butcher shop, apparel, a liquor store, and a pharmacy. Zup's popular Old World sausage-making capacity will also more than double in the new location. The project's investment was \$7 million, and the new store opened in October 2021.

The new \$38 million Iron Trail Motors Event Center in Virginia had its grand opening in September of 2021. The new conference center has a 6,400 square foot ballroom, two 500 square foot meeting rooms, a 320 square foot board room, and two 17,000 square foot hockey rinks.

NorthRidge Community Credit Union is building a new \$3.3 million, 4,680 square foot branch in Hibbing. NorthRidge also has four other offices in northeastern Minnesota: Biwabik, Ely, Hoyt Lakes, and Virginia.

The Paulucci Space Theatre in Hibbing underwent a major \$100 thousand renovation in 2021. The facility is one of over a dozen planetariums in Minnesota. Paulucci's dome has a unique tilt and is 40 feet in diameter, making it the second largest dome in the state. Upgrades included a new 4K digital all-sky projection system that replaced the old slide and movie projectors. A new LED star lamp was added, which projects the current nighttime sky and several other state-of-the-art renovations. The theatre is used for weekly all-sky movies, school field trips, and night telescope viewings, as well as being rented out for business meetings and parties.

Duluth's unprofitable Lester Park Golf Course is being transformed into a new housing development. The land is to be sold in pieces or as a whole at market value, roughly estimated to be about \$1.3 million. Any proceeds from the sale of the property are to be put into improvements at Duluth's Enger Park Golf Course.

The long-idle Duluth Armory will be transformed into a food hall, performance venue, and history center. The project is anticipated to cost \$26 million and will require about \$7.5 million in state support. The armory that was built in 1915 and has hosted Johnny Cash, Bob Hope, and Harry Truman is a local historic landmark. The developer is hopeful that if state funding is secured, the armory could reopen to the public by June 2024.

The Northern Lights Express (NLX), a high-speed intercity passenger rail running between Duluth and Minneapolis four times a day, is getting closer to becoming a reality. Studies have shown that this new rail would generate 3,000 new jobs, and more than 500 of them would be permanent. The NLX could also provide a quick and affordable trip for military veterans to VA hospitals. It would also allow sports fans easy access to games in the cities, business people the ability to work while they commute, and it is beneficial to the environment by taking cars off the road and replacing them with clean, higher-speed trains.

Duluth-based Cirrus Aircraft is experiencing a high demand for both its piston-engine SR models and its signature high-end personal jet, the Vision SF50. The company has grown from 1,300 employees three years ago to 2,100 employees today. The company is also looking to fill another 400 positions in 2022.

Housing continues to be a concern as companies like Cirrus want to expand operations in Duluth. Developers have taken notice of this and a new 194-198 unit apartment building in the Duluth Heights neighborhood is being planned, as well as a project that is expected to bring up to 130 units of housing to the historic old Central High School building.

In May 2022, Duluth welcomed its first of nine cruise ships that will dock in Duluth between May and mid-September. Each cruise will offer excursions to Glensheen Mansion, the North Shore Scenic Railroad, the Great Lakes Aquarium, a canoe trip down the St. Louis River, and a "Beer and Chocolate of Duluth" guided walking tour. These cruises are now possible due to new customs facilities at the Duluth Entertainment Convention Center (DECC).

PolyMet Mining Corp. is a publicly traded company focused on developing a copper-nickel and precious metals mining operation on the Iron Range. The company is hoping to mine the Duluth Complex, a well-known geological formation near the eastern end of the historic Mesabi Iron Range, which contains the world's third-largest accumulation of nickel and the world's second-largest accumulation of copper and platinum group metals. If the project moves forward, it could create 360 full-time jobs, along with 600 indirect jobs and 2 million hours of construction work, all of which could lead to a \$550 million economic impact on the region annually.

In January 2021, Bell Bank opened a full-service bank in one of Duluth's most historic buildings, the Temple Opera Block building. The building's interior was completely renovated, but care was taken to preserve its historic details. The

building will eventually connect to the skywalk system.

BlueStone Commons, a mixed-use development just east of the University of Minnesota Duluth, constructed its third apartment building, BlueStone Vue, in 2021. The first building, called BlueStone Lofts, targeted college students. The second building, called BlueStone Flats, targets the traditional multifamily market with studios and one- and two-bedroom apartments with more amenities and fewer units. The third BlueStone apartment building, BlueStone Vue, features 194 luxury units. The Vue features amenities such as a pool, a sauna, an underground parking garage, and a rooftop patio that overlooks the city.

Costco, one of the most prominent names in the grocery and shopping space, opened a new store in Duluth in October of 2021. The new Duluth Costco is located just north of the Miller Hill Mall and east of Walmart and Menards off Highway 53. The store also features gas, a food court, a pharmacy, and a vision center. It is the 13th Costco in Minnesota, but only the fourth outside the Twin Cities metro area.

Long-term financial planning

At the end of each year, the County calculates the resources needed to pre-fund retiree health insurance premiums for all employees eligible for retirement at year-end and sets aside the value of sick leave balances those employees have accumulated. As of December 31, 2021, 100% of the estimated retiree obligation amount has been classified as committed fund balance in the General Fund and the Special Revenue Funds.

The County also calculates the resources needed to pre-fund health insurance premiums for those employees that are not eligible to retire immediately, but probably will retire from the County. As of December 31, 2021, 100% of the estimated retiree obligation amount has been classified as committed fund balance (vesting sick leave) in the General Fund and the Special Revenue Funds.

For many years, the County has recognized that it would be prudent to set aside funds to meet cash flow needs and has assigned some of its fund balances for that purpose. The County Board's policy is to have the General Fund, the Road and Bridge Fund, and the Public Health and Human Services Fund each assign a portion of their available fund balances equal to 5/12 of the certified levy for each fund, plus their share of program aid paid to the County by the State of Minnesota. As of December 31, 2021, the policy was 90.29% accomplished for the General Fund; 75.81% for the Road and Bridge Fund; and 81.87% for the Public Health and Human Service Fund. The three funds had a combined fund balance allocated for cash flow of \$62.4 million at year-end, an increase of \$8.9 million from 2020.

Starting in 2007, any County-owned building with operating revenues in excess of expenditures for the year had the remaining balance transferred into a Depreciation Reserve Fund in the Capital Projects Fund at year-end. At the end of 2021, the Depreciation Reserve Fund had a balance of \$1.4 million. Those funds will be used to fund future capital improvements at County facilities.

Other financial planning for 2022 and beyond includes the following:

- The County's commitment to core services and balancing the budget will position the County for future fiscal challenges.
- The County Board directs the County Administrator to hold all county departments accountable for making progress in each department's designated priority areas through the regular use of performance measures and outcomes.
- The County Board has committed and assigned money for specific purposes. These commitments and assignments of fund balance represent the County's intended future use of the County's resources.
- In 2021, the County retained an AA+ credit rating from Standard and Poor's (S&P). This rating is just one step below the highest possible rating of AAA. The rating makes the debt offerings of the County more attractive to investors and lowers the cost of borrowing. This rating was retained by the County due to sound financial policies, strong management, and a broad and diverse economy.

Major initiatives

The pandemic continued to affect St. Louis County in 2021. The County distributed \$3.84 million in funds from the Minnesota Legislature to assist small businesses throughout the County. A total of 749 eligible businesses and non-profits received funding through the County's Phase 3 small business COVID-19 relief grants. St. Louis County also received \$54.3 million from the federal COVID-19 relief bill, the American Rescue Plan Act. These funds must be encumbered by December 31, 2024, and spent by December 31, 2026.

St. Louis County has a fleet of 120 snowplows, each with a life expectancy of 12 years. The County typically purchases ten new trucks each year. The newest ones have a 12-foot wide plow on the front, a 10-foot blade on the side, and an 11-foot blade underneath. But what makes them unique is the added tanks and equipment that give them the ability to dispense brine as a pre-treatment ahead of a storm and the ability to customize blends of sand and salt based on weather and road conditions during and after a storm. The brine recipe can be adjusted to match the temperature and storm conditions and is applied to roads several days before a storm to prevent ice and snow from bonding to the road.

The County issued \$25.9 million in bonds in 2021 to construct three new Public Works maintenance facilities in Kugler Township, Culver Township, and near the Whiteface Reservoir. These will replace five smaller garages in Tower, Embarrass, Brookston, Brimson, and the Town of White that have outlived their usefulness due to age and lack of space.

OpenGov, the County's interactive online tool, gives anyone with internet access the ability to explore both the current county budget as well as look at County investment trends over the last decade. The Budget Explorer displays 10 years of governmental spending and revenue details in a user-friendly portal, which can be accessed at www.stlouiscountymn.gov/budgetexplorer. The Budget Explorer is a tool that increases government transparency by allowing users to drill down into the current year's budget and compare it to previous years through interactive graphs that easily explain revenue and expenses by fund, department, and type.

St. Louis County launched an online permitting site for septic systems in 2021. The system allows contractors and homeowners to fill out the application, provide the necessary attachments, and submit payment online.

Awards and Acknowledgments

The County received its fifth Government Finance Officers Association of the United States and Canada (GFOA) award for the 2020 Popular Annual Financial Report (PAFR), which serves as a simplified, condensed version of the Annual Comprehensive Financial Report. This report is designed to be readily available and easily understandable to the general public and other interested parties without a background in public finance.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Louis County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. St. Louis County has received the Certificate for the last thirty-two consecutive years. We believe our current report will conform to the Certificate of Achievement Program requirements, and are thus submitting it to the GFOA.

The preparation of the Annual Comprehensive Financial Report in accordance with the GASB 34 financial reporting model was made possible by the dedicated work of the employees of the Accounting and Finance Division. In addition, I would like to express my appreciation to the employees of the Public Health and Human Services Department, the Sheriff's Department, and the Public Works Department for their dedication and cooperation during the preparation of this report. I am grateful to the County Board of Commissioners and to the Department of Administration for their leadership and support in formulating the financial activities of the County, without which the preparation of this report would not have been possible. Many other County departments extended assistance and cooperation to my office during this time, and I thank them also.

Special thanks are due to the Baker Tilly staff for their technical assistance during the audit and throughout the year. I acknowledge, too, the thorough and professional manner in which they conducted their audit.

Sincerely,

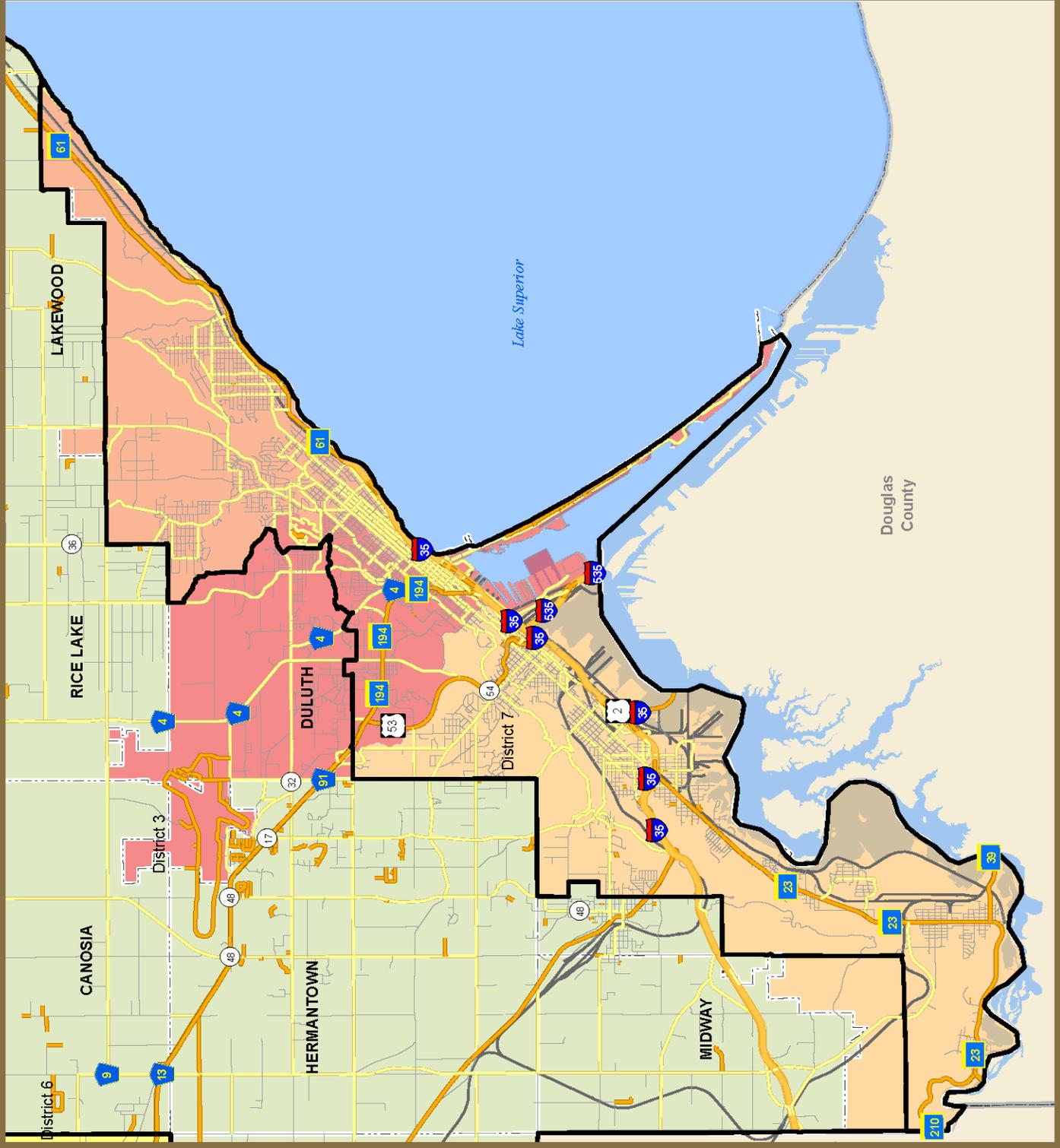


NANCY NILSEN
County Auditor-Treasurer



Legislative & Commissioner Districts - Duluth

2021



Legislative Districts

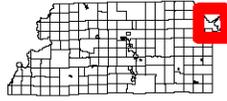
- District 3**
Sen. Thomas Bakk (I)
147 State Office Bldg
St. Paul, MN 55155
(651) 296-8881
- District 7**
Sen. Jennifer A. McEwen (DFL)
149 State Office Bldg
St. Paul, MN 55155
(651) 296-4188
- 3B**
Rep. Mary Murphy (DFL)
143 State Office Building
St. Paul, MN 55155
(651) 296-2676
- 7A**
Rep. Jennifer Schultz (DFL)
351 State Office Bldg
St. Paul, MN 55155
(651) 296-2228
- 7B**
Rep. Liz Olson (DFL)
429 State Office Bldg
St. Paul, MN 55155
(651) 296-4246

Commissioner Districts

- 1** Frank Jewell
Room 202
100 N. 5th Ave. W.
Duluth, MN 55802
(218) 726-2450
- 2** Patrick Boyle
Room 202
100 N. 5th Ave. W.
Duluth, MN 55802
(218) 726-2359
- 3** Ashley Conrnm
Room 202
100 N. 5th Ave. W.
Duluth, MN 55802
(218) 726-2562
- 5** Keith Musolf
Room 202
100 N. 5th Ave. W.
Duluth, MN 55802
(218) 726-2450

City of Duluth Precincts

- Commissioner**
District 1: Prec. 10-12, 15-20, 22, 23
District 2: Prec. 1-9, 13, 14,
District 3: Prec. 21, 24-34
- Legislative**
District 3B: Prec. 11, 23
District 7A: Prec. 1-10, 12-15, 17
District 7B: Prec. 16, 18-22, 24-34



Auditor's Office
100 N 5th Ave W, Rm 214
(218) 726-2380
www.stlouiscountymn.gov

Source: St. Louis County
Map Created: 1/14/2021

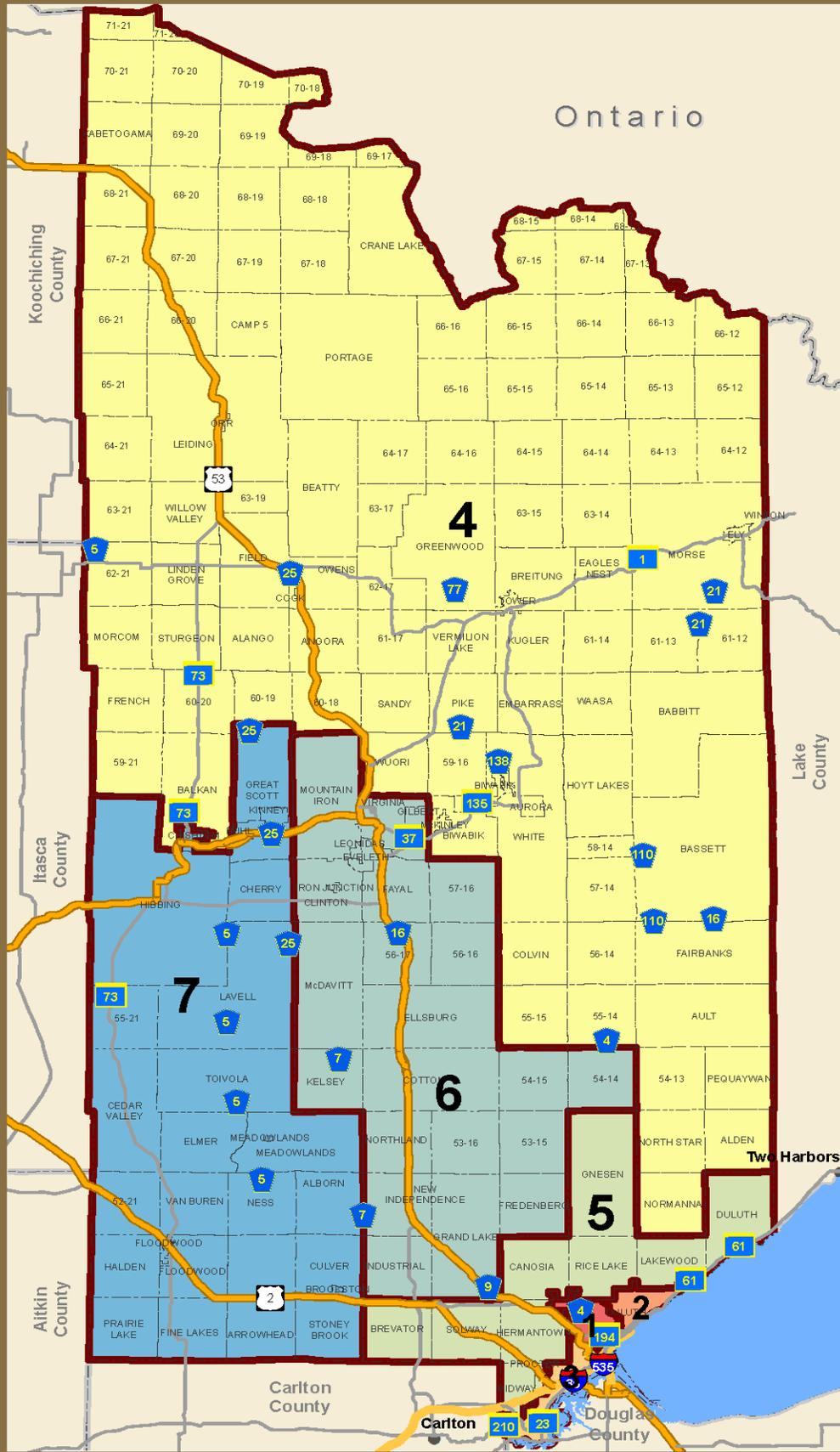
Disclaimer

This is a compilation of records as they appear in the St. Louis County Offices affecting the area shown. This drawing is to be used only for reference purpose and the County is not responsible for any inaccuracies herein contained.

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Commissioner Districts 2021



Commissioners

- 1** Frank Jewell
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2450
Term Ends: 1/2/2023


- 2** Patrick Boyle
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2359
Term Ends: 1/6/2025


- 3** Ashley Grimm
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2562
Term Ends: 1/6/2025


- 4** Paul McDonald
SLC Service Center
320 Miners Dr. E.
Ely MN 55731
(218) 365-8200
Term Ends: 1/2/2023


- 5** Keith Musolf
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2450
Term Ends: 1/6/2025


- 6** Keith Nelson
Virginia Courthouse
300 S. 5th Ave.
Virginia MN 55792
(218) 749-7108
Term Ends: 1/2/2023


- 7** Mike Jugovich
Hibbing Courthouse
1810 12th Ave. E.
Hibbing MN 55746
(218) 262-0201
Term Ends: 1/6/2025



Prepared By:
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100 N 5th Ave W, Rm 214
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www.stlouiscountymn.gov

Source: St. Louis County

Map Created: 1/14/2021

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Disclaimer
This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein contained.

**St. Louis County
Elected and Appointed Officials
as of December 31, 2021**

Office	Name	Term
Commissioners:		
1st District	Frank Jewell	Jan. 2019 Jan. 2023
2nd District	Patrick Boyle	Jan. 2021 Jan. 2025
3rd District	Ashley Grimm	Jan. 2021 Jan. 2025
4th District	Paul McDonald	Jan. 2019 Jan. 2023
5th District	Keith Musolf	Jan. 2021 Jan. 2025
6th District	Keith Nelson	Jan. 2019 Jan. 2023
7th District	Mike Jugovich	Jan. 2021 Jan. 2025
Elected Officials:		
Attorney	Kimberly Maki	Oct 2021 Jan. 2023
Auditor-Treasurer	Nancy Nilsen	Jan. 2019 Jan. 2023
Sheriff	Ross Litman	Jan. 2019 Jan. 2023
Appointed Officers:		
Administrator	Kevin Gray	
Assessor	David Sipila	
Director, Human Resources and Administration	James Gottschald	
Director, Public Health and Human Services	Linnea Mirsch	
Director, Public Works	James Foldesi	
Examiner of Titles	Kimberly Brzezinski	
Land and Minerals Director	Julie Marinucci	
Information Technology Director	Jeremy Craker	
Planning & Community Development Director	Matthew Johnson	
Property Management Director	Jerome Hall	
Public Records & Property Valuation Director	Mary Garness	
Environmental Services Director	David Fink - Interim Director	

Citizens of St. Louis County



Kimberly Maki
County Attorney
(Elected*)

Attorney's Office



Ross Litman
County Sheriff
(Elected)

Sheriff's Office

Board of Commissioners

Frank Jewell, 1st District
 Patrick Boyle, 2nd District
 Ashley Grimm, 3rd District
 Paul McDonald, 4th District
 Keith Musolf, 5th District
 Keith Nelson, 6th District
 Mike Jugovich, 7th District

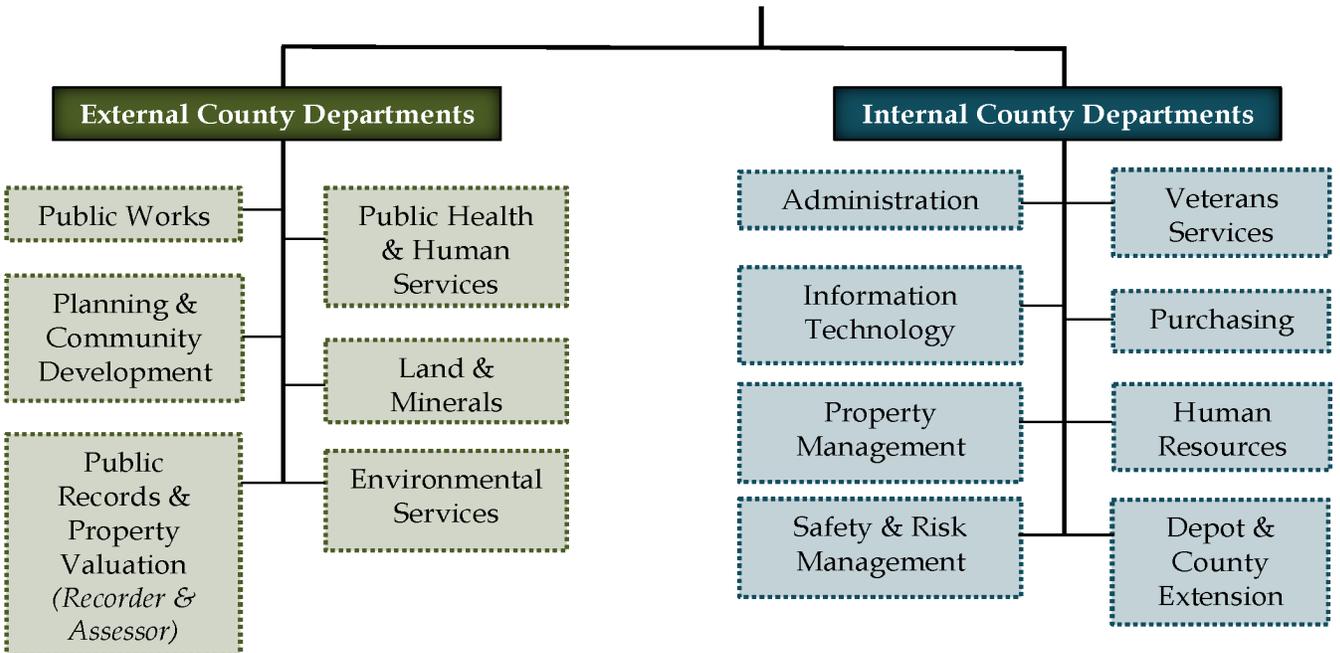


Nancy Nilsen
County Auditor
(Elected)

Auditor's Office



Kevin Z. Gray
County Administrator
(Appointed)



*Appointed in 2021 due to elected official Mark Rubin's retirement



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**St. Louis County
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

Independent Auditors' Report

To the County Board of Commissioners of
St. Louis County

Report on the Audit of the Financial Statements

Opinions

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 St. Louis County, Minnesota (the County), as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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 the County as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons of the General Fund, Road and Bridge Special Revenue Fund, Public Health and Human Services Special Revenue Fund, Pandemic Response Special Revenue Fund, and Forfeited Tax Sale Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the custodial funds net position as of December 31, 2020 has been restated to correct a material misstatement due to the exclusion of certain taxes receivable. Our opinions are not modified with respect to this matter.

Other Matters

The financial statements of the County as of December 31, 2020, prior to restatement, were audited by other auditors whose report dated June 24, 2021, expressed unmodified opinions on those statements.

As part of the audit of the December 31, 2021 financial statements, we also audited the adjustment described in Note 1 that was applied to restate the December 31, 2020 financial statements. In our opinion, such adjustment is appropriate and has been properly applied. We were not engaged to audit, review or apply any procedures to the December 31, 2020 financial statements of the County other than with respect to the adjustment and, accordingly, we do not express an opinion or any other form of assurance on the December 31, 2020 financial statements as a whole.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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. The 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections included in the annual comprehensive financial report but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022 on our consideration of the 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 solely 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 effectiveness of the County's 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 the County's internal control over financial reporting and compliance.

Baker Tilly US, LLP

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2021

Our discussion and analysis of St. Louis County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2021. Please read it in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

St. Louis County's total net position increased by \$57.0 million to \$1.0 billion, or 6.0%. Governmental activities increased by \$55.1 million to \$988.9 million, while the County's business-type activities increased by \$1.9 million to \$21.6 million.

The County's governmental funds reported a combined ending fund balance of \$259.6 million for 2021, an increase of \$10.3 million, including the change in inventory, compared to 2020. The combined nonspendable and restricted fund balances were \$93.1 million of the total fund balance, or 35.9%. These fund balances are not available for appropriation because of constraints placed on their use. The remaining fund balances of \$166.5 million, or 64.1%, are unrestricted and classified as either committed, assigned, or unassigned.

In 2021, the General Fund reported a total fund balance of \$81.2 million, an increase of \$0.3 million over 2020. The unassigned fund balance of the General Fund was equal to 36.7% of fund expenditures and 35.8% of fund revenues. The State Auditor's recommendations are for the unrestricted fund balance to be at least 35-50% of revenues and at least five months of expenditures, or 41.7%.

St. Louis County's outstanding debt decreased by \$0.4 million to \$165.2 million in 2021. The County paid down \$25.7 million of existing debt, amortized \$1.2 million of premium, and issued a new debt of \$25.9 million in 2021. The 2021 issue is to construct three new Public Works maintenance facilities in St. Louis County. The County has issued debt every year in the past ten years except 2012, 2017, and 2019.

All major governmental funds of the County reported actual expenditures of less than the final 2021 expenditure budget. However, the Capital Projects Fund reported a \$29.5 million excess of actual expenditures over actual revenue for the year. The Capital Projects Fund spent \$24.5 million of bond proceeds during 2021. The majority of the spending was on the 2020A bonds that were issued to continue to improve roads and bridges within the County. The bond payment for the 2020A bonds is being paid for with the revenue from the transportation sales tax.

The County's only major business-type activity, the Environmental Services Fund, had an operating gain of \$1.0 million in 2021. With nonoperating revenues from taxes, grants, earnings on investments, and the sale of capital assets totaling \$0.4 million, the Environmental Services Fund net position increased by \$1.7 million for the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The 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 other supplementary information in addition to the basic financial statements.

Government-wide financial statements. One of the most important questions related to the County's finances is whether the County, as a whole, is better served as a result of this year's activities. The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes to net position. Think of the County's net position (the difference between assets and deferred outflows and liabilities and deferred inflows) as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, such as changes in the County's property tax base and the condition of the County's roads, in order to assess the overall health of the County.

The government-wide financial statements can be found on pages 25-26 of this report.

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Fund financial statements. These statements provide detailed information about the most significant funds, but not the County as a whole. Some funds are required to be established by State law and by bond covenants. However, the County Board establishes many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies. County funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds: Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationships (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the financial statements.

The County maintains six individual major governmental funds. Information is provided separately for each major fund on the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The major funds are the General Fund, the Road and Bridge Fund, the Public Health and Human Services Fund, the Pandemic Response Fund, the Forfeited Tax Sale Fund, and the Capital Projects Fund. Data for nonmajor governmental funds is combined into "other governmental funds." Individual data for each of the eight nonmajor governmental funds is provided in the supplementary data.

The County adopts an annual appropriated budget for its governmental funds. A budgetary comparison for the major governmental funds (except for the Capital Projects Fund) is provided to demonstrate compliance with the budget.

The basic financial statements for governmental funds can be found on pages 28-42 of this report.

Proprietary funds: When the County charges customers for the services it provides, whether to outside customers or to other units of the County, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The County uses an enterprise fund (a component of proprietary funds) to report the activities of the Environmental Services Fund, the only major fund, as well as one nonmajor enterprise fund. The County uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services to the County's other programs and activities, such as the County Garage Fund. The proprietary fund basic financial statements can be found on pages 44-48 of this report.

Fiduciary funds: The County is the trustee, or fiduciary, of certain amounts held for others. The County uses a private purpose trust fund and numerous custodial funds to report its fiduciary activities. The County's fiduciary activities are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position and are excluded from the government-wide financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used in proprietary funds. The fiduciary basic financial statements can be found on pages 50-51 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 54-103 of this report.

Supplementary data. A combining balance sheet and combining statement of revenues, expenditures, and changes in fund balances for nonmajor governmental funds, a budgetary comparison schedule for the nonmajor governmental funds, internal service funds, fiduciary funds, and miscellaneous schedules are provided on pages 119-166.

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Government-wide Financial Analysis

Net position may, over time, be a useful indicator of a government's financial condition. In the case of St. Louis County, assets and deferred outflows exceeded liabilities and deferred inflows for all activities by \$1.0 billion.

By far, the most significant portion of the County's net position is the investment in capital assets of 83.5%, which reflects St. Louis County's investment in capital assets, less any related debt used to acquire those assets that are still outstanding. Because the County uses these capital assets to provide services to citizens, they are not available for future spending. Although investments in capital assets are 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.

Table 1
St. Louis County's Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 360.8	\$ 329.3	\$ 18.1	\$ 16.2	\$ 378.9	\$ 345.5
Capital assets	970.5	939.0	8.2	7.9	978.7	946.9
Total Assets	<u>1,331.3</u>	<u>1,268.3</u>	<u>26.3</u>	<u>24.1</u>	<u>1,357.6</u>	<u>1,292.4</u>
Deferred Outflows of Resources:						
Pension related items	54.1	13.8	0.6	0.1	54.7	13.9
Other postemployment benefits	3.5	4.4	0.1	0.1	3.6	4.5
Total Deferred Outflows	<u>57.6</u>	<u>18.2</u>	<u>0.7</u>	<u>0.2</u>	<u>58.3</u>	<u>18.4</u>
Liabilities:						
Long-term liabilities outstanding	282.2	309.4	3.6	3.9	285.8	313.3
Other liabilities	47.5	28.8	0.7	0.5	48.2	29.3
Total Liabilities	<u>329.7</u>	<u>338.2</u>	<u>4.3</u>	<u>4.4</u>	<u>334.0</u>	<u>342.6</u>
Deferred Inflows of Resources:						
Pension related items	70.1	13.7	1.1	0.2	71.2	13.9
Other postemployment benefits	0.2	0.2	-	-	0.2	0.2
Advanced allotment	-	0.6	-	-	-	0.6
Total Deferred Inflows	<u>70.3</u>	<u>14.5</u>	<u>1.1</u>	<u>0.2</u>	<u>71.4</u>	<u>14.7</u>
Net position:						
Net investment in capital assets	836.0	821.3	8.2	7.9	844.2	829.2
Restricted	56.3	48.5	4.5	4.4	60.8	52.9
Unrestricted	96.6	64.0	8.9	7.4	105.5	71.4
Total Net Position, as reported	<u>\$ 988.9</u>	<u>\$ 933.8</u>	<u>\$ 21.6</u>	<u>\$ 19.7</u>	<u>\$ 1,010.5</u>	<u>\$ 953.5</u>

The following analysis focuses on the County's net position (Table 1).

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Governmental Activities:

In 2021, the total net position of governmental activities increased by \$55.1 million to \$988.9 million. The total net position for the years 2020 through 2016 was \$933.8 million, \$858.6 million, \$803.5 million, \$760.2 million, and \$715.8 million, respectively. St. Louis County is again able to report positive balances in all categories of net position as it has since the government-wide financial statements were first prescribed in 2002.

Current and other assets increased by \$31.5 million in 2021 to \$360.8 million. The main reason for the significant increase was the \$27.3 million that the County received for the American Rescue Plan. At the end of 2021, the County had only spent \$4.8 million; however, the majority of the funds were obligated. The County has until the end of 2024 to spend the funds and will receive another \$27.3 million for the second half of the American Rescue Plan in 2022.

Capital assets at year-end 2021 were \$970.5 million, compared with \$939.0 million in 2020, an increase of \$31.5 million. Significant capital outlays for infrastructure, such as roads, by the County each year are the driving force behind large annual increases in capital assets. A detailed analysis of this increase is presented in Table 3 on page 23, under the heading Capital Assets and Debt Administration.

Long-term liabilities outstanding decreased by \$27.2 million in 2021 to \$282.2 million. The main reason is due to the decrease in net pension liability of \$26.0 million in 2021 for St. Louis County's portion of PERA's unfunded liability.

Other liabilities increased \$18.7 million in 2021 to \$47.5 million. Accounts payable decreased by \$0.3 million in 2021, while unearned revenue increased by \$18.9 million. The increase in unearned revenue is mainly due to the American Rescue Plan (ARP) funds the County received in 2021 but have not been spent at year end. The County has until 2024 to spend these funds.

Net investment in capital assets increased by \$14.7 million to \$836.0 million. The increase was mainly the result of net capital assets increasing by \$31.5 million. Outstanding debt related to capital assets also increased by \$20.7 million in 2021, mainly due to the 2021A bond issue.

The restricted net position of governmental activities increased by \$7.9 million to \$56.3 million in 2021. This was mainly due to the \$5.5 million increase in restricted fund balance for the Transportation Sales Tax that resulted from higher than expected collections in 2021.

Business-type Activities:

The total net position of the County's business-type activities increased by \$1.9 million to \$21.6 million in 2021. At year-end, the County's business-type activities consisted of two funds: Environmental Services and Plat Books. Business-type activities were able to report positive balances in all categories of net position for 2021.

Capital assets increased by \$0.3 million in 2021, to \$8.2 million. The depreciation expense in 2021 was \$0.5 million, and there were no landfill cell closures or new cell construction in 2021. There was a partial cell opening in an existing cell that is now accepting waste in 2021. A feasibility study for Canyon Development started in 2020 and continued into 2021. A new transfer station trailer, storage and dump trailers, and bins were purchased, and two transfer station trailers were sold.

Total liabilities for business-type activities decreased by \$0.1 million in 2021. The main reason was due to closure and post-closure liabilities increasing by \$0.4 million, while net pension liabilities decreased by \$0.6 million.

Net investment in capital assets will mirror capital assets when there is no associated debt outstanding on capital assets. The business-type activities have not issued debt since 2002 for capital purchases.

The unrestricted net position for business-type activities increased by \$1.5 million in 2021 to \$8.9 million. The majority of the increase to net position was the result of a large board-approved rate increase and maintaining operating costs.

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Table 2
St. Louis County's Changes in Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
<i>Program revenues:</i>						
Charges for services	\$ 55.4	\$ 53.9	\$ 9.3	\$ 7.7	\$ 64.7	\$ 61.6
Operating grants and contributions	78.7	98.8	0.3	0.3	79.0	99.1
Capital grants and contributions	25.9	26.9	-	-	25.9	26.9
<i>General revenues:</i>						
Taxes:						
Property taxes, levied for general purposes	152.5	150.5	-	-	152.5	150.5
Property taxes, levied for debt service	6.6	6.7	-	-	6.6	6.7
Transportation sales tax	19.0	16.2	-	-	19.0	16.2
State shared	20.2	19.7	-	-	20.2	19.7
Federal shared	3.3	3.3	-	-	3.3	3.3
Investment income	3.8	9.6	0.2	0.4	4.0	10.0
Total revenues	<u>365.4</u>	<u>385.6</u>	<u>9.8</u>	<u>8.4</u>	<u>375.2</u>	<u>394.0</u>
Expenses						
<i>Program expenses:</i>						
General government	51.5	52.2	-	-	51.5	52.2
Public safety	55.1	54.9	-	-	55.1	54.9
Highways and streets	66.3	59.4	-	-	66.3	59.4
Health and sanitation	10.3	13.0	-	-	10.3	13.0
Human services	99.5	103.3	-	-	99.5	103.3
Culture and recreation	4.5	4.3	-	-	4.5	4.3
Conservation of natural resources	9.6	8.7	-	-	9.6	8.7
Economic development	9.3	10.3	-	-	9.3	10.3
Interest and other charges	4.0	4.3	-	-	4.0	4.3
Environmental services	-	-	8.1	7.7	8.1	7.7
Total expenses	<u>310.1</u>	<u>310.4</u>	<u>8.1</u>	<u>7.7</u>	<u>318.2</u>	<u>318.1</u>
Increase in net position before transfers	55.3	75.2	1.7	0.7	57.0	75.9
Transfers	(0.2)	-	0.2	-	-	-
Increase (decrease) in net position	<u>55.1</u>	<u>75.2</u>	<u>1.9</u>	<u>0.7</u>	<u>57.0</u>	<u>75.9</u>
Net position January 1	933.8	858.6	19.7	19.0	953.5	877.6
Net position December 31	<u>\$ 988.9</u>	<u>\$ 933.8</u>	<u>\$ 21.6</u>	<u>\$ 19.7</u>	<u>\$ 1,010.5</u>	<u>\$ 953.5</u>

The following analysis focuses on the County's changes in net position (Table 2).

Governmental Activities:

Program revenues are revenues derived directly by a program from sources other than County taxpayers. In 2021, program revenue decreased by \$19.6 million to \$160.0 million. Operating grants and contributions decreased by \$20.1 million in 2021, mainly due to the County receiving and spending \$24.8 million of CARES funds in 2020, compared to the County receiving \$27.3 million of American Rescue Plan (ARP) dollars in 2021. However, the County only spent \$4.8 million of the ARP dollars in 2021, and therefore could only recognize \$4.8 million in revenue. The major difference is that CARES funds had to be spent quickly, by the end of 2020, whereas ARP dollars just needed to be encumbered by December 31, 2024, with all spending completed by December 31, 2026.

General revenues are all revenues that are not considered to be program revenues. In 2021, general revenues decreased by \$0.6 million to \$205.4 million. Tax revenues in 2021 increased by \$4.7 million, mainly due to the \$2.8 million increase in Transportation Sales Tax compared to 2020 and the 1.5% increase in the 2021 Property Tax Levy, while investment revenue was down \$5.8 million, mainly due to the year-end mark-to-market calculation.

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State shared revenues that are classified as general revenues, commonly referred to as local government aids, increased by \$0.5 million to \$20.2 million in 2021. The County received \$0.3 million more in Mineral Royalties, \$0.1 million more in County Program Aid, and \$0.1 million in PERA Aid in 2021.

Expenses for governmental activities decreased by \$0.3 million in 2021, or 0.1%. Highways and streets increased by \$6.9 million, mainly due to the \$2.3 million in increased depreciation expense that is a result of all the bonds that have been issued for roads and bridges for the past several years, as well as the increased personnel and operating costs associated with road construction that are funded through Transportation Sales Tax dollars. Health and Human Services decreased by \$6.5 million due to decreased costs related to the pandemic in 2021.

Business-type Activities:

Program revenues for business-type activities increased by \$1.6 million in 2021 to \$9.6 million. Charges for services primarily increased due to a large board-approved rate increase. The remaining charges for services showed an overall slight increase due to volume increases in sales and tonnage. Licenses and permits resulted in a small increase, and other operating revenues had a significant increase in 2021, primarily due to market-driven end-market recycling.

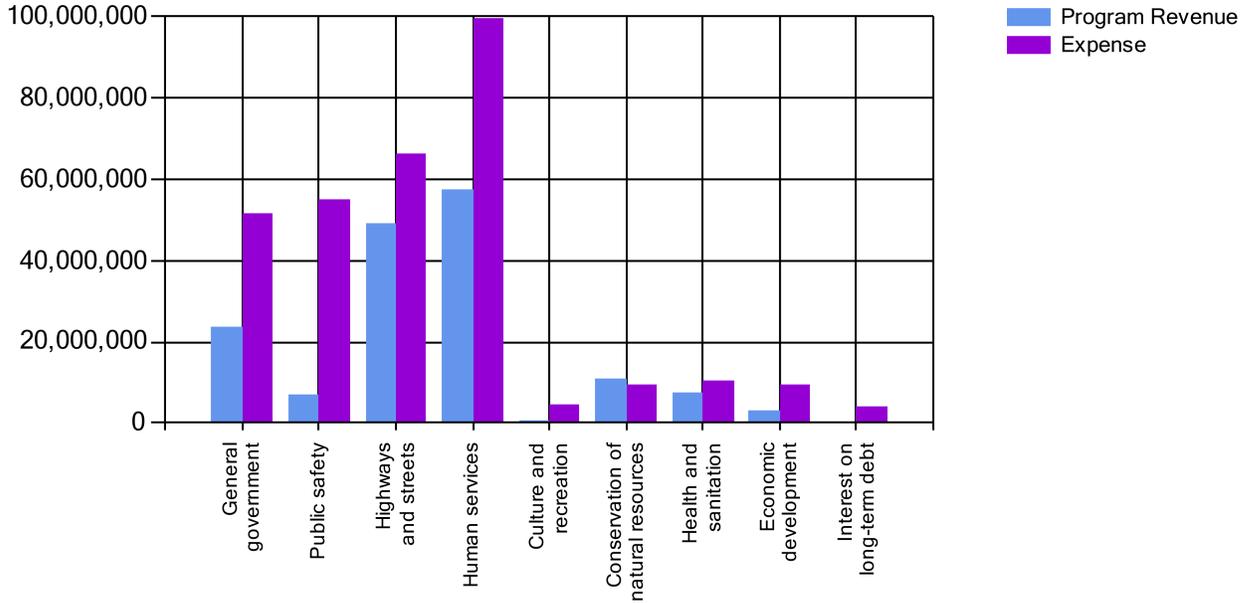
General revenues for business-type activities decreased for the Environmental Services Fund in 2021 by 0.2 million. Decreases occurred primarily in investment income; grant funding had a small increase, and taxes showed a minimal decrease.

Expenses for business-type activities were \$8.1 million in 2021. Almost all expenses for business-type activities occurred in the Environmental Services Fund for 2021. Depreciation and depletion expense increased by \$0.5 million. There was no cell closure or new construction, with a partial existing cell opening accepting waste for 2021. Depletion calculations increased due to a high increase in the MPCA inflation factor rate for post-closure current values and contributed to the overall increase in Contract Services. Operating expenses decreased slightly due to haulage and garbage collection, increased repair costs, and buildings and grounds upkeep. Materials had a small decrease over 2020. Personnel Services decreased in salaries due to retirements and position turnover, while fringe costs remained about the same. A transfer of salaries to OSWW and special revenue grants also reduced salaries in 2021, and GASB 68 pension expenses also decreased. There was an increase in retiree insurance over 2020.

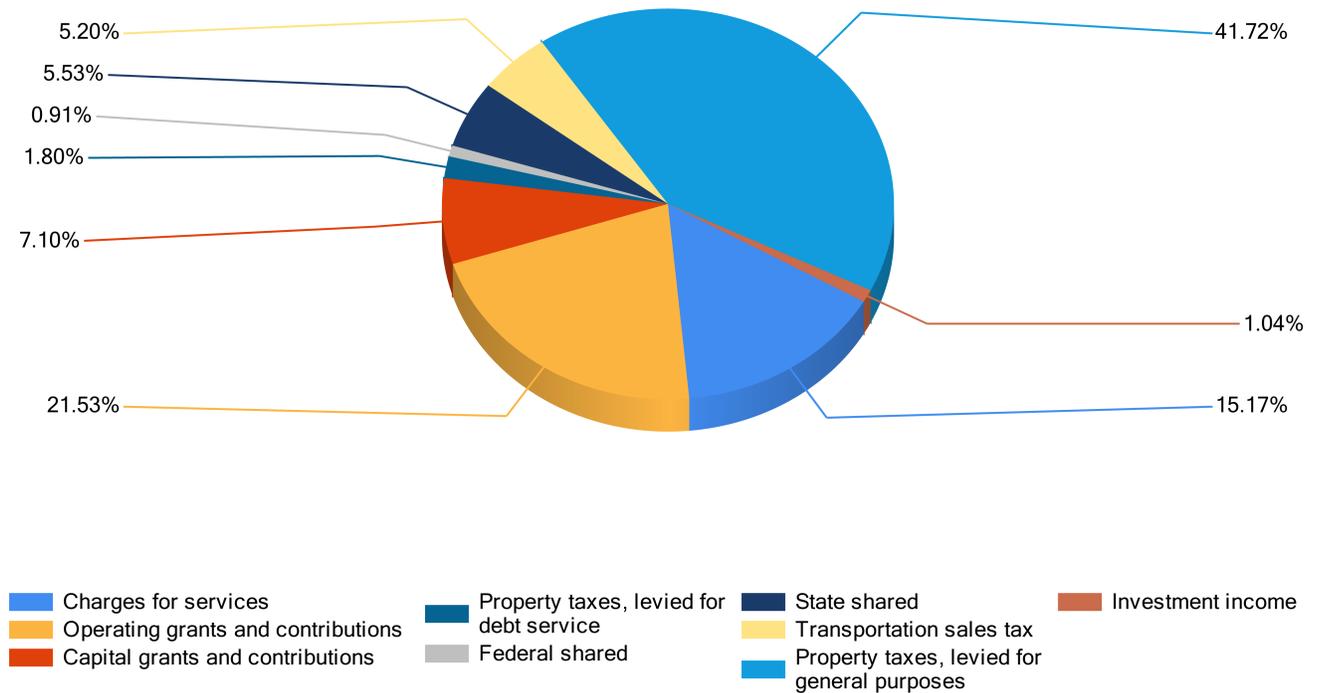
The Environmental Services Fund had a net transfer in of \$237,892. The transfer in was for Environmental Enforcement Cleanup costs and bailer replacement for the recycling center.

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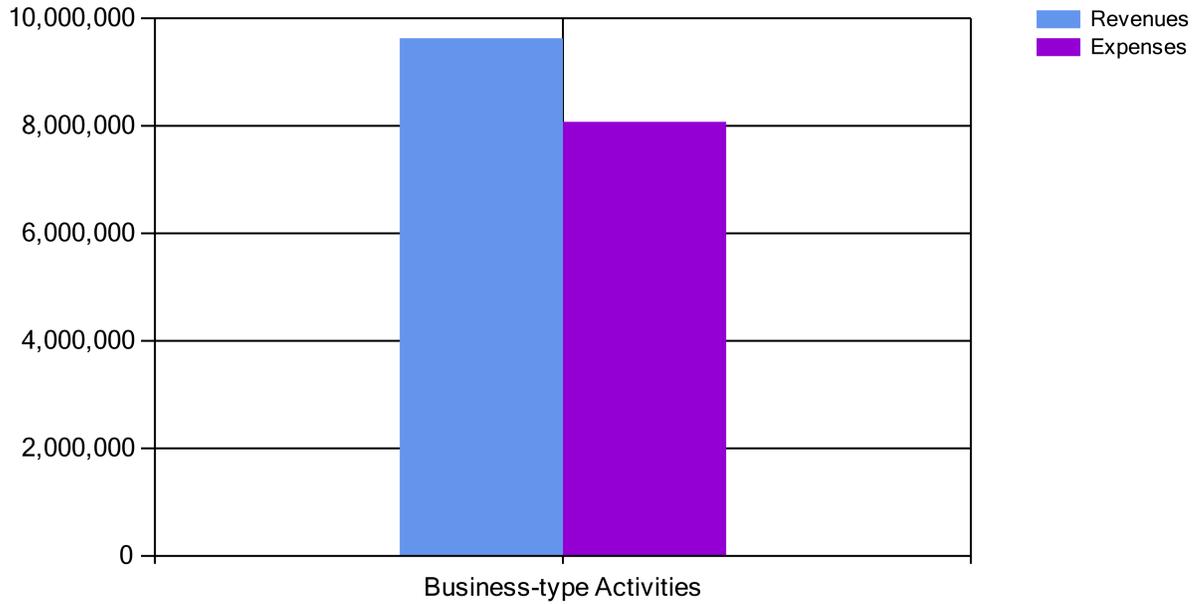
Expenses & Program Revenue: Governmental Activities



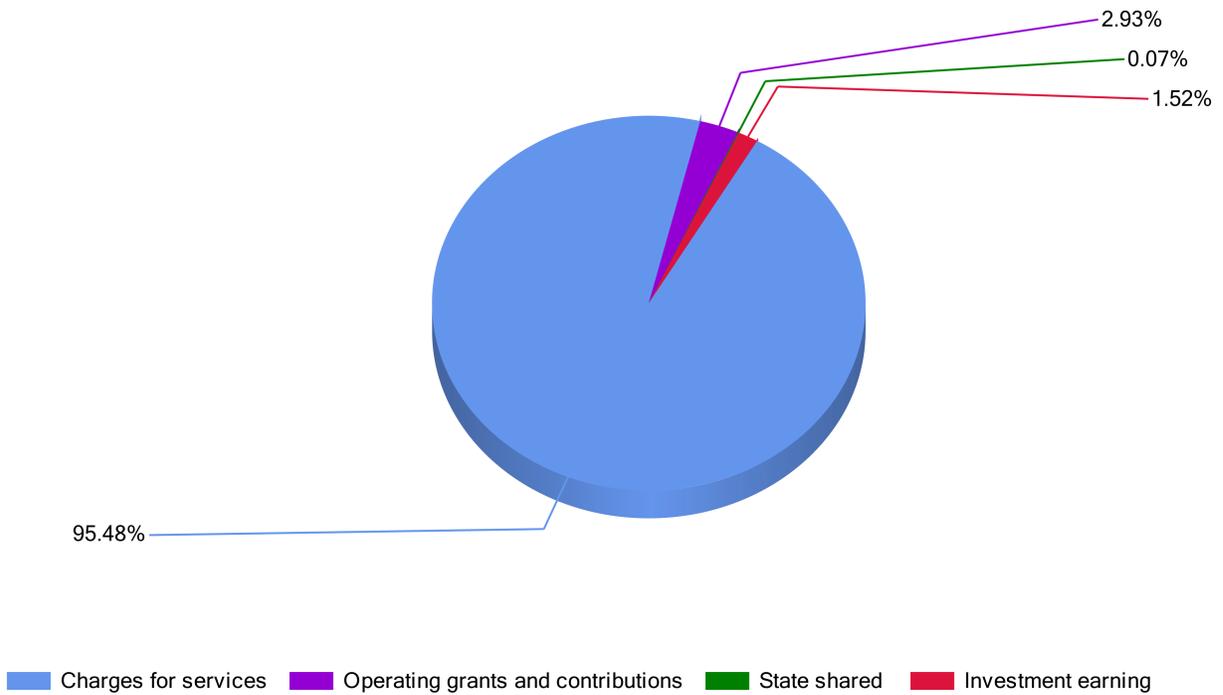
Revenues by Source: Governmental Activities



Expenses and Program Revenues: Business-type Activities



Revenues by Source: Business-type Activities



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Financial Analysis of the Government's Funds

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

Governmental Funds: The focus of St. Louis County governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is helpful in assessing St. Louis County's financing requirements.

St. Louis County's governmental funds reported a combined fund balance of \$259.6 million in 2021, compared with \$249.3 million as previously reported in 2020, an increase of \$10.3 million. Fund balances that are classified as restricted are either nonspendable or restricted and have specific (usually external) constraints placed on their use. Fund balances that are classified as unrestricted are either committed, assigned, or unassigned fund balances. Committed and assigned fund balances are fund balances for which the County has identified a specific purpose. Unassigned fund balances do not have a specific use identified but generally support the cash flows of the County.

Governmental funds reported a restricted fund balance for 2021 of \$93.1 million, or 35.9% of total fund balance, and an unrestricted fund balance of \$166.5 million, or 64.1% of total fund balance. The unrestricted fund balance was \$32.0 million committed, \$91.5 million assigned, and \$43.0 million unassigned. Committed fund balances are approved by the County Board. For example, the Board has decided, by resolution, to set aside money to pay for retiree obligations. Assigned fund balances are amounts that are to be used for specific purposes but are neither restricted nor committed. An unassigned fund balance is a fund balance that has not been reported in any other classification and is only used in the General Fund unless there are deficit fund balances in other funds.

The General Fund is the chief operating fund of the County and is used to account for all financial resources except those required to be accounted for in another fund. The unassigned fund balance of the General Fund was \$43.0 million in 2021, compared to \$43.1 million in 2020. Unassigned fund balances at the end of the year represented 35.8% of General Fund operating revenues and 36.7% of operating expenditures. The Office of the State Auditor recommends that counties maintain an unrestricted fund balance in the General Fund of approximately 35 to 50 percent of operating revenues, or no less than five months of operating expenditures of 41.7%.

In 2021, the fund balance of the County's General Fund increased by \$0.3 million to \$81.2 million. Revenues exceeded expenditures by \$3.0 million, but net other financing sources and uses totaled \$2.7 million. The increase in fund balance was due to position vacancies and funds that were unspent but encumbered at year-end.

The Road and Bridge Fund had a \$27.4 million excess of revenue over expenditures in 2021. This was mainly due to lower than usual Transportation Sales Tax construction expenses due to bond expenses being recorded in the Capital Projects fund; increased Transportation Sales Tax revenue; and lower expenses and increased revenues on State and Federally funded construction projects.

The Public Health and Human Services Fund had revenue in excess of expenditures of \$2.9 million in 2021. This was mainly due to lower Public Aid, travel, and personnel expenditures than planned.

The Pandemic Response Fund had a deficiency of revenues under expenditures of \$4.8 million in 2021. The main reason is that the County had to recognize \$3.9 million of State Relief Aid in 2020 while the expenditures that related to that aid were incurred in 2021. The County also had to use its own reserves to cover ongoing pandemic costs between January and March of 2021 as no federal funding was available during that timeframe.

Pursuant to Minnesota Statutes, the Forfeited Tax Sale Fund distributed \$3.1 million in net proceeds to county funds, cities, towns, and school districts in St. Louis County. The 2021 distribution was \$1.1 million higher than in 2020, mainly due to Land Sales. Seller market property sold at higher prices and online auctions made it more accessible to a larger pool of clients.

The Capital Projects Fund's fund balance increased from \$43.5 million in 2020 to \$46.2 million in 2021. The increase is due to the County issuing \$25.9 million in new debt in 2021 to construct three new Public Works maintenance facilities while spending down the 2020 bond proceeds that allowed the County to further invest in road and bridge improvements.

General Fund Budgetary Highlights

Budgets can be amended during the year by the County Board. Supplemental appropriations or budget reductions are reviewed by the County Administrator and submitted to the County Board for its review and approval. Actual expenditures ended the year at \$15.8 million under the final budget. Expenditure budgets for personnel services (\$3.1 million), operating

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(\$10.8 million), and capital outlay (\$1.9 million) accounted for the unspent budget. The main reasons for the unspent personnel budget are savings realized when positions are vacant before they are refilled, as well as some difficulty filling positions. A large portion of the unspent operating and capital budgets was due to outstanding encumbrances at year-end.

Actual revenues in total for 2021 came in at \$2.6 million under the final budget. Investment earnings were \$3.1 million under budget due to unrealized losses as a result of changes in market values.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At year-end, the County's capital assets totaled \$978.7 million. Of that total, governmental activities accounted for \$970.5 million, and the remaining \$8.2 million belonged to business-type activities. These amounts represent a broad range of capital assets, including land, buildings, machinery, roads, road maintenance equipment, and law enforcement equipment. Details are presented immediately below in Table 3.

Table 3
Capital Assets at Year-End
(Net of Depreciation, in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 3.2	\$ 3.2	\$ 0.3	\$ 0.3	\$ 3.5	\$ 3.5
Buildings and structures	139.1	145.2	1.3	1.4	140.4	146.6
Improvements other than buildings	-	-	5.5	5.4	5.5	5.4
Machinery and equipment	3.8	3.0	0.2	0.2	4.0	3.2
Vehicles	36.8	33.7	0.5	0.6	37.3	34.3
Infrastructure	785.6	751.1	-	-	785.6	751.1
Intangibles	1.8	2.3	-	-	1.8	2.3
Work in progress	0.2	0.6	0.4	-	0.6	0.6
Totals	\$ 970.5	\$ 939.1	\$ 8.2	\$ 7.9	\$ 978.7	\$ 947.0

Capital assets for governmental activities increased (including additions, disposals, and depreciation expense) by \$31.4 million, or 3.3%, over 2020. Additions for 2021 totaled \$63.6 million; disposals were \$0.8 million, and depreciation expense was \$31.3 million.

Total vehicles in 2021 increased by \$3.1 million to \$36.8 million. In 2021, the County purchased 18 automobiles, 17 emergency and road maintenance vehicles, 28 unlicensed vehicles, 8 recreational vehicles, 8 trailers, and leased 12 unlicensed vehicles.

Buildings and structures decreased \$6.1 million to \$139.1 million in 2021. The main reasons for the change are: \$0.7 million of work in progress projects that were completed in 2021; additions of \$0.3 million; disposals of \$0.1 million; and depreciation expense of \$7.0 million.

Work in progress for governmental activities decreased by \$0.4 million in 2021 to \$0.2 million. The main reasons for the change are \$0.3 million of additions to work in progress projects in 2021 and \$0.7 million of work in progress projects completed in 2021.

Business-type activities had total net capital assets increase by \$0.3 million from 2020. The primary reason for the increase was an increase of \$0.4 million in work in progress. The Environmental Services Fund, the only enterprise fund with capital assets, had net capital assets at year-end of \$8.2 million. In 2021, they purchased 3 trailers, 3 roll-off containers, and 1 fiber-optic installation. They continued a feasibility study for a landfill in Canyon, started work on a driveway, and disposed of two trailers.

Additional information on St. Louis County's capital assets can be found in the notes on pages 73 and 74.

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Debt Administration

At year-end, the County had \$165.2 million of outstanding bonded debt that is backed by the full faith and credit of the County. Some of the debt is also secured by specific revenue sources. There is no business-type activity bonded debt.

Table 4
Outstanding Debt, at Year-end
(in Millions)

	Governmental Activities	
	2021	2020
General obligation bonds	\$ 165.2	\$ 165.6

The County's debt decreased by \$0.4 million to \$165.2 million in 2021, compared to an increase of \$21.4 million in 2020. In 2021, the County paid \$25.7 million on existing debt, amortized \$1.2 million in premium, and issued \$25.9 million in new debt. The 2021 bonds were issued to construct three new Public Works maintenance facilities.

Standard and Poor's Rating Service assigned an "AA+" rating to bonds that were issued in 2021.

Additional information on St. Louis County's long-term debt can be found in the notes on pages 75-78.

ECONOMIC FACTORS AND NEXT YEARS' BUDGETS AND RATES

The average unemployment rate for St. Louis County was 4.1% in 2021; the average unemployment rate for the United States was 5.3% and 3.4% for the State of Minnesota, generally.

The County's 2022 budget was passed on December 14, 2021, at a meeting of the St. Louis County Board of Commissioners. The 2022 property tax levy was \$156.5 million, an increase of \$8.8 million compared to 2021.

In 2021, St. Louis County collected \$18.5 million due to implementing a half percent Transportation Sales Tax and \$0.4 million from the Motor Vehicle Excise Tax. The County uses the sales tax revenue to repair roads in the poorest condition, replace critical bridge infrastructure, and accelerate safety projects identified in the County Highway Safety Plan.

County Program Aid received from the State of Minnesota in 2021 was \$13.7 million. Due to the volatility of this revenue in the past, the County is working to reduce its reliance on this aid. In years where aid is fully funded, the amount in excess of the adopted budget will be directed to critical capital investments, reducing future borrowing costs or levy impacts.

Employees are key to the quality of services provided by St. Louis County. The 2022 budget includes 1,881 full-time equivalent employees. Of the total \$463.4 million 2022 budget, \$205.5 million, or 44.3%, was designated for personnel-related costs.

In May of 2021, the County received its first half of the \$54.5 million of American Rescue Plan (ARP) funds, and in June 2022, the County received the second half of the ARP funds that were allocated to St. Louis County.

All of these factors were considered in preparing the County's budget for the 2022 fiscal year.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of St. Louis County's finances and to demonstrate the County's accountability for the money it receives. If you have a question about this report or need information, contact the County Auditor's Office, 100 N. 5th Avenue W., Duluth, Minnesota, 55802-1293.

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and pooled investments	\$ 223,537,586	\$ 2,915,997	\$ 226,453,583
Cash with fiscal agent	2,896,856	-	2,896,856
Investments	79,266,236	9,306,718	88,572,954
Receivables (net)	21,922,548	39,499	21,962,047
Internal balances	355,989	(355,989)	-
Due from other governments	22,637,300	-	22,637,300
Inventories	9,723,297	14,913	9,738,210
Prepaid items	96,928	-	96,928
Restricted assets	328,133	6,181,398	6,509,531
Capital assets not being depreciated	4,646,815	629,524	5,276,339
Capital assets being depreciated, net	965,858,046	7,540,257	973,398,303
Total assets	<u>1,331,269,734</u>	<u>26,272,317</u>	<u>1,357,542,051</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	54,059,581	641,317	54,700,898
Other postemployment benefits	3,503,466	68,946	3,572,412
Total deferred outflows of resources	<u>57,563,047</u>	<u>710,263</u>	<u>58,273,310</u>
LIABILITIES			
Accounts payable	23,303,919	650,000	23,953,919
Unearned revenue	23,948,104	-	23,948,104
Advance from other governments	205,304	-	205,304
Noncurrent liabilities:			
Due within one year	24,612,021	178,320	24,790,341
Due in more than one year	183,767,079	2,247,881	186,014,960
Net pension liability	61,673,742	948,039	62,621,781
Other postemployment benefits liability	12,185,664	239,807	12,425,471
Total liabilities	<u>329,695,833</u>	<u>4,264,047</u>	<u>333,959,880</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related items	70,116,127	1,083,266	71,199,393
Other postemployment benefits	140,503	2,765	143,268
Total deferred inflows of resources	<u>70,256,630</u>	<u>1,086,031</u>	<u>71,342,661</u>
NET POSITION			
Net investment in capital assets	836,031,732	8,169,781	844,201,513
Restricted			
General government	1,747,846	-	1,747,846
Public safety	1,668,399	-	1,668,399
Highways and streets	14,244,472	-	14,244,472
Health and sanitation	1,005,337	-	1,005,337
Human services	2,203,120	-	2,203,120
Conservation of natural resources	403,076	-	403,076
Economic development	2,312,726	-	2,312,726
Debt service	2,826,849	-	2,826,849
Pension	328,133	-	328,133
Permanent Funds:			
Expendable	2,189,272	-	2,189,272
Nonexpendable	27,300,903	-	27,300,903
Financial assurance	-	4,495,530	4,495,530
Unrestricted	96,618,453	8,967,191	105,585,644
Total net position	<u>\$ 988,880,318</u>	<u>\$ 21,632,502</u>	<u>\$ 1,010,512,820</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 51,505,131	\$ 22,122,202	\$ 1,617,454	\$ -	\$ (27,765,475)	\$ -	\$ (27,765,475)
Public safety	55,117,463	3,891,052	3,070,264	-	(48,156,147)	-	(48,156,147)
Highways and streets	66,300,584	4,454,786	18,934,651	25,935,588	(16,975,559)	-	(16,975,559)
Health and sanitation	10,328,701	722,514	6,913,040	-	(2,693,147)	-	(2,693,147)
Human services	99,532,044	13,001,574	44,303,663	-	(42,226,807)	-	(42,226,807)
Culture and recreation	4,460,326	341,520	412,119	-	(3,706,687)	-	(3,706,687)
Conservation of natural resources	9,579,441	10,780,661	299,753	-	1,500,973	-	1,500,973
Economic development	9,254,063	111,470	3,131,582	-	(6,011,011)	-	(6,011,011)
Interest and other charges	4,095,423	-	-	-	(4,095,423)	-	(4,095,423)
Total governmental activities	310,173,176	55,425,779	78,682,526	25,935,588	(150,129,283)	-	(150,129,283)
Business-type Activities:							
Environmental Services	8,060,435	9,318,310	285,972	-	-	1,543,847	1,543,847
Plat Books	19,805	8,804	-	-	-	(11,001)	(11,001)
Total business-type activities	8,080,240	9,327,114	285,972	-	-	1,532,846	1,532,846
Total primary government	\$ 318,253,416	\$ 64,752,893	\$ 78,968,498	\$ 25,935,588	(150,129,283)	1,532,846	(148,596,437)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					152,464,212	-	152,464,212
Property taxes, levied for debt service					6,583,518	-	6,583,518
Transportation sales tax					19,013,745	-	19,013,745
State shared not restricted to specific programs					20,223,258	7,104	20,230,362
Federal shared not restricted to specific programs					3,334,543	-	3,334,543
Investment earnings					3,816,227	148,062	3,964,289
Transfers					(237,892)	237,892	-
Total general revenues and transfers					205,197,611	393,058	205,590,669
Changes in net position					55,068,328	1,925,904	56,994,232
Net position - January 1					933,811,990	19,706,598	953,518,588
Net position - December 31					\$ 988,880,318	\$ 21,632,502	\$ 1,010,512,820

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

GOVERNMENTAL FUNDS

General Fund

General Fund - This fund has been classified as a major fund and is used to account for all financial resources, except those accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures. The following funds have been classified as major funds:

Road and Bridge - This fund is used to account for public works activity.

Public Health and Human Services - This fund is used to account for the operations and financial activities of the Public Health and Human Services Department.

Pandemic Response Fund - This fund is used to account for the expenses related to the COVID-19 pandemic. The major funding sources for this pandemic were federal Coronavirus Relief Funds (CRF) and the American Rescue Plan (ARP).

Forfeited Tax Sale - This fund is used to account for the proceeds from the sale or rental of lands forfeited to the State of Minnesota pursuant to Minn. Stat. ch. 282. The distribution of the net proceeds, after deducting the expenses of the County for managing the tax-forfeited lands, is governed by Minn. Stat. 282.08. The title to the tax-forfeited lands remains with the State until sold by the County.

Capital Projects Fund

Capital Projects Fund - This fund has been classified as a major fund and is used to account for financial resources to be used for acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

ST. LOUIS COUNTY, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Road and Bridge	Public Health and Human Services	Pandemic Response	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 83,657,056	\$ 32,743,612	\$ 32,814,824	\$ 25,033,162	\$ 1,696,229	\$ 20,991,672	\$ 15,359,044	\$ 212,295,599
Cash with fiscal agent	-	-	-	-	-	-	2,896,856	2,896,856
Investments	-	-	-	-	-	24,709,538	27,100,903	51,810,441
Delinquent taxes receivable	1,818,940	595,813	1,338,427	-	-	148,137	208,116	4,109,433
Accounts receivable (net)	242,926	252,837	368,862	-	12,347,005	6,465	47,216	13,265,311
Accrued interest receivable	524,661	-	-	-	398,565	10,540	-	933,766
Loans receivable	166,802	65,856	-	-	-	-	2,065,553	2,298,211
Interfund receivable	47,575	-	-	-	-	-	-	47,575
Due from other governments	2,432,609	11,103,777	8,578,539	-	-	-	522,375	22,637,300
Inventories	-	9,681,822	-	-	-	-	-	9,681,822
Prepaid items	83,909	10,246	-	595	-	-	2,178	96,928
Advances to other funds	-	-	-	-	-	1,612,363	-	1,612,363
Total Assets	88,974,478	54,453,963	43,100,652	25,033,757	14,441,799	47,478,715	48,202,241	321,685,605
LIABILITIES								
Accounts payable	1,630,727	1,434,796	2,441,218	323,690	54,521	501,848	614,937	7,001,737
Contracts payable	-	848,333	-	-	-	610,143	-	1,458,476
Accrued payroll	3,313,346	951,874	2,148,517	1,933	169,107	-	46,618	6,631,395
Interfund payable	-	-	-	-	-	-	47,575	47,575
Due to other governments	432,519	983,558	1,050,348	-	5,723	-	137,728	2,609,876
Unearned revenue	641,887	63,863	202,719	22,494,846	276,952	-	122,504	23,802,771
Advance from other governments	-	205,304	-	-	-	-	-	205,304
Total Liabilities	6,018,479	4,487,728	5,842,802	22,820,469	506,303	1,111,991	969,362	41,757,134
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue								
Taxes	1,529,875	559,910	1,124,655	-	-	121,734	177,525	3,513,699
Grants	232,986	1,819,464	2,203,120	-	-	-	-	4,255,570
Long-term receivables	-	-	-	-	12,565,944	-	-	12,565,944
Total Deferred Inflows of Resources	1,762,861	2,379,374	3,327,775	-	12,565,944	121,734	177,525	20,335,213
FUND BALANCE								
Nonspendable								
Noncurrent loans	166,802	65,856	-	-	-	-	2,065,553	2,298,211
Inventories	-	9,681,822	-	-	-	-	-	9,681,822
Prepaid items	83,909	10,246	-	595	-	-	2,178	96,928
Environmental trust funds	-	-	-	-	-	-	27,100,903	27,100,903
Scholarships	-	-	-	-	-	-	200,000	200,000
Missing heirs	134,652	-	-	-	-	-	-	134,652
Total Nonspendable	385,363	9,757,924	-	595	-	-	29,368,634	39,512,516
Restricted								
Unorganized town roads	-	61,928	-	-	-	-	-	61,928
Transportation sales tax	-	11,753,010	-	-	-	-	-	11,753,010
State aid projects	-	487,051	-	-	-	-	-	487,051
Health and sanitation	-	-	-	-	-	-	49,567	49,567
Debt service	-	-	-	-	-	-	6,019,462	6,019,462
Improvement of natural resources	-	-	-	-	-	-	2,189,272	2,189,272
Economic development	1,036,141	-	-	-	-	-	-	1,036,141
Law library	181,390	-	-	-	-	-	-	181,390
Recorder's equipment	1,053,771	-	-	-	-	-	-	1,053,771
Communications	944,471	-	-	-	-	-	-	944,471
Extension service	403,076	-	-	-	-	-	-	403,076
Tax certificate assurance	198,162	-	-	-	-	-	-	198,162
Attorney forfeitures	114,538	-	-	-	-	-	-	114,538
Sheriff forfeitures	104,342	-	-	-	-	-	-	104,342
Sheriff fines	6,793	-	-	-	-	-	-	6,793
Data integration	113,276	-	-	-	-	-	-	113,276
Veterans' credit	-	-	-	-	15,000	-	-	15,000
Emergency contingency	5,942	-	-	-	23,969	-	-	29,911
Sheriff's contingency	3,341	-	-	-	-	-	-	3,341
Permit to carry	313,525	-	-	-	-	-	-	313,525
Restricted capital improvement	-	-	-	-	-	28,549,990	-	28,549,990
Total Restricted	4,478,768	12,301,989	-	-	38,969	28,549,990	8,258,301	53,628,017
Committed								
Health and sanitation	-	-	-	-	-	-	1,479,352	1,479,352
Conservation of natural resources	-	-	-	-	-	-	6,699,045	6,699,045
Economic development	-	-	-	-	-	-	875,333	875,333
Retiree obligations	6,697,470	2,296,258	4,364,268	-	641,789	-	192,925	14,192,710
Vesting sick leave	4,515,032	1,101,857	2,283,299	-	388,478	-	-	8,288,666
National night out	1,788	-	-	-	-	-	-	1,788
Ditching	-	472,403	-	-	-	-	-	472,403
SLC explorer post	2,155	-	-	-	-	-	-	2,155
Total Committed	11,216,445	3,870,518	6,647,567	-	1,030,267	-	9,246,655	32,011,452

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

ST. LOUIS COUNTY, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Road and Bridge	Public Health and Human Services	Pandemic Response	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assigned								
Out of home placement	\$ -	\$ -	\$ 3,129,573	\$ -	\$ -	\$ -	\$ -	\$ 3,129,573
Major emergency road and bridge repair	-	500,000	-	-	-	-	-	500,000
Local road & bridge construction projects	-	6,311,474	-	-	-	-	-	6,311,474
Gas and diesel variability	-	782,049	-	-	-	-	-	782,049
State aid engineering	-	1,318,066	-	-	-	-	-	1,318,066
Salt budget carryforward	-	303,520	-	-	-	-	-	303,520
Depreciation reserve	-	-	-	-	-	1,398,899	-	1,398,899
Capital improvements	-	-	-	-	-	16,296,101	-	16,296,101
Parking	1,036,739	-	-	-	-	-	-	1,036,739
Economic development	1,206,626	-	-	-	-	-	-	1,206,626
General government	4,740,125	-	-	-	-	-	-	4,740,125
Culture & recreation	30,022	-	-	-	-	-	-	30,022
Public safety	3,276,560	-	-	-	-	-	-	3,276,560
Public safety innovation	508,148	-	-	-	-	-	-	508,148
Highways and streets	-	12,441,321	-	-	-	-	-	12,441,321
Health and sanitation	58,678	-	408,865	-	-	-	-	467,543
Information technology	3,071,394	-	234,909	-	-	-	-	3,306,303
Periodic data match	-	-	139,225	-	-	-	-	139,225
Prevention and Innovation	-	-	2,514,150	-	-	-	-	2,514,150
Human services	-	-	19,143,761	-	-	-	-	19,143,761
Conservation of natural resources	-	-	-	-	300,316	-	183,942	484,258
Planning and zoning GIS	878,986	-	-	-	-	-	-	878,986
Mineral management program	340,000	-	-	-	-	-	-	340,000
Health initiatives	-	-	1,414,654	-	-	-	-	1,414,654
Economic development blight program	821,745	-	-	-	-	-	-	821,745
Elections	173,673	-	-	-	-	-	-	173,673
Camp esquagama	140,000	-	-	-	-	-	-	140,000
Other postemployment benefits	2,000,000	-	-	-	-	-	-	2,000,000
License center	183,359	-	-	-	-	-	-	183,359
COVID pandemic	-	-	-	2,212,693	-	-	-	2,212,693
Scholarships	200,000	-	-	-	-	-	-	200,000
Depot	451,663	-	-	-	-	-	-	451,663
Depot capital	65,000	-	-	-	-	-	-	65,000
Human service conference	-	-	297,371	-	-	-	-	297,371
Film production incentives	1,363,325	-	-	-	-	-	-	1,363,325
Forest management activities	27,131	-	-	-	-	-	-	27,131
Abatements	1,559,886	-	-	-	-	-	-	1,559,886
Total Assigned	22,133,060	21,656,430	27,282,508	2,212,693	300,316	17,695,000	183,942	91,463,949
Unassigned	42,979,502	-	-	-	-	-	(2,178)	42,977,324
Total Fund Balance	81,193,138	47,586,861	33,930,075	2,213,288	1,369,552	46,244,990	47,055,354	259,593,258
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 88,974,478	\$ 54,453,963	\$ 43,100,652	\$ 25,033,757	\$ 14,441,799	\$ 47,478,715	\$ 48,202,241	\$ 321,685,605

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

ST. LOUIS COUNTY, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
 DECEMBER 31, 2021

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund balance - governmental funds (from above)	\$ 259,593,258
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	967,274,978
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources into the funds.	20,663,346
Other long-term assets are reported as deferred inflows of resources.	(70,256,630)
Certain liabilities payable from other long-term assets listed above are also not reported in the funds.	(5,026,378)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(274,883,599)
Other long-term liabilities are reported as deferred outflows of resources.	57,563,047
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance, to individual funds.	
The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Position.	<u>33,952,296</u>
Net position of governmental activities	<u>\$ 988,880,318</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General	Road and Bridge	Public Health and Human Services	Pandemic Response	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	\$ 71,322,507	\$ 46,490,191	\$ 47,566,973	\$ -	\$ -	\$ 5,873,414	\$ 7,376,206	\$ 178,629,291
Licenses and permits	678,624	92,966	-	-	-	-	-	771,590
Intergovernmental	22,485,208	46,263,840	57,368,138	5,090,348	-	242,287	3,773,607	135,223,428
Charges for services	24,141,076	3,142,276	4,905,075	-	-	-	340,592	32,529,019
Fines and forfeits	119,240	-	-	-	-	-	-	119,240
Earnings on investments	(61,216)	1,602	-	-	-	(36,327)	3,822,129	3,726,188
Gifts and contributions	2,265	-	-	-	-	-	-	2,265
Land and timber sales	-	-	-	-	10,185,045	-	445,440	10,630,485
Miscellaneous	1,503,659	1,489,873	909,738	-	147,446	410,221	37,717	4,498,654
Total Revenues	120,191,363	97,480,748	110,749,924	5,090,348	10,332,491	6,489,595	15,795,691	366,130,160
EXPENDITURES								
Current:								
General government	51,864,397	-	-	101,301	-	212,134	-	52,177,832
Public safety	58,001,799	-	-	275,442	-	144,940	-	58,422,181
Highways and streets	-	43,685,735	-	-	-	703,272	-	44,389,007
Health and sanitation	757,119	-	5,656,681	3,221,034	-	4,750	967,872	10,607,456
Human services	680,412	-	102,164,229	275,307	-	-	-	103,119,948
Culture and recreation	2,729,351	-	-	2,264	-	116,470	-	2,848,085
Conservation of natural resources	1,396,091	-	-	-	7,241,109	-	1,067,772	9,704,972
Economic development	932,213	-	-	3,940,417	-	-	4,365,400	9,238,030
Debt service:								
Principal	-	-	-	-	-	623,760	25,743,984	26,367,744
Interest and other charges	-	-	-	-	-	155,998	5,154,795	5,310,793
Capital outlay:								
General government	187,474	-	-	-	-	346,067	-	533,541
Public safety	590,757	-	-	-	-	638	-	591,395
Highways and streets road construction	-	26,354,463	-	2,090,018	-	33,555,990	-	62,000,471
Health and sanitation	-	-	-	2,739	-	16,532	-	19,271
Conservation of natural resources	-	-	-	-	28,191	-	72,948	101,139
Culture and recreation	56,512	-	-	25,665	-	90,809	-	172,986
Total Expenditures	117,196,125	70,040,198	107,820,910	9,934,187	7,269,300	35,971,360	37,372,771	385,604,851
Excess (deficiency) of revenues over (under) expenditures	2,995,238	27,440,550	2,929,014	(4,843,839)	3,063,191	(29,481,765)	(21,577,080)	(19,474,691)
OTHER FINANCING SOURCES (USES)								
Transfers in	2,881,936	1,082,017	97,372	1,700,000	27,460	2,957,956	9,642,716	18,389,457
Transfers (out)	(5,779,065)	(7,532,570)	-	-	(2,984,867)	(847,670)	(1,782,603)	(18,926,775)
Capital leases	-	-	-	-	-	3,118,800	-	3,118,800
Bonds issued	-	-	-	-	-	25,855,000	-	25,855,000
Premium on bonds issued	-	-	-	-	-	662,268	-	662,268
Loan proceeds	-	-	-	-	-	-	71,437	71,437
Sale of capital assets	177,527	13,500	-	-	51,975	460,271	-	703,273
Total other financing sources and uses	(2,719,602)	(6,437,053)	97,372	1,700,000	(2,905,432)	32,206,625	7,931,550	29,873,460
Net change in fund balances	275,636	21,003,497	3,026,386	(3,143,839)	157,759	2,724,860	(13,645,530)	10,398,769
Fund balances - January 1	80,917,502	26,698,103	30,903,689	5,357,127	1,211,793	43,520,130	60,700,884	249,309,228
Increase (decrease) in inventories	-	(114,739)	-	-	-	-	-	(114,739)
Fund balances - December 31	\$ 81,193,138	\$ 47,586,861	\$ 33,930,075	\$ 2,213,288	\$ 1,369,552	\$ 46,244,990	\$ 47,055,354	\$ 259,593,258

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

ST. LOUIS COUNTY, MINNESOTA
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES**
FOR THE YEAR ENDED DECEMBER 31, 2021

Net change in fund balances--total governmental funds (from previous page)	\$ 10,284,030
Amounts reported for governmental activities in the Statement of Activities are different because:	
Unavailable revenues reported in the governmental funds are considered revenues in the Statement of Activities.	(629,062)
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.	
Due to other governments	27,646
Compensated absences	955,225
Bond interest payable	34,312
Bond premium amortization	1,217,674
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 as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	31,751,801
Internal service funds are used by management to charge the costs of certain activities, such as insurance and printing, to individual funds. The net revenue (expense) of the internal service funds is reported along with governmental activities.	4,679,153
Expenditures reported in the governmental funds are not considered expenses in the Statement of Activities.	
Intra-general government function rent	(60,020)
Repayment of bond principal and redemption of refunding bonds is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position.	25,707,368
Proceeds from capital lease (net of payments)	(2,495,040)
The County's proportionate share of the Other Post Employment Benefits	(118,620)
The County's proportionate share of the of the Public Employees Retirement Association of Minnesota	10,302,566
The issuance of long term debt provides current financial resources, but has no effect on net position	(26,588,705)
Change in net position of governmental activities	<u>\$ 55,068,328</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 70,620,112	\$ 70,620,112	\$ 71,322,507	\$ 702,395
Licenses and permits	621,411	621,411	678,624	57,213
Intergovernmental	22,790,478	22,691,573	22,485,208	(206,365)
Charges for services	23,805,381	23,982,225	24,141,076	158,851
Fines and forfeits	95,725	95,725	119,240	23,515
Earnings on investments	3,006,370	3,006,370	(61,216)	(3,067,586)
Gifts and contributions	5,300	6,400	2,265	(4,135)
Miscellaneous	1,590,256	1,792,470	1,503,659	(288,811)
Total revenues	<u>122,535,033</u>	<u>122,816,286</u>	<u>120,191,363</u>	<u>(2,624,923)</u>
EXPENDITURES				
General government				
Non-departmental				
Personnel services	-	209,072	209,072	-
Commissioners				
Personnel services	979,517	991,633	991,633	-
Other operating	285,466	273,350	237,191	36,159
Total commissioners	<u>1,264,983</u>	<u>1,264,983</u>	<u>1,228,824</u>	<u>36,159</u>
Port authority				
Other operating	12,000	12,000	12,000	-
County administrator				
Personnel services	1,578,836	1,578,835	1,281,689	297,146
Other operating	2,168,325	2,057,599	755,202	1,302,397
Total county administrator	<u>3,747,161</u>	<u>3,636,434</u>	<u>2,036,891</u>	<u>1,599,543</u>
Intergovernmental affairs				
Personnel services	163,573	165,564	165,564	-
Other operating	183,100	181,109	150,361	30,748
Total intergovernmental affairs	<u>346,673</u>	<u>346,673</u>	<u>315,925</u>	<u>30,748</u>
Labor relations				
Other operating	152,107	152,107	19,667	132,440
Planning and zoning				
Personnel services	1,863,088	1,747,411	1,747,374	37
Other operating	1,891,456	1,948,640	1,392,074	556,566
Total planning and zoning	<u>3,754,544</u>	<u>3,696,051</u>	<u>3,139,448</u>	<u>556,603</u>
Commitment representation				
Personnel services	2,500	2,500	-	2,500
Other operating	132,528	132,528	85,663	46,865
Total commitment representation	<u>135,028</u>	<u>135,028</u>	<u>85,663</u>	<u>49,365</u>
Court administrator				
Other operating	1,225,018	1,225,018	1,225,018	-
Examiner of titles				
Personnel services	140,896	159,314	159,313	1
Other operating	21,165	21,165	14,563	6,602
Total examiner of titles	<u>162,061</u>	<u>180,479</u>	<u>173,876</u>	<u>6,603</u>
County attorney				
Personnel services	8,432,032	8,448,385	8,393,803	54,582
Other operating	1,772,071	1,645,540	1,220,546	424,994
Total county attorney	<u>10,204,103</u>	<u>10,093,925</u>	<u>9,614,349</u>	<u>479,576</u>
Subtotal	<u>21,003,678</u>	<u>20,951,770</u>	<u>18,060,733</u>	<u>2,891,037</u>

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (CONTINUED)				
General government (continued)				
County auditor				
Personnel services	4,757,962	4,826,652	4,561,247	265,405
Other operating	1,631,507	1,588,606	1,071,644	516,962
Capital outlay	44,543	44,543	34,335	10,208
Total county auditor	<u>6,434,012</u>	<u>6,459,801</u>	<u>5,667,226</u>	<u>792,575</u>
Information technology				
Personnel services	5,404,253	5,404,253	5,218,190	186,063
Other operating	4,949,643	5,856,309	4,182,253	1,674,056
Capital outlay	-	143,748	143,748	-
Total information technology	<u>10,353,896</u>	<u>11,404,310</u>	<u>9,544,191</u>	<u>1,860,119</u>
County assessor				
Personnel services	4,374,685	4,374,685	4,032,407	342,278
Other operating	1,182,205	1,182,205	878,261	303,944
Total county assessor	<u>5,556,890</u>	<u>5,556,890</u>	<u>4,910,668</u>	<u>646,222</u>
Purchasing				
Personnel services	525,885	534,880	534,880	-
Other operating	30,738	30,738	17,791	12,947
Total purchasing	<u>556,623</u>	<u>565,618</u>	<u>552,671</u>	<u>12,947</u>
Microfilming				
Other operating	45,028	45,028	30,028	15,000
Recorder				
Personnel services	1,901,014	1,906,975	1,775,182	131,793
Other operating	466,874	521,436	315,932	205,504
Total recorder	<u>2,367,888</u>	<u>2,428,411</u>	<u>2,091,114</u>	<u>337,297</u>
Human resources				
Personnel services	1,618,591	1,618,591	1,595,643	22,948
Other operating	420,661	420,661	295,590	125,071
Total human resources	<u>2,039,252</u>	<u>2,039,252</u>	<u>1,891,233</u>	<u>148,019</u>
Veteran's service				
Personnel services	709,721	755,024	654,813	100,211
Other operating	152,856	163,100	113,952	49,148
Total veteran's service	<u>862,577</u>	<u>918,124</u>	<u>768,765</u>	<u>149,359</u>
Employee training				
Personnel services	349,914	351,099	344,723	6,376
Other operating	417,542	416,356	235,191	181,165
Total employee training	<u>767,456</u>	<u>767,455</u>	<u>579,914</u>	<u>187,541</u>
Elections				
Other operating	103,395	103,395	45,432	57,963
Subtotal	<u>29,087,017</u>	<u>30,288,284</u>	<u>26,081,242</u>	<u>4,207,042</u>
				continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (CONTINUED)				
General government (continued)				
Property management				
Personnel services	5,024,337	4,859,008	4,775,227	83,781
Other operating	3,277,636	3,171,606	3,079,775	91,831
Capital outlay	1,620	11,011	9,391	1,620
Total property management	<u>8,303,593</u>	<u>8,041,625</u>	<u>7,864,393</u>	<u>177,232</u>
County fee land				
Other operating	-	24,537	24,537	-
Missing heirs				
Other operating	-	10,927	10,927	-
Health care reform				
Other operating	22,026	22,026	10,039	11,987
Total General government	<u>58,416,314</u>	<u>59,339,169</u>	<u>52,051,871</u>	<u>7,287,298</u>
Public safety				
Arrowhead regional corrections				
Other operating	16,583,095	16,583,095	16,577,178	5,917
Sheriff				
Personnel services	15,378,931	15,338,401	14,860,088	478,313
Other operating	4,691,982	4,542,022	3,401,771	1,140,251
Capital outlay	909,020	1,932,656	334,105	1,598,551
Total sheriff	<u>20,979,933</u>	<u>21,813,079</u>	<u>18,595,964</u>	<u>3,217,115</u>
Boat and water safety				
Personnel services	24,377	708	708	-
Other operating	96,087	166,676	155,004	11,672
Capital outlay	16,170	-	-	-
Total boat and water safety	<u>136,634</u>	<u>167,384</u>	<u>155,712</u>	<u>11,672</u>
Medical examiner				
Other operating	619,232	645,448	641,436	4,012
Emergency management				
Personnel services	224,791	350,929	261,717	89,212
Other operating	411,222	392,101	382,939	9,162
Capital outlay	-	52,749	52,749	-
Total emergency management	<u>636,013</u>	<u>795,779</u>	<u>697,405</u>	<u>98,374</u>
Rescue squad				
Other operating	264,389	284,730	282,589	2,141
Capital outlay	10,301	7,617	7,617	-
Total rescue squad	<u>274,690</u>	<u>292,347</u>	<u>290,206</u>	<u>2,141</u>
Law enforcement service				
Personnel services	663,305	687,305	683,759	3,546
Other operating	45,107	55,107	54,360	747
Total law enforcement service	<u>708,412</u>	<u>742,412</u>	<u>738,119</u>	<u>4,293</u>
Emergency communication				
Personnel services	4,660,062	4,716,479	4,528,211	188,268
Other operating	365,150	425,636	361,983	63,653
Total emergency communication	<u>5,025,212</u>	<u>5,142,115</u>	<u>4,890,194</u>	<u>251,921</u>
Ambulance service				
Other operating	100,000	105,000	100,639	4,361
Subtotal	<u>45,063,221</u>	<u>46,286,659</u>	<u>42,686,853</u>	<u>3,599,806</u>

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (CONTINUED)				
Public safety (continued)				
Radio maintenance				
Personnel services	595,074	595,074	383,656	211,418
Other operating	503,971	465,643	329,605	136,038
Capital outlay	108,555	87,883	30,335	57,548
Total radio maintenance	<u>1,207,600</u>	<u>1,148,600</u>	<u>743,596</u>	<u>405,004</u>
Jail prisoners				
Personnel services	8,117,598	8,134,665	7,479,374	655,291
Other operating	4,937,257	5,006,795	4,619,980	386,815
Capital outlay	206,950	206,950	165,951	40,999
Total jail prisoners	<u>13,261,805</u>	<u>13,348,410</u>	<u>12,265,305</u>	<u>1,083,105</u>
Jail building				
Personnel services	682,946	627,701	627,701	-
Other operating	499,919	484,392	484,392	-
Total jail building	<u>1,182,865</u>	<u>1,112,093</u>	<u>1,112,093</u>	<u>-</u>
Mine inspector				
Personnel services	242,112	251,718	251,718	-
Other operating	48,304	48,304	46,937	1,367
Total mine inspector	<u>290,416</u>	<u>300,022</u>	<u>298,655</u>	<u>1,367</u>
Volunteer fire department				
Other operating	658,587	658,587	618,534	40,053
Sheriff fines				
Other operating	13,000	13,000	10,815	2,185
Attorneys forfeitures				
Personnel services	19,732	19,732	19,383	349
Other operating	126,006	145,671	92,047	53,624
Total Attorneys forfeitures	<u>145,738</u>	<u>165,403</u>	<u>111,430</u>	<u>53,973</u>
Sheriff's forfeitures				
Other operating	30,000	40,207	19,108	21,099
Enhanced 9-1-1				
Other operating	261,485	261,485	152,557	108,928
Capital outlay	138,761	138,761	-	138,761
Total enhanced 9-1-1	<u>400,246</u>	<u>400,246</u>	<u>152,557</u>	<u>247,689</u>
Law library				
Other operating	375,010	375,010	182,724	192,286
City/County antenna site				
Other operating	8,241	38,241	34,345	3,896
Sheriff's contingent fund				
Other operating	25,000	25,000	11,400	13,600
Permit to carry				
Personnel services	159,140	240,190	240,190	-
Other operating	143,485	165,485	104,951	60,534
Total permit to carry	<u>302,625</u>	<u>405,675</u>	<u>345,141</u>	<u>60,534</u>
Total Public Safety	<u>62,964,354</u>	<u>64,317,153</u>	<u>58,592,556</u>	<u>5,724,597</u>

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (CONTINUED)				
Health and sanitation				
Occupational safety				
Personnel services	467,519	483,133	483,133	-
Other operating	477,374	452,154	273,986	178,168
Total occupational safety	<u>944,893</u>	<u>935,287</u>	<u>757,119</u>	<u>178,168</u>
Total Health and sanitation	<u>944,893</u>	<u>935,287</u>	<u>757,119</u>	<u>178,168</u>
Human services				
Emergency shelter program				
Personnel services	45,314	45,314	44,814	500
Other operating	842,830	805,244	635,598	169,646
Total emergency shelter program	<u>888,144</u>	<u>850,558</u>	<u>680,412</u>	<u>170,146</u>
Total Human services	<u>888,144</u>	<u>850,558</u>	<u>680,412</u>	<u>170,146</u>
Culture and recreation				
Tourism promotion				
Other operating	232,500	232,961	232,961	-
Depot				
Personnel services	113,521	144,580	144,580	-
Other operating	747,477	718,303	684,633	33,670
Capital outlay	65,000	131,000	56,512	74,488
Total depot	<u>925,998</u>	<u>993,883</u>	<u>885,725</u>	<u>108,158</u>
Arrowhead library system				
Other operating	699,504	699,504	699,503	1
Historical society				
Other operating	431,498	431,498	431,498	-
Community fairs				
Other operating	2,000	2,000	250	1,750
County fair - north				
Other operating	20,000	20,000	10,000	10,000
County fair - south				
Other operating	20,000	20,000	20,000	-
Trail assistance				
Other operating	500,000	500,000	410,926	89,074
Youth activities program				
Other operating	25,000	25,000	25,000	-
Northeast Regional ATV Trail				
Other operating	-	70,000	70,000	-
Total Culture and recreation	<u>2,856,500</u>	<u>2,994,846</u>	<u>2,785,863</u>	<u>208,983</u>

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Conservation of natural resources				
North shore management board				
Other operating	2,500	2,500	2,500	-
Soil conservation - north				
Other operating	60,000	60,000	60,000	-
Soil conservation - south				
Other operating	60,000	60,000	60,000	-
County agent				
Personnel services	298,947	283,457	270,161	13,296
Other operating	501,446	501,446	472,748	28,698
Total county agent	800,393	784,903	742,909	41,994
Youth task force				
Personnel services	302,335	317,825	317,825	-
Other operating	259,416	259,416	212,857	46,559
Total youth task force	561,751	577,241	530,682	46,559
Total Conservation of natural resources	1,484,644	1,484,644	1,396,091	88,553
Economic development				
Revolving loans				
Other operating	656,930	3,063,679	932,213	2,131,466
Total Economic development	656,930	3,063,679	932,213	2,131,466
Total Expenditures	128,211,779	132,985,336	117,196,125	15,789,211
Excess of revenues over (under) expenditures	(5,676,746)	(10,169,050)	2,995,238	13,164,288
OTHER FINANCING SOURCES (USES)				
Transfers in	1,175,536	2,895,739	2,881,936	(13,803)
Transfers (out)	(2,293,495)	(5,779,066)	(5,779,065)	1
Sale of capital assets	25,000	95,571	177,527	81,956
Total other financing sources (uses)	(1,092,959)	(2,787,756)	(2,719,602)	68,154
Net change in fund balances	(6,769,705)	(12,956,806)	275,636	13,232,442
Fund balances - January 1	80,917,502	80,917,502	80,917,502	-
Fund balances - December 31	<u>\$ 74,147,797</u>	<u>\$ 67,960,696</u>	<u>\$ 81,193,138</u>	<u>\$ 13,232,442</u>

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 42,477,634	\$ 42,477,634	\$ 46,490,191	\$ 4,012,557
Licenses and permits	64,000	64,000	92,966	28,966
Intergovernmental	49,069,808	49,696,173	46,263,840	(3,432,333)
Charges for services	892,178	2,850,119	3,142,276	292,157
Earnings on investments	-	-	1,602	1,602
Miscellaneous	947,995	947,995	1,489,873	541,878
Total Revenues	93,451,615	96,035,921	97,480,748	1,444,827
EXPENDITURES				
Highways and streets				
Administration				
Personnel services	4,652,191	4,535,795	4,498,771	37,024
Other operating	2,534,702	3,719,698	1,621,528	2,098,170
Admin capital outlay	132,942	641,105	611,299	29,806
Total administration	7,319,835	8,896,598	6,731,598	2,165,000
Road maintenance				
Personnel services	14,031,981	13,772,164	13,035,747	736,417
Other operating	2,764,803	2,733,055	2,472,607	260,448
Road maintenance capital outlay	-	259,815	259,815	-
Total road maintenance	16,796,784	16,765,034	15,768,169	996,865
Road construction				
Personnel services	3,350,000	135,847	624,030	(488,183)
Other operating	59,868,305	20,561,763	7,085,217	13,476,546
Road construction capital outlay	12,931	25,483,349	25,483,349	-
Total road construction	63,231,236	46,180,959	33,192,596	12,988,363
Equipment maintenance and shops				
Personnel services	4,331,012	4,331,012	4,096,397	234,615
Other operating	11,644,648	11,682,555	10,251,438	1,431,117
Total equipment maintenance and shops	15,975,660	16,013,567	14,347,835	1,665,732
Total Expenditures	103,323,515	87,856,158	70,040,198	17,815,960
Excess of Revenues Over (Under) Expenditures	(9,871,900)	8,179,763	27,440,550	19,260,787
OTHER FINANCING SOURCES (USES)				
Transfers in	105,000	1,107,017	1,082,017	(25,000)
Transfers (out)	(6,963,631)	(7,532,570)	(7,532,570)	-
Sale of capital assets	-	13,500	13,500	-
Total other financing sources (uses)	(6,858,631)	(6,412,053)	(6,437,053)	(25,000)
Net change in fund balances	(16,730,531)	1,767,710	21,003,497	19,235,787
Fund Balance - January 1	26,698,103	26,698,103	26,698,103	-
Increase (decrease) in inventories	-	-	(114,739)	(114,739)
Fund Balance - December 31	\$ 9,967,572	\$ 28,465,813	\$ 47,586,861	\$ 19,121,048

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
PUBLIC HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 47,433,427	\$ 47,433,427	\$ 47,566,973	\$ 133,546
Intergovernmental	64,029,076	62,602,535	57,368,138	(5,234,397)
Charges for services	4,193,056	4,998,203	4,905,075	(93,128)
Miscellaneous	686,625	686,625	909,738	223,113
Total Revenues	116,342,184	115,720,790	110,749,924	(4,970,866)
EXPENDITURES				
Human services				
Administration				
Personnel services	7,413,640	7,478,036	7,099,959	378,077
Other operating	7,183,682	6,960,591	6,567,635	392,956
Total administration	14,597,322	14,438,627	13,667,594	771,033
Income maintenance				
Personnel services	14,685,363	13,983,024	13,514,906	468,118
Other operating	4,218,825	4,306,037	4,102,220	203,817
Total income maintenance	18,904,188	18,289,061	17,617,126	671,935
Social services				
Personnel services	33,241,889	33,814,133	33,749,191	64,942
Other operating	44,012,257	42,627,849	37,130,318	5,497,531
Total social services	77,254,146	76,441,982	70,879,509	5,562,473
Total human services	110,755,656	109,169,670	102,164,229	7,005,441
Health and sanitation				
Administration				
Personnel services	297,471	295,814	273,877	21,937
Other operating	124,803	115,695	92,041	23,654
Total administration	422,274	411,509	365,918	45,591
Nursing				
Personnel services	4,626,369	5,002,985	4,096,095	906,890
Other operating	1,090,988	1,670,838	1,194,668	476,170
Total nursing	5,717,357	6,673,823	5,290,763	1,383,060
Total health and sanitation	6,139,631	7,085,332	5,656,681	1,428,651
Total Expenditures	116,895,287	116,255,002	107,820,910	8,434,092
Excess of Revenues Over (Under) Expenditures	(553,103)	(534,212)	2,929,014	3,463,226
OTHER FINANCING SOURCES (USES)				
Transfers in	97,372	97,372	97,372	-
Total other financing sources (uses)	97,372	97,372	97,372	-
Net change in fund balances	(455,731)	(436,840)	3,026,386	3,463,226
Fund Balance - January 1	30,903,689	30,903,689	30,903,689	-
Fund Balance - December 31	\$ 30,447,958	\$ 30,466,849	\$ 33,930,075	\$ 3,463,226

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
PANDEMIC RESPONSE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 5,166,446	\$ 5,090,348	\$ (76,098)
Total Revenues	-	5,166,446	5,090,348	(76,098)
EXPENDITURES				
General government				
Personnel services	-	36,861	36,861	-
Operating	32,059	95,002	64,440	30,562
Total general government	32,059	131,863	101,301	30,562
Public safety				
Personal services	-	7,962	7,962	-
Operating	15,916	267,480	267,480	-
Total public safety	15,916	275,442	275,442	-
Highways and streets				
Capital	-	2,090,018	2,090,018	-
Total highways and streets	-	2,090,018	2,090,018	-
Health and sanitation				
Personnel services	-	2,270,973	2,270,973	-
Operating	80,996	1,041,018	950,061	90,957
Capital outlay	2,800	5,539	2,739	2,800
Total health and sanitation	83,796	3,317,530	3,223,773	93,757
Human services				
Operating	-	4,913,159	275,307	4,637,852
Total human services	-	4,913,159	275,307	4,637,852
Culture and recreation				
Operating	4,271	2,264	2,264	-
Capital	22,495	25,665	25,665	-
Total culture and recreation	26,766	27,929	27,929	-
Economic development				
Personnel services	-	96,108	96,108	-
Business assistance	-	4,494,309	3,844,309	650,000
Total economic development	-	4,590,417	3,940,417	650,000
Total Expenditures	158,537	15,346,358	9,934,187	5,412,171
Excess of Revenues Over (Under) Expenditures	(158,537)	(10,179,912)	(4,843,839)	5,336,073
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,700,000	1,700,000	-
Total other financing sources (uses)	-	1,700,000	1,700,000	-
Net change in fund balances	(158,537)	(8,479,912)	(3,143,839)	5,336,073
Fund Balance - January 1	5,357,127	5,357,127	5,357,127	-
Fund Balance - December 31	\$ 5,198,590	\$ (3,122,785)	\$ 2,213,288	\$ 5,336,073

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FORFEITED TAX SALE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Land and timber sales	\$ 7,489,294	\$ 7,903,116	\$ 10,185,045	\$ 2,281,929
Miscellaneous	79,505	169,567	147,446	(22,121)
Total Revenues	7,568,799	8,072,683	10,332,491	2,259,808
EXPENDITURES				
Current:				
Conservation of natural resources				
Personnel services	5,519,932	5,447,928	4,834,390	613,538
Other operating	1,796,202	2,755,095	2,406,719	348,376
Capital outlay	103,000	143,092	28,191	114,901
Total Expenditures	7,419,134	8,346,115	7,269,300	1,076,815
Excess of Revenues Over (Under) Expenditures	149,665	(273,432)	3,063,191	3,336,623
OTHER FINANCING SOURCES (USES)				
Transfers in	-	27,460	27,460	-
Transfers (out)	(250,000)	(2,984,867)	(2,984,867)	-
Sale of capital assets	-	-	51,975	51,975
Total other financing sources (uses)	(250,000)	(2,957,407)	(2,905,432)	51,975
Net change in fund balances	(100,335)	(3,230,839)	157,759	3,388,598
Fund Balance - January 1	1,211,793	1,211,793	1,211,793	-
Fund Balance - December 31	\$ 1,111,458	\$ (2,019,046)	\$ 1,369,552	\$ 3,388,598

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

PROPRIETARY FUNDS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business, with the intent that cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following fund has been classified as a major fund:

Environmental Services - This fund is used to account for the management and operations of solid waste activities in St. Louis County outside of the Western Lake Superior Sanitary District.

Plat Books - This is the only nonmajor enterprise fund and is used to account for the production and sale of plat books covering all County lands.

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,787,500	\$ 128,497	\$ 2,915,997	\$ 11,241,987
Investments	9,306,718	-	9,306,718	27,455,795
Accounts receivable (net)	23,547	83	23,630	1,239,856
Accrued interest receivable	15,869	-	15,869	28,396
Inventories	-	14,913	14,913	41,475
Total current assets	<u>12,133,634</u>	<u>143,493</u>	<u>12,277,127</u>	<u>40,007,509</u>
Noncurrent assets:				
Restricted assets				
Financial assurance				
Cash and cash equivalents	2,223,760	-	2,223,760	-
Investments	3,946,169	-	3,946,169	-
Accrued interest receivable	11,469	-	11,469	-
Capital assets				
Land	277,966	-	277,966	25,500
Buildings and structures	7,397,245	-	7,397,245	2,759,175
Improvements other than buildings	11,294,974	-	11,294,974	-
Machinery and equipment	1,386,285	-	1,386,285	95,316
Vehicles	1,674,603	-	1,674,603	3,288,329
Construction in progress	351,558	-	351,558	-
Less accumulated depreciation	<u>(14,212,850)</u>	<u>-</u>	<u>(14,212,850)</u>	<u>(2,938,437)</u>
Total capital assets, net	<u>8,169,781</u>	<u>-</u>	<u>8,169,781</u>	<u>3,229,883</u>
Total noncurrent assets	<u>14,351,179</u>	<u>-</u>	<u>14,351,179</u>	<u>3,229,883</u>
Total assets	<u>26,484,813</u>	<u>143,493</u>	<u>26,628,306</u>	<u>43,237,392</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	641,317	-	641,317	-
Other postemployment benefits	68,946	-	68,946	-
Total deferred outflows of resources	<u>710,263</u>	<u>-</u>	<u>710,263</u>	<u>-</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
LIABILITIES				
Current liabilities:				
Accounts payable	495,143	76	495,219	95,231
Contracts payable	17,578	-	17,578	-
Accrued payroll	99,909	-	99,909	34,417
Compensated absences payable	158,410	-	158,410	50,290
Claims payable	-	-	-	3,896,138
Other postemployment benefits liability	19,910	-	19,910	-
Due to other governments	37,294	-	37,294	245
Unearned revenue	-	-	-	145,333
Advances from other funds	-	-	-	37,497
Total current liabilities	<u>828,244</u>	<u>76</u>	<u>828,320</u>	<u>4,259,151</u>
Noncurrent liabilities:				
Compensated absences payable	562,012	-	562,012	280,148
Claims payable	-	-	-	3,526,920
Other postemployment benefits liability	239,807	-	239,807	-
Advances from other funds	-	-	-	1,574,866
Closure and post-closure liabilities	1,685,869	-	1,685,869	-
Net pension liability	948,039	-	948,039	-
Total noncurrent liabilities	<u>3,435,727</u>	<u>-</u>	<u>3,435,727</u>	<u>5,381,934</u>
Total liabilities	<u>4,263,971</u>	<u>76</u>	<u>4,264,047</u>	<u>9,641,085</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related items	1,083,266	-	1,083,266	-
Other postemployment benefits	2,765	-	2,765	-
Total deferred inflows of resources	<u>1,086,031</u>	<u>-</u>	<u>1,086,031</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	8,169,781	-	8,169,781	3,229,883
Restricted for financial assurance	4,495,530	-	4,495,530	-
Unrestricted	9,179,763	143,417	9,323,180	30,366,424
Total net position	<u>\$ 21,845,074</u>	<u>\$ 143,417</u>	<u>\$ 21,988,491</u>	<u>\$ 33,596,307</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>(355,989)</u>	
Net position of business type activities			<u>\$ 21,632,502</u>	

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
Operating Revenues				
Charges for services	\$ 8,293,629	\$ 8,804	\$ 8,302,433	\$ 40,169,948
Licenses and permits	8,176	-	8,176	-
Other	1,011,601	-	1,011,601	74,062
Total Operating Revenues	<u>9,313,406</u>	<u>8,804</u>	<u>9,322,210</u>	<u>40,244,010</u>
Operating Expenses				
Personnel services	2,435,278	-	2,435,278	1,003,207
Contractual services	5,008,948	-	5,008,948	4,200,025
Materials	269,772	19,805	289,577	405,842
Other postemployment benefits	14,317	-	14,317	-
Claims paid	-	-	-	32,808,325
Depreciation	545,389	-	545,389	473,045
Total Operating Expenses	<u>8,273,704</u>	<u>19,805</u>	<u>8,293,509</u>	<u>38,890,444</u>
Operating Income (Loss)	<u>1,039,702</u>	<u>(11,001)</u>	<u>1,028,701</u>	<u>1,353,566</u>
Nonoperating Revenues (Expenses)				
Taxes	3,552	-	3,552	-
Grants	289,524	-	289,524	188,958
Earnings on investments	148,062	-	148,062	90,039
(Loss) or gain on asset disposal	(2,331)	-	(2,331)	25,948
Claims payable estimate adjustment	-	-	-	2,941,720
Total Nonoperating Revenues (Expenses)	<u>438,807</u>	<u>-</u>	<u>438,807</u>	<u>3,246,665</u>
Income (Loss) Before Transfers	1,478,509	(11,001)	1,467,508	4,600,231
Transfers in	237,892	-	237,892	708,013
Transfers (out)	-	-	-	(408,587)
Change in net position	1,716,401	(11,001)	1,705,400	4,899,657
Net position - January 1	<u>20,128,673</u>	<u>154,418</u>	<u>20,283,091</u>	<u>28,696,650</u>
Net position - December 31	<u>\$ 21,845,074</u>	<u>\$ 143,417</u>	<u>\$ 21,988,491</u>	<u>\$ 33,596,307</u>
Change in net position			\$ 1,705,400	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>220,504</u>	
Change in net position of business type activities			<u>\$ 1,925,904</u>	

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 8,326,288	\$ 8,804	\$ 8,335,092	\$ -
Receipts from interfund services provided	-	(83)	(83)	39,792,950
Payments to suppliers	(4,814,409)	(6,478)	(4,820,887)	(3,708,895)
Payments to employees	(2,737,371)	-	(2,737,371)	(1,013,162)
Claims paid	-	-	-	(32,352,451)
Other receipts (payments)	1,019,727	-	1,019,727	89,039
Net cash provided (used) by operating activities	<u>1,794,235</u>	<u>2,243</u>	<u>1,796,478</u>	<u>2,807,481</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from taxes	3,552	-	3,552	-
Proceeds from grants	289,524	-	289,524	188,958
Transfers from other funds	237,892	-	237,892	708,013
Transfers to other funds	-	-	-	(408,587)
Net cash provided (used) by noncapital financing activities	<u>530,968</u>	<u>-</u>	<u>530,968</u>	<u>488,384</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(800,927)	-	(800,927)	(211,807)
Proceeds from sale of capital assets	4,904	-	4,904	58,116
Proceeds from advance from other funds	-	-	-	(37,497)
Net cash provided (used) by capital and related financing activities	<u>(796,023)</u>	<u>-</u>	<u>(796,023)</u>	<u>(191,188)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(3,611,780)	-	(3,611,780)	(24,911,904)
Sale of investments	2,083,090	-	2,083,090	17,022,200
Interest and dividends	251,375	-	251,375	302,579
Net cash provided by investing activities	<u>(1,277,315)</u>	<u>-</u>	<u>(1,277,315)</u>	<u>(7,587,125)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	251,865	2,243	254,108	(4,482,448)
Balances - January 1	<u>4,759,395</u>	<u>126,254</u>	<u>4,885,649</u>	<u>15,724,435</u>
Balances - December 31	<u>\$ 5,011,260</u>	<u>\$ 128,497</u>	<u>\$ 5,139,757</u>	<u>\$ 11,241,987</u>
Detail on Statement of Net Position				
Cash and cash equivalents				
Current	\$ 2,787,500	\$ 128,497	\$ 2,915,997	\$ 11,241,987
Restricted				
Financial assurance	2,223,760	-	2,223,760	-
Total	<u>\$ 5,011,260</u>	<u>\$ 128,497</u>	<u>\$ 5,139,757</u>	<u>\$ 11,241,987</u>

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 1,039,702	\$ (11,001)	\$ 1,028,701	\$ 1,353,566
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	545,389	-	545,389	473,045
(Increase) Decrease Receivables, net	32,659	(83)	32,576	(122,278)
(Increase) Decrease Prepaid items	300	-	300	-
(Increase) Decrease Inventories	-	13,562	13,562	(3,182)
(Increase) Decrease Deferred pension outflows	(539,537)	-	(539,537)	-
(Increase) Decrease Deferred health outflows	12,254	-	12,254	-
Increase (Decrease) Net pension liability	(580,803)	-	(580,803)	-
Increase (Decrease) Deferred pension inflows	889,070	-	889,070	-
Increase (Decrease) Deferred health inflows	(907)	-	(907)	-
Increase (Decrease) Accounts payable	91,164	(235)	90,929	12,262
Increase (Decrease) Contracts payable	17,578	-	17,578	-
Increase (Decrease) Salaries payable	13,466	-	13,466	3,025
Increase (Decrease) Compensated absences payable	(98,607)	-	(98,607)	(12,918)
Increase (Decrease) Claims payable	-	-	-	1,395,079
Increase (Decrease) Due to other governments	(18,511)	-	(18,511)	(51,500)
Increase (Decrease) Other postemployment benefits	2,971	-	2,971	-
Increase (Decrease) Unearned revenue	(50)	-	(50)	(239,618)
Increase (Decrease) Closure payable	388,097	-	388,097	-
Total Adjustments	<u>754,533</u>	<u>13,244</u>	<u>767,777</u>	<u>1,453,915</u>
Net cash provided (used) by operating activities	<u>\$ 1,794,235</u>	<u>\$ 2,243</u>	<u>\$ 1,796,478</u>	<u>\$ 2,807,481</u>
NON-CASH ACTIVITIES				
Change in fair value of investments	\$ (148,062)	\$ -	\$ (148,062)	\$ (213,865)

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

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and which, therefore, cannot be used to support the government's own programs.

Private purpose trust funds - are used to report trust arrangements, other than pension and investment trusts, under which principal and income benefit individuals, private organizations, or other governments.

Social Welfare Fund - This fund is used to manage the day-to-day finances of St. Louis County citizens that are not able to manage their own finances.

Custodial funds - are used to report resources held by the reporting government in a purely custodial capacity.

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 159,738	\$ 17,613,723
Investments	-	10,434,018
Taxes receivable	-	6,223,372
Accounts receivable	-	213,787
Accrued interest receivable	-	2,937
Due from other governments	-	3,434,798
Prepaid items	-	11
Total Assets	159,738	37,922,646
LIABILITIES		
Accounts payable	-	2,243,117
Contracts payable	-	75,149
Accrued payroll	-	781,749
Unearned revenue	-	246,881
Due to other governments	-	7,723,499
Total Liabilities	-	11,070,395
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - prepaid taxes	-	89,062
NET POSITION		
Restricted		
Held in trust for pool participants	-	8,603,744
Individuals, organizations, and other governments	-	6,691,525
Retiree obligations	-	3,640,255
Arrowhead regional corrections	-	3,375,038
Regional rail authority	-	2,497,350
Minneapolis-Duluth/Superior passenger rail alliance	-	44,709
Community health board	-	127,656
Duluth area family service collaborative	-	901,130
Local collaborative time study	-	449,867
Northern counties land use board	-	68,765
Voyageurs national park joint venture	-	5,026
Ash river sanitary district	-	261,124
Social welfare fund	159,738	-
ATV Joint Powers Board	-	97,000
Total net position	\$ 159,738	\$ 26,763,189

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Property tax collections for other governments	\$ -	\$ 199,406,794
License and fee collections for other governments	-	1,095
License and fee collections for State of MN	-	50,286,048
Contributions individuals	1,374,406	543,491
Estate recoveries	-	2,038,557
Taconite taxes for State of MN	-	37,686,191
Intergovernmental	-	39,413,440
Charges for services	-	2,795,696
Fines and forfeits	-	12,024
Earnings on investments	-	32,264
Gifts and contributions	-	217,282
Miscellaneous	-	438,528
Total Additions	1,374,406	332,871,410
DEDUCTIONS		
Distribution to other governments	-	17,461,673
Payment of property tax to other governments	-	222,836,742
Payment on behalf of individuals	1,514,250	-
Distributions to participants	-	1,088,923
Distribution of recoveries	-	2,038,557
Payment of fee, fine and license revenue to others	-	11,023
Payments to State of MN	-	50,286,048
Personnel services	-	23,368,722
Other operating	-	9,486,030
Capital outlay	-	5,539,525
Total Deductions	1,514,250	332,117,243
Changes in net position	(139,844)	754,167
Net position - January 1	299,582	23,313,943
Restatement	-	2,695,079
Net position - January 1 (restated)	299,582	26,009,022
Net position - December 31	\$ 159,738	\$ 26,763,189

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2021

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ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 1. Summary of Significant Accounting Policies

The financial reporting policies of St. Louis County conform to Generally Accepted Accounting Principles. The following is a summary of significant policies.

A. Financial Reporting Entity

St. Louis County was established March 1, 1856, as an organized county having powers, duties, and privileges granted to counties by Minn. Stat. Ch. 373. The County is governed by a seven-member Board of Commissioners elected from districts within the County. A County Administrator is appointed by the County Board. The board is organized with a chair and vice-chair elected at the annual meeting in January of each year. The County Auditor, elected on a county-wide basis, serves as the Clerk of the Board of Commissioners but has no voting privileges.

As a result of applying applicable Governmental Accounting Standards Board (GASB) statements for determining the reporting entity, the following organization has been included in the County's financial statements as a blended component unit.

St. Louis County Housing and Redevelopment Authority (Blended Component Unit)

The St. Louis County Housing and Redevelopment Authority is headed by a Board comprised of all the members of the St. Louis County Board of Commissioners. It was established for the purpose of conducting housing and economic development services for St. Louis County. The County Administrator is the Executive Director of the Authority. The Authority follows the same accounting policies as the County. The Authority levies a tax on certain areas of the County, subject to a maximum amount established by the County Board, to help support the Authority's activities.

Separate financial information can be obtained from the St. Louis County Auditor-Treasurer's Office.

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 nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule include payments in lieu of taxes and other charges between the County's proprietary operations and various other functions of the County. Elimination of these charges would distort direct costs and program revenues reported for the various functions concerned. Another exception is interfund rent, which is considered an interfund service provided and used. It is only eliminated in the general government function. Governmental activities, which are normally 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 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. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a specific function or segment; and 2) grants and contributions restricted to meeting a specific function or segment's operational or capital requirements. Taxes are not included within program revenues and are reported as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. Revenues received but not earned are recorded as unearned revenue in the fund statements. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and other long-term obligations, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The Road and Bridge Special Revenue Fund accounts for the proceeds from revenue sources restricted to expenditures related to public works activities. Revenues are generated from taxes, state aid, and federal grants.

The Public Health and Human Services Special Revenue Fund accounts for the operations and financial activities of the Public Health and Human Services Department. Revenues are generated from taxes, state aid, and federal grants.

The Pandemic Response Fund is used to account for the expenses related to the COVID-19 pandemic. The major funding sources for this pandemic were federal Coronavirus Relief funds (CRF) and the American Rescue Plan (ARP).

The Forfeited Tax Sale Special Revenue Fund accounts for the proceeds from the sale or lease of lands forfeited to the State of Minnesota. Revenues are generated from the sale or lease of land and timber.

The Capital Projects Fund accounts for building and remodeling projects for governmental activities.

The County reports the following major proprietary fund:

The Environmental Services Fund accounts for the activities of solid waste and recycling operations within the County, but outside the Western Lake Superior Sanitary District service area.

Additionally, the County reports the following fund types:

The Nonmajor Special Revenue Funds account for the Housing and Redevelopment Authority activities, the Community Development Block Grant activities, the Northeast Minnesota Housing Consortium, Septic Services, and Forest Resources activities.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt.

The Shoreline Sales Permanent Fund is used to report resources that are legally restricted to the extent that only up to 5-1/2 percent of the market value of the fund on January 1 of the preceding calendar year may be used to support the County's programs.

The Scholarship Permanent Fund is used to account for a scholarship program. State Statute 298.2215 allows the County to establish a scholarship program for high school students. This program is funded by iron ore royalties on tax-forfeited minerals. These royalties will continue to accumulate and then interest revenue will be used to fund scholarships.

Plat Book activities are covered by Enterprise Funds.

Internal Service Funds account for County Garage (fleet management) services; Property, Casualty, and Liability Insurance coverage; Workers' Compensation Insurance coverage; Medical/Dental Insurance coverage; and Retired Employees' Health Insurance coverage provided to other departments or agencies of the County or to other governments on a cost reimbursement basis.

A Private Purpose Trust is used to account for the Social Welfare Fund, which is used to manage the day-to-day finances of St. Louis County citizens that are not able to manage their own finances.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

The Custodial Funds account for resources held by the County in a purely custodial capacity and include the NEMESIS, State of Minnesota, Beer-Auctioneer Licenses, Taxes and Penalties, Arrowhead Regional Corrections, Regional Rail Authority, Minneapolis - Duluth/Superior Passenger Rail Alliance, Community Health Board, Duluth Area Family Service Collaborative, Local Collaborative Time Study, Northern Counties Land Use Board, Voyageurs National Park Joint Venture, Ash River Sanitary District, ATV Joint Powers Board, Crane Lake - LCCMR Grant, Brookston - LCCMR Grant, MN Regional Parks and Trails, Sheriff Forfeits/Evidence, Estate Recovery Fund, Jail Inmate/Kiosk, NEECB, Civil Fund, Taconite Relief and Taconite Production Tax.

The County's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as of and for the year ended December 31, 2021. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

D. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Differences Between the Governmental Funds Balance Sheet and the Statement of Net Position

The "total fund balances" of the County's governmental funds differ from the "net position" of governmental activities reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental funds balance sheet.

	Total Governmental Funds	Long-term Assets Liabilities (1)	Internal Service Funds (2)	Reclassification and Elimination (3)	Statement of Net Position Total
ASSETS					
Cash and cash equivalents/pooled investments	\$ 212,295,599	\$ -	\$ 11,241,987	\$ -	\$ 223,537,586
Cash with fiscal agent	2,896,856	-	-	-	2,896,856
Investments	51,810,441	-	27,455,795	-	79,266,236
Delinquent taxes receivable	4,109,433	-	-	(4,109,433)	-
Accounts receivable (net)	13,265,311	-	1,239,856	(14,505,167)	-
Accrued interest receivable	933,766	-	28,396	(962,162)	-
Loans receivable	2,298,211	-	-	(2,298,211)	-
Interfund receivable	47,575	-	-	(47,575)	-
Due from other governments	22,637,300	-	-	-	22,637,300
Receivables (net)	-	-	-	21,922,548	21,922,548
Internal balances	-	-	355,989	-	355,989
Inventories	9,681,822	-	41,475	-	9,723,297
Prepaid items	96,928	-	-	-	96,928
Restricted assets	-	328,133	-	-	328,133
Advances to other funds	1,612,363	-	-	(1,612,363)	-
Capital assets not being depreciated	-	4,621,315	25,500	-	4,646,815
Capital assets being depreciated, net	-	962,653,663	3,204,383	-	965,858,046
Total Assets	321,685,605	967,603,111	43,593,381	(1,612,363)	1,331,269,734
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	-	54,059,581	-	-	54,059,581
Other postemployment benefits	-	3,503,466	-	-	3,503,466
Total Deferred Outflows of Resources	-	57,563,047	-	-	57,563,047
LIABILITIES					
Accounts payable	7,001,737	-	95,231	16,206,951	23,303,919
Contracts payable	1,458,476	-	-	(1,458,476)	-
Salaries payable	6,631,395	-	34,417	(6,665,812)	-
Interfund payable	47,575	-	-	(47,575)	-
Bond interest payable	-	398,589	-	(398,589)	-
Due to other governments	2,609,876	5,026,378	245	(7,636,499)	-
Unearned revenue	23,802,771	-	145,333	-	23,948,104
Advance from other governments	205,304	-	-	-	205,304
Due within one year	-	20,665,593	3,983,925	(37,497)	24,612,021
Due in more than one year	-	179,960,011	5,381,934	(1,574,866)	183,767,079
Net pension liability	-	61,673,742	-	-	61,673,742
Other postemployment benefits liability	-	12,185,664	-	-	12,185,664
Total Liabilities	41,757,134	279,909,977	9,641,085	(1,612,363)	329,695,833
DEFERRED INFLOWS OF RESOURCES					
Taxes	3,513,699	(3,513,699)	-	-	-
Grants	4,255,570	(4,255,570)	-	-	-
Pension related items	-	70,116,127	-	-	70,116,127
Other postemployment benefits	-	140,503	-	-	140,503
Long-term receivables	12,565,944	(12,565,944)	-	-	-
Total Deferred Inflows of Resources	20,335,213	49,921,417	-	-	70,256,630
FUND BALANCE/NET POSITION					
Net investment in capital assets	-	832,801,849	3,229,883	-	836,031,732
Nonspendable	39,512,516	-	-	(39,512,516)	-
Restricted	53,628,017	(36,910,400)	-	39,512,516	56,230,133
Committed	32,011,452	-	-	(32,011,452)	-
Assigned	91,463,949	-	-	(91,463,949)	-
Unassigned	42,977,324	(100,556,685)	30,722,413	26,856,948	-
Unrestricted	-	-	-	96,618,453	96,618,453
Total Fund Balance/Net Position	259,593,258	695,334,764	33,952,296	-	988,880,318
Total Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position	\$ 321,685,605	\$ 1,025,166,158	\$ 43,593,381	\$ (1,612,363)	\$ 1,388,832,781

ST. LOUIS COUNTY, MINNESOTA
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(1) When capital assets (land, buildings, and equipment) for governmental use are purchased or constructed, the cost of those assets is reported as an expenditure in governmental funds. However, the statement of net position includes those capital assets among the assets of the County as a whole.

Cost of capital assets	\$ 1,415,619,505
Accumulated depreciation	<u>(448,344,527)</u>
	<u>\$ 967,274,978</u>

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by unavailable revenue in the governmental funds and thus are not included in the fund balance. Also, there are liabilities related to some of these deferred inflows of resources that are not included in the fund balance.

Adjustment of unavailable revenue	<u>\$ (20,335,213)</u>
Adjustment of due to other governments	<u>\$ 5,026,378</u>

Long-term liabilities applicable to the County's government activities are not due and payable in the current period and, accordingly, are not reported in fund liabilities. All liabilities, both those due within one year and those due in more than one year, are reported in the statement of net position. Balances as of December 31, 2021, were:

Bond interest payable \$ 398,589

	Due Within One Year	Due In More Than One Year	Total
Bonds and notes payable	\$ 10,087,463	\$ 155,400,981	\$ 165,488,444
Compensated absences	8,992,925	22,967,898	31,960,823
Claims payable	3,896,138	3,526,920	7,423,058
Capital lease payable	623,760	1,871,280	2,495,040
Other postemployment benefits liability	1,011,735	12,185,664	13,197,399
	<u>\$ 24,612,021</u>	<u>\$ 195,952,743</u>	<u>\$ 220,564,764</u>

Net pension liability (decreased by net pension asset of \$328,133)	\$ 61,345,609
Pension related items - deferred outflows	(54,059,581)
Pension related items - deferred inflows	70,116,127
	<u>\$ 77,402,155</u>

Other postemployment benefits - deferred outflows	(3,503,466)
Other postemployment benefits - deferred inflows	140,503
	<u>\$ (3,362,963)</u>

(2) Internal service funds are used by management to charge the cost of certain activities, such as insurance and motor pool charges, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position. The amount chargeable to the business-type activities is shown as an internal balance. The internal balance is due from business-type activities.

Internal balance due from business-type activities \$ 355,989

(3) Reclassifications are used primarily to condense various receivables and payables into single totals; receivables, net and accounts payable.

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Explanation of Differences Between the Governmental Funds Operating Statement and the Statement of Activities

The "net change in fund balances" for governmental funds differs from the "change in net position" for governmental activities reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds.

	Total Governmental Funds	Long-term Revenue, Expenses (1)	Long-Term Debt and Capital Related Items (2) & (4)	Internal Service Funds (3)	Revenue Reclass	Statement of Activities Totals
Revenues and Other Sources						
Taxes	\$ 178,629,291	\$ (621,476)	\$ -	\$ -	\$ (178,007,815)	\$ -
Property taxes						
General purpose	-	-	-	-	152,464,212	152,464,212
Debt service	-	-	-	-	6,583,518	6,583,518
Transportation sales tax	-	53,660	-	-	18,960,085	19,013,745
Licenses and permits	771,590	-	-	-	(771,590)	-
Intergovernmental	135,223,428	-	-	-	(135,223,428)	-
State shared	-	(20,388)	-	-	20,243,646	20,223,258
Federal shared	-	-	-	-	3,334,543	3,334,543
Operating grants	-	1,348,612	-	-	77,333,914	78,682,526
Capital grants	-	(916,696)	-	-	26,852,284	25,935,588
Charges for services	32,529,019	(424,046)	-	-	23,320,806	55,425,779
Fines and forfeits	119,240	-	-	-	(119,240)	-
Earnings on						
investments	3,726,188	-	-	90,039	-	3,816,227
Gifts and contributions	2,265	-	-	-	(2,265)	-
Land and timber sales	10,630,485	(69,116)	(794,626)	-	(9,766,743)	-
Miscellaneous	4,498,654	-	703,273	-	(5,201,927)	-
Total	366,130,160	(649,450)	(91,353)	90,039	-	365,479,396
Expenditures/Expenses						
Current:						
General government	52,177,832	(1,977,089)	2,750,000	(1,445,612)	-	51,505,131
Public safety	58,422,181	(4,539,213)	2,181,764	(947,269)	-	55,117,463
Highways and streets	44,389,007	(1,102,969)	23,728,307	(713,761)	-	66,300,584
Health and sanitation	10,607,456	(276,151)	83,752	(86,356)	-	10,328,701
Human services	103,119,948	(2,834,404)	242,872	(996,372)	-	99,532,044
Culture and recreation	2,848,085	(273)	1,612,514	-	-	4,460,326
Conservation of						
natural resources	9,704,972	(273,612)	248,399	(100,318)	-	9,579,441
Economic development	9,238,030	(8,735)	24,768	-	-	9,254,063
Debt service:						
Principal	26,367,744	-	(26,367,744)	-	-	-
Interest and other charges	5,310,793	-	(1,215,370)	-	-	4,095,423
Capital outlay	63,418,803	-	(63,418,803)	-	-	-
Total	385,604,851	(11,012,446)	(60,129,541)	(4,289,688)	-	310,173,176
Other financing uses/changes in net position:						
Transfers in	18,389,457	-	-	708,013	-	19,097,470
Transfers out	(18,926,775)	-	-	(408,587)	-	(19,335,362)
Capital lease	3,118,800	-	(3,118,800)	-	-	-
Bonds issued	25,855,000	-	(25,855,000)	-	-	-
Premium on bonds issued	662,268	-	(662,268)	-	-	-
Sale of capital assets	703,273	-	(703,273)	-	-	-
Loan proceeds	71,437	-	(71,437)	-	-	-
Decrease in inventories	(114,739)	114,739	-	-	-	-
Total	29,758,721	114,739	(30,410,778)	299,426	-	(237,892)
Net change for the year	\$ 10,284,030	\$ 10,477,735	\$ 29,627,410	\$ 4,679,153	\$ -	\$ 55,068,328

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(1) Because some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered as "available revenues" in the governmental funds. Similarly, receivables for certain aid and grant revenues not available for expenditure are deferred inflows of resources. The adjustment to revenue between the governmental fund statements and the statement of activities is the change in deferred inflows of resources. In addition, intra-general government function rent charges are eliminated.

Property taxes	\$ (621,476)
Long-term receivables:	
Intergovernmental	465,188
Intra-general government function rent	60,020
Charges for services	(484,066)
Land & timber sales	(69,116)
	\$ (649,450)

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. Changes in long-term liabilities (compensated absences and capital leases) also result in an expense in the statement of activities. In addition, intra-general government function expenses are eliminated.

Due to other governments	\$ (27,646)
Intra-general government function rent	60,020
Increase in inventories	114,739
Compensated absences	(955,225)
Pensions	(10,322,954)
Other postemployment benefits	118,620
	\$ (11,012,446)

(2) When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, the fund balance decreases by the amount of financial resources expended, whereas the net position decreases by the amount of depreciation expense charged for the year.

Capital outlay	\$ (63,418,803)
Net disposal of capital assets	794,626
Depreciation expense	30,872,376
Difference	\$ (31,751,801)

(3) Internal service funds are used by management to charge the costs of certain activities, such as insurance and printing, to individual funds. The adjustments for internal service funds "close" those funds by debiting or crediting additional amounts to participating governmental and business-type activities to completely cover the internal service funds' income or loss for the year.

(4) Issuance of bonds is reported as another financing source in governmental funds and, thus, has the effect of increasing fund balance because current financial resources are available. For the County as a whole, however, the principal payments increase the liabilities in the statement of net position and do not result in available funds. The County's bonded debt was reduced when principal payments were made to bond holders. In addition, some financing 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.

Principal payments made	\$ (25,707,368)
Capital lease payments	(623,760)
Bond interest payable	(34,312)
Bond premium amortization	(1,217,674)
	\$ (27,583,114)

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E. Budgetary Data

General Budget Policies

The County is required by Minn. Stat. Ch. 383C to adopt an annual budget for the General, Special Revenue, and Debt Service Funds. These budgets are prepared on the modified accrual basis of accounting.

The County is also required to adopt a budget for the Capital Projects Fund. An appropriation for expenditures from the capital project fund continues in force until the purpose for which it was made has been accomplished or abandoned. The purpose of a capital expenditure appropriation is abandoned if three years pass without a disbursement from or encumbrance of the appropriation, or at the discretion of the County Administrator. These budget periods are not consistent with the method of financial reporting; therefore, the comparison between the results of operations and the budget in this fund is not relevant and is not presented.

The County Board has established the legal level of control for County departments to be at the agency level. County departments are comprised of one or more sub-departments (agencies). Each department (Sheriff) can spend its agency-level budgets (Jail, Sheriff Patrol, Boat and Water Safety, and others) on any line item within that agency so long as the total agency budget is not overspent. However, no public aid assistance and/or personal services budget authority may be used for any other purpose without Board approval. The budgetary comparisons included in the Governmental Funds subsection of this report demonstrate compliance with the legal level of budgetary control.

The County Board also authorizes Department Heads to add and delete positions within their personnel complement so long as the total full-time equivalent personnel complement does not exceed the total number of authorized positions approved by the County Board.

All transfers of appropriations between departments require the approval of the County Board. Each appropriation, except an appropriation within the Capital Projects Fund, lapses at the close of the fiscal year to the extent that it has not been expended or encumbered. Amounts of funds unexpended at the end of the fiscal year may be carried over from one fiscal year to the next in accordance with generally accepted accounting principles.

Budgets can be amended during the year by the County Board. Supplemental appropriations or budget reductions are reviewed by the County Administrator's office and submitted to the County Board for its review and approval. If approved, changes are implemented by the Auditor's Office as budget revisions. Supplemental appropriations could be required due to several factors, including the awarding of state and federal grants during the year and providing funding for unanticipated program requirements. Budget revisions were necessary during the year. The effect of these amendments was an increase in budgeted County funds of \$26,995,071.

Procedure for Preparing the Annual Budget

1. Early each year, the County Administrator meets with budget staff to discuss preparations for next year's budget. A basic budget strategy is developed at that time, based on guidelines and policies established by the County Board.
2. Budget training is conducted and a budget manual is provided which outlines the County Administrator's basic guidelines for preparing the budget proposal.
3. By mid-June, departments must submit preliminary estimates of requested appropriations and anticipated revenues. These figures are used to determine the amount of tax levy required to meet departmental requests, and the amount of budget adjustments that the County Administrator needs to make during the preliminary budget meetings in order to meet goals established by the County Board.
4. Preliminary budget meetings are held by the County Administrator with each department. These meetings begin about late June and last until about mid-July.
5. The County Administrator's budget recommendation is delivered to the County Board prior to September 30. The County Board will certify by resolution to the County Auditor a maximum proposed property tax levy by September 30th, which will be used to comply with Truth in Taxation provisions of state law.
6. The County Board holds formal public meetings on the proposed budget and adopts by resolution the final budget and tax levy on or before December 28.

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F. Restatement and Reclassifications

The net position has been restated in the Taxes and Penalties Custodial Fund to capture all uncollected taxes levied as of the year ended December 31, 2020. Previously, the County only recorded uncollected taxes receivable from years levied prior to the respective current year.

	Taxes and Penalties Fund
Net Position, December 31, 2020 as previously reported	\$ 3,855,907
Effect of the change	2,695,079
Net Position, December 31, 2020 as restated	\$ 6,550,986

Several account balances were reclassified as of and for the year ended December 31, 2020, as previously reported. These reclassifications, which did not require a restatement of net position or fund balance, were required for comparability to the financial statements as of and for the year ended December 31, 2021. Although comparative statements for 2020 are not presented here, these reclassifications must be considered when comparing the financial statements of this report with those of prior reports.

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

Cash and Pooled Investments

Available cash balances from all funds are pooled and invested in accordance with Minnesota State Statutes. Cash balances and pooled investments are at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year end. The County has not provided or obtained any legally binding guarantees to support the value of the pool. Pursuant to Minn. Stat. §385.07, investment earnings on cash balances and pooled investments are credited to the General Fund. Other funds received investment earnings based on other statutes, grant agreements, contracts, and bond covenants. Pooled investment earnings debited to the General Fund for 2021 were \$61,216. Each fund's share of the pool is shown on the financial statements as "Cash and Cash Equivalents." For proprietary fund-type statements of cash flows, all change funds and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

St. Louis County invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which was created under a joint powers agreement pursuant to Minn. Stat. § 471.59. The MAGIC Fund is not registered with the Securities and Exchange Commission. Information relating to the MAGIC Fund can be obtained from the Client Services Group, Minnesota Association of Governments Investing for Counties, c/o PFM Asset Management LLC, P.O. Box 11760, Harrisburg, Pennsylvania, 17108-11760.

St. Louis County invests in an external investment pool, the Minnesota State Board of Investments, under the authority of Minnesota Statutes Chapter 11A. Section 11A.24 of Minnesota statutes broadly restricts investments to United States and Canadian governments, their agencies, and their registered corporations; short-term obligations of specified high quality; restricted participation as a limited partner in venture, capital, real estate, or resource equity investments; restricted participation in registered mutual funds; and some qualified foreign instruments. Information on investment activity, investment management fees, and a listing of specific investments owned by the pool asset account can be obtained from SBI, Suite 355, 60 Empire Drive, St. Paul, Minnesota, 55103.

Property Taxes

In September of each year, the County Board certifies a proposed property tax levy to the County Auditor. Notices of proposed taxes are mailed to taxpayers informing them of the proposed tax on their property and of the time and location of a meeting at which the final property tax levy will be established by the Board of County Commissioners. Subsequent to that meeting, but within five business days after December 20, the Board certifies to the County Auditor the final property tax levy, which generally cannot exceed the proposed levy.

The tax levy is spread across taxable property based on the value of the property on the assessment date. At the time taxes are assessed to the property, they become a lien on property as of the assessment date, although they do not become due and payable until the subsequent January 1. For the most part, taxpayers are allowed to pay taxes in two equal installments on or before May 15 and October 15 without penalty. Revenues are accrued and recognized in the year collectible, net of delinquencies.

Taxes that remain unpaid as of December 31 are delinquent. Collections within 60 days after year-end are recognized as revenue and the balance is shown as deferred inflows of resources - unavailable revenue.

Inventories

Road and Bridge Special Revenue Fund inventories consist of expendable supplies held for consumption and are valued at cost using the moving average method. Inventoried items are recorded as expenditures at the time that they are purchased. The

ST. LOUIS COUNTY, MINNESOTA
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reported inventories are offset by a fund balance classified as non-spendable to indicate that they do not constitute available spendable resources.

Plat Book Enterprise Fund inventories consist of items for resale and consumption and are recorded as an expense when sold or used. Inventories are valued at cost on a first-in, first-out basis.

County Garage Internal Service Fund inventories consist of items for resale and consumption and are recorded as an expense when sold or used. On a first-in, first-out basis, or using the moving average method, inventories are valued at the lower of cost or market.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure or expense when consumed rather than when purchased.

Restricted Assets

Certain resources are restricted for financial assurance within Governmental Activities and the Environmental Services Fund. When an expense is incurred for which both restricted and unrestricted net positions are available, restricted resources are applied first.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, sidewalks, and similar items), and intangibles, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life of two or more years. The capitalization threshold for computer software, including internally generated software, is \$250,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Major outlays for capital assets and improvements are capitalized as projects are constructed. Donated capital assets are recorded at their acquisition value at the date of donation.

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

Depreciation has been provided over the estimated useful life using the straight-line method. For the purposes of depreciating infrastructure capital assets, all roads and bridges are considered as a network. For the purposes of depreciating landfill capital assets, a waste mass survey or an additions survey will be performed annually. The estimated useful lives are:

Buildings and Improvements:	30-70 years
Improvements other than buildings:	10-20 years
Machinery and equipment:	3-15 years
Vehicles:	5-12 years
Infrastructure:	20-60 years
Intangibles:	2-5 years
Driveways:	25 years

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 so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports pension and other postemployment benefits (OPEB) in this category on the Statement of Net Position.

In addition to liabilities, the statement of financial 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 reports unavailable revenue, advanced allotments, other postemployment benefits, and pension-related items in this category. Unavailable revenue is reported only on the governmental funds balance sheet, while the pension and OPEB are reported only on the Statement of Net Position. Advanced allotments are reported on both the governmental funds balance sheet and the Statement of Net Position. The governmental funds report unavailable revenues from four sources: delinquent taxes, intergovernmental grants, advanced allotments, and long-term receivables. These amounts are recognized as an inflow of resources in the period that they become available.

Compensated Absences

Compensated absences are accrued when incurred in the government-wide financial statements. The government-wide statement of net position reports both current and noncurrent portions of compensated absences. The current portion reported is for vacation and the non-current portion is vested and vesting sick leave.

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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 and bargaining agreements. Vacation leave accrual varies from 2.00 to 9.60 hours per biweekly pay period. Sick leave accrual varies from 2.00 to 5.75 hours per biweekly pay period.

Unused accumulated vacation is paid to employees at termination. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements.

Vested sick leave is available at retirement to be used for payment of an employee's health and dental costs during their retirement. The vested sick leave and unvested sick leave likely to become vested (vesting sick leave) are estimated using the vesting method prescribed by GASB Statement No. 16. Both vested and vesting amounts are recognized in the government-wide and proprietary fund financial statements as liabilities, but not in the governmental funds.

Unvested sick leave for all County funds in the amount of \$9,238,507 as of December 31, 2021, is available to employees in the event of illness-related absences and is not reported in the financial statements.

Pension Plan

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized at employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

Conduit Debt

In 2014, St. Louis County's Housing and Redevelopment Authority (HRA) issued a \$3.3 million lease revenue note. The proceeds of the note were loaned to ABC of North Shore Community School Inc., a Minnesota nonprofit corporation, to construct and equip a 10,000 square foot addition to the existing kindergarten through sixth grade charter school. The loan payments are being made directly to North Shore Bank of Commerce by the nonprofit. The debt is secured by the property being financed and is payable solely from pledged lease revenues. Neither St. Louis County nor the HRA are obligated to repay the note in any way. Accordingly, the debt is not reported as a liability in the accompanying financial statements. As of December 31, 2021, the outstanding principal balance was \$1.9 million.

Closure and Postclosure Care Costs

In accordance with the Governmental Accounting Standards Board's Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs, the County has accrued liabilities for closure and postclosure costs associated with the future closing of its Regional Landfill.

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of the financial statement date. The \$1,685,869 reported for the open area on the Environmental Services Enterprise Fund statement of net position as landfill closure and postclosure liability at December 31, 2021, represents the following:

Postclosure liability	
This is the liability for postclosure costs for the Regional Landfill.	\$616,521
It is based on the use of 51.17% of the existing open area.	
Closure liability	
This is the liability for closure costs for the Regional Landfill.	
It is based on the use of 51.17% of the existing open area.	\$1,069,348

The County will recognize the remaining \$1,608,990 in costs of closure and postclosure care of the open area as the remaining estimated capacity of the open area if the Regional Landfill is filled. The amounts are based on what it would cost to perform all closure and postclosure care in 2021. The County expects the open area to be closed in 2023 or later. Actual costs may differ due to inflation, deflation, changes in technology, or changes in applicable laws or regulations.

The County is required by state and federal laws and regulations to make annual contributions to a restricted account to finance closure and postclosure care of the last cell that will be accepting waste. The County is in compliance with these requirements, and at December 31, 2021, restricted assets of \$6,181,398 are included in the amounts shown on the Environmental Services Enterprise Fund Statement of Net Position as Restricted assets financial assurance - Cash and cash equivalents, Investments and Accrued interest receivable.

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Financial assurance fund contributions necessary to accumulate these funds will be generated from service fees and tipping fees on solid waste, as well as from funds generated from the Greater Minnesota Landfill Cleanup fee. This fee is \$2.00 per cubic yard of solid waste deposited at the landfill.

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

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 issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Classification of Net Position

The net position in the government-wide financial statements is classified into the following categories:

Net investment in capital assets - the amount of net position representing capital assets, net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted - the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted - the amount of net position that does not meet the definition of restricted or net investment in capital assets.

Fund Equity

The fund balance is classified as:

Nonspendable – amounts that cannot be spent because they are not in spendable form (non-current loans, inventories, and prepaid items), or because they are not legally spendable (principal portion of the Shoreline Sales Permanent Fund).

Restricted – amounts to be used for specific purposes as determined by enabling legislation or imposed by grantors or debt covenants; used before unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance are available.

Committed – amounts to be used for specific purposes as determined by formal County Board resolution. The Fund Balance policy is also established annually by board resolution. Committed fund balances are used before assigned or unassigned fund balances when an eligible expenditure is incurred. Formal Board action is also required to modify or rescind a committed fund balance.

Assigned – amounts intended to be used for certain purposes as determined by the County Board, or by the Administrator and Auditor acting together. The Fund Balance policy is established annually by board resolution. An Assigned fund balance is used when an expenditure is incurred for which both an assigned and an unassigned fund balance are available.

Unassigned – any amount remaining in the General Fund that has not been restricted, committed, or assigned, as well as any negative residual amounts in other funds.

H. Federal Audit Requirements

The Single Audit Act Amendments of 1996 require the County to have a single, independent audit of its financial operations, including compliance with certain provisions of federal law and regulations. This audit requirement was complied with for the fiscal year ended December 31, 2021; the auditor's reports on compliance and internal accounting controls will be issued separately.

I. Use of Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources; the disclosure of contingent assets and liabilities at the date of the financial statements; and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2021

Note 2. Detailed Notes on All Funds and Accounts

A. Assets

Deposits and Investments

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

Governmental Activities:	
Current assets:	
Cash and pooled investments	\$ 223,537,586
Cash with fiscal agent	2,896,856
Investments	79,266,236
Business-type Activities:	
Current assets:	
Cash and pooled investments	2,915,997
Investments	9,306,718
Restricted assets:	
Financial assurance	
Cash and pooled investments	2,223,760
Investments	3,946,169
Fiduciary Activities:	
Current assets:	
Cash and cash equivalents	17,773,461
Investments	10,434,018
Total	<u>\$ 352,300,801</u>
Deposits	\$ 2,935,621
Cash on hand	66,315
Assets held in trust	2,046,405
Cash with fiscal agent	2,896,856
Investments	344,355,604
Total deposits, cash on hand, and investments	<u>\$ 352,300,801</u>

	Held for Individual Investment Accounts - Private Purpose Trust Fund	Held for All Other County Funds	Total
Cash and pooled investments	\$ 159,738	\$ 249,187,922	\$ 249,347,660
Investments	-	102,953,141	102,953,141
Total	<u>\$ 159,738</u>	<u>\$ 352,141,063</u>	<u>\$ 352,300,801</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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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 standard 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's failure, the County's deposits may not be returned to it. The County deposit policy for custodial credit risk follows Minnesota Statutes regarding pledged collateral. The market value of collateral must equal 110% of deposits not covered by insurance or surety bonds. As of December 31, 2021, the County's deposits were fully covered by insurance, surety bonds, and collateral, and were not exposed to custodial credit risk.

Investments

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

- (1) securities that are direct obligations or guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities, defined as "high risk" by Minn. Stat § 118A.04, subd. 6;
- (2) mutual funds through shares of registered investment companies, provided the mutual fund receives certain ratings depending on its investments;
- (3) 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;
- (4) bankers' acceptances of United States banks;
- (5) 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
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint power investment trusts, and guaranteed investment contracts.

As of December 31, 2021, the County had the following investments and maturities:

	Fair Value	Investment Maturities in Years					
		Less than 1	1-2	2-3	3-4	4-5	More than 5
Negotiable CDs	\$ 26,432,000	\$ 5,707,000	\$ 11,293,000	\$ 6,951,000	\$ 1,984,000	\$ 497,000	\$ -
MAGIC Portfolio	112,457,808	112,457,808	-	-	-	-	-
MAGIC TERM	45,691,018	45,691,018	-	-	-	-	-
Minnesota SBI	27,100,903	27,100,903	-	-	-	-	-
Municipal Bonds	16,754,536	2,602,481	6,031,026	2,777,769	2,460,047	1,919,152	964,061
FFCB	33,544,549	4,015,755	8,491,873	5,691,857	13,663,134	1,681,930	-
FHLB	19,863,233	6,186,461	4,905,782	7,771,592	-	999,398	-
FHLMC	4,502,925	4,502,925	-	-	-	-	-
FNMA	9,183,993	3,393,513	-	-	-	-	5,790,480
US Treasury	48,824,639	21,749,141	10,060,640	-	1,023,090	15,991,768	-
Total	\$ 344,355,604	\$ 233,407,005	\$ 40,782,321	\$ 23,192,218	\$ 19,130,271	\$ 21,089,248	\$ 6,754,541

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy requires that the desired weighted average maturity of the total portfolio be less than three years. All interest-bearing deposits are included in the total portfolio. The County is in compliance with the policy.

Fair Value Reporting. GASB Statement 72 sets forth the framework for measuring the fair value of investments based on a hierarchy of valuation inputs.

Level 1: All securities are valued with the market approach by using quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.

Level 2: All securities are valued with the market approach using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. The matrix pricing technique is used to value securities based on their relationship to benchmark quoted prices. Inputs for Level 2 include:

- quoted prices for similar assets or liabilities in active markets,
- quoted prices for identical or similar assets or liabilities in inactive markets,
- inputs other than quoted prices that are observable for the asset or liability, and
- inputs derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Securities within this hierarchy have unobservable inputs for the asset or liability. Unobservable inputs reflect the County's assumptions about the inputs that market participants would use in pricing an asset or liability.

Net Asset Value (NAV): The fair value of investments in entities that calculate a net asset value per share is determined using that NAV in lieu of the leveling methodology described above.

Cash and cash equivalents are not leveled under GASB Statement No. 72 or reported at NAV.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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The County has the following recurring fair value measurements as of December 31, 2021:

	December 31, 2021	Fair Value Measurements Using:		
		Level 1	Level 2	Level 3
Investments by fair value level				
Negotiable certificates of deposit	\$ 26,432,000	\$ -	\$ 26,432,000	\$ -
Fixed income securities				
Municipal issues	16,754,536	-	16,754,536	-
Federal farm credit bank	33,544,549	-	33,544,549	-
Federal home loan bank	19,863,233	-	19,863,233	-
Federal home loan mortgage corporation	4,502,925	-	4,502,925	-
Federal national mortgage association	9,183,993	-	9,183,993	-
US treasury securities	48,824,639	-	48,824,639	-
Total fixed income securities	<u>132,673,875</u>	<u>-</u>	<u>132,673,875</u>	<u>-</u>
Total investments by fair value level	<u>\$ 159,105,875</u>	<u>\$ -</u>	<u>\$ 159,105,875</u>	<u>\$ -</u>
Investments at amortized cost				
MAGIC portfolio	<u>\$ 112,457,808</u>			
Investments measured at the net asset value (NAV)				
MAGIC TERM	<u>\$ 45,691,018</u>			
Total investments	<u>\$ 317,254,701</u>			
Cash and cash equivalents	<u>5,048,341</u>			
Total investments and cash and cash equivalents	<u>\$ 322,303,042</u>			

MAGIC is a local government investment pool. The County invests in this pool for the purpose of the joint investment of the County's money with those of other counties to enhance the investment earnings accruing to each member. The MAGIC fund currently consists of the MAGIC Portfolio and the MAGIC Term Series.

The MAGIC Portfolio is valued using amortized cost. Shares in the MAGIC Portfolio are available to be redeemed upon proper notice without restrictions under normal operating conditions. There are no limits to the number of redemptions that can be made as long as the County has a sufficient number of shares to meet their redemption request. The Fund's Board of Trustees may suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practicable.

The MAGIC Term Series is valued at a net asset value (NAV). Shares are purchased to mature upon pre-determined maturity dates selected by the County at the time of purchase. Should the County need to redeem shares in an MAGIC Term Series prematurely, they must provide notice at least 7 days prior to the premature redemption date. The value of a premature redemption is equal to the original price for such share, plus dividends thereon, at the projected yield; less such share's allocation of any losses incurred by the series; and less a premature redemption penalty, if any.

The County also holds \$27,100,903 in the Internal Equity and Fixed Pools with the State Board of Investment, an external investment pool. The fair value of the investment is the fair value per share of the underlying portfolio. Pursuant to Minnesota Laws 2005, chapter 1, section 149, the County established an environmental trust fund, and the amount that may be spent from the fund each calendar year may not exceed 5.5% of the market value of the fund on January 1st of the preceding calendar year. The proceeds can only be used for purposes related to the improvement of natural resources. The County invests in this pool due to increased investment authority and historically high rates of return on investments.

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. Except for the Shoreline Sales Permanent Fund, authorized under Minn. Stat §373.475, which invests in the unrated Minnesota State Board of Investment, it is the County's policy to invest only in securities that meet the ratings requirements set by state statute.

ST. LOUIS COUNTY, MINNESOTA
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The County's exposure to credit risk as of December 31, 2021, is as follows:

Rating	Fair Value
S&P AAA	\$ 8,710,481
S&P AA+	115,919,339
S&P AA	2,135,616
Moodys Aaa	529,999
Moodys Aa1	690,545
Moodys Aa2	4,687,895
Total	\$ 132,673,875

Custodial Credit Risk-Investments. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of an investment or collateral securities that are in the possession of an outside party. As required by County policy, at December 31, 2021, all of the County's investments were held by a third party custodian and were not exposed to custodial credit risk.

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. County policy states that in no case will investments in any one financial institution exceed 50% of the County's total portfolio. U.S. government securities, mutual funds, and external investment pools are exempt from this restriction.

Receivables

Receivables as of December 31, 2021, for the County's governmental and business-type activities are below. The County did not have any allowance for uncollectable accounts at year end as all receivable accounts were current.

	Total Receivable	Not expected to be collected within one year
Governmental Activities:		
Taxes	\$ 4,109,433	\$ -
Accounts receivable	14,505,167	12,565,944
Accrued interest receivable	962,162	-
Loans receivable	2,298,211	2,191,249
Interfund receivable	47,575	-
Total Governmental Activities	\$ 21,922,548	\$ 14,757,193
Business Activities:		
Accounts receivable	\$ 23,630	\$ -
Accrued interest receivable	27,338	-
Total Business Activities	\$ 50,968	\$ -

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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Loans Receivable

The loan receivable from Meadowlands Affordable Housing Limited Partnership is \$176,585 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was the construction of a 12-unit affordable housing project. In 2010, the Housing and Redevelopment Authority Board passed a resolution to defer principal and interest payments until December 3, 2023, at which time the loan and accrued interest will be forgiven, provided the Meadowland Affordable Housing Partnership has maintained Meadowlands Manor as affordable rental housing in conformance with the note. The receivable will be written off after all requirements for the loan have been met and it is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

The loan receivable from the Minnesota Assistance Council for Veterans is \$150,000 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was to increase the size of an existing permanent supportive Veteran's housing building from 9 units to 11 units. The interest-free, 20-year forgivable loan was approved by the Housing and Redevelopment Board on July 14, 2009. The receivable will be written off after 20 years provided the Contractor has remained in conformance with the agreement and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

The loan receivable from Arrowhead Economic Opportunity Agency (AEOA) is \$150,000 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was to construct a 15-unit permanent supportive housing building for homeless youth. The interest-free, 20-year forgivable loan was approved by the Housing and Redevelopment Board on July 14, 2009. The receivable will be written off after 20 years provided the Contractor has remained in conformance with the agreement and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

The loan receivable from City Center Housing Corporation is \$250,000 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was to construct six units of emergency shelter housing in the Hillside Apartments, named the Steve O'Neil Apartments. The interest-free, 20-year forgivable loan was approved by the Housing and Redevelopment Board on April 2, 2013. The receivable will be written off after 20 years provided the Contractor has remained in conformance with the agreement and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

The loan receivable from Bois Forte Band of Chippewa is \$150,000 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was to provide supportive housing for the New Moon project, located in the Vermillion Sector of the Bois Forte Reservation. The interest-free, 20-year forgivable loan was approved by the Housing and Redevelopment Board on February 8, 2011. The receivable will be written off after 20 years provided the Contractor has remained in conformance with the agreement and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

Included in the Septic Services Special Revenue Fund are loans funded by the Minnesota Pollution Control Loan Program, the Minnesota Department of Agriculture Best Management Practices Loan Program, and the St. Louis County Environmental Trust Fund totaling \$788,968 at December 31, 2021. These are included in the committed for health and sanitation category of fund balances.

Two loans to the South St. Louis County Fair were consolidated into one loan in 2015. The loans were for the construction of a grandstand with lights and a concession. The new agreement restructured the loans to have lower annual payments and extended the payback period. The new agreement requires annual payments of \$13,500; \$8,500 from the Racing Association; and \$5,000 from the Fair Association. The balance owed on these loans was \$158,360 at December 31, 2021. Of this amount, \$144,860 is included in the noncurrent loans category of fund balance and \$13,500 is included in the current portion.

The loan receivable from Retreat Golf Course is \$8,443, and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the Minnesota Investment Fund (MIF) loan was to assist businesses that were impacted from the 2012 flood. The interest-free, partially forgivable loan was approved by the St. Louis County Board on January 15, 2013. Half of the loan amount will be forgiven if the borrowers continue to own and operate their businesses for 10 years after the Initial Disbursement Date, which was September 12, 2013. The loan is accounted for in the General Fund. \$7,651 is included in the non-current portion, and \$792 is included in the current portion.

The City of Ely owes its share of the costs associated with the Ely Joint Public Works Facility. One loan has a balance of \$10,749 with an interest rate of 3.9%. It requires payments of \$1,095 on May 1 and November 1 each year until 2027. The second loan has a balance of \$55,107 with an interest rate of 5%. It requires payments of \$5,792 on May 1 and November 1 each year until 2027. Both loans are included in the non-spendable portion of the fund balance under noncurrent loans.

The loan receivable from City Center Housing Corporation is \$200,000 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was to construct the Garfield Square Apartments to provide 50 units of supportive housing to homeless adults. The interest free 20 year forgivable loan was approved by the Housing and Redevelopment Board on May 23, 2017. The receivable will be written off after 20 years provided the Contractor has remained in conformance with the HRA agreement, and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

ST. LOUIS COUNTY, MINNESOTA
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The loan receivable from City Center Housing Corporation is \$200,000 and is included in the non-spendable noncurrent loans category of fund balance. The purpose of the loan was to construct the Birchwood Apartments to provide 30 units of supportive housing for single adults with behavioral health needs. The interest-free, 20-year forgivable loan was approved by the Housing and Redevelopment Board on May 14, 2019. The receivable will be written off after 20 years provided the Contractor has remained in conformance with the HRA agreement and is accounted for in the Housing and Redevelopment Authority Special Revenue Fund.

Lease with the State of Minnesota

St. Louis County leases to the State of Minnesota approximately 31,867 useable square feet of space in the Pike Lake Joint Maintenance Facility. The total cost of the shared facility was \$5,948,604; depreciation to date is \$3,833,545, leaving a carrying value of \$2,115,059. The lease agreement between the State and the County expired on August 31, 2017. Option period 2 started on September 1, 2017, which is a 7-year extension to the lease agreement. The lease now expires on August 31, 2024. The State also pays 29.5% of the operating costs of the facility.

Restricted Assets

Governmental activities	
PERA Correctional	<u>328,133</u>
Business-type activities	
Financial assurance for closure and post closure care	
Cash and cash equivalents	\$ 2,223,760
Investments	3,946,169
Accrued interest receivable	11,469
Total	<u>\$ 6,181,398</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

Governmental Activities:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 3,191,238	\$ -	\$ -	\$ -	\$ 3,191,238
Permanent right of way	1,105,410	122,600	-	-	1,228,010
Work in progress	629,021	343,823	-	(745,277)	227,567
Total capital assets, not being depreciated	<u>4,925,669</u>	<u>466,423</u>	<u>-</u>	<u>(745,277)</u>	<u>4,646,815</u>
Capital assets, being depreciated:					
Buildings and structures	228,034,038	343,708	(772,160)	745,277	228,350,863
Machinery and equipment	23,118,934	1,604,413	(135,982)	-	24,587,365
Vehicles	86,784,982	9,634,441	(6,803,060)	-	89,616,363
Infrastructure	1,016,183,148	51,547,290	-	-	1,067,730,438
Computer software	6,781,406	34,335	-	-	6,815,741
Temporary right of way	40,240	-	-	-	40,240
Total capital assets, being depreciated	<u>1,360,942,748</u>	<u>63,164,187</u>	<u>(7,711,202)</u>	<u>745,277</u>	<u>1,417,141,010</u>
Less accumulated depreciation for:					
Buildings and structures	(82,842,029)	(7,077,244)	711,609	-	(89,207,664)
Machinery and equipment	(20,086,449)	(862,012)	126,762	-	(20,821,699)
Vehicles	(53,134,832)	(5,672,792)	6,046,036	-	(52,761,588)
Infrastructure	(265,121,143)	(17,049,108)	-	-	(282,170,251)
Computer software	(5,597,257)	(684,265)	-	-	(6,281,522)
Temporary right of way	(40,240)	-	-	-	(40,240)
Total accumulated depreciation	<u>(426,821,950)</u>	<u>(31,345,421)</u>	<u>6,884,407</u>	<u>-</u>	<u>(451,282,964)</u>
Total capital assets, being depreciated, net	<u>934,120,798</u>	<u>31,818,766</u>	<u>(826,795)</u>	<u>745,277</u>	<u>965,858,046</u>
Governmental activities, capital assets, net	<u>\$ 939,046,467</u>	<u>\$ 32,285,189</u>	<u>\$ (826,795)</u>	<u>\$ -</u>	<u>\$ 970,504,861</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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Business-type activities:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 277,966	\$ -	\$ -	\$ -	\$ 277,966
Work in Progress	-	351,558	-	-	351,558
Total capital assets, not being depreciated	<u>277,966</u>	<u>351,558</u>	<u>-</u>	<u>-</u>	<u>629,524</u>
Capital assets, being depreciated:					
Buildings and structures	7,397,245	-	-	-	7,397,245
Improvements other than buildings	10,988,847	306,127	-	-	11,294,974
Machinery and equipment	1,362,137	24,148	-	-	1,386,285
Vehicles	1,694,094	119,094	(138,585)	-	1,674,603
Total capital assets, being depreciated	<u>21,442,323</u>	<u>449,369</u>	<u>(138,585)</u>	<u>-</u>	<u>21,753,107</u>
Less accumulated depreciation for:					
Buildings and structures	(5,950,094)	(159,231)	-	-	(6,109,325)
Improvements other than buildings	(5,556,310)	(196,089)	-	-	(5,752,399)
Machinery and equipment	(1,168,582)	(67,274)	-	-	(1,235,856)
Vehicles	(1,123,826)	(122,795)	131,351	-	(1,115,270)
Total accumulated depreciation	<u>(13,798,812)</u>	<u>(545,389)</u>	<u>131,351</u>	<u>-</u>	<u>(14,212,850)</u>
Total capital assets, being depreciated, net	<u>7,643,511</u>	<u>(96,020)</u>	<u>(7,234)</u>	<u>-</u>	<u>7,540,257</u>
Business-type activities, capital assets, net	<u>\$ 7,921,477</u>	<u>\$ 255,538</u>	<u>\$ (7,234)</u>	<u>\$ -</u>	<u>\$ 8,169,781</u>

Depreciation:

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
General government	\$ 2,750,000
Public safety	2,181,764
Highways	23,728,307
Health	83,752
Human services	242,872
Culture and recreation	1,612,514
Conservation of natural resources	248,399
Economic development	24,768
Internal service funds	473,045
Total depreciation expenses - governmental activities	<u>\$ 31,345,421</u>
Business-type activities	
Environmental services	<u>\$ 545,389</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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B. Liabilities

Advance From Other Governments

The Minnesota Department of Transportation (MnDOT) advanced to the County funds to help cash flow and cover expenses for road and bridge repairs related to the June 2012 flood. Twelve million dollars in State Aid Disaster Funds were received shortly after the flood. Of this amount, \$5,400,000 has been returned to MnDOT and \$6,394,696 has been applied to road and bridge projects. The remaining \$205,304 is reported in advance from other governments.

Long-Term Debt

Long-term liability activity for the year ended December 31, 2021, which includes unamortized bond premiums of \$7,583,862, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
GOVERNMENTAL ACTIVITIES					
Bonds, notes, and tax lease obligations payable					
General obligation debt					
Capital Improvement Bonds 2013A	\$ 15,992,045	\$ -	\$ (15,992,045)	\$ -	\$ -
Crossover Refunding 2013D	2,762,381	-	(2,762,381)	-	-
Capital Improvement Bonds 2014A	3,642,782	-	(369,445)	3,273,337	379,445
Crossover Refunding 2015B	2,905,810	-	(941,564)	1,964,246	971,564
Capital Improvement Bonds 2015C	29,752,556	-	(2,511,729)	27,240,827	2,631,729
Capital Improvement Bonds 2016A	20,296,791	-	(1,524,515)	18,772,276	1,594,515
Crossover Refunding 2016B	16,005,147	-	(62,334)	15,942,813	1,102,334
General Obligation 2018A	27,631,854	-	(1,081,243)	26,550,611	1,116,243
General Obligation 2018B	15,571,902	-	(565,299)	15,006,603	590,299
General Obligation 2020A	25,903,685	-	(1,060,541)	24,843,144	1,100,541
Crossover Refunding 2020B	5,174,315	-	(34,109)	5,140,206	539,109
General Obligation 2021A	-	26,517,268	(7,469)	26,509,799	29,877
Total bonds, notes and tax lease obligations payable	<u>165,639,268</u>	<u>26,517,268</u>	<u>(26,912,674)</u>	<u>165,243,862</u>	<u>10,055,656</u>
Other Liabilities					
Capital Lease	-	3,118,800	(623,760)	2,495,040	623,760
AgBMP Direct Borrowing	222,129 *	71,437	(48,984)	244,582	31,807
Compensated absences	32,928,967	15,739,666	(16,707,810)	31,960,823	8,992,925
Claims payable	8,969,699	32,383,214	(33,929,855)	7,423,058	3,896,138
Other postemployment benefits	13,918,828	(721,429)	-	13,197,399	1,011,735
Total other liabilities	<u>56,039,623</u>	<u>50,591,688</u>	<u>(51,310,409)</u>	<u>55,320,902</u>	<u>14,556,365</u>
Governmental activities long-term liabilities	<u>\$ 221,678,891</u>	<u>\$ 77,108,956</u>	<u>\$ (78,223,083)</u>	<u>\$ 220,564,764</u>	<u>\$ 24,612,021</u>
BUSINESS-TYPE ACTIVITIES					
Other Liabilities					
Compensated absences	\$ 819,029	\$ 273,906	\$ (372,513)	\$ 720,422	\$ 158,410
Other postemployment benefits	256,748	-	2,969	259,717	19,910
Closure and post-closure liabilities	1,297,771	-	388,098	1,685,869	-
Business-type activities long-term liabilities	<u>\$ 2,373,548</u>	<u>\$ 273,906</u>	<u>\$ 18,554</u>	<u>\$ 2,666,008</u>	<u>\$ 178,320</u>

* The opening balance is being corrected due to a \$36,616 loan that was not included in the 2020 total.

The 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. At year's end, \$7,753,496 of internal service funds' compensated absences and claims payable are included in the above amounts. Also, for governmental activities, claims, Net Pension/OPEB, capital leases, and compensated absences are generally liquidated by the General Fund, Road and Bridge, Public Health and Human Services, and Forfeited Tax Sale Special Revenue funds.

ST. LOUIS COUNTY, MINNESOTA
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General obligation bonds and notes payable at December 31, 2021, of the following issues:

\$5,470,000 General Obligation Capital Improvement Bonds due in annual installments of \$295,000 to \$450,000 on December 1, 2015 through 2029; interest at 3.000 to 3.375 percent, including unamortized premium of \$155,560. The proceeds from this bond were used to pay for St. Louis County's portion of renovations at Arrowhead Regional Corrections, which is a joint venture.	\$ 3,273,337
\$5,355,000 General Obligation Capital Improvement Crossover Refunding Bonds due in annual installments of \$845,000 to \$950,000 on December 1, 2018 through 2023; interest at 2.00 to 3.00 percent, including unamortized premium of \$322,067. This bond was issued to crossover refund \$5,420,000 of the \$6,940,000 outstanding of the \$11,380,000 General Obligation Capital Improvement bonds, Series 2008, dated October 21, 2008. The net present value benefit of the refunding issue is \$446,837 and results in a reduction of \$444,522 in future debt service payments. The crossover refunding occurred on December 1, 2017.	1,964,246
\$38,415,000 General Obligation Capital Improvement Bonds due in annual installments of \$1,885,000 to \$3,235,000 on December 1, 2015 through 2030; interest at 3.00 to 5.00 percent, including unamortized premium of \$2,459,478.	27,240,827
\$23,315,000 General Obligation Capital Improvement Bonds due in annual installments of \$975,000 to \$1,940,000 on December 1, 2017 through 2031; interest at 2.00 to 5.00 percent, including unamortized premium of \$2,304,850.	18,772,276
\$15,200,000 General Obligation Capital Improvement Crossover Refunding Bonds due in annual installments of \$1,040,000 to \$1,450,000 on December 1, 2022 through 2033; interest at 2.00 to 5.00 percent, including unamortized premium of \$1,054,484. This bond was issued to refund the \$14,640,000 outstanding on the \$20,650,000 General Obligation Capital Improvement bonds, Series 2013, dated September 5, 2013. The net present value benefit of the refunding issue is \$708,554 and results in a reduction of \$798,687 in future debt service payments. The crossover occurred December 1, 2021.	15,942,813
\$28,095,000 General Obligation Capital Improvement Bonds due in annual installments of \$1,000,000 to \$1,935,000 on December 1, 2019 through 2038; interest at 3.00 to 5.00 percent, including unamortized premium of \$1,760,273. The proceeds from this bond were used to finance the construction of a new Government Services Center building in Virginia, MN and finance the initial costs for a new Public Works Maintenance Facility in Cook, MN.	26,550,611
\$15,180,000 General Obligation Capital Improvement Bonds due in annual installments of \$465,000 to \$1,055,000 on December 1, 2020 through 2039; interest at 3.00 to 5.00 percent, including unamortized premium of \$960,600. The proceeds from this bond were used to finance the remaining costs of the new Public Works Maintenance Facility in Cook, MN.	15,006,603
\$25,395,000 General Obligation Capital Improvement Bonds due in annual installments of \$1,035,000 to \$1,505,000 on December 1, 2021 through 2040; interest at 1.00 to 2.00 percent, including unamortized premium of \$512,941. The proceeds will be used on Road and Bridge projects.	24,843,144
\$4,960,000 General Obligation Capital Improvement Crossover Refunding Bonds due in annual installments of \$410,000 to \$945,000 on December 1, 2022 through 2029; interest at 1.00 to 2.00 percent, including unamortized premium of \$220,000. This bond was issued to refund \$2,085,000 outstanding on 2013D, and \$2,875,000 outstanding on 2014A bonds. The net present value benefit of the refunding issue is \$298,173 and results in a reduction of \$308,379 in future debt service payments. The crossover occurred on December 1, 2021 for 2013D and the crossover for 2014A will occur on December 1, 2022.	5,140,206
\$25,855,000 General Obligation Capital Improvement Bonds due in annual installments of \$245,000 to \$1,780,000 on December 1, 2024 through 2043; interest at 1.875 to 2.250 percent, including unamortized premium of \$662,267. The proceeds will be used on Road and Bridge buildings.	26,509,799
Total General obligation bonds	\$ 165,243,862

ST. LOUIS COUNTY, MINNESOTA
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General obligation revenue notes payable at December 31, 2021 , consisting of the following issues:

\$50,000 1998 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide the initial funds for the septic system improvement loan program under the Agricultural Best Management Loan Program.	\$ 3,335
\$200,000 1998 General Obligation Revenue Notes payable to the Minnesota Department of Agriculture (Department) to provide the initial funds for the septic system improvement loan program under the Agricultural Best Management Loan Program.	26,796
\$200,000 2001 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	26,796
\$79,000 2004 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	10,585
\$118,420 2015 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	38,076
\$96,227 2016 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	30,941
\$108,053 2021 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	108,053

The terms of the above described revenue notes require semi-annual repayments of \$19,023 to \$724 beginning April 1, 2009 through 2032.

Total notes payable	\$ 244,582
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The County's outstanding notes from direct borrowings relate to the Septic Services, Special Revenue Fund from the Minnesota Department of Agriculture. The County uses this money to fund a revolving loan program, which allows our citizens to get a low interest loan to replace and repair their septic systems. The loans to the County are interest free and require the County to make two payments per year. The County loans those funds out to our citizens at a three percent interest rate. The County uses that three percent to pay for the costs of administering the program and/or re-lending those funds out to other citizens. The note is primarily payable from loan repayments from borrowers. But if necessary, all taxable property in the territory of the County is subject to ad valorem taxation, without limitation as to rate or amount to pay the principal on the Note. The AgBMP may rescind all or part of this agreement, part of any uncommitted allocation if the County fails to comply with Minn. Stat. These notes will be paid off in October of 2032, but can be paid off sooner if St. Louis County chooses to do so.

Governmental Activities General Obligation Long-Term Debt to Maturity is as follows:

Year Ending December 31	General Obligation		Direct Borrowing
	Principal	Interest	Principal
2022	\$ 10,055,656	\$ 4,704,457	\$ 31,807
2023	10,776,774	4,289,426	37,506
2024	10,409,092	3,872,699	40,629
2025	10,797,776	3,472,845	33,749
2026	11,147,189	3,125,595	25,186
2027-2031	56,017,341	10,946,300	63,173
2032-2036	30,934,274	5,331,936	12,532
2037-2041	21,523,504	1,616,099	-
2042-2043	3,582,256	117,180	-
Total:	\$ 165,243,862	\$ 37,476,537	\$ 244,582

ST. LOUIS COUNTY, MINNESOTA
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The County's proportionate shares of general obligation debt and general obligation revenue debt at December 31, 2021, of all governmental units which provide services within the County's borders and which must be borne by properties in the County, are summarized below:

	<u>Outstanding</u>	<u>Percentage Applicable to the County</u>	<u>County Share of Debt</u>
Direct Debt			
St. Louis County	\$ 165,488,444	100.00 %	\$ 165,488,444
Overlapping Debt			
School Districts	132,761,000	48.01	63,733,555
Western Lake Superior Sanitary District	49,807,017	84.01	41,843,353
Underlying Debt			
Cities	188,341,482	100.00	188,341,482
School Districts	422,614,045	100.00	422,614,045
Towns	2,063,345	100.00	2,063,345
Crane Lake Water & Sanitary District	1,236,098	100.00	1,236,098
North Shore Sanitary District	4,403,783	100.00	4,403,783
Hibbing HRA	1,268,032	100.00	1,268,032
Cook Community Hospital	8,280,181	100.00	8,280,181
Virginia HRA	1,900,000	100.00	1,900,000
Total	<u><u>\$ 978,163,427</u></u>		<u><u>\$ 901,172,318</u></u>

Lease Obligations

Operating Leases

The County is committed under various operating leases for office space, parking facilities, and office equipment. Most of these leases are expected to continue indefinitely or be replaced by similar leases.

The following is a summary of operating lease expense for 2021:

Type of Property	
Rental of office space and parking facilities	\$ 175,172
Hardware	404,046
Total rental expense	<u><u>\$ 579,218</u></u>

Future minimum payments under operating leases, which are not reflected in these financial statements, consist of the following as of December 31, 2021:

<u>Year Ended December 31</u>	
2022	\$ 498,168
2023	458,791
2024	448,938
2025	448,371
2026	437,838
Total future minimum lease payments	<u><u>\$ 2,292,106</u></u>

Capital Lease

This year, the government entered into a lease agreement as lessee for financing the acquisition of 12 motor graders valued at \$3,118,800. Motor graders have a five year estimated useful life. This year, \$311,880 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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The capital lease of the County as of December 31, 2021, is shown below:

Type of Property	Governmental Activities
12 Motor graders	\$ 3,118,800
Less: accumulated depreciation	(311,880)
Carrying value	<u>\$ 2,806,920</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2021, were as follows:

<u>Year Ended December 31</u>	
2022	\$ 652,113
2023	652,113
2024	652,113
2025	652,113
Total future minimum lease payments	<u>\$ 2,608,452</u>
Less: Amount representing interest	(56,138)
Less: Amount representing maintenance	(57,274)
Present value of minimum lease payments	<u>\$ 2,495,040</u>

Construction Commitments

As of December 31, 2021, the County had construction commitments as follows:

	<u>Authorized Projects</u>	<u>Expended to Date</u>	<u>Commitments</u>
South Impound Garage - Public Safety Campus	\$ 330,000	\$ 1,800	\$ -
Regional Behavioral Health Crisis Center	8,000,000	29,132	14,088
Culver Facility	8,000,000	26,900	26,900
Kugler Facility	8,000,000	26,900	50,900
Whiteface Facility	8,000,000	26,900	26,900
Total	<u>\$ 32,330,000</u>	<u>\$ 111,632</u>	<u>\$ 118,788</u>

Purchase Commitments/Encumbrances

As of December 31, 2021, the County had purchase commitments represented by open encumbrances. These are included as part of the assigned fund balance as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 10,120,668
Road and Bridge	2,008,610
Public Health and Human Services	1,693,285
Forfeited Tax Sale	300,316
Forest Resources	183,942
Total	<u>\$ 14,306,821</u>

ST. LOUIS COUNTY, MINNESOTA
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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; injuries to employees; and natural disasters. The County maintains three internal service funds to account for and finance its purchased insurance and uninsured risks of loss. In none of the past three years did the County have a loss exceeding coverage for purchased insurance. Insurance coverage has not significantly changed from the prior year.

The Property, Casualty, and Liability Insurance Fund covers claims and judgments against the County, including administrative expenses and expenses for third-party coverage. All risk, except fire and property damage to major structures, is assumed. Maximum third-party coverage for property damage is limited to the estimated value of the property. No claims have exceeded coverage. Premiums are charged to other County funds on a historical basis and are reported as quasi-external transactions. The estimated liability at year end is based on a case-by-case evaluation by the County Attorney's Office and is consistent with the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The County Attorney's Office estimated settlements to be \$55,000 at December 31, 2021, for various cases considered "probable" losses to the County. This amount is reflected in the financial statements.

The Workers' Compensation Insurance Fund covers workers' compensation claims up to \$500,000 per single loss occurrence. At that point, the County is covered for losses by the Workers' Compensation Reinsurance Association, an organization created by Minnesota statutes in 1979 to implement a mandatory program of reinsurance for workers' compensation liability risks in the State of Minnesota for losses occurring on or after October 1, 1979. The Association provides full indemnification for the County for claims arising under Minn. Stat. Chapter 176 (2002) in excess of the \$500,000 retention limit. The estimated liability for workers' compensation reported in the Fund is based on a case-by-case examination of claims filed through December 31, 2021, and is consistent with the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The non-discounted value of the estimated liability for claims payable at the end of the year was \$4,686,531 and the present value is calculated at 1.4805%.

This percentage is the average investment yield for the first two months of the subsequent year. The activities of the Fund are supported by premiums from County funds which have personnel; the premiums are based on historical costs and are reported as quasi-external transactions. A portion of the premium is for administrative costs and reinsurance costs which are paid from the Fund; a portion of the premium is to provide for expected future catastrophic losses.

The Medical/Dental Insurance Fund covers medical and dental expenses incurred by County employees, dependents, and retirees, including cost of claims management by a third party administrator and cost of an insurance consultant. Premiums include a provision for stop-loss insurance and administrative expenses and are based on anticipated claims and available net position. The County carries individual-specific stop loss insurance for claims that exceed \$750,000 per year per employee contract. All County funds with personnel are charged for the County's share of premiums for employees and these charges are reported as quasi-external transactions.

Employees contribute a share of the premiums from payroll deductions; premiums for retirees are paid for in part by other County funds and in part by the retirees themselves. The liability at year end is an actuarial calculation by the third party administrator; it includes a reasonable provision for incurred but not reported claims and is consistent with the provision of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
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Changes in the funds' claims liability amounts during 2020 were:

	Property, Casualty, & Liability Insurance Fd	Workers' Compensation Insurance Fund	Medical/ Dental Insurance Fund
Beginning of fiscal year liability for claims	\$ -	\$ 8,489,427	\$ 2,554,835
Current year claims and changes in estimates	637,909	1,371,649	29,241,298
Claim payments	(637,909)	(2,846,982)	(29,840,528)
 Balance of claims payable at fiscal year end	 \$ -	 \$ 7,014,094	 \$ 1,955,605

Changes in the funds' claims liability amounts during 2021 were:

	Property, Casualty, & Liability Insurance Fd	Workers' Compensation Insurance Fund	Medical/ Dental Insurance Fund
Beginning of fiscal year liability for claims	\$ -	\$ 7,014,094	\$ 1,955,605
Current year claims and changes in estimates	1,121,530	(1,347,805)	31,214,410
Claim payments	(1,066,530)	(1,593,915)	(29,874,331)
 Balance of claims payable at fiscal year end	 \$ 55,000	 \$ 4,072,374	 \$ 3,295,684

ST. LOUIS COUNTY, MINNESOTA
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Pension Plans

Defined Benefit Pension Plans

Plan Description

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

The General Employees Plan

All full-time and certain part-time employees of St. Louis County are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Public Employees Police and Fire Plan

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

Local Government Correctional Plan

The Correctional Plan was established for correctional officers serving in county and regional corrections facilities. Eligible participants must be responsible for the security, custody, and control of the facilities and their inmates.

Benefits Provided

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

General Employees Retirement Plan

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of the Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equals 90 and the normal retirement age is 65. For members hired on or after July 1, 1989, the normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of June 30, before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of June 30, before the effective date of the increase, will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until their normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under the Rule of 90 are exempt from the delay to normal retirement.

Police and Fire Benefits

Benefits vest on a prorated basis for Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, ranging from 50% after five years to 100% after 10 years of credited service. Benefits vest on a prorated basis for Police and Fire Plan members first hired after June 30, 2014, ranging from 50% after 10 years to 100% after 20 years of credited service. For each year of service, the annuity accrual rate is 3% of the average salary. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equals at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase will be fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of June 30, before the effective date of the increase, will

ST. LOUIS COUNTY, MINNESOTA
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receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of June 30, before the effective date of the increase, will receive a reduced prorated increase.

Correctional Plan Benefits

Benefits vest on a prorated basis for Correctional Plan members first hired after June 30, 2010, ranging from 50% after five years to 100% after 10 years of credited service. The annuity accrual rate is 1.9% of the average salary for each year of service on that plan. For Correctional Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equals at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase will be equal to 100 percent of the COLA announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 2.5 percent. If the plan's funding status declines to 85 percent or below for two consecutive years or 80 percent for one year, the maximum will be lowered from 2.5 percent to 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of June 30, before the effective date of the increase, will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of June 30, before the effective date of the increase, will receive a reduced prorated increase.

Contributions

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

General Employees Fund Contributions

In fiscal year 2021, Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary, and the County was required to contribute 7.50 percent for Coordinated Plan members. The County's contributions to the General Employees Fund for the year ended December 31, 2021, were \$7,217,198. The County's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

In fiscal year 2021, Police and Fire members were required to contribute 11.80 percent of their annual covered salary, and the County was required to contribute 17.70 percent for Police and Fire members. The County's contributions to the Police and Fire Fund for the year ended December 31, 2021, were \$1,707,028. The County's contributions were equal to the required contributions as set by state statute.

Correctional Fund Contributions

In fiscal year 2021, Correctional Plan members were required to contribute 5.83 percent of their annual covered salary, and the County was required to contribute 8.75 percent for Correctional Plan members. The County's contributions to the Correctional Fund for the year ended December 31, 2021, were \$385,761. The County's contributions were equal to the required contributions as set by state statute.

Pension Costs

General Employees Fund Pension Costs

As of December 31, 2021, the County reported a liability of \$56,749,983 for its proportionate share of the General Employees Retirement Plan's net pension liability. The County's net pension liability reflected a reduction due to the state of Minnesota's contribution of \$16 million. The state of Minnesota is considered a non-employer contributing entity, and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the County totaled \$1,733,050.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion was 1.3289 percent at the end of the measurement period and 1.3031 percent at the beginning of the period.

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County's proportionate share of net pension liability	\$ 56,749,983
State of Minnesota's proportionate share of the net pension liability associated with the County	<u>1,733,050</u>
Total	<u>\$ 58,483,033</u>

For the year ended December 31, 2021, the County recognized a pension expense of \$294,090 as its proportionate share of the General Employees Plan's pension expense. In addition, the County recognized an additional \$212,624 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

As of December 31, 2021, the County reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 348,657	\$ 1,736,710
Changes in actuarial assumptions	34,650,363	1,255,345
Net collective difference between projected and actual investment earnings	-	49,147,883
Changes in proportion	2,843,620	591,832
Contributions paid to PERA subsequent to the measurement date	<u>3,581,281</u>	<u>-</u>
Total	<u>\$ 41,423,921</u>	<u>\$ 52,731,770</u>

The \$3,581,281 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2022	\$ (1,710,071)
2023	275,891
2024	(49,753)
2025	(13,405,197)

Police and Fire Fund Pension Costs

As of December 31, 2021, the County reported a liability of \$5,871,798 for its proportionate share of the Public Employees Police and Fire Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportionate share of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.7607% at the end of the measurement period and 0.8018% at the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund for the plan's fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state payment was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached, or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Under GASB 68 special funding situation accounting and financial reporting requirements, Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue). For the year ended December 31, 2021, the County recognized a pension expense of \$(546,362) for

ST. LOUIS COUNTY, MINNESOTA
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its proportionate share of the Police and Fire Plan's pension expense. The County recognized \$68,463 as grant revenue for its proportionate share of the state of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The County recognized \$68,463 for the year ended December 31, 2021, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

As of December 31, 2021, the County reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,127,747	\$ -
Changes in actuarial assumptions	8,630,008	3,226,191
Net collective difference between projected and actual investment earnings	-	11,219,519
Changes in proportion	433,175	1,156,687
Contributions paid to PERA subsequent to the measurement date	841,910	-
Total	\$ 11,032,840	\$ 15,602,397

The \$841,910 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2022	\$ (4,052,832)
2023	(865,321)
2024	(853,529)
2025	(1,415,161)
2026	1,775,376

Correctional Plan Pension Costs

As of December 31, 2021, the County reported an asset of \$328,133 for its proportionate share of the Correctional Plan's net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The County's proportion of the net pension asset was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions from all of PERA's participating employers. The County's proportionate share was 1.9970% at the end of the measurement period and 2.0000% at the beginning of the period.

For the year ended December 31, 2021, the County recognized a pension expense of \$(924,888) for its proportionate share of the Correctional Plan's pension expense.

As of December 31, 2021, the County reported its proportionate share of the Correctional Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 187,146
Changes in actuarial assumptions	2,054,021	30,760
Net collective difference between projected and actual investment earnings	-	2,634,401
Changes in proportion	518	12,919
Contributions paid to PERA subsequent to the measurement date	189,598	-
Total	\$ 2,244,137	\$ 2,865,226

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The \$189,598 reported as deferred outflows of resources related to pensions resulting from St. Louis County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2022	\$ (114,955)
2023	(26,465)
2024	46,809
2025	(716,076)

Total Pension Expense

The total pension expense for all plans recognized by the County for the year ended December 31, 2021, was (896,073).

Long-Term Expected Return on Investment

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic stocks	33.5%	5.10%
International stocks	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	100%	

Actuarial Methods and Assumptions

The total pension liability for the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of total liability is 6.5 percent. This assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates deemed to be reasonable by the actuary. For financial reporting purposes, an investment return of 6.5 percent was deemed to be within that range of reasonableness.

Inflation is assumed to be 2.25 percent for the General Employees Plan, 2.25 percent for the Police and Fire Plan, and 2.25 percent for the Correctional Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and 2 percent for the Correction Plan. The benefit increase for the Police and Fire Plan is fixed at 1% per year, and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 29 years of service and 6.0% per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75% after one year of service to 3.0% after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11.0% at age 20 to 3.0% at age 60.

The mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The mortality rates for the Police and Fire Plan and the Correctional Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables have been adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan and

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the Correctional Plan were completed in 2020, were adopted by the Board, and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

- For financial reporting purposes, the investment return and single discount rates were changed from 7.5 percent to 6.5 percent.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

Police and Fire Fund

Changes in Actuarial Assumptions:

- For financial reporting purposes, the investment return and single discount rates were changed from 7.5 percent to 6.5 percent.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increases were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes resulted in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes resulted in more assumed terminations.
- Assumed rates of disability increased for those ages 25-44 and decreased for those over 49. Overall, proposed rates result in more projected disabilities.
- The assumed married rate for active female members was changed from 60 percent to 70 percent. Minor changes to the form of payment assumptions were applied.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

Correctional Fund

Changes in Actuarial Assumptions:

- For financial reporting purposes, the investment return and single discount rates were changed from 7.50 percent to 6.50 percent.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increases were modified as recommended in the July 10, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 10, 2020 experience study. The changes resulted in more assumed unreduced and early retirements.
- Assumed rates of withdrawal were changed as recommended in the July 10, 2020 experience study. The new rates predict more terminations, both in the three-year select period (based on service) and the ultimate rates (based on age).
- Assumed rates of disability were lowered.
- The assumed percentage of married active members was reduced from 85 percent to 75 percent.
- Minor changes to the form of payment assumptions were applied.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

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Discount Rate

The discount rate used to measure total pension liability in 2021 was 6.5 percent. The projection of cash flows used to determine the discount rate assumes that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the General Employees Fund, the Police and Fire Fund, and the Correctional Fund were projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

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

Sensitivity Analysis						
<i>Net Pension Liability (Asset) at Different Discount Rates</i>						
	General Employees Fund		Police and Fire Fund		Correctional Fund	
1% Lower	5.50%	\$ 115,740,998	5.50%	\$ 18,641,965	5.50%	\$ 3,414,975
Current Discount Rate	6.50%	56,749,983	6.50%	5,871,798	6.50%	(328,133)
1% Higher	7.50%	8,344,256	7.50%	(4,596,575)	7.50%	(3,298,686)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the internet at www.mnpera.org.

Public Employees Defined Contribution Plan (Defined Contribution Plan)

The seven County Commissioners of St. Louis County are covered by the 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 the time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of their salary, which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees, contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer's share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the County during fiscal year 2021 were:

Contribution Amount		Contribution Amount		Required
Employee	Employer	Employee	Employer	Rate
\$ 23,758	\$ 23,758	5%	5%	5%

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Other Postemployment Benefits Plan (OPEB)

Plan Description

St. Louis County operates a single employer retiree benefit plan (the Plan) that provides health insurance benefits to eligible retired employees and their dependents. The County provides benefits for retirees as required by Minn. Stat. 471.61, sub 2b. Retirees are required to pay the full cost of the premiums. Since the premium is determined based on the entire active and retiree population, retirees are receiving an implicit rate subsidy.

St. Louis County has 1,753 participants. There are 1,593 active participants, 136 retired participants, and 24 spouses. There were no inactive employees that were entitled to but were not yet receiving benefits. Benefits and eligibility provisions are negotiated between the County and various unions representing County employees and are renegotiated at the end of each bargaining period. The plan does not issue a publicly available financial report. The plan also recognized \$128,216 as an explicit subsidy from the State of Minnesota for disabled deputies. The explicit subsidy for disabled deputies was allocated to those groups with members receiving this benefit, which is currently only St. Louis County. No assets are accumulated in a trust for any Other Post-Employment Benefits.

Contributions

The County does not have assets designated to pay for OPEB related costs. Contribution requirements are negotiated between the County and union representatives. The eligibility for, amount of, duration of, and County contributions to the cost of the benefits provided varies by contract and date of retirement. The County is funding this liability on a pay-as-you-go basis. For the fiscal year ended 2021, the county contributed \$1,203,781 to the plan.

Actuarial Methods and Assumptions

The County's OPEB liability was measured as of December 31, 2021, and the total OPEB liability was determined by an actuarial valuation as of January 1, 2020.

The total OPEB liability was determined by an actuarial valuation as of January 1, 2021, using the following actuarial assumptions, which were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%
Salary Increases	service graded table
Health Care Trend Rates	6.5% decreasing to 4.0% over 48 years

Mortality rates were based on the MP-2019 mortality table, which was the most recently published mortality improvement scale available as of the measurement date.

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of the four-year study for the Public Employees Retirement Association of Minnesota Police and Fire Plan completed in 2016; the six-year experience study for the Public Employees Retirement Association of Minnesota General Employees Plan completed in 2015; and a review of the inflation assumptions dated September 11, 2017.

The discount rate used to measure the total OPEB liability was 2.0%. The discount rate is based on the estimated yield of the 20-Year Bond Buyer GO Index as of the end of December 2020.

Since the most recent valuation, the following changes have been made:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.
- The withdrawal, retirement, and salary increase rates were updated. The rates now differ for public safety versus other employees. Note that retirement rates begin at age 50 for public safety employees instead of age 55.
- Female employees are assumed to be three years (instead of two years) younger than their spouses.
- The medical aging factors for claim costs were updated.
- The retiree plan participation percentage decreased from 65% to 60%. However, as of January 1, 2018, only active employees on the client's medical plans were included. As of January 1, 2020, all active employees who could have elected medical coverage in the current year have been included.
- Employees on long-term disability have been valued as follows:
 - If under age 50, as of the valuation date, post-employment subsidized benefits are only being valued for five years.
 - If age 50 or older, as of the valuation date, both post-employment implicit and subsidized benefits are being valued to age 65.
 - Previously, all employees on long-term disability were valued at post-employment subsidized benefits only to age 65.
- The discount rate was changed from 2.74% to 2.00%.

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Other: The results as of January 1, 2018, for the years ending December 31, 2018, and December 31, 2019, were calculated by a prior actuary.

Changes in the Total OPEB Liability

Balance January 1, 2021	\$ 14,175,576
Changes for the year	
Service cost	1,035,980
Interest	292,253
Plan changes	(842,912)
Benefit payments	(1,203,781)
Net Change	<u>(718,460)</u>
Balance December 31, 2021	<u>\$ 13,457,116</u>

Of the \$13,457,116 total OPEB liability, \$971,145 is due within one year.

The following presents the OPEB liability of the County, as well as what the County's OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease 1.0%	Discount Rate 2.0%	1% Increase 3.0%
OPEB Liability	\$ 14,378,015	\$ 13,457,116	\$ 12,585,206

The following presents the OPEB liability of the County, as well as what the County's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.5% decreasing to 4.0%, then 3.0%) or 1% higher (7.5% decreasing to 6.0%, then 5.0%) than the current healthcare cost trend rates:

	1% Decrease 5.5% decreasing to 4.0% then 3.0%	Current Trend 6.5% decreasing to 5.0% then 4.0%	1% Increase 7.5% decreasing to 6.0% then 5.0%
Medical Trend Rate OPEB Liability	\$ 11,889,505	\$ 13,457,116	\$ 15,319,564

As of December 31, 2021, the County reported its proportionate share of the OPEB's deferred outflow of resources and deferred inflows of resources.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Losses	\$ 1,981,891	\$ -
Change of Assumptions	1,590,521	140,077
Liability Gains	-	3,191
Total	<u>\$ 3,572,412</u>	<u>\$ 143,268</u>

Year Ending December 31	Future Recognition
2022	\$ 851,397
2023	851,397
2024	886,473
2025	839,877
2026	-
Total	<u>\$ 3,429,144</u>

For the year ended December 31, 2021, the County recognized an OPEB expense of \$1,336,718.

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Interfund Receivables, Payables, Advances, and Transfers

The composition of interfund transfers during the year ended December 31, 2021, is as follows:
 Interfund Receivables/Payables (for deficit cash balances):

Receivable Fund	Payable Fund	Amount
General	Community Development Block Grant	\$ 47,575

Advances from/to other funds: (advance to pay for the Virginia motor pool building):

Receivable Fund	Payable Fund	Amount
Capital Projects	County Garage	\$ 1,612,363

Interfund Transfers:

Fund Transferred To	Fund Transferred From	Purpose	Amount
Major Funds			
General			
	Road and Bridge	Aerial imagery acquisition, road restriction enforcement	\$ 40,000
	Shoreline Sales	Natural resource improvements, environmental enforcement, education	251,708
	Forest Resources	GIS project and aerial imagery acquisition	230,000
	Medical/Dental Insurance	Health and wellness reimbursement	370,024
	Septic Services	Aerial imagery acquisition	30,000
	Capital Projects	Operating expenditures	43,487
	Forfeited Tax Sale	Land sale apportionment and blight program	1,916,717
Road and Bridge	General	Corner Certificate Program, ditching, special survey projects	955,000
	Forfeited Tax Sale	Land sale apportionment	69,274
	Forest Resources	Crushing	19,180
	Property, Casualty, & Liability	Property damage claims	38,563
Public Health and Human Services	General	Team 25 Social Worker	97,372
Forfeited Tax Sale	Road and Bridge	Equipment use	8,939
	Capital Projects	Asset transfer	18,521
Capital Projects	General	County Program Aid, excess rent revenues	2,319,693
	Road and Bridge	Equipment purchases	550,000
	Forfeited Tax Sale	Building projects	59,725
	Forest Resources	Labor, equipment reimbursement	28,538
Environmental Services	Shoreline Sales	Illegal dump cleanup, trailer, Canyon landfill planning and review	237,892
Pandemic Response	General	COVID-19 costs	1,700,000
Nonmajor Funds			
Forest Resources	Forfeited Tax Sale	Land sale apportionment	939,152
Debt Service	Road and Bridge	Bond payment	6,933,631
	Capital Projects	Close bonds	771,291
Septic Services	Shoreline Sales	Forgivable septic loans, on-site wastewater operations	511,509
	General	Personnel costs	7,000
	Capital Projects	Asset transfer	6,358
Shoreline Sales	Forest Resources	Leased land sales	473,775
Internal Service Funds			
County Garage	Capital Projects	Asset transfer	8,013
Property, Casualty, & Liability	General	General fund savings	700,000
	Total		<u>\$ 19,335,362</u>

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C. Fund Equity

The County Board authorized the County Auditor-Treasurer to establish portions of fund balance for encumbrances, cash flow, future year budgets and future unallotment purposes. These amounts are included in the General Fund's unassigned fund balance; the Road and Bridge Special Revenue Fund assigned for highways and streets; and the Public Health and Human Services Special Revenue Fund assigned for public health and human services.

	<u>Future Year Budget</u>	<u>Encumbrances</u>	<u>Cash Flow</u>	<u>Future Unallotment</u>	<u>Total</u>
Unassigned					
General	\$ 2,373,654	\$ -	\$ 35,779,851	\$ 4,825,997	\$ 42,979,502
Assigned					
Road and Bridge	2,400,000	2,258,610	7,782,711	-	12,441,321
Public Health and Human Services	115,874	586,119	18,850,633	-	19,552,626
Total	<u>\$ 4,889,528</u>	<u>\$ 2,844,729</u>	<u>\$ 62,413,195</u>	<u>\$ 4,825,997</u>	<u>\$ 74,973,449</u>

The cash flow maximum amount for each fund is calculated as 5/12 of the subsequent year's levy, plus the subsequent year's county program aid. For the year ended December 31, 2021, the maximum amounts, actual amounts, and percentage funded are shown below. The future unallotment is calculated based on required departmental savings due to state unallotments.

	<u>Cash Flow</u>		
	<u>Maximum Amount</u>	<u>Actual Amount</u>	<u>Percentage Funded</u>
General	\$ 39,629,167	\$ 35,779,851	90.29%
Road and Bridge	10,265,780	7,782,711	75.81%
Public Health and Human Services Fund	23,024,314	18,850,633	81.87%

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Note 3. Joint Ventures/Jointly Governed Organizations

Arrowhead Regional Corrections

Arrowhead Regional Corrections is governed by an eight-member board composed of a member appointed from each of the participating counties' boards of commissioners, except for St. Louis County, which has three members from its board. In addition, the right to have an additional member is annually rotated among Carlton, Cook, Koochiching, and Lake Counties. The County records all financial transactions for Arrowhead Regional Corrections through its Arrowhead Regional Corrections Custodial Fund. Its deposits and investments are included in the County's foregoing note on deposits and investments.

Arrowhead Regional Corrections is financed through state grants and contributions from participating counties. During 2020 (the most recent available), county contributions were in the following proportion:

Carlton County	9.77%
Cook County	1.59%
Koochiching County	3.36%
Lake County	3.76%
St. Louis County	81.52%
Total	100.00%

St. Louis County provided \$16,577,178 in funding during 2021. Separate financial information can be obtained from:

Arrowhead Regional Corrections
 320 W. 2nd St., Suite 303
 Duluth, Minnesota 55802

A summary of the financial information from Arrowhead Regional Corrections' Government-Wide Financial Statements for December 31, 2020 (the most recent available), is:

Total Assets	\$	24,572,623
Deferred Outflows		1,948,278
Total Liabilities		16,749,843
Deferred Inflows		2,102,579
Total Net Position		7,668,479
Total Program and General Revenues		28,654,453
Total Expenses/Uses		26,257,184
Change in Net Position		2,397,269

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Community Health Services Board

The counties of Carlton, Cook, Lake, and St. Louis entered into a joint powers agreement to operate the Carlton, Cook, Lake, and St. Louis County Community Health Services Board. This agreement is entered into under the authority of CAF of the Community Health Services Act and is pursuant to the provisions of Minn. Stat. §471.59. The Community Health Services Board is composed of nine members. Carlton, Cook, and Lake County Boards of Commissioners each appoint two members; the St. Louis County Board of Commissioners appoints three members. Financing is obtained through federal and state grants. St. Louis County provided no funding to this organization during 2021.

A summary of the financial information from the Community Health Services Board Government-Wide Financial Statements for December 31, 2020 (the most recent available) is:

Total Assets	\$	1,477,899
Deferred Outflows		30,212
Total Liabilities		1,672,544
Deferred Inflows		73,559
Total Net Position		(237,992)
Total Program and General Revenues		5,713,673
Total Expenses		5,667,604
Change in Net Position		46,069

Separate financial information can be obtained from:

Carlton, Cook, Lake, and St. Louis Counties
 Community Health Board
 404 West Superior Street, Suite 250
 Duluth, Minnesota 55802

Regional Railroad Authority

The St. Louis and Lake Counties Regional Railroad Authority was established under the Regional Railroad Authorities Act, Minn. Stat. §398A.03. It is governed by a Board composed of three members from the St. Louis County Board of Commissioners and two members from the Lake County Board of Commissioners. St. Louis County is the fiscal agent for the Railroad Authority, and all of its financial transactions are recorded in the Regional Railroad Authority Custodial Fund. Financing is obtained through a tax levy and federal, state, and local grants or participation. St. Louis County provided no funding to this organization during 2021.

A summary of the financial information from the Regional Railroad Authority Government-Wide Financial Statements for December 31, 2020 (the most recent available) is:

Total Assets	\$	31,816,822
Deferred Outflows		40,964
Total Liabilities		731,330
Deferred Inflows		22,400
Total Net Position		31,104,056
Total Revenues		4,148,235
Total Expenses		2,749,983
Change in Net Position		1,398,252

Separate financial information can be obtained from:

St. Louis & Lake Counties Regional Railroad Authority
 111 Station 44 Rd
 Eveleth, MN 55734

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Northeast Minnesota Office of Job Training

The Counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis entered into a joint powers agreement pursuant to Minn. Stat. §471.59 for the purpose of developing and implementing a private and public job training program. The United States Congress, through the Job Training Partnership Act of 1982, authorized states to establish "service delivery areas" to provide programs to achieve full employment through the use of grants. The counties identified above are defined as such "service delivery areas," and the Northeast Minnesota Office of Job Training is designated as the grant recipient and administrator for such a service delivery area. The County is not a funding mechanism for this organization.

The governing body is composed of seven members, one from each of the boards of commissioners of each of the participating counties.

A summary of the financial information from the Northeast Minnesota Office of Job Training's Government-Wide Statements for June 30, 2021 is:

Total Assets	\$	2,126,357
Deferred Outflows		173,643
Total Liabilities		2,927,801
Deferred Inflows		142,907
Total Net Position		(770,708)
Total Revenues		4,513,129
Total Expenses		4,458,820
Change in Net Position		54,309

Separate financial information can be obtained from:

Northeast Minnesota Office of Job Training
820 North Ninth Street, Suite 240, P.O. Box 1028
Virginia, Minnesota 55792

Northern Counties Land Use Coordinating Board

The Northern Counties Land Use Coordinating Board was established through a joint powers agreement pursuant to Minn. Stat. §471.59 for the purpose of helping to formulate land use plans for the protection, sustainable use, and development of lands and natural resources.

The joint powers are the counties of Aitkin, Cook, Itasca, Koochiching, Lake, Lake of the Woods, Pennington, Roseau, Marshall, and St. Louis. Three elected county commissioners from St. Louis County and two from each of the other counties comprise the membership of the Board. St. Louis County handles all of the financial transactions for this organization through its Northern Counties Land Use Board Custodial Fund.

A summary of the financial information of the Northern Counties Land Use Coordinating Board for the Financial Statements for December 31, 2021 is:

Total Assets	\$	77,893
Total Liabilities		9,128
Total Net Position		68,765
Total Revenues		11,500
Total Expenses		38,772
Change in Net Position		(27,272)

Separate financial information can be obtained from:

Northern Counties Land Use Coordinating Board
St. Louis County Courthouse
100 N 5th Ave West #201
Duluth, Minnesota 55802

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Minnesota Counties Information Systems (MCIS)

The Counties of Aitkin, Carlton, Cass, Chippewa, Cook, Crow Wing, Dodge, Itasca, Koochiching, Lac qui Parle, Lake, Sherburne, and St. Louis entered into a joint powers agreement pursuant to Minnesota Stat. §471.59, for the purpose of operating and maintaining data processing facilities and management information systems for use by its members.

MCIS is governed by a thirteen-member board, composed of a member appointed by each of the participating counties' boards of commissioners. Financing is obtained through user charges to members. Cass County is the fiscal agent for MCIS.

A summary of the financial information from Minnesota Counties Information System's Government-Wide Financial Statements for December 31, 2020 (the most recent available) is:

Total Assets	\$	1,754,711
Total Deferred Outflows		326,990
Total Liabilities		1,041,356
Total Deferred Inflows		54,845
Total Net Position		985,500
Total Revenues		3,218,964
Total Expenses		2,715,396
Change in Net Position		503,568

Separate financial information can be obtained from:

Minnesota Counties Information Systems
 413 Southeast 7th Avenue
 Grand Rapids, MN 55744

Duluth Area Family Service Collaborative

The Duluth Area Family Service Collaborative was established pursuant to Minn. Stat. §124D.23. The Collaborative includes St. Louis County, Independent School District No. 709, Arrowhead Regional Corrections, and the City of Duluth. The purpose of the Collaborative is to improve the lives of families and children through efforts focused on prevention and early intervention. The Collaborative seeks to empower parents and families to solve their own problems through support, information, skill building, and advocacy.

Control of the Collaborative is vested in a Board of Directors. The County has two members on the Board. Financing is provided by state and federal grants; appropriations from the Collaborative members; and miscellaneous revenues. St. Louis County provided no funding to the Collaborative during 2021. St. Louis County is the fiscal agent for the Collaborative, which is accounted for in the Duluth Area Family Service Collaborative Custodial Fund. A summary of the financial information of the Collaborative for the year ended December 31, 2021 is:

Total Assets	\$	952,015
Total Liabilities		50,885
Total Net Position		901,130
Total Revenues		70,579
Total Expenses		155,277
Change in Net Position		(84,698)

Separate financial information can be obtained from the St. Louis County Auditor-Treasurer's Office.

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North Area Collective Local Collaborative

The North Area Collective Local Collaborative was established pursuant to Minn. Stat. §124D.23. The Collaborative includes St. Louis County, Arrowhead Regional Corrections, School District 2142, and School District 701. The purpose of the Collaborative is to improve the lives of families and children through efforts focused on prevention and early intervention. The Collaborative seeks to empower parents and families to solve their own problems through support, information, skill building, and advocacy.

Control of the Collaborative is vested in a Board of Directors. The County has two members on the Board. Financing is provided by state and federal grants; appropriations from the Collaborative members; and miscellaneous revenues. St. Louis County provided no funding to the Collaborative during 2021. St. Louis County is the fiscal agent for the Collaborative, which is accounted for in the Duluth Area Family Service Collaborative Custodial Fund. A summary of the financial information of the Collaborative for the year ended December 31, 2021 is:

Total Assets	\$	457,088
Total Liabilities		7,221
Total Net Position		449,867
Total Revenue		70,484
Total Expenses		451,837
Change in Net Position		(381,353)

Separate financial information can be obtained from the St. Louis County Auditor-Treasurer's Office.

Minneapolis-Duluth/Superior Passenger Rail Alliance

The St. Louis and Lake County Regional Railroad Authority (a jointly governed organization) entered into a joint powers agreement with the Regional Rail Authorities of Hennepin County, Isanti County, Pine County, the cities of Duluth and Minneapolis, and Douglas County, Wisconsin to establish the Minneapolis-Duluth/Superior Passenger Rail Alliance. The Alliance's purpose is to collaboratively discuss the development of rail transportation between the Twin Cities Metropolitan and Twin Ports areas. The governing Board comprises one elected official from each party to the agreement. Each party contributes funds consistent with the annual budget and cost sharing formula. The St. Louis and Lake County Regional Railroad Authority serves as the fiscal agent.

A summary of the financial information of the Minneapolis-Duluth/Superior Passenger Rail Alliance from the Government-Wide Financial Statement for December 31, 2020 (the most recent available) is:

Total Assets	\$	49,815
Total Liabilities		3,480
Total Net Position		46,335
Total Revenues		79,200
Total Expenses		49,601
Change in Net Position		29,599

Separate financial information can be obtained from:

St. Louis and Lake County Regional Railroad Authority
111 Station 44 Rd
Eveleth, MN 55734

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Northeast Minnesota Emergency Communications Board (NEECB)

The Northeast Minnesota Emergency Communications Board was established through a joint powers agreement, pursuant to Minn. Stat. § 471.59 and 403.39, to provide for regional administration of enhancements to the Statewide Public Safety Radio and Communication System (ARMER), and to enhance and improve interoperable public safety communications. The joint powers are the counties of Aitkin, Carlton, Cass, Cook, Crow Wing, Itasca, Kanabec, Koochiching, Lake, Pine, and St. Louis, as well as the cities of Duluth, Hibbing, International Falls, and Virginia, along with three tribes: the Grand Portage Band of Chippewa, the Leech Lake Band of Ojibwe, and the Mille Lacs Band of Ojibwe.

Control of the Northeast Minnesota Emergency Communications Board is vested in a Board of Directors composed of one county commissioner from each of the member counties; one city councilor from each of the member cities; and one tribal member. In addition, there is one member from the Northeast Minnesota Regional Advisory Committee, one member from the Northeast Minnesota Emergency Communications System User Committee, and one member from the Northeast Minnesota Owners and Operators Committee who are also voting members of the board.

St. Louis County is the fiscal agent for the Northeast Minnesota Emergency Communications Board. Funding is provided by grants and contributions from participating members. St. Louis County provided \$1,791 in funding to this organization in 2021.

Northeastern Minnesota Enforcement & Safety Information System (NEMESIS)

The Northeast Minnesota Enforcement & Safety Information System Board was established under State of Minnesota laws and includes the following law enforcement agencies: Duluth Police Department; Hermantown Police Department; Proctor Police Department; University of Minnesota Duluth Campus Police; and St. Louis County. These partners came together to create a shared criminal justice information system on a region-wide basis.

In 2002, the partners formalized a charter agreement governing participation in NEMESIS. Subscriber fees and agreements were approved. Bylaws were established to determine the organization and procedures governing NEMESIS.

St. Louis County is the fiscal agent for the Northeastern Minnesota Enforcement & Safety Information System. Funding is provided by membership fees from participating members. St. Louis County provided \$151,680 in funding to this organization in 2021.

City/County Communications Antenna Site

St. Louis County and the City of Duluth entered into a joint powers agreement under Minn. Stat. §471.59 for the purpose of managing a jointly owned communications tower and support building at 7 Observation Road, Duluth, Minnesota. Designated contacts for the County and City are the Communications Director and the Chief of Police, respectively. The agreement specifies certain maintenance responsibilities for each party. Revenues comprise annual assessments to the County and City, plus charges for third party use of the antenna site. St. Louis County is the fiscal agent for the financial activity. It is accounted for in the General Fund. This agreement will continue until terminated by either party.

Voyageurs National Park Water Basin Joint County Sewer Project

On September 12, 2009, the County entered into a joint powers agreement pursuant to Minnesota Statute §471.59 with Koochiching County for the purpose of providing an environmentally sensitive and responsible solution to the problem of non-compliant and failing septic systems on certain properties located within the project area. The County extended this agreement on June 2, 2015. This agreement will govern the application for, solicitation, and administration of funds received for the purpose of planning, grant writing, engineering, conservation, environmental studies, and the development, management, and construction of wastewater treatment for property within the project area.

The governing body is comprised of four members: two County commissioners appointed by the St. Louis County Board and two County commissioners appointed by the Koochiching County Board. St. Louis County contributed \$29,150 to the Voyageurs National Park Water Basin for the year ended December 31, 2021. Separate financial information can be obtained from the St. Louis County Courthouse, 100 North 5th Ave West, Duluth, Minnesota 55802.

Non-Emergency Medical Transportation Project

In October 2018, the County entered into a joint powers agreement with Aitkin, Carlton, and Lake Counties for the purpose of developing and implementing policies, structures, and procedures and to promote efficiency and economy of services for providing non-emergency medical transportation to eligible participants within the multi-county area. The agreement governs the terms and conditions through which the parties will cooperatively manage the services for covered participants. Additionally, the agreement governs the shared cost of administration and business services support staff. These costs include administrative expenses for authorized rides based on the contract rate, vendors, and support staff within the Public Health and Human Services Department.

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Northeast Regional ATV Trail Joint Powers Board

On August 20, 2021, the County entered into a joint powers agreement with Koochiching County and Lake County pursuant to Minnesota Statute §471.59 to collaborate in seeking federal, state, and other available funding and financial assistance to plan, develop, manage, and construct a regional ATV trail system within the Counties. This agreement will govern the application for, solicitation of, and administration of funds received for the purpose of planning, grant writing, engineering, conservation, environmental studies, and the development, management, and construction of ATV trails within the Counties.

The Counties have agreed to create the Northeast Regional ATV Trail Board, also known as the Northeast Regional ATV Trail Board. The Board is comprised of four members: two County commissioners appointed by the St. Louis County Board; one County commissioner appointed by the Koochiching County Board; and one County commissioner appointed by the Lake County Board. For the fiscal year ending December 31, 2021, St. Louis County contributed \$70,000, Lake County contributed \$15,000, and Koochiching County contributed \$15,000 to the Northeast Regional ATV Trail Joint Powers Board. The disbursement and appropriation of funds obtained as a result of efforts made pursuant to this agreement will be determined by the board. Each County's share of costs will be based on the following cost splits: 70% St. Louis County; 15% Koochiching County; and 15% Lake County. Separate financial information can be obtained from the St. Louis County Courthouse, 100 North 5th Ave West, Duluth, Minnesota 55802.

Ash River Sanitary District

In 2018, the St. Louis County (SLC) Board approved Resolution No. 18-463, authorizing Environmental Services to prepare and submit a petition to the Minnesota Office of Administrative Hearings for the creation of the Ash River Sanitary District (ARSD). The district was created pursuant to Minn. Stat. §442A.04, 442A.11, and 442A.13 (2018) through an order signed by the Minnesota Office of Administrative Hearings Chief Administrative Law Judge on June 5, 2019. The St. Louis County Board, per Minn. Stat. §442A.14 elected a five-member district Board of Managers on October 1, 2019, through SLC Board Resolution No. 21-646.

Resolution No. 20-484 approved a \$32,000 grant awarded to the ARSD for professional services and administrative costs from the SLC Environmental Trust Fund, and Resolution No. 21-647 extended the grant through December 31, 2023. The Minnesota Pollution Control Agency (MPCA) awarded the ARSD a grant effective April 12, 2021, and amended November 22, 2021, to include a total of \$950,000 for the development of the Ash River Sanitary Sewer Project. SLC Board Resolution No. 21-675 approved the local match of \$237,500 to be paid from the SLC Environmental Trust Fund. The SLC Auditor's Office entered into agreements to act as the fiscal agent for both grants.

Crane Lake

On February 23, 2021, the St. Louis County Board approved Resolution No. 21-139, agreeing to be the fiscal agent on two grants from the Legislative-Citizen Commission on Minnesota Resources (LCCMR) for the funding years 2020 and 2021. These grants allow Crane Lake to build a visitor center and campground near Voyageurs National Park in the amount of \$5.8 million for both grants. The only fiscal information St. Louis County is responsible for is grant funding.

Brookston

On February 9, 2021, the St. Louis County Board approved Resolution No. 21-113, agreeing to be the fiscal agent on a 2021 grant from the Legislative-Citizen Commission on Minnesota Resources (LCCMR). This grant allows Brookston to plan a campground near the St. Louis River in the amount of \$425,000. The only fiscal information St. Louis County is responsible for is grant funding.

ST. LOUIS COUNTY, MINNESOTA
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Note 4. Summary of Significant Contingencies and Other Items

Claims and Litigation

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

Abatements

Tax abatement is available as a financing tool for housing and economic development activities in St. Louis County. It was adopted by the County Board on March 12, 2002, via Resolution 187. It is to be used for projects that result in the creation of quality jobs and the attraction, retention, and expansion of business or housing options within the County. St. Louis County works in partnership with local jurisdictions to use tax abatement as a financing tool for housing and economic development. Tax abatement is allowed under Minnesota Statutes §469.1812 to 469.1815.

In 2021, the County abated \$533,580 in property taxes under this program.

Purpose	Percentage of Taxes Abated during the Fiscal Year	Amount of Taxes Abated during the Fiscal Year
City of Duluth (Miller Hill Flats Workforce Housing) - Assist in the need to provide housing in the Miller Hill area with the construction of 72 rental units.	12.61%	\$ 67,305
City of Duluth (Capstone Apartments) - Assist in the need to provide housing in the Miller Hill area with the construction of 80 rental units.	22.28%	118,906
City of Duluth (Costco) - Assist the City with completing public infrastructure improvements related to the development of the Costco Wholesale Store.	1.52%	8,086
City of Duluth (Cityview Flats Apartments) - Assist in the need to provide housing in the downtown area of Duluth with the construction of 105 rental units.	17.16%	91,542
City of Duluth (First Street Apartments) - Assist in the need to provide housing in the downtown area of Duluth with the construction of approximately 47 rental units.	3.02%	16,138
P & H Mine Pro (Joy Global) - Assist in the lease of property for the construction of a new facility.	1.87%	10,000
City of Hermantown (Mills Fleet Farm) - Assist the City with completing public infrastructure improvements related to the Hermantown Marketplace project. The project included the construction of the Sewer Trunkline.	39.12%	208,728
L & M Radiator - Assist in the expansion with the construction of a new manufacturing building adjacent and connected to its existing main building.	2.41%	12,875
		\$ 533,580

The City of Duluth (Miller Hill Flats II Apartments) was approved for a tax abatement to assist the City in reimbursing Miller Hill Flats II Apartments with eligible costs associated with site development and construction of a 72-unit apartment building named Miller Hill Flats. This will fulfill a housing need in the Miller Hill area. The agreement commences with real estate taxes payable in the year 2018, with the County remitting all Tax Abatement Financing (TAF) proceeds, until the total amount of TAF proceeds received by the City equals \$250,000. Miller Hill Flats II Apartments, Inc. will pay assessed property taxes as due on May 15 and October 15 of each year and will receive a rebate no later than thirty days after receipt thereof by the County. The abatement amount paid will be determined by the actual amount of the County tax portion on line 6 of the tax statement each year. The City is obligated to certify that eligible development costs of at least \$250,000 have been paid by Miller Hill Flats.

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The City of Duluth (Capstone Apartments) was approved for a tax abatement to assist the City in reimbursing Capstone LLC with eligible costs associated with site development and construction of an 80-unit apartment building named Capstone Apartments. This will fulfill a housing need in the Miller Hill area. The agreement commences with real estate taxes payable in the year 2019, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals \$250,000. Capstone LLC will pay assessed property taxes as due on May 15 and October 15 of each year and will receive a rebate no later than thirty days after receipt thereof by the County. The abatement amount paid will be determined by the actual amount of the County tax portion on line 6 of the tax statement each year. The City is obligated to certify that eligible development costs of at least \$250,000 have been paid by Capstone LLC.

P & H MinePro (Joy Global) was approved for a ten-year tax abatement to assist in the lease of property for the construction of an equipment fabrication, maintenance, and rebuild facility, with warehouse and office space, outside storage, and parking. The agreement runs from 2014-2023 and will abate \$100,000 over the ten-year period, \$10,000 per year. P & H will pay the assessed property taxes as due on May 15 and October 15 of each year and will receive the abatement as a rebate each year. P & H is obligated to add 12 full-time jobs at the new property within five years after the benefit date and maintain the development property for 22 years after the benefit date or maturity, whichever is sooner.

The City of Hermantown (Mills Fleet Farm) was approved for a tax abatement to assist the City with certain public infrastructure improvements, a traffic signal system, sidewalks, and Hermantown Marketplace designed street lights in 2017 for \$500,000. The final balance of this abatement was paid in 2019 and extended to include the construction of the Sewer Trunkline with an additional abatement of \$860,000. The County administration determined that the mechanics and administrative efforts involved in committing the abatement from future projects would be cumbersome and has instead proposed that the tax abatement from Mills Properties, Inc., Fleet Farm project simply be extended to provide assistance to help the City pay the cost of the Sewer Trunkline. The agreement commences with real estate taxes payable in the year 2019, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals the amount of \$860,000. Mills Fleet Farm will pay assessed property taxes as due on May 15 and October 15 of each year and the City will receive the abatement as a rebate no later than thirty days after receipt thereof by the County. The abatement amount paid will be determined by the actual amount of the County tax portion on line 6 of the tax statements each year. The City is obligated to certify that TAF-eligible costs of at least \$860,000 have been paid, or are contractually obligated to be paid by the City.

L & M Radiator was approved for a tax abatement to assist the business with the construction of a new manufacturing building adjacent and connected to its existing main building. The agreement commences with real estate taxes payable in the year 2020 with the County remitting a portion of Tax Abatement Financing (TAF) proceeds to the City of Hibbing in order for the City to administer payment of the TAF proceeds on behalf of the County to L & M, until the total amount of TAF proceeds received by the City equals the amount of \$350,000. The abatement portion paid will be calculated at 39% of the increased portion of the County's share of property taxes. L & M Radiator will pay assessed property taxes as due on May 15 and October 15 of each year and will receive the abatement as a rebate no later than thirty days after receipt thereof by the County. The City of Hibbing is obligated to certify that eligible development costs of at least \$350,000 have been paid by L & M Radiator.

The City of Duluth (Costco) was approved for a tax abatement to assist the City in reimbursing Costco Wholesale Corporation with eligible costs associated with public infrastructure to support the site's development of a Costco Wholesale store. The agreement commences with real estate taxes payable in the year 2021, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals the amount of \$650,000. Costco Wholesale Corporation will pay assessed property taxes as due on May 15 and October 15 of each year and the City will receive the abatement as a rebate no later than thirty days after receipt thereof by the County. The abatement amount paid will be determined by the actual amount of the County tax portion on line 6 of the tax statements each year. The City is obligated to certify that TAF-eligible costs of at least \$650,000 have been paid, or are contractually obligated to be paid by the City.

The City of Duluth (Cityview Flats Apartments) was approved for a tax abatement to assist the City in reimbursing Cityview Flats, LLC with eligible costs associated with site development and construction of 105-units of rental housing as part of a project known as Cityview Flats in downtown Duluth. This will fulfill a housing need in the downtown area. The agreement commences with real estate taxes payable in the year 2021, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals the amount of \$400,000. Cityview Flats, LLC will pay assessed property taxes as due on May 15 and October 15 of each year and will receive the abatement as a rebate no later than thirty days after receipt thereof by the County. The abatement amount paid will be determined by the actual amount of the County tax portion on line 6 of the tax statements each year. The City is obligated to certify that eligible development costs of at least \$400,000 have been paid by Cityview Flats, LLC.

The City of Duluth (First Street Apartments) was approved for a tax abatement to assist the City in reimbursing Roers Lake & First Street LLC with eligible costs associated with site development and redevelopment of property at 1 and 5 East First Street into 47 rental units in downtown Duluth. This will fulfill a housing need in the downtown area. The agreement commences with real estate taxes payable in the year 2021, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals the amount of \$300,000. Roers Lake & First Street, LLC will pay assessed property

ST. LOUIS COUNTY, MINNESOTA
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taxes as due on May 15 and October 15 of each year and will receive the abatement as a rebate no later than thirty days after receipt thereof by the County. The abatement amount paid will be determined by the actual amount of the County tax portion on line 6 of the tax statements each year. The City is obligated to certify that eligible development costs of at least \$300,000 have been paid by Roers Lake & First Street LLC.

Tax Abatements

The County has multiple pay-as-you-go tax increment financing districts with local businesses pursuant to Minn. Statute 469.174-.1794. Of the \$4.9 million in tax abatements paid in 2021, \$3.1 million was to promote redevelopment and economic development and \$1.8 million was to promote housing. The County is currently collecting tax increments that are paid through the property tax collection processes. The requirement for businesses to receive the excess tax increments from the County is to perform improvements on owned property. The increment taxes are based on the increase in the property value after the improvements are made.

Purpose	Name	City	Percentage of Increment Collected to be Returned	Decertification Date	Excess Increment Paid 2021
Redevelopment	TIF District 26	Ely	100%	12/31/2021	\$ 69,863
Housing	TIF District 51	Hibbing	100%	12/31/2021	15,777
Redevelopment	TIF District 52	Biwabik	100%	12/31/2022	7,965
Housing	TIF District 57	Duluth	100%	12/31/2021	46,483
Redevelopment	TIF District 65	Ely	100%	12/31/2026	43,447
Housing	TIF District 71	Buhl	100%	12/31/2023	21,075
Housing	TIF District 73	Orr	100%	12/31/2024	6,069
Redevelopment	TIF District 79	Duluth	100%	12/31/2026	535,573
Redevelopment	TIF District 84	Duluth	100%	12/31/2027	117,558
Redevelopment	TIF District 87	Chisholm	100%	12/31/2030	845
Housing	TIF District 90	Duluth	100%	12/31/2030	974,010
Housing	TIF District 91	Duluth	100%	12/31/2030	44,307
Housing	TIF District 92	Duluth	100%	12/31/2031	313,338
Housing	TIF District 93	Tower	100%	12/31/2031	21,199
Housing	TIF District 94	Duluth	100%	12/31/2033	60,488
Housing	TIF District 95	Duluth	100%	12/31/2032	35,910
Housing	TIF District 96	Duluth	100%	12/31/2033	98,078
Redevelopment	TIF District 97	Duluth	100%	12/31/2034	173,655
Housing	TIF District 98	Duluth	100%	12/31/2034	21,089
Redevelopment	TIF District 99	Mountain Iron	100%	12/31/2021	67,228
Housing	TIF District 102	Duluth	100%	12/31/2038	21,918
Redevelopment	TIF District 103	Hibbing	100%	12/31/2041	71,830
Redevelopment	TIF District 104	Duluth	100%	12/31/2040	496,073
Redevelopment	TIF District 105	Duluth	100%	12/31/2042	562,942
Housing	TIF District 106	Duluth	100%	12/31/2041	59,563
Redevelopment	TIF District 107	Hermantown	100%	12/31/2041	132,394
Redevelopment	TIF District 108	Duluth	100%	12/31/2042	264,058
Redevelopment	TIF District 109	Duluth	100%	12/31/2043	357,334
Redevelopment	TIF District 110	Duluth	100%	12/31/2043	220,960
Economic Development	TIF District 111	Mountain Iron	100%	12/31/2026	16,190
Economic Development	TIF District 112	Mountain Iron	100%	12/31/2028	9,924
Economic Development	TIF District 113	Duluth	100%	12/31/2046	2,100
					<u>\$ 4,889,243</u>

ST. LOUIS COUNTY, MINNESOTA
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Pollution Remediation

Governmental Accounting Standards Board (GASB) Statement 49 establishes standards for accounting and financial reporting for pollution remediation obligations and is effective for periods beginning after December 15, 2007. The Environmental Services Fund management believes the County could be responsible for at least some types of third party impacts related to the Closed Landfill Program operated by the Minnesota Pollution Control Agency. Any liability is unknown as of December 31, 2021, as it would need to be determined through the legal system.

St. Louis County Heritage and Arts Center (Depot)

As of January 1, 2020, all front desk services and night security have been shifted to Kelly Services. As of April 2020, all financial management has shifted to St. Louis County Depot Management. In July 2020, Oneida's contract was renewed through June 30, 2021, for maintenance and janitorial services only. As of July 1, 2021, St. Louis County Property Management provided maintenance to the Depot, and Oneida's contract was renewed through December 31, 2021, for janitorial only. Additionally, St. Louis County is now responsible for all consumable purchases for the building.

Northwoods Townhomes Project

In 2006, the St. Louis County Housing and Redevelopment Authority (the County HRA), the City of Ely Housing and Redevelopment Authority (the City HRA), the City of Ely (the City), and St. Louis County (the County) entered into an agreement to finance the costs of acquisition, construction, and equipping of a multifamily rental housing project for the elderly consisting of 26 single-story townhouse units located in the City of Ely, Minnesota. The County HRA irrevocably appointed the City HRA as its agent in connection with the project.

The City HRA issued \$3,800,000 of revenue bonds for the project, payable with rents collected for the units. If the City HRA's cash flow projection of net revenues does not equal at least 105 percent of the scheduled debt service payments for the next calendar year, the County pledged its full faith and credit and taxing powers to pay the debt service on the revenue bonds. If the County is required to make debt service payments as described above, the City pledges its general obligation to indemnify the County for the debt payments made up to a maximum of \$3,000,000. The City HRA agrees to repay the County to the extent the County is not indemnified by the City.

The project will be jointly owned by the County HRA and the City HRA. The City HRA will manage the project, including construction, operation, and maintenance. If the County HRA and the City HRA mutually agree to offer the project for sale, the County HRA is entitled to 20 percent of the net sale proceeds.

In 2016, the project was refinanced for \$4,020,000 with a new bond issue, 2016A, which included 2008 bonds that were issued by the City HRA but not secured by the general obligations of St. Louis County and the 2006 bond issue. The term of the refunding bonds is 25 years with a final maturity of 2041. Principal and interest on the refunding bonds will be paid from rental payments from the project. The payment of the refunding bonds will be additionally secured by the general obligation of St. Louis County, and pursuant to the Amended and Restated Joint Powers Agreement, the County will be indemnified by up to \$3 million plus accrued interest by the City of Ely.

Tax Forfeited Land Management

The County manages approximately 914,000 acres of state-owned tax-forfeited land. This land generates revenues primarily from timber, land sales, and land encumbrances such as leases and easements. Land management costs, including forestry costs such as site preparation, seedlings, tree planting, and logging roads, are accounted for as current operating expenditures. Revenues in excess of expenditures are distributed to the County and to cities, towns, and school districts within the County in compliance with state statute.

Subsequent Event

On May 17, 2022, the St. Louis County Board held a meeting to declare a local state of emergency due to flooding in St. Louis County. Due to late spring melting, frozen/saturated ground, and significant rainfall amounts, the County is experiencing high water in many areas. The result of this high water has already caused road washouts, water-covered roadways, and overwhelmed drainage systems throughout the County. A local state of emergency declaration is needed in order to apply for state and federal assistance if damage amounts reach certain thresholds.

ST. LOUIS COUNTY, MINNESOTA.
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERA GENERAL EMPLOYEES RETIREMENT PLAN
LAST TEN YEARS *

Fiscal Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$ 6,155,196	\$ 6,155,196	-	82,069,352	7.50%
December 31, 2016	6,067,130	6,067,130	-	80,895,144	7.50%
December 31, 2017	6,330,708	6,330,708	-	84,409,604	7.50%
December 31, 2018	6,569,775	6,569,775	-	87,596,964	7.50%
December 31, 2019	6,792,150	6,792,150	-	90,561,827	7.50%
December 31, 2020	7,104,811	7,104,811	-	94,730,619	7.50%
December 31, 2021	7,217,198	7,217,198	-	96,229,303	7.50%

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

*The notes to the RSI are an integral part of this schedule.

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA GENERAL EMPLOYEES RETIREMENT PLAN
LAST TEN YEARS*

Fiscal Year Ending	Employer's Proportion of the Net Pension Liability (Asset) (Percentage)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with St. Louis County (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)	Covered Payroll (c)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	1.3218%	\$ 68,502,536	N/A	\$ 68,502,536	\$ 77,673,884	88.19%	78.19%
June 30, 2016	1.2923%	104,928,351	1,370,427	106,298,778	80,184,222	130.86%	68.91%
June 30, 2017	1.3273%	84,733,957	1,065,410	85,799,367	85,503,518	99.10%	75.90%
June 30, 2018	1.2824%	71,142,294	2,333,479	73,475,773	86,140,403	82.59%	79.53%
June 30, 2019	1.2569%	69,491,186	2,159,740	71,650,926	88,936,532	78.14%	80.23%
June 30, 2020	1.3031%	78,126,801	2,409,183	80,535,984	92,932,090	84.07%	79.06%
June 30, 2021	1.3289%	56,749,983	1,733,050	58,483,033	95,658,830	59.33%	87.00%

N/A = Not available

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

*The notes to the RSI are an integral part of this schedule.

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERA PUBLIC EMPLOYEES POLICE AND FIRE RETIREMENT PLAN
LAST TEN YEARS *

Fiscal Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$ 1,261,852	\$ 1,261,852	-	7,789,214	16.20%
December 31, 2016	1,253,227	1,253,227	-	7,735,969	16.20%
December 31, 2017	1,335,354	1,335,354	-	8,242,926	16.20%
December 31, 2018	1,404,026	1,404,026	-	8,666,823	16.20%
December 31, 2019	1,540,019	1,540,019	-	9,085,660	16.95%
December 31, 2020	1,609,867	1,609,867	-	9,095,291	17.70%
December 31, 2021	1,707,028	1,707,028	-	9,644,229	17.70%

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

*The notes to the RSI are an integral part of this schedule.

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES POLICE AND FIRE RETIREMENT PLAN
LAST TEN YEARS *

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability (Asset)(b)	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)	Covered Payroll (c)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.8100%	\$ 9,130,596	N/A	N/A	\$ 7,416,153	123.12%	86.61%
June 30, 2016	0.7980%	31,880,409	N/A	N/A	7,690,378	414.55%	63.88%
June 30, 2017	0.8090%	10,922,462	N/A	N/A	8,300,001	131.60%	85.43%
June 30, 2018	0.8050%	8,581,537	N/A	N/A	8,448,857	101.57%	88.84%
June 30, 2019	0.8510%	9,060,819	N/A	N/A	8,962,066	101.10%	89.26%
June 30, 2020	0.8018%	10,568,582	248,980	10,817,562	9,037,965	116.94%	87.19%
June 30, 2021	0.7607%	5,871,798	263,980	6,135,778	9,406,424	62.42%	93.66%

N/A = Not available

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

*The notes to the RSI are an integral part of this schedule.

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERA CORRECTIONAL EMPLOYEES RETIREMENT PLAN
LAST TEN YEARS *

Fiscal Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$ 350,413	\$ 350,413	-	\$ 4,004,724	8.75%
December 31, 2016	355,713	355,713	-	4,065,289	8.75%
December 31, 2017	356,670	356,670	-	4,076,233	8.75%
December 31, 2018	365,124	365,124	-	4,172,847	8.75%
December 31, 2019	374,426	374,426	-	4,279,159	8.75%
December 31, 2020	386,258	386,258	-	4,413,378	8.75%
December 31, 2021	385,761	385,761	-	4,408,699	8.75%

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

*The notes to the RSI are an integral part of this schedule.

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA CORRECTIONAL EMPLOYEES RETIREMENT PLAN
LAST TEN YEARS *

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	2.05% \$	316,930 \$	3,682,667	8.61%	96.95%
June 30, 2016	2.11%	7,708,125	3,984,683	193.44%	58.16%
June 30, 2017	2.11%	6,013,521	4,222,769	142.41%	67.89%
June 30, 2018	2.01%	331,062	4,111,077	8.05%	97.64%
June 30, 2019	2.01%	278,881	4,296,655	6.49%	98.17%
June 30, 2020	2.00%	542,572	4,351,162	12.47%	96.67%
June 30, 2021	2.00%	(328,133)	4,416,419	(7.43)%	101.61%

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

*The notes to the RSI are an integral part of this schedule.

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS
DECEMBER 31, 2021

	2018	2019	2020	2021
Total OPEB Liability				
Service Cost	\$ 539,833	\$ 493,695	\$ 592,423	\$ 1,035,980
Interest	332,276	372,366	267,565	292,253
Assumption Changes	(58,329)	119,176	1,776,198	-
Plan Changes	-	-	-	(842,912)
Differences between projected and actual experience	(1,329)	1,087	2,967,280	-
Benefit payments	(1,066,390)	(917,916)	(1,193,172)	(1,203,781)
Other changes	(322,750)	625,513	-	-
Net change in total OPEB liability	<u>\$ (576,689)</u>	<u>\$ 693,921</u>	<u>\$ 4,410,294</u>	<u>\$ (718,460)</u>
Total OPEB Liability - Beginning	<u>\$ 9,648,050</u>	<u>\$ 9,071,361</u>	<u>\$ 9,765,282</u>	<u>\$ 14,175,576</u>
Total OPEB Liability - Ending	<u><u>\$ 9,071,361</u></u>	<u><u>\$ 9,765,282</u></u>	<u><u>\$ 14,175,576</u></u>	<u><u>\$ 13,457,116</u></u>
Covered employee payroll	\$ 96,989,030	\$ 100,099,354	\$ 108,534,286	\$ 102,766,544
Total OPEB liability (asset) as a percentage of covered employee payroll	9.4%	9.8%	13.1%	13.1%

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

Defined Benefit Pension Plans - Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30:

General Employees Fund

2021 Changes

Changes in Actuarial Assumptions

- For financial reporting purposes, the investment return and single discount rates were changed from 7.50 percent to 6.50 percent.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption decreased from 2.50% to 2.25%.
- The payroll growth assumption decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes resulted in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020, through December 31, 2023, and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed post-retirement benefit increase was changed from 1.0% per year through 2044, and 2.50% per year thereafter, to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Beginning July 1, 2018, the interest rate on member contributions was reduced from 4.00 percent to 3.00 percent.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90 percent funding to 50 percent of the Social Security cost-of-living adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; this does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability, and 3.0% for non-vested deferred member liability.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

Defined Benefit Pension Plans - Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (continued)

- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution to the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter, to 1.0% per year for all future years.
- The assumed investment return changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter, to 1.00 percent per year through 2035 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due in September 2015.

Police and Fire Fund

2021 Changes

Changes in Actuarial Assumptions

- For financial reporting purposes, the investment return and single discount rates were changed from 7.50 percent to 6.50 percent.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increases were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes resulted in slightly more unreduced retirements and fewer assumed early retirements.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes resulted in more assumed terminations.
- Assumed rates of disability increased for those ages 25-44 and decreased for those over 49. Overall, proposed rates result in more projected disabilities.
- The assumed married rate for active female members was raised from 60 percent to 70 percent. Minor changes to the form of payment assumptions were made.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2018 to MP-2019.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2016 to MP-2017.

Changes in Plan Provisions

- Post-retirement benefit increases changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048, was added to the existing \$9.0 million state contribution.
- New annual state aid will total \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan is fully funded, or July 1, 2048, whichever comes first.
- Member contributions increased from 10.80 percent to 11.30 percent of pay, effective January 1, 2019, and to 11.80 percent of pay, effective January 1, 2020.
- Employer contributions increased from 16.20 percent to 16.95 percent of pay, effective January 1, 2019, and to 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions was reduced from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30% for vested and non-vested deferred members. The CSA load has been changed to 33% for vested members and 2% for non-vested members.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

Defined Benefit Pension Plans - Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (continued)

- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- For the first three years of service, the assumed termination rates were reduced to 3.00 percent. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- The assumed percentage of married female members decreased from 65% to 60%.
- The assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064 and 2.50% thereafter.
- The single discount rate was changed from 5.6% per annum to 7.5% per annum.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% per year thereafter, to 1.0% per year for all future years.
- The assumed investment return changed from 7.9% to 7.5%.
- The single discount rate changed from 7.9% to 5.6%.
- Future salary increases, payroll growth, and inflation assumptions were reduced by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2015 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter, to 1.00 percent per year through 2037 and 2.50 percent per year thereafter.

Changes in Plan Provisions:

- The post-retirement benefit increase to be paid after the attainment of the 90.00 percent funding threshold was changed from inflation up to 2.50 percent, to a fixed rate of 2.50 percent.

Correctional Fund

2021 Changes

Changes in Actuarial Assumptions

- For financial reporting purposes, the investment return and single discount rates were changed from 7.50 percent to 6.50 percent.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increases were modified as recommended in the July 10, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 10, 2020 experience study. The changes resulted in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed as recommended in the July 10, 2020 experience study. The new rates predict more terminations, both in the three-year select period (based on service) and the ultimate rates (based on age).
- Assumed rates of disability were lowered.
- The assumed percentage of married active members was reduced from 85 to 75 percent.
- Minor changes to the form of payment assumptions were applied.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2018 to MP-2019.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

- The single discount rate was changed from 5.96% per annum to 7.50% per annum.
- The mortality projection scale was changed from MP-2016 to MP-2017.
- The assumed post-retirement benefit increase was changed from 2.50% per year to 2.00% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- The interest rate on member contributions was reduced from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Beginning January 1, 2019, post-retirement benefit increases were changed from 2.50 percent per year with a provision to reduce to 1.00 percent if the funding status declines to a certain level, to 100 percent of the Social Security cost-of-living adjustment, not less than 1.00 percent and not more than 2.50 percent. If funding status declines to 85.00 percent for two consecutive years or 80.00 percent for one year, the maximum increase will be reduced to 1.50 percent.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

Defined Benefit Pension Plans - Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (continued)

2017 Changes

Changes in Actuarial Assumptions

- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016 and is applied to healthy and disabled members. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to MP-2016).
- For both vested and non-vested deferred members, the Combined Service Annuity (CSA) load was 30%. The CSA load has been changed to 35% for vested members and 1% for non-vested members.
- The single discount rate was changed from 5.31% per annum to 5.96% per annum.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions

- The assumed investment return changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.31%.
- The assumed payroll growth and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.5% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
CONTINUED

Other Postemployment Benefits

2021

- Effective January 2021, the Teamsters union left the County's self-insured medical plan. Active Teamsters are no longer valued under GASB 75, in St. Louis County, as they will not have access to the County's medical plans upon retirement.

2020

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.
- The withdrawal, retirement, and salary increase rates were updated. The rates now differ for public safety versus other employees. Note that retirement rates begin at age 50 for public safety employees instead of age 55.
- Female employees are assumed to be three years (instead of two years) younger than their spouses.
- The medical aging factors for claim costs were updated.
- The retiree plan participation percentage decreased from 65% to 60%. However, as of January 1, 2018, only active employees on the client's medical plans were included. As of January 1, 2020, all active employees who could have elected medical coverage in the current year have been included.
- Employees on long-term disability have been valued as follows:
 - If under age 50, as of the valuation date, post-employment subsidized benefits are only being valued for five years.
 - If age 50 or older, as of the valuation date, both post-employment implicit and subsidized benefits are being valued to age 65.
 - Previously, all employees on long-term disability were valued with post-employment subsidized benefits only to age 65.
- The discount rate was changed from 2.74% to 2.00%.

Other: The results as of January 1, 2018, for the years ending December 21, 2018, and December 31, 2019, were calculated by a prior actuary.

2019

- Inflation was updated to 2.50% (from 2.75%).
- The salary increase assumption was updated to reflect the reduction in inflation.
- The medical trend rate assumption has been updated to account for the decrease in inflation.
- The mortality assumption was updated from the assumption used in the January 1, 2018 actuarial report to reflect mortality improvements using Scale MP-2018, the most recently published mortality improvement scale available as of the Measurement Date.

2018

- Inflation was updated to 2.50% (from 2.75%).
- The salary increase assumption was updated to reflect the reduction in inflation.
- The medical trend rate assumption has been updated to account for the decrease in inflation.
- The mortality assumption was updated from the assumption used in the January 1, 2018 actuarial report to reflect mortality improvements using Scale MP-2018, the most recently published mortality improvement scale available as of the Measurement Date.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Housing and Redevelopment Authority - This fund is used to provide funds for housing and economic development.

Community Development Block Grant - This fund is used to account for the federal grant of the same name.

Northeast Minnesota Housing Consortium - This fund includes Cook, Itasca, Koochiching, Lake, and St. Louis Counties, as well as the City of Duluth. It is not an entity separate from St. Louis County. It is used to account for the federal HOME grant for the purpose of developing affordable housing initiatives.

Septic Services - This fund is used to account for the Minnesota Pollution Control Loan Program.

Forest Resources - This fund is used to account for the collection and disbursement of proceeds from the sale of tax-forfeited properties.

Debt Service Fund

Debt Service Fund - This fund is used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

Permanent Fund

Permanent funds are used to report resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the county's programs.

Shoreline Sales - This fund is used to account for proceeds from the sale of land, including interest, under Minn. Laws 1999, Ch. 180. The principal from the sale of land may not be expended while up to 5 1/2% of the market value of the fund may be spent by the County Board only for purposes related to the improvement of natural resources.

Scholarship Fund - This fund is used to account for a scholarship program. State Statute 298.2215 allows the County to establish a scholarship program for high school students. This program is funded by iron ore royalties on tax-forfeited minerals. These royalties will continue to accumulate and then interest revenue will be used to fund scholarships.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Special Revenue Funds		
	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
ASSETS			
Cash and cash equivalents	\$ 949,334	\$ -	\$ 169,736
Cash with fiscal agent	-	-	-
Investments	-	-	-
Delinquent taxes receivable	5,307	-	-
Accounts receivable (net)	-	-	-
Loans receivable	1,276,585	-	-
Due from other governments	-	445,832	61,102
Prepaid items	-	2,178	-
Total Assets	2,231,226	448,010	230,838
LIABILITIES			
Accounts payable	-	327,731	108,288
Accrued payroll	-	14,229	-
Interfund payable	-	47,575	-
Due to other governments	75,000	58,475	46
Unearned revenue	-	-	122,504
Total Liabilities	75,000	448,010	230,838
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			
Taxes	4,308	-	-
Total Deferred Inflows of Resources	4,308	-	-
FUND BALANCES			
Nonspendable			
Noncurrent loans	1,276,585	-	-
Nonspendable prepaid items	-	2,178	-
Environmental trust funds	-	-	-
Scholarships	-	-	-
Restricted			
Health and sanitation	-	-	-
Debt service	-	-	-
Improvement of natural resources	-	-	-
Committed			
Health and sanitation	-	-	-
Conservation of natural resources	-	-	-
Economic development	875,333	-	-
Retiree obligations	-	-	-
Assigned			
Conservation of natural resources	-	-	-
Unassigned	-	(2,178)	-
Total Fund Balance	2,151,918	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,231,226	\$ 448,010	\$ 230,838

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Special Revenue Funds			Debt Service Fund
	Septic Services	Forest Resources	Total	
ASSETS				
Cash and cash equivalents	\$ 1,799,981	\$ 6,989,514	\$ 9,908,565	\$ 3,061,207
Cash with fiscal agent	-	-	-	2,896,856
Investments	-	-	-	-
Delinquent taxes receivable	-	-	5,307	202,809
Accounts receivable (net)	47,216	-	47,216	-
Loans receivable	788,968	-	2,065,553	-
Due from other governments	15,441	-	522,375	-
Prepaid items	-	-	2,178	-
Total Assets	<u>2,651,606</u>	<u>6,989,514</u>	<u>12,551,194</u>	<u>6,160,872</u>
LIABILITIES				
Accounts payable	82,182	96,736	614,937	-
Accrued payroll	26,805	5,584	46,618	-
Interfund payable	-	-	47,575	-
Due to other governments	-	4,207	137,728	-
Unearned revenue	-	-	122,504	-
Total Liabilities	<u>108,987</u>	<u>106,527</u>	<u>969,362</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Taxes	-	-	4,308	173,217
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>4,308</u>	<u>173,217</u>
FUND BALANCES				
Nonspendable				
Noncurrent loans	788,968	-	2,065,553	-
Nonspendable prepaid items	-	-	2,178	-
Environmental trust funds	-	-	-	-
Scholarships	-	-	-	-
Restricted				
Health and sanitation	49,567	-	49,567	-
Debt service	31,807	-	31,807	5,987,655
Improvement of natural resources	-	-	-	-
Committed				
Health and sanitation	1,479,352	-	1,479,352	-
Conservation of natural resources	-	6,699,045	6,699,045	-
Economic development	-	-	875,333	-
Retiree obligations	192,925	-	192,925	-
Assigned				
Conservation of natural resources	-	183,942	183,942	-
Unassigned	-	-	(2,178)	-
Total Fund Balance	<u>2,542,619</u>	<u>6,882,987</u>	<u>11,577,524</u>	<u>5,987,655</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 2,651,606</u>	<u>\$ 6,989,514</u>	<u>\$ 12,551,194</u>	<u>\$ 6,160,872</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	<u>Permanent Funds</u>		Total Nonmajor Governmental Funds
	Shoreline Sales	Scholarship Fund	
ASSETS			
Cash and cash equivalents	\$ 2,189,272	\$ 200,000	\$ 15,359,044
Cash with fiscal agent	-	-	2,896,856
Investments	27,100,903	-	27,100,903
Delinquent taxes receivable	-	-	208,116
Accounts receivable (net)	-	-	47,216
Loans receivable	-	-	2,065,553
Due from other governments	-	-	522,375
Prepaid items	-	-	2,178
Total Assets	<u>29,290,175</u>	<u>200,000</u>	<u>48,202,241</u>
LIABILITIES			
Accounts payable	-	-	614,937
Accrued payroll	-	-	46,618
Interfund payable	-	-	47,575
Due to other governments	-	-	137,728
Unearned revenue	-	-	122,504
Total Liabilities	<u>-</u>	<u>-</u>	<u>969,362</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			
Taxes	-	-	177,525
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>177,525</u>
FUND BALANCES			
Nonspendable			
Noncurrent loans	-	-	2,065,553
Nonspendable prepaid items	-	-	2,178
Environmental trust funds	27,100,903	-	27,100,903
Scholarships	-	200,000	200,000
Restricted			
Health and sanitation	-	-	49,567
Debt service	-	-	6,019,462
Improvement of natural resources	2,189,272	-	2,189,272
Committed			
Health and sanitation	-	-	1,479,352
Conservation of natural resources	-	-	6,699,045
Economic development	-	-	875,333
Retiree obligations	-	-	192,925
Assigned			
Conservation of natural resources	-	-	183,942
Unassigned	-	-	(2,178)
Total Fund Balance	<u>29,290,175</u>	<u>200,000</u>	<u>47,055,354</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 29,290,175</u>	<u>\$ 200,000</u>	<u>\$ 48,202,241</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds		
	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
REVENUES			
Taxes	\$ 221,792	\$ -	\$ -
Intergovernmental	463	2,875,234	256,348
Charges for services	-	-	-
Earnings on investments	-	-	-
Land and timber sales	-	-	-
Miscellaneous	-	-	550
Total Revenues	222,255	2,875,234	256,898
EXPENDITURES			
Current:			
Health and sanitation	-	-	-
Conservation of natural resources	-	-	-
Economic development	1,233,268	2,875,234	256,898
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay:			
Conservation of natural resources	-	-	-
Total expenditures	1,233,268	2,875,234	256,898
Excess (deficiency) of revenues over (under) expenditures	(1,011,013)	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	-	-
Loan proceeds	-	-	-
Total other financing sources and (uses)	-	-	-
Net change in fund balances	(1,011,013)	-	-
Fund Balance - January 1	3,162,931	-	-
Fund Balance - December 31	\$ 2,151,918	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds			Debt Service Fund
	Septic Services	Forest Resources	Total	
REVENUES				
Taxes	\$ -	\$ 570,896	\$ 792,688	\$ 6,583,518
Intergovernmental	99,779	299,753	3,531,577	242,030
Charges for services	340,592	-	340,592	-
Earnings on investments	7,033	-	7,033	103,523
Land and timber sales	-	445,440	445,440	-
Miscellaneous	660	36,507	37,717	-
Total Revenues	<u>448,064</u>	<u>1,352,596</u>	<u>5,155,047</u>	<u>6,929,071</u>
EXPENDITURES				
Current:				
Health and sanitation	967,872	-	967,872	-
Conservation of natural resources	-	801,123	801,123	-
Economic development	-	-	4,365,400	-
Debt service:				
Principal	48,984	-	48,984	25,695,000
Interest and other charges	-	-	-	5,154,795
Capital outlay:				
Conservation of natural resources	-	72,948	72,948	-
Total expenditures	<u>1,016,856</u>	<u>874,071</u>	<u>6,256,327</u>	<u>30,849,795</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(568,792)</u>	<u>478,525</u>	<u>(1,101,280)</u>	<u>(23,920,724)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	524,867	939,152	1,464,019	7,704,922
Transfers (out)	(30,000)	(751,493)	(781,493)	-
Loan proceeds	71,437	-	71,437	-
Total other financing sources and (uses)	<u>566,304</u>	<u>187,659</u>	<u>753,963</u>	<u>7,704,922</u>
Net change in fund balances	(2,488)	666,184	(347,317)	(16,215,802)
Fund Balance - January 1	<u>2,545,107</u>	<u>6,216,803</u>	<u>11,924,841</u>	<u>22,203,457</u>
Fund Balance - December 31	<u>\$ 2,542,619</u>	<u>\$ 6,882,987</u>	<u>\$ 11,577,524</u>	<u>\$ 5,987,655</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Permanent Funds</u>		Total Nonmajor Governmental Funds
	Shoreline Sales	Scholarship Fund	
REVENUES			
Taxes	\$ -	\$ -	\$ 7,376,206
Intergovernmental	-	-	3,773,607
Charges for services	-	-	340,592
Earnings on investments	3,711,573	-	3,822,129
Land and timber sales	-	-	445,440
Miscellaneous	-	-	37,717
Total Revenues	3,711,573	-	15,795,691
EXPENDITURES			
Current:			
Health and sanitation	-	-	967,872
Conservation of natural resources	266,649	-	1,067,772
Economic development	-	-	4,365,400
Debt service:			
Principal	-	-	25,743,984
Interest and other charges	-	-	5,154,795
Capital outlay:			
Conservation of natural resources	-	-	72,948
Total expenditures	266,649	-	37,372,771
Excess (deficiency) of revenues over (under) expenditures	3,444,924	-	(21,577,080)
OTHER FINANCING SOURCES (USES)			
Transfers in	473,775	-	9,642,716
Transfers (out)	(1,001,110)	-	(1,782,603)
Loan proceeds	-	-	71,437
Total other financing sources and (uses)	(527,335)	-	7,931,550
Net change in fund balances	2,917,589	-	(13,645,530)
Fund Balance - January 1	26,372,586	200,000	60,700,884
Fund Balance - December 31	<u>\$ 29,290,175</u>	<u>\$ 200,000</u>	<u>\$ 47,055,354</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOUSING AND REDEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 217,376	\$ 217,376	\$ 221,792	\$ 4,416
Intergovernmental	-	-	463	463
Total Revenues	<u>217,376</u>	<u>217,376</u>	<u>222,255</u>	<u>4,879</u>
EXPENDITURES				
Economic development				
Personnel services	140,000	140,000	35,000	105,000
Other operating	<u>532,486</u>	<u>1,607,486</u>	<u>1,198,268</u>	<u>409,218</u>
Total Expenditures	<u>672,486</u>	<u>1,747,486</u>	<u>1,233,268</u>	<u>514,218</u>
Excess of Revenues Over (Under) Expenditures	(455,110)	(1,530,110)	(1,011,013)	519,097
Fund Balance - January 1	<u>3,162,931</u>	<u>3,162,931</u>	<u>3,162,931</u>	<u>-</u>
Fund Balance - December 31	<u><u>\$ 2,707,821</u></u>	<u><u>\$ 1,632,821</u></u>	<u><u>\$ 2,151,918</u></u>	<u><u>\$ 519,097</u></u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 3,907,055	\$ 2,875,234	\$ 2,875,234	\$ -
Total Revenues	<u>3,907,055</u>	<u>2,875,234</u>	<u>2,875,234</u>	<u>-</u>
EXPENDITURES				
Economic development				
Personnel services	625,638	378,024	378,024	-
Other operating	<u>3,281,417</u>	<u>2,497,210</u>	<u>2,497,210</u>	<u>-</u>
Total Expenditures	<u>3,907,055</u>	<u>2,875,234</u>	<u>2,875,234</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NORTHEAST MINNESOTA HOUSING CONSORTIUM SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,277,030	\$ 256,348	\$ 256,348	\$ -
Miscellaneous	200	550	550	-
Total Revenues	1,277,230	256,898	256,898	-
EXPENDITURES				
Economic development				
Personnel services	42,800	13,400	13,400	-
Other operating	1,234,430	243,498	243,498	-
Total Expenditures	1,277,230	256,898	256,898	-
Excess of Revenues Over (Under) Expenditures	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEPTIC SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 342,024	\$ 115,229	\$ 99,779	\$ (15,450)
Charges for services	280,000	280,000	340,592	60,592
Earnings on investments	11,000	11,000	7,033	(3,967)
Miscellaneous	-	-	660	660
Total Revenues	<u>633,024</u>	<u>406,229</u>	<u>448,064</u>	<u>41,835</u>
EXPENDITURES				
Health and sanitation				
Personnel services	751,383	786,298	680,870	105,428
Other operating	1,355,898	481,397	287,002	194,395
Total health and sanitation	<u>2,107,281</u>	<u>1,267,695</u>	<u>967,872</u>	<u>299,823</u>
Debt service				
Principal	75,000	75,000	48,984	26,016
Total debt service	<u>75,000</u>	<u>75,000</u>	<u>48,984</u>	<u>26,016</u>
Total Expenditures	<u>2,182,281</u>	<u>1,342,695</u>	<u>1,016,856</u>	<u>325,839</u>
Excess of Revenues Over (Under) Expenditures	(1,549,257)	(936,466)	(568,792)	367,674
OTHER FINANCING SOURCES (USES)				
Transfers in	762,047	769,047	524,867	(244,180)
Transfers (out)	(30,000)	(30,000)	(30,000)	-
Loan proceeds	-	-	71,437	71,437
Total Other Financing Sources (Uses)	<u>732,047</u>	<u>739,047</u>	<u>566,304</u>	<u>(172,743)</u>
Excess of Revenues Over (Under) Expenditures	(817,210)	(197,419)	(2,488)	194,931
Fund Balance - January 1	<u>2,545,107</u>	<u>2,545,107</u>	<u>2,545,107</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,727,897</u>	<u>\$ 2,347,688</u>	<u>\$ 2,542,619</u>	<u>\$ 194,931</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOREST RESOURCES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 572,270	\$ 572,270	\$ 570,896	\$ (1,374)
Intergovernmental	162,379	162,379	299,753	137,374
Land and timber sales	-	476,719	445,440	(31,279)
Miscellaneous	-	-	36,507	36,507
Total Revenues	734,649	1,211,368	1,352,596	141,228
EXPENDITURES				
Conservation of natural resources				
Other operating	1,299,337	1,283,101	801,123	481,978
Capital outlay	90,000	90,000	72,948	17,052
Total Expenditures	1,389,337	1,373,101	874,071	499,030
Excess of Revenues Over (Under) Expenditures	(654,688)	(161,733)	478,525	640,258
OTHER FINANCING SOURCES (USES)				
Transfers in	-	939,152	939,152	-
Transfers (out)	(330,000)	(822,955)	(751,493)	71,462
Total Other Financing Sources (Uses)	(330,000)	116,197	187,659	71,462
Excess of Revenues Over (Under) Expenditures	(984,688)	(45,536)	666,184	711,720
Fund Balance - January 1	6,216,803	6,216,803	6,216,803	-
Fund Balance - December 31	\$ 5,232,115	\$ 6,171,267	\$ 6,882,987	\$ 711,720

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 6,549,533	\$ 6,549,533	\$ 6,583,518	\$ 33,985
Intergovernmental	259,805	259,805	242,030	(17,775)
Earnings on investments	-	-	103,523	103,523
Total Revenues	<u>6,809,338</u>	<u>6,809,338</u>	<u>6,929,071</u>	<u>119,733</u>
EXPENDITURES				
Debt service				
Principal	8,930,000	25,695,000	25,695,000	-
Interest and other charges	5,154,795	5,154,795	5,154,795	-
Total Expenditures	<u>14,084,795</u>	<u>30,849,795</u>	<u>30,849,795</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(7,275,457)	(24,040,457)	(23,920,724)	119,733
OTHER FINANCING SOURCES (USES)				
Transfers in	6,933,631	7,704,922	7,704,922	-
Total other financing sources (uses)	<u>6,933,631</u>	<u>7,704,922</u>	<u>7,704,922</u>	<u>-</u>
Net change in fund balances	(341,826)	(16,335,535)	(16,215,802)	119,733
Fund Balance - January 1	<u>22,203,457</u>	<u>22,203,457</u>	<u>22,203,457</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 21,861,631</u>	<u>\$ 5,867,922</u>	<u>\$ 5,987,655</u>	<u>\$ 119,733</u>

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for operations that are financed and operated in a manner similar to private businesses, with the intent that the cost (expenses, including depreciation) of providing goods or services by specific departments within St. Louis County to other departments or agencies of St. Louis County or to other governments on a continuing basis be financed or recovered primarily through user charges.

County Garage - This fund is used to account for the costs of operating a maintenance facility for automotive equipment and a fleet of vehicles for use by County departments.

Property, Casualty, and Liability Insurance - This fund is used to account for coverage of claims and judgments against the County.

Workers' Compensation Insurance - This fund is used to account for coverage of workers' compensation claims incurred by County employees.

Medical/Dental Insurance - This fund is used to account for coverage of medical and dental expenses incurred by County employees, dependents, and retirees.

Retired Employees' Health Insurance - This fund is used to account for retirees' insurance expenses paid by the retirees' applicable sick leave balance at retirement.

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021

	<u>County Garage</u>	<u>Property, Casualty, & Liability Insurance</u>	<u>Workers' Compensation Insurance</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 957,173	\$ 1,843,944	\$ 2,809,589
Investments	-	1,259,125	10,130,052
Accounts receivable (net)	11,238	28,311	-
Accrued interest receivable	-	962	13,177
Inventories	41,475	-	-
Total current assets	<u>1,009,886</u>	<u>3,132,342</u>	<u>12,952,818</u>
Noncurrent assets:			
Capital assets:			
Land	25,500	-	-
Buildings and structures	2,759,175	-	-
Machinery and equipment	95,316	-	-
Vehicles	3,288,329	-	-
Less accumulated depreciation	<u>(2,938,437)</u>	<u>-</u>	<u>-</u>
Total capital asset (net)	<u>3,229,883</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>3,229,883</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,239,769</u>	<u>3,132,342</u>	<u>12,952,818</u>
LIABILITIES			
Current liabilities:			
Accounts payable	8,030	32,755	44,147
Accrued payroll	17,259	3,415	13,743
Compensated absences payable	39,617	-	-
Claims payable	-	-	600,454
Due to other governments	-	-	245
Unearned revenue	-	-	-
Advances from other funds	37,497	-	-
Total current liabilities	<u>102,403</u>	<u>36,170</u>	<u>658,589</u>
Noncurrent liabilities:			
Noncurrent compensated absences	149,579	-	-
Noncurrent claims payable	-	55,000	3,471,920
Noncurrent advances from other funds	1,574,866	-	-
Total non-current liabilities	<u>1,724,445</u>	<u>55,000</u>	<u>3,471,920</u>
Total liabilities	<u>1,826,848</u>	<u>91,170</u>	<u>4,130,509</u>
NET POSITION			
Net investment in capital assets	3,229,883	-	-
Unrestricted	(816,962)	3,041,172	8,822,309
Total net position	<u>\$ 2,412,921</u>	<u>\$ 3,041,172</u>	<u>\$ 8,822,309</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021

	Medical/ Dental Insurance	Retired Employees' Health Insurance	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,488,410	\$ 142,871	\$ 11,241,987
Investments	16,066,618	-	27,455,795
Accounts receivable (net)	1,200,307	-	1,239,856
Accrued interest receivable	14,257	-	28,396
Inventories	-	-	41,475
Total current assets	<u>22,769,592</u>	<u>142,871</u>	<u>40,007,509</u>
Noncurrent assets:			
Capital assets:			
Land	-	-	25,500
Buildings and structures	-	-	2,759,175
Machinery and equipment	-	-	95,316
Vehicles	-	-	3,288,329
Less accumulated depreciation	-	-	<u>(2,938,437)</u>
Total capital asset (net)	<u>-</u>	<u>-</u>	<u>3,229,883</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>3,229,883</u>
Total assets	<u>22,769,592</u>	<u>142,871</u>	<u>43,237,392</u>
LIABILITIES			
Current liabilities:			
Accounts payable	8,670	1,629	95,231
Accrued payroll	-	-	34,417
Compensated absences payable	-	10,673	50,290
Claims payable	3,295,684	-	3,896,138
Due to other governments	-	-	245
Unearned revenue	145,333	-	145,333
Advances from other funds	-	-	37,497
Total current liabilities	<u>3,449,687</u>	<u>12,302</u>	<u>4,259,151</u>
Noncurrent liabilities:			
Noncurrent compensated absences	-	130,569	280,148
Noncurrent claims payable	-	-	3,526,920
Noncurrent advances from other funds	-	-	1,574,866
Total non-current liabilities	<u>-</u>	<u>130,569</u>	<u>5,381,934</u>
Total liabilities	<u>3,449,687</u>	<u>142,871</u>	<u>9,641,085</u>
NET POSITION			
Net investment in capital assets	-	-	3,229,883
Unrestricted	19,319,905	-	30,366,424
Total net position	<u>\$ 19,319,905</u>	<u>\$ -</u>	<u>\$ 33,596,307</u>

ST. LOUIS COUNTY, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS**
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>County Garage</u>	<u>Property, Casualty, & Liability Insurance</u>	<u>Workers' Compensation Insurance</u>
Operating Revenues			
Charges for services	\$ 1,557,175	\$ 385,792	\$ 2,947,656
Other	993	73,057	12
Total Operating Revenues	<u>1,558,168</u>	<u>458,849</u>	<u>2,947,668</u>
Operating Expenses			
Personnel services	625,941	101,649	275,617
Contractual services	271,405	1,121,530	1,210,072
Materials	386,821	125	18,896
Claims paid	-	-	1,593,915
Depreciation	473,045	-	-
Total Operating Expenses	<u>1,757,212</u>	<u>1,223,304</u>	<u>3,098,500</u>
Operating Income (Loss)	<u>(199,044)</u>	<u>(764,455)</u>	<u>(150,832)</u>
Nonoperating revenues (expenses)			
Grants	-	-	188,958
Earnings on investments	-	11,989	37,183
(Loss) or gain on asset disposal	25,948	-	-
Claims payable estimate adjustment	-	-	2,941,720
Total Nonoperating Revenues (Expenses)	<u>25,948</u>	<u>11,989</u>	<u>3,167,861</u>
Income (Loss) Before Transfers	(173,096)	(752,466)	3,017,029
Transfers in	8,013	700,000	-
Transfers (out)	-	(38,563)	-
Change in net position	(165,083)	(91,029)	3,017,029
Net position - January 1	<u>2,578,004</u>	<u>3,132,201</u>	<u>5,805,280</u>
Net position - December 31	<u>\$ 2,412,921</u>	<u>\$ 3,041,172</u>	<u>\$ 8,822,309</u>

ST. LOUIS COUNTY, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS**
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Medical/ Dental Insurance</u>	<u>Retired Employees' Health Insurance</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 35,279,263	\$ 62	\$ 40,169,948
Other	<u>-</u>	<u>-</u>	<u>74,062</u>
Total Operating Revenues	<u>35,279,263</u>	<u>62</u>	<u>40,244,010</u>
Operating Expenses			
Personnel services	-	-	1,003,207
Contractual services	1,596,956	62	4,200,025
Materials	-	-	405,842
Claims paid	31,214,410	-	32,808,325
Depreciation	<u>-</u>	<u>-</u>	<u>473,045</u>
Total Operating Expenses	<u>32,811,366</u>	<u>62</u>	<u>38,890,444</u>
Operating Income (Loss)	<u>2,467,897</u>	<u>-</u>	<u>1,353,566</u>
Nonoperating revenues (expenses)			
Grants	-	-	188,958
Earnings on investments	40,867	-	90,039
(Loss) or gain on asset disposal	-	-	25,948
Claims payable estimate adjustment	<u>-</u>	<u>-</u>	<u>2,941,720</u>
Total Nonoperating Revenues (Expenses)	<u>40,867</u>	<u>-</u>	<u>3,246,665</u>
Income (Loss) Before Transfers	2,508,764	-	4,600,231
Transfers in	-	-	708,013
Transfers (out)	<u>(370,024)</u>	<u>-</u>	<u>(408,587)</u>
Change in net position	2,138,740	-	4,899,657
Net position - January 1	<u>17,181,165</u>	<u>-</u>	<u>28,696,650</u>
Net position - December 31	<u>\$ 19,319,905</u>	<u>\$ -</u>	<u>\$ 33,596,307</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>County Garage</u>	<u>Property, Casualty, & Liability Insurance</u>	<u>Workers' Compensation Insurance</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 1,560,078	\$ 357,481	\$ 2,947,656
Payments to suppliers	(689,571)	(149,709)	(1,274,466)
Payments to employees	(614,948)	(101,276)	(272,222)
Claims paid	-	(84,205)	(1,593,915)
Other receipts (payments)	993	72,932	15,114
Net cash provided (used) by operating activities	<u>256,552</u>	<u>(704,777)</u>	<u>(177,833)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from grants	-	-	188,958
Transfers from other funds	8,013	700,000	-
Transfers to other funds	-	(38,563)	-
Net cash provided (used) by noncapital financing activities	<u>8,013</u>	<u>661,437</u>	<u>188,958</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(211,807)	-	-
Proceeds from the sale of capital assets	58,116	-	-
Proceeds from advance from other fund	(37,497)	-	-
Net cash provided (used) by capital and related financing activities	<u>(191,188)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	(764,908)	(6,557,041)
Sale of investments	-	996,875	5,031,603
Interest and dividends	-	35,521	132,664
Net cash provided (used) by investing activities	<u>-</u>	<u>267,488</u>	<u>(1,392,774)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	73,377	224,148	(1,381,649)
Balances - January 1	<u>883,796</u>	<u>1,619,796</u>	<u>4,191,238</u>
Balances - December 31	<u>\$ 957,173</u>	<u>\$ 1,843,944</u>	<u>\$ 2,809,589</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (199,044)	\$ (764,455)	\$ (150,832)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	473,045	-	-
(Increase) Decrease Receivables	2,903	(28,311)	15,102
(Increase) Decrease Inventories	(3,182)	-	-
Increase (Decrease) Accounts payable	(28,163)	32,616	6,002
Increase (Decrease) Salaries payable	(743)	373	3,395
Increase (Decrease) Compensated absences payable	11,736	-	-
Increase (Decrease) Claims payable	-	55,000	-
Increase (Decrease) Due to other governments	-	-	(51,500)
Increase (Decrease) Unearned revenue	-	-	-
Total Adjustments	<u>455,596</u>	<u>59,678</u>	<u>(27,001)</u>
Net cash provided (used) by operating activities	<u>\$ 256,552</u>	<u>\$ (704,777)</u>	<u>\$ (177,833)</u>
NON-CASH ACTIVITIES			
Change in fair market value of investments	-	(22,880)	(94,795)
Change in present value of future claims	-	-	(2,491,720)

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Medical/ Dental Insurance	Retired Employees' Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 34,912,377	\$ 15,358	\$ 39,792,950
Payments to suppliers	(1,596,486)	1,337	(3,708,895)
Payments to employees	-	(24,716)	(1,013,162)
Claims paid	(29,874,331)	-	(32,352,451)
Other receipts (payments)	-	-	89,039
Net cash provided (used) by operating activities	<u>3,441,560</u>	<u>(8,021)</u>	<u>2,807,481</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from grants	-	-	188,958
Transfers from other funds	-	-	708,013
Transfers to other funds	(370,024)	-	(408,587)
Net cash provided (used) by noncapital financing activities	<u>(370,024)</u>	<u>-</u>	<u>488,384</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	-	(211,807)
Proceeds from the sale of capital assets	-	-	58,116
Proceeds from advance from other fund	-	-	(37,497)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(191,188)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(17,589,955)	-	(24,911,904)
Sale of investments	10,993,722	-	17,022,200
Interest and dividends	134,394	-	302,579
Net cash provided (used) by investing activities	<u>(6,461,839)</u>	<u>-</u>	<u>(7,587,125)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,390,303)	(8,021)	(4,482,448)
Balances - January 1	<u>8,878,713</u>	<u>150,892</u>	<u>15,724,435</u>
Balances - December 31	<u>\$ 5,488,410</u>	<u>\$ 142,871</u>	<u>\$ 11,241,987</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 2,467,897	\$ -	\$ 1,353,566
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	-	-	473,045
(Increase) Decrease Receivables	(127,268)	15,296	(122,278)
(Increase) Decrease Inventories	-	-	(3,182)
Increase (Decrease) Accounts payable	470	1,337	12,262
Increase (Decrease) Salaries payable	-	-	3,025
Increase (Decrease) Compensated absences payable	-	(24,654)	(12,918)
Increase (Decrease) Claims payable	1,340,079	-	1,395,079
Increase (Decrease) Due to other governments	-	-	(51,500)
Increase (Decrease) Unearned revenue	(239,618)	-	(239,618)
Total Adjustments	<u>973,663</u>	<u>(8,021)</u>	<u>1,453,915</u>
Net cash provided (used) by operating activities	<u>\$ 3,441,560</u>	<u>\$ (8,021)</u>	<u>\$ 2,807,481</u>
NON-CASH ACTIVITIES			
Change in fair market value of investments	(96,190)	-	(213,865)
Change in present value of future claims	-	-	(2,491,720)

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

CUSTODIAL FUNDS

Northeastern Minnesota Enforcement & Safety Information System (NEMESIS) - This fund is used to account for transactions related to the Northeastern Minnesota Enforcement & Safety Information Systems operation, for which the County is the fiscal agent.

State of Minnesota - This fund is used to account for the receipt and disbursement of money, for which St. Louis County is the collection agent for the State.

Beer-Auctioneer Licenses - This fund is used to account for the funds collected from the sale of intoxicating beer and auctioneer licenses by the County and payments to the County and State of Minnesota for these licenses.

Taxes and Penalties - This fund is used to account for the collection and payment of taxes, penalties, and special assessment collections to the various County funds and taxing districts.

Arrowhead Regional Corrections - This fund is used to account for transactions related to the Arrowhead Regional Corrections operation, which contracts with St. Louis County for accounting services.

Regional Railroad Authority - This fund is used to account for the financial transactions of the Regional Railroad Authority, for which the County is the fiscal agent.

Minneapolis-Duluth/Superior Passenger Rail Alliance - This fund is used to account for the financial transactions of the Minneapolis-Duluth/Superior Passenger Rail Alliance, for which the Regional Railroad Authority is the fiscal agent.

Community Health Board - This fund is used to account for the transactions related to the Community Health Services Board.

Duluth Area Family Services Collaborative - This fund is used to account for the financial transactions of the Duluth Area Family Services Collaborative, for which the County is the fiscal agent.

Local Collaborative Time Study - This fund is used to account for the time study funds received from the State to be remitted to the local collaborative as requested.

CUSTODIAL FUNDS **continued**

Northern Counties Land Use Board - This fund is used to account for the financial transactions of the Northern Counties Land Use Board, for which the County is the fiscal agent.

Voyageurs National Park Joint Venture - This fund is used to account for the financial transactions of the Voyageurs National Park Joint Venture, for which the County is the fiscal agent.

Ash River Sanitary District - This fund is used to account for the financial transactions of the Ash River Sanitary District, for which the County is the fiscal agent.

Northeast Regional ATV Trail Joint Powers Board - This fund is used to account for the financial transactions of the Northeast Regional ATV Trail Joint Powers Board, for which the County is the fiscal agent.

MN Regional Parks and Trails - This fund is used to account for the financial transactions of the Greater Minnesota Regional Parks and Trails Commission, for which the County is the fiscal agent.

Sheriff Forfeits/Evidence - This fund is used to account for the financial transactions related to criminal matters awaiting judgment.

Estate Recovery Fund - This fund is to account for funds that are recovered from estates for clients that are on Medical Assistance.

Crane Lake - The County is the fiscal agent per the grant agreement for the 2020 & 2021 Crane Lake Legislative-Citizen Commission on Minnesota Resources (LCCMR) Grant.

Brookston - The County is the fiscal agent per the grant agreement for the 2021 Brookston Legislative-Citizen Commission on Minnesota Resources (LCCMR) Grant.

Jail Inmate/Kiosk - This fund is used to account for the funds that belong to the inmates at the Jail.

Northeast Minnesota Emergency Communications Board (NEECB) - This fund is used to account for the financial transactions of the Northeast Minnesota Emergency Communications Board, for which the County is the fiscal agent.

Civil Fund - This fund is used to collect and disburse funds per court orders.

Taconite Relief - This fund is used to account for the tax imposed by Minn. Stat. 298.015 as an individual investment account for the State of Minnesota.

Taconite Production Tax - This fund is used to account for the tax imposed by Minn. Stat. 298.24 as an individual investment account for the State of Minnesota.

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	NEMESIS	State of Minnesota	Taxes and Penalties Fund	Arrowhead Regional Corrections Fund
ASSETS				
Cash and cash equivalents	\$ 194,235	\$ 1,562,023	\$ 2,634,047	\$ 6,188,279
Investments	-	-	-	1,934,018
Taxes receivable	-	-	6,172,016	-
Accounts receivable	-	87,444	1	68,773
Accrued interest receivable	-	-	-	1,160
Due from other governments	-	-	1	605,531
Prepaid items	-	-	-	11
Total Assets	194,235	1,649,467	8,806,065	8,797,772
LIABILITIES				
Accounts payable	-	-	-	909,019
Contracts payable	-	-	-	75,149
Accrued payroll	4,055	4,397	-	741,383
Unearned revenue	-	-	-	-
Due to other governments	8,640	1,645,070	2,544,987	112,899
Total Liabilities	12,695	1,649,467	2,544,987	1,838,450
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	89,062	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	125,569	-	6,172,016	-
Retiree obligations	55,971	-	-	3,584,284
Arrowhead regional corrections	-	-	-	3,375,038
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyageurs national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
ATV Joint Powers Board	-	-	-	-
Total Net Position	\$ 181,540	\$ -	\$ 6,172,016	\$ 6,959,322

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	<u>Regional Rail Authority</u>	<u>Minneapolis- Duluth/ Superior Passenger Rail Alliance</u>	<u>Community Health Board</u>	<u>Duluth Area Family Service Collaborative Fund</u>
ASSETS				
Cash and cash equivalents	\$ 2,906,003	\$ 43,988	\$ -	\$ 952,015
Investments	-	-	-	-
Taxes receivable	51,356	-	-	-
Accounts receivable	6,971	12,510	38,088	-
Accrued interest receivable	-	-	-	-
Due from other governments	626,862	-	1,918,877	-
Prepaid items	-	-	-	-
Total Assets	<u>3,591,192</u>	<u>56,498</u>	<u>1,956,965</u>	<u>952,015</u>
LIABILITIES				
Accounts payable	1,061,846	11,789	66,068	4,939
Contracts payable	-	-	-	-
Accrued payroll	17,362	-	14,552	-
Unearned revenue	-	-	146,991	-
Due to other governments	<u>14,634</u>	<u>-</u>	<u>1,601,698</u>	<u>45,946</u>
Total Liabilities	<u>1,093,842</u>	<u>11,789</u>	<u>1,829,309</u>	<u>50,885</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	-	-
Retiree obligations	-	-	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	2,497,350	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	44,709	-	-
Community health board	-	-	127,656	-
Duluth area family service collaborative	-	-	-	901,130
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyageurs national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
ATV Joint Powers Board	-	-	-	-
Total Net Position	<u>\$ 2,497,350</u>	<u>\$ 44,709</u>	<u>\$ 127,656</u>	<u>\$ 901,130</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	Local Collaborative Time Study Fund	Northern Counties Land Use Board Fund	Voyageurs National Park Joint Venture	Ash River Sanitary District
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and cash equivalents	\$ 457,088	\$ 77,893	\$ 9,435	\$ 261,124
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>457,088</u>	<u>77,893</u>	<u>9,435</u>	<u>261,124</u>
LIABILITIES				
Accounts payable	-	9,128	4,409	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	<u>7,221</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>7,221</u>	<u>9,128</u>	<u>4,409</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	-	-
Retiree obligations	-	-	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	449,867	-	-	-
Northern counties land use board	-	68,765	-	-
Voyageurs national park joint venture	-	-	5,026	-
Ash river sanitary district	-	-	-	261,124
ATV Joint Powers Board	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ 449,867</u>	<u>\$ 68,765</u>	<u>\$ 5,026</u>	<u>\$ 261,124</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	ATV Joint Powers Board	MN Regional Parks and Trails	Sheriff Forfeits/ Evidence	Estate Recovery Fund
ASSETS				
Cash and cash equivalents	\$ 100,000	\$ 49,320	\$ 64,028	\$ 1,677,646
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	-	54,076	-	-
Prepaid items	-	-	-	-
Total Assets	<u>100,000</u>	<u>103,396</u>	<u>64,028</u>	<u>1,677,646</u>
LIABILITIES				
Accounts payable	3,000	3,506	-	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	99,890	-	-
Due to other governments	-	-	-	1,677,646
Total Liabilities	<u>3,000</u>	<u>103,396</u>	<u>-</u>	<u>1,677,646</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	64,028	-
Retiree obligations	-	-	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyageurs national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
ATV Joint Powers Board	<u>97,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ 97,000</u>	<u>\$ -</u>	<u>\$ 64,028</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	<u>Crane Lake - LCCMR Grant</u>	<u>Brookston - LCCMR Grant</u>	<u>Jail Inmate/Kiosk</u>	<u>NEECB</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 209,018	\$ (2,471)
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	69,991	74,878	-	84,582
Prepaid items	-	-	-	-
Total Assets	<u>69,991</u>	<u>74,878</u>	<u>209,018</u>	<u>82,111</u>
LIABILITIES				
Accounts payable	69,991	74,878	-	79
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	63,694
Total Liabilities	<u>69,991</u>	<u>74,878</u>	<u>-</u>	<u>63,773</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	209,018	18,338
Retiree obligations	-	-	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyageurs national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
ATV Joint Powers Board	-	-	-	-
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,018</u>	<u>\$ 18,338</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	Civil Fund	Taconite Relief	Taconite Production Tax	Total
ASSETS				
Cash and cash equivalents	\$ 127,021	\$ 101,967	\$ 1,064	\$ 17,613,723
Investments	-	8,500,000	-	10,434,018
Taxes receivable	-	-	-	6,223,372
Accounts receivable	-	-	-	213,787
Accrued interest receivable	-	1,777	-	2,937
Due from other governments	-	-	-	3,434,798
Prepaid items	-	-	-	11
Total Assets	<u>127,021</u>	<u>8,603,744</u>	<u>1,064</u>	<u>37,922,646</u>
LIABILITIES				
Accounts payable	24,465	-	-	2,243,117
Contracts payable	-	-	-	75,149
Accrued payroll	-	-	-	781,749
Unearned revenue	-	-	-	246,881
Due to other governments	-	-	1,064	7,723,499
Total Liabilities	<u>24,465</u>	<u>-</u>	<u>1,064</u>	<u>11,070,395</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	89,062
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	8,603,744	-	8,603,744
Individuals, organizations, and other governments	102,556	-	-	6,691,525
Retiree obligations	-	-	-	3,640,255
Arrowhead regional corrections	-	-	-	3,375,038
Regional rail authority	-	-	-	2,497,350
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	44,709
Community health board	-	-	-	127,656
Duluth area family service collaborative	-	-	-	901,130
Local collaborative time study	-	-	-	449,867
Northern counties land use board	-	-	-	68,765
Voyageurs national park joint venture	-	-	-	5,026
Ash river sanitary district	-	-	-	261,124
ATV Joint Powers Board	-	-	-	97,000
Total Net Position	<u>\$ 102,556</u>	<u>\$ 8,603,744</u>	<u>\$ -</u>	<u>\$ 26,763,189</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>NEMESIS</u>	<u>State of Minnesota</u>	<u>Beer- Auctioneer Licenses Fund</u>	<u>Taxes and Penalties Fund</u>
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ 197,638,261
License and fee collections for other governments	-	-	1,095	-
License and fee collections for State of MN	-	50,286,048	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	300,905	1,148,727	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	35,350	-	-	-
Total Additions	<u>336,255</u>	<u>51,434,775</u>	<u>1,095</u>	<u>197,638,261</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	198,017,231
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	1,095	-
Payments to State of MN	-	50,286,048	-	-
Personnel services	96,272	1,148,727	-	-
Other operating	447,807	-	-	-
Capital outlay	-	-	-	-
Total Deductions	<u>544,079</u>	<u>51,434,775</u>	<u>1,095</u>	<u>198,017,231</u>
Changes in net position	(207,824)	-	-	(378,970)
Net position - January 1	389,364	-	-	3,855,907
Restatement	-	-	-	2,695,079
Net position - January 1 (restated)	<u>389,364</u>	<u>-</u>	<u>-</u>	<u>6,550,986</u>
Net position - December 31	<u>\$ 181,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,172,016</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Arrowhead Regional Corrections Fund	Regional Rail Authority	Minneapolis- Duluth/ Superior Passenger Rail Alliance	Community Health Board
ADDITIONS				
Property tax collections for other governments	\$ -	\$ 1,768,533	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	27,902,384	3,322,200	-	6,964,078
Charges for services	928,934	4,320	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	23,088	-	-	-
Gifts and contributions	-	121,832	95,450	-
Miscellaneous	208,010	124,879	-	54,064
Total Additions	<u>29,062,416</u>	<u>5,341,764</u>	<u>95,450</u>	<u>7,018,142</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	6,217,028
Payment of property tax to other governments	-	-	-	-
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	21,108,829	518,418	23,000	469,305
Other operating	5,911,361	1,844,985	74,076	285,066
Capital outlay	2,389,709	3,004,947	-	-
Total Deductions	<u>29,409,899</u>	<u>5,368,350</u>	<u>97,076</u>	<u>6,971,399</u>
Changes in net position	(347,483)	(26,586)	(1,626)	46,743
Net position - January 1	7,306,805	2,523,936	46,335	80,913
Restatement	-	-	-	-
Net position - January 1 (restated)	<u>7,306,805</u>	<u>2,523,936</u>	<u>46,335</u>	<u>80,913</u>
Net position - December 31	<u>\$ 6,959,322</u>	<u>\$ 2,497,350</u>	<u>\$ 44,709</u>	<u>\$ 127,656</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Duluth Area Family Service Collaborative Fund	Local Collaborative Time Study Fund	Northern Counties Land Use Board Fund	Voyageurs National Park Joint Venture
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	70,307	70,308	11,500	58,300
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	272	176	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Additions	<u>70,579</u>	<u>70,484</u>	<u>11,500</u>	<u>58,300</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	-
Distributions to participants	112,139	402,327	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	-	-	-
Other operating	43,138	49,510	38,772	82,598
Capital outlay	-	-	-	-
Total Deductions	<u>155,277</u>	<u>451,837</u>	<u>38,772</u>	<u>82,598</u>
Changes in net position	(84,698)	(381,353)	(27,272)	(24,298)
Net position - January 1	985,828	831,220	96,037	29,324
Restatement	-	-	-	-
Net position - January 1 (restated)	<u>985,828</u>	<u>831,220</u>	<u>96,037</u>	<u>29,324</u>
Net position - December 31	<u>\$ 901,130</u>	<u>\$ 449,867</u>	<u>\$ 68,765</u>	<u>\$ 5,026</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Ash River Sanitary District</u>	<u>ATV Joint Powers Board</u>	<u>MN Regional Parks and Trails</u>	<u>Sheriff Forfeits/ Evidence</u>
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	237,500	-	364,203	-
Charges for services	-	100,000	-	-
Fines and forfeits	-	-	-	12,024
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	14,235
Total Additions	<u>237,500</u>	<u>100,000</u>	<u>364,203</u>	<u>26,259</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	-
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	9,928
Payments to State of MN	-	-	-	-
Personnel services	-	-	-	-
Other operating	8,376	3,000	364,203	17,102
Capital outlay	-	-	-	-
Total Deductions	<u>8,376</u>	<u>3,000</u>	<u>364,203</u>	<u>27,030</u>
Changes in net position	229,124	97,000	-	(771)
Net position - January 1	32,000	-	-	64,799
Restatement	-	-	-	-
Net position - January 1 (restated)	<u>32,000</u>	<u>-</u>	<u>-</u>	<u>64,799</u>
Net position - December 31	<u>\$ 261,124</u>	<u>\$ 97,000</u>	<u>\$ -</u>	<u>\$ 64,028</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Estate Recovery Fund</u>	<u>Crane Lake - LCCMR Grant</u>	<u>Brookston - LCCMR Grant</u>	<u>Jail Inmate/Kiosk</u>
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	543,491
Estate recoveries	2,038,557	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	-	69,991	74,878	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Additions	<u>2,038,557</u>	<u>69,991</u>	<u>74,878</u>	<u>543,491</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	-
Distributions to participants	-	-	-	574,457
Distribution of recoveries	2,038,557	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	-	-	-
Other operating	-	-	-	-
Capital outlay	-	69,991	74,878	-
Total Deductions	<u>2,038,557</u>	<u>69,991</u>	<u>74,878</u>	<u>574,457</u>
Changes in net position	-	-	-	(30,966)
Net position - January 1	-	-	-	239,984
Restatement	-	-	-	-
Net position - January 1 (restated)	<u>-</u>	<u>-</u>	<u>-</u>	<u>239,984</u>
Net position - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,018</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>NEECB</u>	<u>Civil Fund</u>	<u>Taconite Relief</u>	<u>Taconite Production Tax</u>
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	13,110,149	24,576,042
Intergovernmental	267,791	-	-	-
Charges for services	6,525	306,285	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	7,664	1,064
Gifts and contributions	-	-	-	-
Miscellaneous	1,990	-	-	-
Total Additions	<u>276,306</u>	<u>306,285</u>	<u>13,117,813</u>	<u>24,577,106</u>
DEDUCTIONS				
Distribution to other governments	-	-	11,244,645	-
Payment of property tax to other governments	242,405	-	-	24,577,106
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	4,171	-	-	-
Other operating	12,228	303,808	-	-
Capital outlay	-	-	-	-
Total Deductions	<u>258,804</u>	<u>303,808</u>	<u>11,244,645</u>	<u>24,577,106</u>
Changes in net position	17,502	2,477	1,873,168	-
Net position - January 1	836	100,079	6,730,576	-
Restatement	-	-	-	-
Net position - January 1 (restated)	<u>836</u>	<u>100,079</u>	<u>6,730,576</u>	<u>-</u>
Net position - December 31	<u>\$ 18,338</u>	<u>\$ 102,556</u>	<u>\$ 8,603,744</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Total
ADDITIONS	
Property tax collections for other governments	\$ 199,406,794
License and fee collections for other governments	1,095
License and fee collections for State of MN	50,286,048
Contributions individuals	543,491
Estate recoveries	2,038,557
Taconite taxes for State of MN	37,686,191
Intergovernmental	39,413,440
Charges for services	2,795,696
Fines and forfeits	12,024
Earnings on investments	32,264
Gifts and contributions	217,282
Miscellaneous	438,528
Total Additions	332,871,410
DEDUCTIONS	
Distribution to other governments	17,461,673
Payment of property tax to other governments	222,836,742
Distributions to participants	1,088,923
Distribution of recoveries	2,038,557
Payment of fee, fine and license revenue to others	11,023
Payments to State of MN	50,286,048
Personnel services	23,368,722
Other operating	9,486,030
Capital outlay	5,539,525
Total Deductions	332,117,243
Changes in net position	754,167
Net position - January 1	23,313,943
Restatement	2,695,079
Net position - January 1 (restated)	26,009,022
Net position - December 31	\$ 26,763,189

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INVESTMENTS AND INTEREST EARNING DEPOSITS
 DECEMBER 31, 2021

	Interest Rates	Par Value	Market
Pooled Investments and Deposits			
Certificates of Deposit	0.15% - 3.55%	\$ 16,560,621	\$ 16,560,621
MAGIC Portfolio	Varies	112,457,808	112,457,808
MAGIC TERM	0.08% - 0.25%	26,000,000	26,000,000
Municipal Bonds	0.85% - 4.25%	16,330,000	16,754,536
FFCB	0.875% - 5.70%	24,036,000	25,290,301
FHLB	1.875% - 5.25%	18,160,000	18,863,835
FHLMC	2.375%	4,500,000	4,502,925
FNMA	0.75% - 2.125%	9,350,000	9,183,993
US Treasury	0.125% - 1.75%	14,750,000	14,720,173
Total Pooled Investments and Deposits		<u>\$ 242,144,429</u>	<u>\$ 244,334,192</u>
Capital Projects			
US Treasury	0.125% - 1.50%	24,750,000	24,713,429
Total Capital Projects		<u>\$ 24,750,000</u>	<u>\$ 24,713,429</u>
Shoreline Sales Permanent Fund			
MN Board of Investments	Varies	\$ 27,100,903	\$ 27,100,903
Environmental Services Enterprise Fund			
Certificates of Deposit	2.00% - 3.35%	\$ 6,346,000	\$ 6,346,000
MAGIC TERM	0.10%	1,000,000	1,000,000
FFCB	1.82% - 2.80%	3,250,000	3,332,165
US Treasury	0.375% - 2.625%	2,550,000	2,574,722
Total Environmental Services Enterprise Fund		<u>\$ 13,146,000</u>	<u>\$ 13,252,887</u>
Property, Casualty, & Liability Insurance			
Internal Service Fund			
Certificates of Deposit	2.15% - 3.10%	\$ 747,000	\$ 747,000
FFCB	1.82%	250,000	256,090
US Treasury	1.75%	250,000	256,035
Total Property, Casualty, & Liability Insurance		<u>\$ 1,247,000</u>	<u>\$ 1,259,125</u>
Workers' Compensation Insurance			
Internal Service Fund			
Certificates of Deposit	1.65% - 3.05%	\$ 2,486,000	\$ 2,486,000
MAGIC TERM	0.10% - 0.21%	2,500,000	2,500,000
FFCB	1.82% - 2.35%	3,050,000	3,122,977
US Treasury	0.375% - 1.75%	2,000,000	2,021,075
Total Workers' Compensation Insurance		<u>\$ 10,036,000</u>	<u>\$ 10,130,052</u>
Medical/Dental Insurance			
Internal Service Fund			
Certificates of Deposit	2.15% - 2.85%	\$ 1,985,000	\$ 1,985,000
MAGIC TERM	0.14% - 0.21%	7,000,000	7,000,000
FFCB	1.82% - 2.35%	1,500,000	1,543,015
FHLB	1.25%	1,000,000	999,398
US Treasury	0.375% - 2.625%	4,500,000	4,539,205
Total Medical/Dental Insurance		<u>\$ 15,985,000</u>	<u>\$ 16,066,618</u>
Taconite Relief Trust Fund			
MAGIC TERM	0.07%	\$ 8,500,000	\$ 8,500,000
Arrowhead Regional Corrections Custodial Fund			
Certificates of Deposit	0.50% - 3.05%	\$ 1,243,000	\$ 1,243,000
MAGIC TERM	0.08%	691,018	691,018
Total Arrowhead Regional Corrections Custodial Fund		<u>\$ 1,934,018</u>	<u>\$ 1,934,018</u>
Total Investments and Deposits		<u>\$ 344,843,350</u>	<u>\$ 347,291,224</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	General Fund	Road and Bridge	Public Health and Human Services	Pandemic Response Fund	Other
Appropriations and Shared Revenue					
State					
Department of Natural Resources					
Mineral rents & royalties	\$ 802,347	\$ -	\$ -	\$ -	\$ -
Department of Public Safety					
Enhanced 911 program grant	474,190	-	-	-	-
Department of Revenue					
County program aid	10,537,471	1,310,092	1,879,548	-	-
Disparity aid	2,424,257	771,665	1,841,716	-	-
ICWA aid	-	-	251,991	-	-
Local performance aid	25,000	-	-	-	-
Market value credit	63,882	22,375	47,759	-	460
PERA aid	277,535	-	-	-	-
Police aid	955,261	-	-	-	-
State fire aid	10,830	-	-	-	-
Department of Transportation					
30 percent rental income	551	176	408	-	3
Engineering	-	2,688,183	-	-	-
LRIP/RRSA state bond	-	557,912	-	-	-
MN FD 29 bridge bond	-	1,756,099	-	-	-
Municipal construction	-	2,596,284	-	-	-
Municipal maintenance	-	1,627,248	-	-	-
Regular construction	-	11,554,930	-	-	-
Regular maintenance	-	10,045,984	-	-	-
Right of way/utility reimbursement	-	355,000	-	-	-
State aid for consulting	-	538,085	-	-	-
State park	-	335,173	-	-	-
Town bridge	-	489,285	-	-	-
Unorganized town road and bridge aid	-	155,476	-	-	-
Total Appropriations and Shared Revenue	\$ 15,571,324	\$ 34,803,967	\$ 4,021,422	\$ -	\$ 463
Reimbursement for Services					
State					
Department of Human Services					
Alternative care 180 day	\$ -	\$ -	\$ 30,679	\$ -	\$ -
Child welfare targeted case mgmt	-	-	3,007,472	-	-
Community alternatives for disabled individuals waived services	-	-	1,005,892	-	-
CON CD fund	-	-	7,652	-	-
Elderly waived services	-	-	12,874	-	-
Medical assistance MCH home visits	-	-	7,885	-	-
Medical assistance - ACT	-	-	766,434	-	-
Medical assistance - CEHI	-	-	614,018	-	-
Medical assistance - Rule 5	-	-	562,759	-	-
Developmental disabilities waived services	-	-	630,055	-	-
MH targeted case management	-	-	677,537	-	-
OBRA screenings-reimb	-	-	1,200	-	-
Traumatic brain injury	-	-	37,676	-	-
VADD targeted case management	-	-	96,909	-	-
Total Reimbursement for Services Revenue	\$ -	\$ -	\$ 7,459,042	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Debt Service Funds	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Appropriations and Shared Revenue					
State					
Department of Natural Resources					
Mineral rents & royalties	\$ -	\$ -	\$ -	\$ -	\$ 802,347
Department of Public Safety					
Enhanced 911 program grant	-	-	-	-	474,190
Department of Revenue					
County program aid	-	-	-	-	13,727,111
Disparity aid	236,867	227,701	-	-	5,502,206
ICWA aid	-	-	-	-	251,991
Local performance aid	-	-	-	-	25,000
Market value credit	5,104	5,905	-	-	145,485
PERA aid	-	-	-	-	277,535
Police aid	-	-	-	-	955,261
State fire aid	-	-	-	-	10,830
Department of Transportation					
30 percent rental income	59	53	-	-	1,250
Engineering	-	-	-	-	2,688,183
LRIP/RRSA state bond	-	-	-	-	557,912
MN FD 29 bridge bond	-	-	-	-	1,756,099
Municipal construction	-	-	-	-	2,596,284
Municipal maintenance	-	-	-	-	1,627,248
Regular construction	-	-	-	-	11,554,930
Regular maintenance	-	-	-	-	10,045,984
Right of way/utility reimbursement	-	-	-	-	355,000
State aid for consulting	-	-	-	-	538,085
State park	-	-	-	-	335,173
Town bridge	-	-	-	-	489,285
Unorganized town road and bridge aid	-	-	-	-	155,476
Total Appropriations and Shared Revenue	\$ 242,030	\$ 233,659	\$ -	\$ -	\$ 54,872,865
Reimbursement for Services					
State					
Department of Human Services					
Alternative care 180 day	\$ -	\$ -	\$ -	\$ -	\$ 30,679
Child welfare targeted case mgmt	-	-	-	-	3,007,472
Community alternatives for disabled individuals waived services	-	-	-	-	1,005,892
CON CD fund	-	-	-	-	7,652
Elderly waived services	-	-	-	-	12,874
Medical assistance MCH home visits	-	-	-	-	7,885
Medical assistance - ACT	-	-	-	-	766,434
Medical assistance - CEHI	-	-	-	-	614,018
Medical assistance - Rule 5	-	-	-	-	562,759
Developmental disabilities waived services	-	-	-	-	630,055
MH targeted case management	-	-	-	-	677,537
OBRA screenings-reimb	-	-	-	-	1,200
Traumatic brain injury	-	-	-	-	37,676
VADD targeted case management	-	-	-	-	96,909
Total Reimbursement for Services Revenue	\$ -	\$ -	\$ -	\$ -	\$ 7,459,042

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	General Fund	Road and Bridge	Public Health and Human Services	Pandemic Response Fund	Other
Grants					
State Grants					
Board of Water & Soil Resources					
Natural resources block grant	\$ 85,681	\$ -	\$ -	\$ -	\$ 10,000
Department of Agriculture					
Noxious Weed Grant	-	3,920	-	-	-
Department of Environmental Assistance					
SCORE recycling grant	-	-	-	-	-
Department of Health					
COVID vaccine implementation	-	-	164,391	-	-
Evidence based home visiting	-	-	163,579	-	-
Follow along program	-	-	4,966	-	-
Health disparities	-	-	1,130	-	-
Local public health grant	-	-	1,129,954	-	-
Thrive suicide prevention	-	-	123,208	-	-
Department of Housing Finance					
Family homelessness prevention	-	-	464,758	-	-
Landlord mitigation	-	-	36,419	-	-
Department of Human Services					
Adult integrated fund	-	-	2,413,606	-	-
Alternative care	-	-	30,679	-	-
Alternative response	-	-	67,542	-	-
Child care basic sliding fee	-	-	37,389	-	-
Child protection - GTFCP	-	-	1,043,101	-	-
Child support health ins bonus	-	-	70,071	-	-
Child support incentives	-	-	59,453	-	-
Child welfare-opiates	-	-	339,011	-	-
Children's mental health	-	-	85,318	-	-
CMH respite care	-	-	38,880	-	-
Community alternatives for disabled individual waived services	-	-	1,005,892	-	-
Community social services act block grant	-	-	3,081,219	-	-
Consolidated chemical dependency fund admin	-	-	189,805	-	-
Consumer directed	-	-	31,770	-	-
Cost effective health insurance	-	-	899,597	-	-
Child and teen checkups	-	-	241,591	-	-
Day training & habilitation	-	-	4,050	-	-
DD family support	-	-	50,911	-	-
Early hearing detection & intervention	-	-	5,275	-	-
Elderly waived services	-	-	12,875	-	-
Essential community service	-	-	3,295	-	-
SNAP employment and training	-	-	861	-	-
Fraud prevention incentives	-	-	61,816	-	-
Homeless outreach	-	-	854,463	-	-
Housing and support rate trans	-	-	1,906,781	-	-
Housing support services	-	-	120,350	-	-
Housing support SPMI	-	-	154,738	-	-
LTSS	-	-	2,877,091	-	-
Medical assistance-MCH home visits	-	-	7,885	-	-
Medical assistance ACT	-	-	742,360	-	-
Developmental disabilities waived services	-	-	630,055	-	-
MN family investment project burial	-	-	2,000	-	-
MN family investment project child care	-	-	21,777	-	-
MN family investment project employment services	-	-	309,902	-	-
MN VASA	-	-	76,302	-	-
Northstar foster care	-	-	324,705	-	-
OBRA screenings-grant	-	-	400	-	-
Parent support outreach program	-	-	69,266	-	-
Periodic data match	-	-	84,933	-	-
Response to opioid	-	-	150,000	-	-
Semi-independent living skills	-	-	343,604	-	-
Statewide health improvement - SHIP	-	-	128,744	-	-
Traumatic brain injury	-	-	37,676	-	-
Workers compensation	-	-	-	-	-

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Debt Service Funds	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants					
State Grants					
Board of Water & Soil Resources					
Natural resources block grant	\$ -	\$ -	\$ -	\$ -	95,681
Department of Agriculture					
Noxious Weed Grant	-	-	-	-	3,920
Department of Environmental Assistance					
SCORE recycling grant	-	-	275,292	-	275,292
Department of Health					
COVID vaccine implementation	-	-	-	-	164,391
Evidence based home visiting	-	-	-	-	163,579
Follow along program	-	-	-	-	4,966
Health disparities	-	-	-	-	1,130
Local public health grant	-	-	-	-	1,129,954
Thrive suicide prevention	-	-	-	-	123,208
Department of Housing Finance					
Family homelessness prevention	-	-	-	-	464,758
Landlord mitigation	-	-	-	-	36,419
Department of Human Services					
Adult integrated fund	-	-	-	-	2,413,606
Alternative care	-	-	-	-	30,679
Alternative response	-	-	-	-	67,542
Child care basic sliding fee	-	-	-	-	37,389
Child protection - GTFCP	-	-	-	-	1,043,101
Child support health ins bonus	-	-	-	-	70,071
Child support incentives	-	-	-	-	59,453
Child welfare-opiates	-	-	-	-	339,011
Children's mental health	-	-	-	-	85,318
CMH respite care	-	-	-	-	38,880
Community alternatives for disabled individual waived services	-	-	-	-	1,005,892
Community social services act block grant	-	-	-	-	3,081,219
Consolidated chemical dependency fund admin	-	-	-	-	189,805
Consumer directed	-	-	-	-	31,770
Cost effective health insurance	-	-	-	-	899,597
Child and teen checkups	-	-	-	-	241,591
Day training & habilitation	-	-	-	-	4,050
DD family support	-	-	-	-	50,911
Early hearing detection & intervention	-	-	-	-	5,275
Elderly waived services	-	-	-	-	12,875
Essential community service	-	-	-	-	3,295
SNAP employment and training	-	-	-	-	861
Fraud prevention incentives	-	-	-	-	61,816
Homeless outreach	-	-	-	-	854,463
Housing and support rate trans	-	-	-	-	1,906,781
Housing support services	-	-	-	-	120,350
Housing support SPMI	-	-	-	-	154,738
LTSS	-	-	-	-	2,877,091
Medical assistance-MCH home visits	-	-	-	-	7,885
Medical assistance ACT	-	-	-	-	742,360
Developmental disabilities waived services	-	-	-	-	630,055
MN family investment project burial	-	-	-	-	2,000
MN family investment project child care	-	-	-	-	21,777
MN family investment project employment services	-	-	-	-	309,902
MN VASA	-	-	-	-	76,302
Northstar foster care	-	-	-	-	324,705
OBRA screenings-grant	-	-	-	-	400
Parent support outreach program	-	-	-	-	69,266
Periodic data match	-	-	-	-	84,933
Response to opioid	-	-	-	-	150,000
Semi-independent living skills	-	-	-	-	343,604
Statewide health improvement - SHIP	-	-	-	-	128,744
Traumatic brain injury	-	-	-	-	37,676
Workers compensation	-	-	-	188,958	188,958

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	General Fund	Road and Bridge	Public Health and Human Services	Pandemic Response Fund	Other
Grants (continued)					
State grants (continued)					
Department of Natural Resources					
All-terrain vehicle acct grant	\$ -	\$ 487,964	\$ -	\$ -	\$ -
Aquatic invasive species prevention	597,504	-	-	-	-
Boat and water safety	100,170	-	-	-	-
Environmental assessment worksheet	-	5,917	-	-	-
LCCMR ATV trail grant	-	400,000	-	-	-
Off highway ATV	33,889	-	-	-	-
Snowmobile safety	9,611	-	-	-	-
State forest road access	-	-	-	-	299,753
State trail assistance	410,926	-	-	-	-
Board of Peace Officer Standards and Training					
Training reimbursement	107,158	-	-	-	-
Department of Public Safety					
MN state patrol forfeit	12,993	-	-	-	-
Office of Justice program grants	39,508	-	-	-	-
Public assistance disaster fund	-	78,942	-	-	-
Department of Transportation					
Local rd research board OPERA	-	36,000	-	-	-
Northeast Minnesota rail initiative	-	595,562	-	-	-
Iron Ranges Resources & Rehabilitation Board					
ATV trail grant	-	141,308	-	-	-
Producer grant	-	500,000	-	-	-
MN PERA					
MN contributions to PERA	68,463	-	-	-	-
MN Pollution Control Agency					
Ash River community sewer	-	-	-	-	49,779
Env assistance recycle program	-	-	-	-	-
Septic treatment systems	-	-	-	-	40,000
Veterans Affairs					
Enhancement	18,798	-	-	-	-
Total State Grants	\$ 1,484,701	\$ 2,249,613	\$ 20,705,444	\$ -	\$ 399,532
Federal Grants					
Department of Agriculture					
10.557 Women, infants, and children peer breastfeeding	\$ -	\$ -	\$ 8,509	\$ -	\$ -
10.557 Women, infants, and children (through Community Health Board)	-	-	672,781	-	-
10.561 Supplemental nutrition and assistance program	62,810	-	1,945,850	-	-
10.561 SNAP employment and training	-	-	67,883	-	-
10.572 Federal WIC	-	-	2,024	-	-
10.664 Cooperative forestry assist	203,026	-	-	-	-
10.665 National forest land	1,520,588	-	-	-	-
10.665 National forest land - roads & schools	-	202,058	-	-	-
10.665 National forest title III	69,856	-	-	-	-
Department of Health & Human Services					
16.838 Overdose detect	-	-	63,527	-	-
21.019 COVID-19 Emergency Response	-	-	266,028	-	-
93.069 Public health emergency preparedness	-	-	91,224	-	-
93.110 0-3 ICTP	-	-	162,867	-	-
93.251 Universal newborn hearing screening	-	-	1,075	-	-
93.268 COVID-19 vaccinations	-	-	37,779	-	-
93.268 Immunization funding	-	-	72,810	-	-
93.268 Targeted vaccines	-	-	22,453	-	-
93.314 Early hearing detection intervention	-	-	225	-	-
93.323 ELC funding	-	-	80,046	-	-
93.439 Healthy food	-	-	8,030	-	-
93.556 Fed IVB 2 PSOP	-	-	160	-	-
93.556 Title 4B fam response	-	-	111,243	-	-
93.556 Title IV-B alternative response	-	-	84,046	-	-
93.558 MN family investment project employment services	-	-	2,280,903	-	-
93.558 Temporary assistance to needy families admin	19,390	-	588,563	-	-
93.558 Temporary assistance to needy families home visiting	-	-	312,710	-	-
93.563 Child support	89,648	-	3,274,376	-	-
93.563 Title IV-D incentives	-	-	470,966	-	-
93.575 BSF CC admin	-	-	45,698	-	-
93.575 MFSIP CC admin	-	-	22,665	-	-
93.590 Federal PSOP child's trust	-	-	31,611	-	-
93.590 Relationships first	-	-	9,366	-	-
93.645 Fed IVB 1 PSOP	-	-	160	-	-
93.645 Title 4B fam response	-	-	44,889	-	-
93.645C Title IV1 Fam Response	-	-	47,987	-	-
93.647C SELF-C	-	-	102,163	-	-
93.658 Foster care	34,760	-	50,031	-	-
93.658 IV-E foster care social service time study	-	-	993,803	-	-
93.658 Title IV-E cost of care	-	-	1,642,636	-	-
93.658 Title IV-E foster care case management	-	-	115,590	-	-
93.667 Title XX block grant	-	-	1,641,923	-	-
93.669 CAPTA family response	-	-	24,811	-	-
93.669 Prenatal sub exposure	-	-	181,511	-	-
93.674 Support for emancipation and living functionally	-	-	46,800	-	-

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Debt Service Funds	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants (continued)					
State grants (continued)					
Department of Natural Resources					
All-terrain vehicle acct grant	\$ -	\$ -	\$ -	\$ -	\$ 487,964
Aquatic invasive species prevention	-	-	-	-	597,504
Boat and water safety	-	-	-	-	100,170
Environmental assessment worksheet	-	-	-	-	5,917
LCCMR ATV trail grant	-	-	-	-	400,000
Off highway ATV	-	-	-	-	33,889
Snowmobile safety	-	-	-	-	9,611
State forest road access	-	-	-	-	299,753
State trail assistance	-	-	-	-	410,926
Board of Peace Officer Standards and Training					
Training reimbursement	-	-	-	-	107,158
Department of Public Safety					
MN state patrol forfeit	-	-	-	-	12,993
Office of Justice program grants	-	-	-	-	39,508
Public assistance disaster fund	-	-	-	-	78,942
Department of Transportation					
Local rd research board OPERA	-	-	-	-	36,000
Northeast Minnesota rail initiative	-	-	-	-	595,562
Iron Ranges Resources & Rehabilitation Board					
ATV trail grant	-	-	-	-	141,308
Producer grant	-	-	-	-	500,000
MN PERA					
MN contributions to PERA	-	-	3,552	-	72,015
MN Pollution Control Agency					
Ash River community sewer	-	-	-	-	49,779
Env assistance recycle program	-	-	10,680	-	10,680
Septic treatment systems	-	-	-	-	40,000
Veterans Affairs					
Enhancement	-	-	-	-	18,798
Total State Grants	\$ -	\$ -	\$ 289,524	\$ 188,958	\$ 25,317,772
Federal Grants					
Department of Agriculture					
10.557 Women, infants, and children peer breastfeeding	\$ -	\$ -	\$ -	\$ -	\$ 8,509
10.557 Women, infants, and children (through Community Health Board)	-	-	-	-	672,781
10.561 Supplemental nutrition and assistance program	-	-	-	-	2,008,660
10.561 SNAP employment and training	-	-	-	-	67,883
10.572 Federal WIC	-	-	-	-	2,024
10.664 Cooperative forestry assist	-	-	-	-	203,026
10.665 National forest land	-	-	-	-	1,520,588
10.665 National forest land - roads & schools	-	-	-	-	202,058
10.665 National forest title III	-	-	-	-	69,856
Department of Health & Human Services					
16.838 Overdose detect	-	-	-	-	63,527
21.019 COVID-19 Emergency Response	-	-	-	-	266,028
93.069 Public health emergency preparedness	-	-	-	-	91,224
93.110 0-3 ICTP	-	-	-	-	162,867
93.251 Universal newborn hearing screening	-	-	-	-	1,075
93.268 COVID-19 vaccinations	-	-	-	-	37,779
93.268 Immunization funding	-	-	-	-	72,810
93.268 Targeted vaccines	-	-	-	-	22,453
93.314 Early hearing detection intervention	-	-	-	-	225
93.323 ELC funding	-	-	-	-	80,046
93.439 Healthy food	-	-	-	-	8,030
93.556 Fed IVB 2 PSOP	-	-	-	-	160
93.556 Title 4B fam response	-	-	-	-	111,243
93.556 Title IV-B alternative response	-	-	-	-	84,046
93.558 MN family investment project employment services	-	-	-	-	2,280,903
93.558 Temporary assistance to needy families admin	-	-	-	-	607,953
93.558 Temporary assistance to needy families home visiting	-	-	-	-	312,710
93.563 Child support	-	-	-	-	3,364,024
93.563 Title IV-D incentives	-	-	-	-	470,966
93.575 BSF CC admin	-	-	-	-	45,698
93.575 MFSIP CC admin	-	-	-	-	22,665
93.590 Federal PSOP child's trust	-	-	-	-	31,611
93.590 Relationships first	-	-	-	-	9,366
93.645 Fed IVB 1 PSOP	-	-	-	-	160
93.645 Title 4B fam response	-	-	-	-	44,889
93.645C Title IV1 Fam Response	-	-	-	-	47,987
93.647C SELF-C	-	-	-	-	102,163
93.658 Foster care	-	-	-	-	84,791
93.658 IV-E foster care social service time study	-	-	-	-	993,803
93.658 Title IV-E cost of care	-	-	-	-	1,642,636
93.658 Title IV-E foster care case management	-	-	-	-	115,590
93.667 Title XX block grant	-	-	-	-	1,641,923
93.669 CAPTA family response	-	-	-	-	24,811
93.669 Prenatal sub exposure	-	-	-	-	181,511
93.674 Support for emancipation and living functionally	-	-	-	-	46,800

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	General Fund	Road and Bridge	Public Health and Human Services	Pandemic Response Fund	Other
Grants (continued)					
Federal Grants (continued)					
93.767 SCHIP	\$ 26	\$ -	\$ 838	\$ -	\$ -
93.778 Child teen checkups	-	-	241,591	-	-
93.778 LTSS	-	-	3,512,932	-	-
93.778 MA Trans Admin - MTM	-	-	240,146	-	-
93.778 Medical assistance	128,952	-	2,954,764	-	-
93.778 Medical assistance - Rule 25	-	-	962,017	-	-
93.778 Medical assistance incentives	-	-	48,093	-	-
93.788 Response to Opioid	-	-	30,501	-	-
93.870 MIECHV	-	-	189,301	-	-
93.959 Substance use disorder	-	-	156,476	-	-
93.994 Fed maternal & child health	-	-	326,719	-	-
Department of Homeland Security					
97.012 Boating safety financial assurance	77,404	-	-	-	-
97.036 FEMA EMPG grant	-	-	-	316,896	-
97.036 FEMA public assistance	-	236,826	-	-	-
97.067 Homeland security grant	156,148	-	-	-	-
97.067 Homeland security grant supplement	14,520	-	-	-	-
Department of Housing & Urban Development					
14.218 CDBG federal grant	-	-	1,942	-	2,783,594
14.218 COVID-19 critical tech	-	-	280	-	-
14.231 Emergency shelter grant	634,957	-	-	-	-
14.238 Shelter plus care	49,204	-	-	-	-
14.239 Home federal grant	-	-	-	-	137,455
14.267 CoC planning-mckinney vento	-	-	94,172	-	-
Department of Interior					
15.226 Payment in lieu of taxes	1,813,956	-	-	-	-
Department of Justice					
16.575 Crime victim assistance	116,169	-	-	-	-
16.738 Law enforcement block grant	2,081	-	-	-	-
16.838 Building bridges	100,548	-	-	-	-
16.838 COSSAP	255,242	-	-	-	-
Department of Natural Resources					
20.219 Trail assistance grant	-	118,902	-	-	-
Department of Transportation					
20.205 CRRSAA COVID resp/relief supp app	-	1,068,287	-	-	-
20.205 Highway planning and construction	-	7,584,187	-	-	-
20.600 Safe & sober	4,308	-	-	-	-
20.608 Toward zero deaths under the influence	51,057	-	-	-	-
20.616 Toward zero deaths seat belt & distracted	15,904	-	-	-	-
Department of Treasury					
21.019 COVID-19 Housing	-	-	420,495	-	-
21.027 Coronavirus state and local fiscal recovery	-	-	-	4,773,452	-
Total Federal Grants	\$ 5,420,554	\$ 9,210,260	\$ 24,807,989	\$ 5,090,348	\$ 2,921,049
Other Grants					
Local					
AIK CHB MIIC grant	\$ -	\$ -	\$ 56,997	\$ -	\$ -
Blue Plus fund contribution	-	-	100,000	-	-
EIP credit co, LLC	8,629	-	-	-	-
Essentia farm to school	-	-	34,083	-	-
MN power	-	-	-	-	-
Ordean catalyst grant	-	-	1,530	-	-
Ucare housing	-	-	100,000	-	-
UCare post-partum support	-	-	4,398	-	-
UCare SUD opportunity	-	-	1,000	-	-
UCare well-being fund	-	-	1,233	-	-
Victory fund	-	-	75,000	-	-
Total Other Grants	\$ 8,629	\$ -	\$ 374,241	\$ -	\$ -
In-kind Match	\$ -	\$ -	\$ -	\$ -	\$ 210,533
Total Intergovernmental Revenue	\$ 22,485,208	\$ 46,263,840	\$ 57,368,138	\$ 5,090,348	\$ 3,531,577

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Debt Service Funds	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants (continued)					
Federal Grants (continued)					
93.767 SCHIP	\$ -	\$ -	\$ -	\$ -	\$ 864
93.778 Child teen checkups	-	-	-	-	241,591
93.778 LTSS	-	-	-	-	3,512,932
93.778 MA Trans Admin - MTM	-	-	-	-	240,146
93.778 Medical assistance	-	-	-	-	3,083,716
93.778 Medical assistance - Rule 25	-	-	-	-	962,017
93.778 Medical assistance incentives	-	-	-	-	48,093
93.788 Response to Opioid	-	-	-	-	30,501
93.870 MIECHV	-	-	-	-	189,301
93.959 Substance use disorder	-	-	-	-	156,476
93.994 Fed maternal & child health	-	-	-	-	326,719
Department of Homeland Security					
97.012 Boating safety financial assurance	-	-	-	-	77,404
97.036 FEMA EMPG grant	-	-	-	-	316,896
97.036 FEMA public assistance	-	-	-	-	236,826
97.067 Homeland security grant	-	-	-	-	156,148
97.067 Homeland security grant supplement	-	-	-	-	14,520
Department of Housing & Urban Development					
14.218 CDBG federal grant	-	-	-	-	2,785,536
14.218 COVID-19 critical tech	-	-	-	-	280
14.231 Emergency shelter grant	-	-	-	-	634,957
14.238 Shelter plus care	-	-	-	-	49,204
14.239 Home federal grant	-	-	-	-	137,455
14.267 CoC planning-mckinney vento	-	-	-	-	94,172
Department of Interior					
15.226 Payment in lieu of taxes	-	-	-	-	1,813,956
Department of Justice					
16.575 Crime victim assistance	-	-	-	-	116,169
16.738 Law enforcement block grant	-	-	-	-	2,081
16.838 Building bridges	-	-	-	-	100,548
16.838 COSSAP	-	-	-	-	255,242
Department of Natural Resources					
20.219 Trail assistance grant	-	-	-	-	118,902
Department of Transportation					
20.205 CRRSAA COVID resp/relief supp app	-	-	-	-	1,068,287
20.205 Highway planning and construction	-	-	-	-	7,584,187
20.600 Safe & sober	-	-	-	-	4,308
20.608 Toward zero deaths under the influence	-	-	-	-	51,057
20.616 Toward zero deaths seat belt & distracted	-	-	-	-	15,904
Department of Treasury					
21.019 COVID-19 Housing	-	-	-	-	420,495
21.027 Coronavirus state and local fiscal recovery	-	-	-	-	4,773,452
Total Federal Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,450,200</u>
Other Grants					
Local					
AIK CHB MIIC grant	\$ -	\$ -	\$ -	\$ -	\$ 56,997
Blue Plus fund contribution	-	-	-	-	100,000
EIP credit co, LLC	-	-	-	-	8,629
Essentia farm to school	-	-	-	-	34,083
MN power	-	8,628	-	-	8,628
Ordean catalyst grant	-	-	-	-	1,530
Ucare housing	-	-	-	-	100,000
UCare post-partum support	-	-	-	-	4,398
UCare SUD opportunity	-	-	-	-	1,000
UCare well-being fund	-	-	-	-	1,233
Victory fund	-	-	-	-	75,000
Total Other Grants	<u>\$ -</u>	<u>\$ 8,628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,498</u>
In-kind Match	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 210,533</u>
Total Intergovernmental Revenue	<u>\$ 242,030</u>	<u>\$ 242,287</u>	<u>\$ 289,524</u>	<u>\$ 188,958</u>	<u>\$ 135,701,910</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Grantor Pass Through Agency Grant Program Title or Cluster Name	Federal AL Number	Contract Number/ Pass-Through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Direct				
Cooperative Forestry Assistance	10.664		\$ 192,582	\$ -
Passed Through Carlton, Cook, Lake, and St. Louis Community Health Board				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557			
WIC Program		12-700-00061	665,465	-
WIC Peer Breast Feeding Support Program (WIC PBSP)		12-700-00061	8,509	-
(Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children 10.557 \$673,974)				
Passed Through Minnesota Department of Human Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561			
(Part of SNAP Cluster)				
Supplemental Nutrition Assistance Program Administrative Cost Reimbursements		212MN101S2514	2,008,660	-
Supplemental Nutrition Assistance Program Employment & Training				
Administration		212MN127Q7503	66,161	-
Support		212MN101S2520	1,722	-
(Total Supplemental Nutrition Assistance Program Employment & Training \$67,883)				
(Total State Administrative Matching Grants for Supplemental Nutrition Assistance Program 10.561 \$2,076,543)				
WIC Farmers' Market Nutrition Program (FMNP)	10.572	191855FMNP2021FNLPMPT	2,024	-
Passed Through Minnesota Department of Management and Budget				
Schools and Roads - Grants to States (Part of Forest Service Schools and Roads Cluster)	10.665			
Thye Blatnik PILT		P.L. 114-10	1,520,588	-
Title III		P.L. 110-343 & P.L. 112-141	69,856	-
Title I		P.L. 113-40	202,058	-
(Total Schools and Roads - Grants to States 10.665 \$1,792,502)				
Total U.S. Department of Agriculture			\$ 4,737,625	\$ -
U.S. Department of Housing and Urban Development				
Direct				
Community Development Block Grants/Entitlement Grants (Part of CDBG - Entitlement Grants Cluster)	14.218			
CDBG Projects			\$ 2,026,957	\$ 1,770,248
COVID-19 CDBG			850,499	850,219
(Total Community Development Block Grants/Entitlement Grants 14.218 \$2,877,456)				
Emergency Solutions Grant Program	14.231			
ESG HUD Administration Grants			149,509	136,921
COVID-19 ESG Grants			485,448	485,448
(Total Emergency Solutions Grant Program 14.231 \$634,957)				
Home Investment Partnerships Program	14.239		256,348	229,822
Continuum of Care Program	14.267			
New Moon Supportive Housing			45,455	-
CoC Planning Grant			104,074	-
(Total Continuum of Care Program 14.267 \$149,529)				
Total U.S. Department of Housing and Urban Development			\$ 3,918,290	\$ 3,472,658
U.S. Department of the Interior				
Direct				
Payments in Lieu of Taxes	15.226		\$ 1,813,956	\$ -
U.S. Department of Justice				
Passed Through Minnesota Department of Public Safety				
Crime Victim Assistance	16.575	A-CVS-2022-STLOUICO-065	116,169	-
Passed Through City of Duluth				
Edward Bryne Memorial Justice Assistance Grant Program	16.738	2020-DJ-0759	2,081	-
Passed Through the Institute for Intergovernmental Research (IIR)				
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	2017-AR-BX-K003	417,063	-
Total U.S. Department of Justice			\$ 535,313	\$ -
U.S. Department of Transportation				
Passed Through Minnesota Department of Transportation				
Highway Planning and Construction (Part of Highway Planning and Construction Cluster)	20.205			
Road & Bridge Federal Grants		99969	\$ 7,356,593	\$ -
CRRSAA COVID-19 Response		8821224	1,068,287	-
(Total Highway Planning and Construction 20.205 \$8,424,880)				
Passed Through City of Duluth				
Highway Safety Cluster				
State and Community Highway Safety (Total Highway Safety Cluster \$20,212)	20.600	A-ENFRC21-2021-DULUTHPD-010	4,308	-
National Priority Safety Programs (Total Highway Safety Cluster \$20,212)	20.616	A-ENFRC21-2021-DULUTHPD-010	2,408	-
(Total National Priority Safety Programs 20.616 \$15,904)				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC21-2021-DULUTHPD-010	11,074	-
(Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$51,058)				
Passed Through Minnesota Department of Public Safety				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC21-2021-DULUTHPD-010	39,984	-
(Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$51,058)				
National Priority Safety Programs (Total Highway Safety Cluster \$20,212)	20.616	A-ENFRC21-2021-DULUTHPD-010	13,496	-
(Total National Priority Safety Programs 20.616 \$15,904)				
Total U.S. Department of Transportation			\$ 8,496,150	\$ -

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (Continued)

Federal Grantor Pass Through Agency Grant Program Title or Cluster Name	Federal AL Number	Contract Number/ Pass-Through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Treasury				
Direct				
Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027		\$ 4,773,452	\$ 264,308
Passed Through Minnesota Department of Human Services				
COVID-19 Coronavirus Relief Fund				
COVID-19 Emergency Response	21.019	179791	164,520	-
Passed Through Minnesota Housing Finance Agency				
COVID-19 Coronavirus Relief Fund				
COVID-19 Housing Assistance Program	21.019	SLT0016	420,495	420,495
(Total Coronavirus Relief Fund 21.019 \$585,015)				
Total Department of Treasury			\$ 5,358,467	\$ 684,803
U.S. Department of Health and Human Services				
Direct				
Assistance Programs for Chronic Disease Prevention and Control	93.945		\$ 6,276	\$ -
Passed Through Carlton, Cook, Lake, and St. Louis Community Health Board				
Public Health Emergency Preparedness	93.069	12-700-00061	91,224	-
Early Hearing Detection and Intervention	93.251	12-700-00061	1,075	-
Immunization Cooperative Agreements	93.268	NH231P922628	138,834	-
Early Hearing Detection and Intervention Information System (EHD-IS) Surveillance Program	93.314	12-700-00061	225	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC)	93.323	12-700-00061	95,750	-
State Physical Activity and Nutrition (SPAN)	93.439	12-700-00061	8,030	-
Temporary Assistance for Needy Families	93.558	2101MNTANF	312,710	-
(Total Temporary Assistance for Needy Families 93.558 \$4,315,080)				
Medical Assistance Program (Part of Medicaid Cluster)	93.778			
Child & Teen Checkups Administrative Services		2005MN5ADM	241,591	-
(Total Medical Assistance 93.778 \$8,026,824)				
Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870	12-700-00061	192,825	-
Maternal and Child Health Services Block Grant to the States	93.994	12-700-00061	324,630	-
Passed Through Minnesota Department of Human Services				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G-2101MNFPS	182,447	-
Temporary Assistance for Needy Families	93.558			
Minnesota Family Investment Program		2101MNTANF	3,389,163	-
Program Administrative Cost Reimbursements		2101MNTANF	613,207	-
(Total Temporary Assistance for Needy Families 93.558 \$4,315,080)				
Child Support Enforcement	93.563			
Title IV-D County-Wide Indirect Aid - Income Maintenance		2101MNCSES	89,648	-
Title IV-D Child Support Administration Aid and Federal Incentives		2101MNCES	3,745,342	-
(Total Child Support Enforcement 93.563 \$3,834,990)				
Child Care and Development Block Grant (Part of CCDF Cluster)	93.575	G2101MNCDF	68,363	-
Community-Based Child Abuse Prevention Grants	93.590	G-1901MNBCAP	59,036	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645			
Children and Family Services		2101MNCILP	37,469	-
COVID-19 Title IV Family Response		2101MNCILC	47,987	-
(Total Stephanie Tubbs Jones Child Welfare Services Program 93.645 \$85,456)				
Foster Care Title IV-E	93.658	2101MNFOS	2,836,820	-
Social Services Block Grant	93.667	2101MNSOSR	1,641,923	-
Child Abuse and Neglect State Grants	93.669	2101MNNCAN	254,728	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674			
Self Grant		2101MNCILP	62,300	-
COVID-19 Self Grant		2101MNCILC	108,527	-
(Total John H. Chafee Foster Care Program for Successful Transition to Adulthood 93.674 \$170,827)				
Elder Abuse Prevention Intervention Program	93.747	2101MNAFC5-00	484	-
Children's Health Insurance Program	93.767	2105MN5021	864	-
Medical Assistance Program (Part of Medicaid Cluster)	93.778			
Medical Assistance		2105MN5ADM	7,737,140	-
Federal Incentive Payments		2105MN5MAP	48,093	-
(Total Medical Assistance Program 93.778 \$ 8,026,824)				
Opioid STR	93.788	170254	24,225	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	B08T1010027/B08T10	176,026	-
Passed Through ZERO TO THREE: National Center for Infants, Toddlers, and Families				
Maternal and Child Health Federal Consolidated Programs	93.110	2020090529	171,772	-
Total U.S. Department of Health and Human Services			\$ 22,708,734	\$ -

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

(Continued)

Federal Grantor Pass Through Agency Grant Program Title or Cluster Name	Federal AL Number	Contract Number/ Pass-Through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security				
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012			
Boating & Water Safety (1-12)		194620	\$ 13,187	\$ -
Boating & Water Safety Sub Grant		192804	64,217	-
(Total Boating Safety Financial Assistance 97.012 \$77,404)				
Passed Through Minnesota Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036			
FEMA Public Assistance		137-99137-01	(110,136)	-
COVID-19 Isolation & Quarantine		137-99137-00	316,896	-
(Total Disaster Grants - Public Assistance (Presidentially Declared Disasters) 97.036 \$206,760)				
Emergency Management Performance Grants	97.042	A-EMPG-2020-STLOUICO-074	156,372	-
Homeland Security Grant Program	97.067			
State Homeland Security Program (SHSP)		A-OSGP-2020-STLOUISCO-0009	156,148	-
COVID-19 Homeland Security Program		A-OSGP-2020-STLOUISCO-0009	\$ 14,520	\$ -
(Total Homeland Security Grant Program 97.067 \$170,668)				
Total U.S. Department of Homeland Security			\$ 611,204	\$ -
Total Federal Awards			\$ 48,179,739	\$ 4,157,461
Clusters of programs are groupings of closely related programs that share common compliance requirements.				
Total expenditures by cluster are:				
Supplemental Nutritional Assistance Program (SNAP) Cluster			\$ 2,076,543	
Forest Service Schools and Roads Cluster			1,792,502	
CDBG-Entitlement Grants Cluster			2,877,456	
Highway Planning and Construction Cluster			8,424,880	
Highway Safety Cluster			20,212	
Child Care and Development Block Grant (CCDF) Cluster			68,363	
Medicaid Cluster			8,026,824	

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by St. Louis County. The County's reporting entity is defined in Note 1 to the financial statements.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the County under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) from the Office of Management and Budget (OMB). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for all awards with the exception of ALN 21.019 and 21.027, which follow criteria determined by the Department of Treasury for allowable costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Reconciliation of Intergovernmental Revenue	Federal AL Number	Amount
Federal grant revenue per Schedule of Intergovernmental Revenue		\$ 47,450,200
Unavailable Revenue in 2021 - grants received more than 60 days after year-end		
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	25,113
Continuum of Care Program	14.267	23,635
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	7,206
Highway Planning and Construction (Regular)	20.205	358,064
Immunization Cooperative Agreements	93.268	17,263
Maternal and Child Health Federal Consolidated Programs	93.110	12,349
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC)	93.323	15,704
MaryLee Allen Promoting Safe and Stable Families Program	93.556	12,354
Temporary Assistance for Needy Families	93.558	1,113,514
Community-Based Child Abuse Prevention Grants	93.590	19,477
Stephanie Tubbs Jones Child Welfare Services Program	93.645	6,811
Child Abuse and Neglect State Grants	93.669	64,822
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	21,964
Elder abuse Prevention Intervention Program	93.747	484
Medical Assistance Program	93.778	8,192
Maternal, Infant, and Early Childhood Home Visiting Grant Program (MIECHV)	93.870	3,677
Assistance Programs for Chronic Disease Prevention and Control	93.945	6,276
Block Grants for Prevention and Treatment of Substance Abuse	93.959	43,092
Emergency Management Performance Grants	97.042	165,309
Unavailable in 2020, recognized as revenue in 2021		
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	(32,429)
Cooperative Forestry Assistance	10.664	(10,444)
Continuum of Care Program	14.267	(17,482)
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	(9,459)
Highway Planning and Construction (Regular)	20.205	(585,658)
Recreational Trails Program (Part of Highway Planning and Construction Cluster)	20.219	(118,902)
COVID-19 Coronavirus Relief Fund	21.019	(101,508)
Maternal and Child Health Federal Consolidated Programs	93.110	(3,444)
Immunization Cooperative Agreements	93.268	(11,471)
MaryLee Allen Promoting Safe and Stable Families Program	93.556	(25,356)
Community-Based Child Abuse Prevention Grants	93.590	(1,418)
Stephanie Tubbs Jones Child Welfare Services Program	93.645	(14,391)
Child Abuse and Neglect State Grants	93.669	(16,416)
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	(100)
Medical Assistance Program	93.778	(69,864)
Opioid STR	93.788	(6,276)
Maternal, Infant, and Early Childhood Home Visiting Grant Program (MIECHV)	93.870	(152)
Maternal and Child Health Services Block Grant to the States	93.994	(2,089)
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(23,542)
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(346,962)
Emergency Management Performance Grants	97.042	(8,937)
Program Income		
Community Development Block Grants/Entitlement Grants	14.218	91,640
Home Investment Partnerships Program	14.239	118,893
Total expenditures per Schedule of Expenditures of Federal Awards		<u>\$ 48,179,739</u>

Statistical Section

This part of St. Louis County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information conveys 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.	168
Revenue Capacity	
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	176
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.	182
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.	187
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	189

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Schedule 1

ST. LOUIS COUNTY, MINNESOTA
Net Position by Component
Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental activities					
Invested in capital assets, net	\$ 476,247,100	\$ 522,018,741	\$ 556,683,649	\$ 583,821,271	\$ 612,901,331
Restricted	21,033,269	19,020,809	26,589,973	70,308,890	89,915,022
Unrestricted	128,898,798	136,593,657	134,070,739	31,017,384	12,973,052
Total governmental activities net position	<u>\$ 626,179,167</u>	<u>\$ 677,633,207</u>	<u>\$ 717,344,361</u>	<u>\$ 685,147,545</u>	<u>\$ 715,789,405</u>
Business-type activities					
Invested in capital assets, net	\$ 8,714,173	\$ 8,300,834	\$ 7,672,802	\$ 7,302,389	\$ 6,868,467
Restricted	1,981,320	2,041,416	2,331,286	2,254,051	2,129,155
Unrestricted	12,409,842	12,111,328	11,941,099	10,763,449	10,088,870
Total business-type activities net position	<u>\$ 23,105,335</u>	<u>\$ 22,453,578</u>	<u>\$ 21,945,187</u>	<u>\$ 20,319,889</u>	<u>\$ 19,086,492</u>
Primary government					
Invested in capital assets, net	\$ 484,961,273	\$ 530,319,575	\$ 564,356,451	\$ 591,123,660	\$ 619,769,798
Restricted	23,014,589	21,062,225	28,921,259	72,562,941	92,044,177
Unrestricted	141,308,640	148,704,985	146,011,838	41,780,833	23,061,922
Total primary government net position	<u>\$ 649,284,502</u>	<u>\$ 700,086,785</u>	<u>\$ 739,289,548</u>	<u>\$ 705,467,434</u>	<u>\$ 734,875,897</u>

Schedule 1

ST. LOUIS COUNTY, MINNESOTA
Net Position by Component
Last Ten Fiscal Years
 (accrual basis of accounting)

Fiscal Year				
2017	2018	2019	2020	2021
\$ 663,198,830	\$ 726,772,187	\$ 774,182,980	\$ 821,301,671	\$ 836,031,732
65,481,512	54,083,315	44,237,883	48,476,781	56,230,133
31,482,005	22,606,777	40,208,786	64,033,538	96,618,453
<u>\$ 760,162,347</u>	<u>\$ 803,462,279</u>	<u>\$ 858,629,649</u>	<u>\$ 933,811,990</u>	<u>\$ 988,880,318</u>
\$ 9,741,229	\$ 8,409,623	\$ 8,166,962	\$ 7,921,477	\$ 8,169,781
3,273,622	3,366,124	3,848,037	4,395,237	4,495,530
9,716,339	7,809,610	6,994,394	7,389,884	8,967,191
<u>\$ 22,731,190</u>	<u>\$ 19,585,357</u>	<u>\$ 19,009,393</u>	<u>\$ 19,706,598</u>	<u>\$ 21,632,502</u>
\$ 672,940,059	\$ 735,181,810	\$ 782,349,942	\$ 829,223,148	\$ 844,201,513
68,755,134	57,449,439	48,085,920	52,872,018	60,725,663
41,198,344	30,416,387	47,203,180	71,423,422	105,585,644
<u>\$ 782,893,537</u>	<u>\$ 823,047,636</u>	<u>\$ 877,639,042</u>	<u>\$ 953,518,588</u>	<u>\$ 1,010,512,820</u>

Schedule 2

ST. LOUIS COUNTY, MINNESOTA
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses				
Governmental activities				
General government	\$ 40,057,174	\$ 42,135,549	\$ 49,666,414	\$ 44,082,239
Public safety	53,050,539	46,974,978	54,501,618	51,350,879
Highways and streets	52,605,339	48,091,104	49,163,367	46,584,379
Health and sanitation	4,579,000	4,786,016	4,795,994	4,827,603
Human services	75,901,001	75,225,112	79,419,419	86,145,675
Culture and recreation	2,042,815	2,482,810	2,177,850	3,720,156
Conservation of natural resources	7,958,287	8,225,572	9,087,657	9,873,312
Economic development	3,132,056	3,100,381	2,879,553	3,237,323
Interest and other charges	1,699,853	1,203,827	2,181,891	2,438,806
Bond issuance costs	-	148,166	-	117,120
Total governmental activities expenses	<u>241,026,064</u>	<u>232,373,515</u>	<u>253,873,763</u>	<u>252,377,492</u>
Business-type activities				
Environmental services	7,995,131	8,130,015	7,972,128	7,741,835
Other Enterprise Funds	49,899	48,195	10,064	9,024
Total business-type activities expenses	<u>8,045,030</u>	<u>8,178,210</u>	<u>7,982,192</u>	<u>7,750,859</u>
Total primary government expenses	<u>\$ 249,071,094</u>	<u>\$ 240,551,725</u>	<u>\$ 261,855,955</u>	<u>\$ 260,128,351</u>
Program Revenues				
Governmental activities:				
Charges for services and other program revenues:				
General government	\$ 18,416,982	\$ 19,316,681	\$ 18,259,101	\$ 18,766,951
Public safety	4,268,919	4,245,110	4,686,528	3,473,117
Highways and streets	4,195,936	3,708,564	3,480,798	2,655,678
Health and sanitation	882,484	859,257	561,034	590,322
Human services	14,265,463	13,083,377	12,747,627	13,142,738
Culture and recreation	56,439	(4,000)	-	-
Conservation of natural resources	6,300,430	6,312,179	7,641,654	15,819,498
Economic development	400	3,150	918,752	43,343
Operating grants and contributions	66,758,879	65,621,839	72,374,834	56,139,010
Capital grants and contributions	27,019,539	27,827,909	19,725,748	23,658,301
Total governmental activities program revenues	<u>142,165,471</u>	<u>140,974,066</u>	<u>140,396,076</u>	<u>134,288,958</u>
Business-type activities:				
Charges for services:				
Environmental services	6,303,257	6,233,859	6,096,029	6,394,661
Other Enterprise Funds	102,410	26,843	19,146	15,783
Operating grants and contributions	564,809	594,766	407,990	372,087
Capital grants and contributions	-	30,700	-	-
Total business-type activities program revenues	<u>6,970,476</u>	<u>6,886,168</u>	<u>6,523,165</u>	<u>6,782,531</u>
Total primary government program revenues	<u>\$ 149,135,947</u>	<u>\$ 147,860,234</u>	<u>\$ 146,919,241</u>	<u>\$ 141,071,489</u>
Net (Expense)/Revenue				
Governmental activities	\$ (98,860,593)	\$ (91,399,449)	\$ (113,477,687)	\$ (118,088,534)
Business-type activities	(1,074,554)	(1,292,042)	(1,459,027)	(968,328)
Total primary government net expense	<u>\$ (99,935,147)</u>	<u>\$ (92,691,491)</u>	<u>\$ (114,936,714)</u>	<u>\$ (119,056,862)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes, levied for general purposes	\$ 115,310,996	\$ 119,179,161	\$ 121,198,926	\$ 120,866,397
Property taxes, levied for debt service	5,319,270	5,001,699	6,154,941	7,379,545
Transportation sales tax	-	-	-	11,085,356
State shared	16,949,124	15,941,883	18,091,331	18,323,388
Federal shared	1,853,339	1,731,840	1,755,887	261,575
Investment earnings	2,129,116	1,240,530	3,367,682	2,208,804
Special Items - capital asset adjustments	-	-	2,512,402	175,501
Transfers	(210,263)	(241,624)	(429,628)	(224,784)
Total governmental activities	<u>141,351,582</u>	<u>142,853,489</u>	<u>152,651,541</u>	<u>160,075,782</u>
Business-type activities				
Taxes				
Property taxes, levied for general purposes	216,972	305,413	247,871	246,261
State Shared	-	-	-	-
Investment earnings	137,125	93,248	273,137	197,440
Special Items	-	-	-	-
Transfers	210,263	241,624	429,628	224,784
Total business-type activities	<u>564,360</u>	<u>640,285</u>	<u>950,636</u>	<u>668,485</u>
Total primary government	<u>\$ 141,915,942</u>	<u>\$ 143,493,774</u>	<u>\$ 153,602,177</u>	<u>\$ 160,744,267</u>
Changes in Net Position				
Governmental activities	\$ 42,490,989	\$ 51,454,040	\$ 39,173,854	\$ 41,987,248
Business-type activities	(510,194)	(651,757)	(508,391)	(299,843)
Total primary government	<u>\$ 41,980,795</u>	<u>\$ 50,802,283</u>	<u>\$ 38,665,463</u>	<u>\$ 41,687,405</u>

Schedule 2

ST. LOUIS COUNTY, MINNESOTA
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	2016	2017	2018	2019	2020	2021
\$	48,748,275	\$ 48,530,937	\$ 48,592,813	\$ 50,886,407	\$ 52,191,312	\$ 51,505,131
	58,469,479	57,291,657	54,402,269	57,788,107	54,891,977	55,117,463
	49,617,143	52,877,191	50,535,861	55,178,035	59,447,031	66,300,584
	5,284,406	5,470,905	6,000,673	7,430,886	13,008,828	10,328,701
	93,601,510	97,303,366	98,710,007	98,988,990	103,331,200	99,532,044
	3,369,858	3,486,461	3,691,776	4,000,045	4,309,801	4,460,326
	9,060,539	9,844,470	9,065,610	8,729,100	8,698,640	9,579,441
	3,178,327	3,753,955	3,507,863	3,360,756	10,262,738	9,254,063
	3,088,164	3,837,284	4,030,034	4,614,418	4,305,394	4,095,423
	-	-	-	-	-	-
	274,417,701	282,396,226	278,536,906	290,976,744	310,446,921	310,173,176
	8,523,576	3,956,187	10,544,963	7,721,096	7,672,643	8,060,435
	80,812	38,500	14,316	6,747	51,980	19,805
	8,604,388	3,994,687	10,559,279	7,727,843	7,724,623	8,080,240
\$	283,022,089	\$ 286,390,913	\$ 289,096,185	\$ 298,704,587	\$ 318,171,544	\$ 318,253,416
\$	19,561,024	\$ 20,498,364	\$ 20,717,724	\$ 20,800,732	\$ 21,699,968	\$ 22,122,202
	3,924,325	3,944,212	3,806,513	3,561,191	3,586,252	3,891,052
	7,200,966	6,785,054	4,732,541	6,656,841	5,207,198	4,454,786
	446,229	663,118	636,845	912,121	836,914	722,514
	12,242,341	12,812,171	12,477,933	12,656,120	13,225,146	13,001,574
	-	-	-	342,164	193,318	341,520
	12,072,268	10,867,757	9,406,596	9,370,050	9,140,379	10,780,661
	100	150	200	150	250	111,470
	60,604,204	70,121,922	65,835,124	66,878,466	98,810,965	78,682,526
	24,928,471	24,182,578	23,799,966	25,189,087	26,920,036	25,935,588
	140,979,928	149,875,326	141,413,442	146,366,922	179,620,426	160,043,893
	6,836,219	6,795,857	6,640,627	6,648,058	7,691,343	9,318,310
	28,350	17,805	8,468	6,008	23,616	8,804
	341,904	302,361	286,987	460,735	275,791	285,972
	-	-	-	-	-	-
	7,206,473	7,116,023	6,936,082	7,114,801	7,990,750	9,613,086
\$	148,186,401	\$ 156,991,349	\$ 148,349,524	\$ 153,481,723	\$ 187,611,176	\$ 169,656,979
\$	(133,437,773)	\$ (132,520,900)	\$ (137,123,464)	\$ (144,609,822)	\$ (130,826,495)	\$ (150,129,283)
	(1,397,915)	3,121,336	(3,623,197)	(613,042)	266,127	1,532,846
\$	(134,835,688)	\$ (129,399,564)	\$ (140,746,661)	\$ (145,222,864)	\$ (130,560,368)	\$ (148,596,437)
\$	121,028,079	\$ 130,189,995	\$ 136,953,563	\$ 141,312,854	\$ 150,526,521	\$ 152,464,212
	6,733,511	6,790,164	6,076,005	6,524,526	6,620,196	6,583,518
	14,141,713	14,580,365	15,271,797	16,243,975	16,192,112	19,013,745
	18,761,512	18,325,839	20,023,431	19,540,652	19,742,545	20,223,258
	284,413	1,769,105	3,483,422	3,532,870	3,288,678	3,334,543
	3,247,704	5,515,189	4,117,270	12,719,233	9,637,909	3,816,227
	(321,918)	55,827	-	-	-	-
	204,619	(332,642)	(435,081)	689,515	875	(237,892)
	164,079,633	176,893,842	185,490,407	200,563,625	206,008,836	205,197,611
	125,369	9,393	9,639	-	-	-
	9,582	695	11,874	11,815	4,080	7,104
	227,602	180,632	238,154	481,150	427,873	148,062
	6,584	-	-	233,628	-	-
	(204,619)	332,642	435,081	(689,515)	(875)	237,892
	164,518	523,362	694,748	37,078	431,078	393,058
\$	164,244,151	\$ 177,417,204	\$ 186,185,155	\$ 200,600,703	\$ 206,439,914	\$ 205,590,669
\$	30,641,860	\$ 44,372,942	\$ 48,308,479	\$ 55,953,803	\$ 75,182,341	\$ 55,068,328
	(1,233,397)	3,644,698	(2,926,236)	(575,964)	697,205	1,925,904
\$	29,408,463	\$ 48,017,640	\$ 45,382,243	\$ 55,377,839	\$ 75,879,546	\$ 56,994,232

Schedule 3

ST. LOUIS COUNTY, MINNESOTA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Nonspendable	\$ 579,845	\$ 622,749	\$ 882,776	\$ 558,932
Restricted	5,254,603	4,979,981	5,600,518	5,610,702
Committed	11,396,647	11,128,188	11,198,786	11,175,193
Assigned	10,827,022	11,461,139	13,297,528	15,989,811
Unassigned	<u>32,583,721</u>	<u>33,250,927</u>	<u>35,349,694</u>	<u>34,786,997</u>
Total general fund	<u>\$ 60,641,838</u>	<u>\$ 61,442,984</u>	<u>\$ 66,329,302</u>	<u>\$ 68,121,635</u>
All Other Governmental Funds				
Nonspendable	\$ 15,387,618	\$ 15,682,953	\$ 17,415,185	\$ 22,533,116
Restricted	3,380,146	28,609,661	9,299,382	47,685,253
Committed	25,031,803	22,165,433	21,046,801	20,121,586
Assigned	41,606,201	47,465,396	53,105,776	50,504,334
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other government funds	<u>\$ 85,405,768</u>	<u>\$ 113,923,443</u>	<u>\$ 100,867,144</u>	<u>\$ 140,844,289</u>

Schedule 3

ST. LOUIS COUNTY, MINNESOTA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,110,385	\$ 842,311	\$ 829,672	\$ 496,722	\$ 394,308	\$ 385,363
2,877,147	2,716,543	2,663,751	3,499,400	3,960,029	4,478,768
11,181,351	11,557,726	11,535,451	11,435,806	11,930,709	11,216,445
18,139,783	17,364,782	16,746,109	16,334,445	21,517,824	22,133,060
37,196,660	37,027,480	40,190,030	41,486,020	43,114,632	42,979,502
<u>\$ 70,505,326</u>	<u>\$ 69,508,842</u>	<u>\$ 71,965,013</u>	<u>\$ 73,252,393</u>	<u>\$ 80,917,502</u>	<u>\$ 81,193,138</u>
\$ 26,649,056	\$ 27,449,111	\$ 26,630,815	\$ 31,577,334	\$ 34,372,388	\$ 39,127,153
59,278,434	34,473,547	63,872,775	31,154,596	62,514,338	49,149,249
19,745,067	20,295,660	20,730,280	20,288,262	21,691,496	20,795,007
49,422,783	44,034,197	40,370,377	48,597,565	49,813,504	69,330,889
(86)	-	-	-	-	(2,178)
<u>\$ 155,095,254</u>	<u>\$ 126,252,515</u>	<u>\$ 151,604,247</u>	<u>\$ 131,617,757</u>	<u>\$ 168,391,726</u>	<u>\$ 178,400,120</u>

Schedule 4

ST. LOUIS COUNTY, MINNESOTA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues				
Taxes	\$ 120,938,486	\$ 123,709,378	\$ 127,734,734	\$ 139,810,906
Licenses	167,889	149,444	311,378	326,097
Intergovernmental	117,323,896	119,509,790	119,682,121	106,462,164
Charges for services	27,602,297	28,032,924	27,189,262	26,646,992
Fines and forfeits	276,085	162,624	137,528	148,358
Earnings on investments	1,840,869	1,047,515	2,994,443	1,925,007
Gifts and contributions	8,231	7,945	8,982	50,647
Land and timber sales	5,790,449	6,925,052	8,007,234	14,517,143
Miscellaneous	5,393,940	4,716,580	4,554,843	3,850,754
Total revenues	<u>279,342,142</u>	<u>284,261,252</u>	<u>290,620,525</u>	<u>293,738,068</u>
Expenditures				
General government	37,907,421	40,135,037	41,551,894	41,574,289
Public safety	51,101,699	47,268,433	46,673,255	48,638,872
Highways and streets	43,267,909	39,139,593	38,392,604	32,215,419
Health and sanitation	4,733,399	5,111,826	4,946,831	4,679,163
Human services	75,180,107	76,075,893	79,113,396	84,131,293
Culture and recreation	2,042,815	2,482,810	2,177,850	2,038,795
Conservation of natural resources	7,410,014	8,335,366	8,793,370	9,059,619
Economic development	3,103,683	3,021,975	2,851,579	3,200,199
Debt service:				
Principal	4,774,990	16,697,490	6,997,490	7,895,390
Interest and other charges	1,387,050	1,196,565	2,492,340	2,744,737
Bond issuance costs	-	148,166	-	117,120
Capital outlay	56,209,840	56,705,471	67,260,570	65,226,586
Total Expenditures	<u>287,118,927</u>	<u>296,318,625</u>	<u>301,251,179</u>	<u>301,521,482</u>
Excess of revenues over (under) expenditures	<u>(7,776,785)</u>	<u>(12,057,373)</u>	<u>(10,630,654)</u>	<u>(7,783,414)</u>
Other Financing Sources (Uses)				
Transfers in	3,813,281	6,369,095	8,724,703	16,395,871
Transfers (out)	(2,613,593)	(6,360,992)	(10,293,379)	(16,343,554)
Capital leases	-	-	-	-
Bonds issued	-	25,290,000	5,470,000	38,415,000
Premium on bonds issued	-	1,045,018	213,897	2,724,564
Sale of capital assets	-	-	2,512,402	175,501
Refunding bonds issued	-	14,390,000	-	7,715,000
Premium on refunding bonds issued	-	1,086,183	-	562,801
Bond proceeds remitted to joint venture	-	-	(5,253,000)	-
Loan proceeds	-	-	-	118,420
Total other financing sources (uses)	<u>1,199,688</u>	<u>41,819,304</u>	<u>1,374,623</u>	<u>49,763,603</u>
Net change in fund balances	<u>\$ (6,577,097)</u>	<u>\$ 29,761,931</u>	<u>\$ (9,256,031)</u>	<u>\$ 41,980,189</u>
Debt service as a percentage of noncapital expenditures	2.7%	7.5%	4.1%	4.6%

Schedule 4

ST. LOUIS COUNTY, MINNESOTA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

2016	2017	2018	2019	2020	2021
\$ 142,338,881	\$ 152,021,672	\$ 158,874,597	\$ 164,061,559	\$ 173,390,342	\$ 178,629,291
318,610	338,241	358,421	573,355	594,074	771,590
114,216,291	116,514,726	127,053,015	125,770,305	157,197,865	135,223,428
30,011,290	30,238,046	30,843,968	33,290,094	32,685,884	32,529,019
161,375	335,030	147,522	152,361	61,989	119,240
2,955,231	5,278,526	3,807,852	12,067,009	9,060,823	3,726,188
13,139	25,385	14,441	23,589	18,600	2,265
11,547,500	9,194,493	8,173,349	8,125,688	8,138,325	10,630,485
4,511,245	5,292,329	3,688,986	3,593,204	3,947,710	4,498,654
<u>306,073,562</u>	<u>319,238,448</u>	<u>332,962,151</u>	<u>347,657,164</u>	<u>385,095,612</u>	<u>366,130,160</u>
44,638,065	45,490,303	47,645,505	49,507,010	52,040,883	52,177,832
49,360,919	51,185,228	53,862,909	54,840,421	56,100,959	58,422,181
33,222,000	35,215,416	36,239,798	36,938,325	40,631,395	44,389,007
4,977,595	5,296,681	6,027,687	7,203,860	13,194,809	10,607,456
89,851,302	96,404,600	98,711,114	99,065,892	106,390,135	103,119,948
1,712,057	1,851,060	2,056,375	2,362,232	2,675,082	2,848,085
8,281,415	8,630,421	8,442,128	8,406,955	9,038,431	9,704,972
3,132,751	3,711,769	3,475,638	3,327,670	10,228,874	9,238,030
6,900,390	13,580,201	8,010,991	9,249,550	8,918,362	26,367,744
3,547,549	4,680,122	4,631,664	5,486,139	5,080,465	5,310,793
-	-	-	-	-	-
85,848,604	82,887,029	79,766,844	93,433,882	66,213,357	63,418,803
<u>331,472,647</u>	<u>348,932,830</u>	<u>348,870,653</u>	<u>369,821,936</u>	<u>370,512,752</u>	<u>385,604,851</u>
(25,399,085)	(29,694,382)	(15,908,502)	(22,164,772)	14,582,860	(19,474,691)
21,625,136	15,017,556	18,192,909	17,959,567	21,040,301	18,389,457
(21,102,488)	(15,217,058)	(18,793,163)	(16,754,069)	(22,965,437)	(18,926,775)
-	-	-	-	-	3,118,800
23,315,000	-	-	-	30,355,000	25,855,000
2,356,356	-	-	-	732,941	662,268
153,773	188,546	226,048	203,319	132,717	703,273
15,200,000	-	-	-	-	-
1,075,261	-	-	-	-	-
-	-	-	-	-	-
96,227	-	-	-	36,616	71,437
<u>42,719,265</u>	<u>(10,956)</u>	<u>(374,206)</u>	<u>1,408,817</u>	<u>29,332,138</u>	<u>29,873,460</u>
<u>\$ 17,320,180</u>	<u>\$ (29,705,338)</u>	<u>\$ (16,282,708)</u>	<u>\$ (20,755,955)</u>	<u>\$ 43,914,998</u>	<u>\$ 10,398,769</u>
4.3%	6.9%	4.7%	5.3%	4.6%	9.8%

Schedule 5

ST. LOUIS COUNTY, MINNESOTA
 Tax Capacity and Estimated Market Value of Property
 Last Ten Fiscal Years

Fiscal Year Ended December 31	Residential Homestead Property	Agricultural Property	Commercial/ Industrial Property	Non- Homestead Residential Property	Commercial/ Residential Seasonal/ Recreational Property
2012	\$ 73,421,338	\$ 11,850,610	\$ 34,880,766	\$ 20,752,566	\$ 18,023,850
2013	70,918,143	11,427,969	34,814,496	21,123,597	17,798,832
2014	71,253,746	11,093,889	36,265,115	21,648,430	18,020,695
2015	72,779,293	10,748,933	37,252,089	22,465,566	17,976,741
2016	75,207,097	10,858,284	39,855,900	23,288,542	18,608,696
2017	77,080,947	10,710,635	42,304,419	23,923,168	18,945,131
2018	80,625,753	10,734,163	45,568,082	24,924,824	19,183,150
2019	84,267,800	10,679,881	47,474,875	26,622,365	19,842,055
2020	88,322,718	10,720,019	47,233,394	29,050,508	20,440,619
2021	90,903,587	10,669,217	50,530,831	30,253,829	20,860,333

Source: St. Louis County Auditor-Treasurer

Schedule 5

ST. LOUIS COUNTY, MINNESOTA
 Tax Capacity and Estimated Market Value of Property
 Last Ten Fiscal Years

<u>Personal Property</u>	<u>Total Net Tax Capacity</u>	<u>% Change Total Net Tax Capacity by Property Type</u>	<u>Total County Tax Rate Per \$100 of Taxable Net Tax Capacity</u>	<u>Estimated Market Value</u>	<u>Total Net Tax Capacity as a Percentage of Estimated Market Value</u>
\$ 7,548,436	\$ 166,477,566	(8.10)%	63.4004	\$ 15,973,891,989	1.04%
8,070,660	164,153,697	(1.40)%	65.0111	15,713,273,500	1.04%
8,980,291	167,262,166	1.89%	64.7031	15,889,008,120	1.05%
9,549,180	170,771,802	2.10%	65.3717	16,139,306,610	1.06%
10,216,656	178,035,175	4.25%	62.3352	16,672,379,734	1.07%
10,803,542	183,767,842	3.22%	66.1160	17,086,794,412	1.08%
11,291,604	192,327,576	4.66%	66.2917	17,726,359,612	1.08%
11,163,705	200,050,681	4.02%	66.1105	18,381,365,862	1.09%
10,439,131	206,206,389	3.08%	68.5405	19,015,651,427	1.08%
10,993,885	214,211,682	3.88%	66.9992	19,604,436,470	1.09%

Schedule 6

ST. LOUIS COUNTY, MINNESOTA
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

County Direct Tax Rates Per \$100 of Taxable Net Tax Capacity					
Fiscal Year Ended December 31	General Levy	Debt Service Levy	Regional Library Levy	County-wide Enterprise Fund	Total
2012	59.6669	3.2055	0.4031	0.1249	63.4004
2013	61.3764	3.0504	0.4072	0.1770	65.0110
2014	59.8998	4.2861	0.3881	0.1292	64.7032
2015	60.9660	3.9493	0.3921	0.0643	65.3717
2016	58.5015	3.4891	0.3446	-	62.3352
2017	62.6008	3.1653	0.3499	-	66.1160
2018	62.6523	3.3003	0.3391	-	66.2917
2019	62.6727	3.1200	0.3177	-	66.1104
2020	65.0566	3.1594	0.3246	-	68.5406
2021	63.7029	2.9968	0.2995	-	66.9992

Source: St. Louis County Auditor-Treasurer

Schedule 6

ST. LOUIS COUNTY, MINNESOTA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Overlapping Rates

Independent School District #94	Independent School District #381	Independent School District #698	Independent School District #707	Independent School District #2142
32.9031	21.2286	30.5928	59.2648	22.0098
31.6372	16.7696	31.6496	61.9301	23.1185
32.0031	17.1192	31.5870	61.8386	21.8874
32.7964	17.1909	18.2077	59.5846	21.4226
48.5922	16.3179	15.9902	58.5575	19.5075
44.9540	15.6292	9.9411	67.0244	15.9546
45.7260	15.6506	11.9812	33.9998	15.0488
47.0104	15.2169	11.7908	31.8529	14.2325
46.2667	15.3345	14.9192	30.1413	14.0197
45.9260	13.6884	14.4559	26.7181	13.7530

Schedule 7

**ST. LOUIS COUNTY, MINNESOTA
Principal Property Tax Payers
Current and Nine Years Ago**

Taxpayer	2021			2012		
	Net Tax Capacity Value	Rank	Percentage of Total Taxable Net Tax Capacity Value	Taxable Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity Value
Allete, Inc. (Minnesota Power)	\$ 7,773,419	1	3.63%	\$ 4,368,974	1	2.62%
Wisconsin Central LTD	5,782,944	2	2.70%	2,956,212	2	1.78%
Enbridge Energy LTD Partnership	2,927,681	3	1.37%	2,010,012	3	1.21%
American Transmission Co LLC	1,319,720	4	0.62%	618,530	8	0.37%
Burlington No/Santa Fe Railway Co	1,268,963	5	0.59%	539,945	10	0.32%
Miller Hill Mall	1,022,655	6	0.48%	616,898	9	0.37%
Duluth Clinic	742,720	7	0.35%	700,066	5	0.42%
Northern States Power Co	645,014	8	0.30%			
Great River Energy	610,553	9	0.29%			
Menards Inc	513,219	10	0.24%			
Pottlach				715,521	4	0.43%
Cliffs Mining Services				652,922	6	0.39%
IRET Properties				622,412	7	0.37%
	<u>\$ 22,606,888</u>		<u>10.57%</u>	<u>\$ 13,801,492</u>		<u>8.28%</u>

Source: St. Louis County Auditor-Treasurer

Notes:

(1) Wisconsin Central LTD is a consolidated Payer previously reported separately.

(2) Duluth Missabe & Iron Range RR (DMIR), Duluth Winnipeg & Pacific RR, and Enbridge have had a number of utility personal property leases that have gone up millions of dollars each year since 2010.

Schedule 8

ST. LOUIS COUNTY, MINNESOTA
Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year Ended December 31	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (3)	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2012	100,525,458	97,421,159	96.91%	2,487,367	\$ 99,908,526	99.39%
2013	101,954,370	98,871,857	96.98%	2,625,969	101,497,826	99.55%
2014	103,801,552	101,096,787	97.39%	1,993,429	103,090,216	99.31%
2015	107,057,125	104,921,850	98.01%	1,726,765	106,648,615	99.62%
2016	107,174,826	105,252,952	98.21%	1,356,491	106,609,443	99.47%
2017	116,925,963	114,907,543	98.27%	1,113,651	116,021,194	99.23%
2018	122,620,235	120,532,562	98.30%	1,228,802	121,761,364	99.30%
2019	127,201,123	125,105,026	98.35%	1,150,103	126,255,129	99.26%
2020	136,030,055	133,988,242	98.50%	1,086,345	135,074,587	99.30%
2021	138,321,904	136,459,341	98.65%	-	136,459,341	98.65%

Notes:

- (1) - Excludes tax credits and certain state aids.
- (2) - Includes some small amounts that are not a part of the certified levy.
- (3) - Amounts are adjusted annually until the applicable year is dropped from the records, after 7 years.

Source: St. Louis County Auditor - Tax Levy Status Report

Schedule 9

ST. LOUIS COUNTY, MINNESOTA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Revenue Notes	Capital Leases			
2012	\$ 32,010,213	\$ 395,730	\$ -	\$ 32,405,943	0.40%	162
2013	57,052,663	353,240	-	57,405,903	0.69%	287
2014	55,533,284	310,750	-	55,844,034	0.67%	278
2015	96,681,745	378,780	-	97,060,525	1.13%	483
2016	131,183,030	424,617	-	131,607,647	1.53%	657
2017	116,922,054	354,416	-	117,276,470	1.32%	586
2018	154,226,426	283,425	-	154,509,851	1.63%	774
2019	144,222,416	233,875	-	144,456,291	1.49%	726
2020	165,639,268	222,129 *	-	165,861,397	1.64%	836
2021	165,243,862	244,582	2,495,040	167,983,484	Not Available	843

Source:
 See Schedule 13 for population and personal income data.

* The 2020 number was updated from \$185,513 to \$222,129 due to \$36,616 of loan proceeds not being reported on this schedule in 2020.

Schedule 10

ST. LOUIS COUNTY, MINNESOTA
**Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years**

Fiscal Year	General Obligation Revenue Notes	General Bonded Debt Outstanding			Net General Bonded Debt Outstanding	Percentage of Estimated Market Value	Per Capita
		General Obligation Bonds	Less: Amounts Available in Debt Service Fund (1)				
2012	\$ 395,730	\$ 32,010,213	\$ 1,091,624	\$ 30,918,589	0.19%	154	
2013	353,240	57,052,663	4,181,175	52,871,488	0.34%	264	
2014	310,750	55,533,284	1,658,107	53,875,177	0.34%	269	
2015	378,780	96,681,745	8,554,007	88,127,738	0.55%	439	
2016	424,617	131,183,030	25,434,249	105,748,781	0.63%	528	
2017	354,416	116,922,054	20,458,433	96,463,621	0.56%	482	
2018	283,425	154,226,426	3,560,401	150,666,025	0.85%	754	
2019	233,875	144,222,416	1,711,430	142,510,986	0.78%	716	
2020	222,129 *	165,639,268	841,936	164,797,332	0.87%	830	
2021	244,582	165,243,862	2,826,849	162,417,013	0.83%	815	

Sources:

(1) This is the amount restricted for debt service payments - This column was changed to reflect debt service fund balance starting in 2013 and then in 2018 it was changed to reflect the fund balance less any refunding debt balances.

See Schedule 5 for Estimated Market Values
 See Schedule 13 for population data.

* The 2020 number was updated from \$185,513 to \$222,129 due to \$36,616 of loan proceeds not being reported on this schedule in 2020.

Schedule 11

ST. LOUIS COUNTY, MINNESOTA
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable*	Share of Debt
Direct Debt			
St. Louis County	\$ 165,488,444	100.00%	\$ 165,488,444
Overlapping Debt			
School District #94	56,295,000	4.73%	2,664,508
School District #381	17,570,000	16.87%	2,964,041
School District #698	715,000	95.76%	684,679
School District #707	126,000	47.59%	59,958
School District #2142	58,055,000	98.80%	57,360,369
Western Lake Superior Sanitary District	49,807,017	84.01%	41,843,353
Subtotal, overlapping debt			<u>105,576,908</u>
Total Direct and Overlapping Debt			<u><u>\$ 271,065,352</u></u>

*Applicable percentages were estimated by determining the portion of the governmental unit's net tax capacity that is within the county's boundaries and dividing it by each unit's total net tax capacity.

Schedule 12

**ST. LOUIS COUNTY, MINNESOTA
Legal Debt Margin Information
Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Market value of taxable property	\$ 14,545,032,989	\$ 14,297,999,600	\$ 14,488,302,620	\$ 14,740,006,310	\$ 15,285,072,934
Debt limit (3% of market value) *	436,350,990	428,939,988	434,649,079	442,200,189	458,552,188
Debt applicable to limit:					
General obligation bonds	32,405,943	57,405,903	55,844,034	97,060,525	131,607,647
Less: Amount set aside for repayment of general obligation debt	<u>(1,091,624)</u>	<u>(4,181,175)</u>	<u>(1,658,107)</u>	<u>(8,554,007)</u>	<u>(25,434,249)</u>
Total net debt applicable to limit	31,314,319	53,224,728	54,185,927	88,506,518	106,173,398
Legal debt margin	<u>\$ 405,036,671</u>	<u>\$ 375,715,260</u>	<u>\$ 380,463,152</u>	<u>\$ 353,693,671</u>	<u>\$ 352,378,790</u>
Total net debt applicable to the limit as a percentage of the debt limit	7.18%	12.41%	12.47%	20.02%	23.15%

Source: St. Louis County Auditor - Abstract of Tax Lists

* Debt limit is set by MN Statute 475.53

Schedule 12

ST. LOUIS COUNTY, MINNESOTA
Legal Debt Margin Information
Last Ten Fiscal Years

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 15,744,495,775	\$ 16,397,142,021	\$ 17,058,467,275	\$ 17,693,802,086	\$ 18,290,267,288
472,334,873	491,914,261	511,754,018	530,814,063	548,708,019
116,922,054	154,226,426	144,222,416	165,639,268	165,243,862
<u>(20,458,433)</u>	<u>(19,902,267)</u>	<u>(17,928,541)</u>	<u>(22,203,457)</u>	<u>(5,987,655)</u>
96,463,621	134,324,159	126,293,875	143,435,811	159,256,207
<u>\$ 375,871,252</u>	<u>\$ 357,590,102</u>	<u>\$ 385,460,143</u>	<u>\$ 387,378,252</u>	<u>\$ 389,451,812</u>
20.42%	27.31%	24.68%	27.02%	29.02%

Schedule 13

ST. LOUIS COUNTY, MINNESOTA
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (4)	Personal Income (thousands of dollars) (1)	Per Capita Personal Income (1)	Annual Average Labor Force (2)	School Enrollment (3)	Unemployment Rate (2)
2012	200,255	\$ 8,007,980	\$ 39,976	103,634	25,100	6.6%
2013	200,319	8,324,927	41,513	103,495	25,176	6.0%
2014	200,540	8,344,103	41,523	104,067	25,072	4.3%
2015	200,949	8,579,520	42,805	102,274	25,010	5.7%
2016	200,431	8,624,380	43,126	101,056	25,059	5.6%
2017	200,000	8,911,235	44,556	101,991	25,382	4.4%
2018	199,745	9,471,691	47,417	103,382	25,382	3.9%
2019	199,070	9,698,354	48,718	103,243	24,978	4.3%
2020	198,455	10,122,621	50,986	99,786	25,303	5.5%
2021	199,182	Not Available	Not Available	99,217	23,967	3.1%

Sources:

- (1) - US Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov/index.htm> - Available March '23)
- (2) - Minnesota Department of Employment and Economic Development (<http://mn.gov/deed/data/data-tools/laus/>)
- (3) - Minnesota Department of Education (<http://education.state.mn.us/MDE/Welcomw/index.html>)
- (4) - US Bureau of Census (factfinder2.census.gov)

Schedule 14

**ST. LOUIS COUNTY, MINNESOTA
Principal Employers
Current Year and Nine Years Ago**

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
St. Mary's/Duluth Clinic Health System (Essentia Health)	6,513	1	6.56%	5,796	1	5.59%
St. Luke's Hospital	2,241	2	2.26%	1,602	4	1.55%
Miner's Inc.	1,990	3	2.01%			
St. Louis County	1,881	4	1.90%	1,715	2	1.65%
Duluth Public Schools	1,450	5	1.46%	1,426	5	1.38%
Minnesota Taconite (US Steel)	1,390	6	1.40%	1,169	8	1.13%
University of Minnesota Duluth	1,335	7	1.35%	1,636	3	1.58%
Allete	1,314	8	1.32%	1,419	6	1.37%
Duluth Air National Guard Base	1,068	9	1.08%	1,068	9	1.03%
Cirrus Aircraft	1,000	10	1.01%			
Uniprise (United Health Care)				1,368	7	1.32%
City of Duluth				850	10	0.82%
Total	20,182		20.35%	18,049		17.42%

Sources:

Northland Connection (<http://www.northlandconnection.com/industries.php>)
 Schedule 15 - St Louis County
 St. Mary's/Duluth Clinic Health System (email)
 University of Minnesota Duluth (http://www.oir.umn.edu/hr/employee_count/report)

Schedule 15

ST. LOUIS COUNTY, MINNESOTA
**Full-time Equivalent County Government Employees by Function/Program
 Last Ten Fiscal Years**

<u>Function/Program</u>	Full-time Equivalent Employees			
	2012	2013	2014	2015
General government	406.60	415.60	417.40	420.40
Public safety	281.10	281.10	277.10	276.10
Highways and streets	319.00	319.00	319.00	312.00
Health and sanitation	66.40	67.90	66.15	72.80
Human services	530.50	544.50	565.75	585.50
Conservation of natural resources	68.00	70.00	70.15	70.15
Culture and recreation	-	-	-	-
Environmental services	43.00	43.50	43.00	42.50
Total	1,714.60	1,741.60	1,758.55	1,779.45

Notes:

Internal Service Funds are included with the general government function.

ISTS (Individual Sewage Treatment Systems) became a special revenue fund in 2018; the employees have been moved from Environmental Services to Health and sanitation for all years.

Source: St. Louis County Operating and Capital Budget

Schedule 15

ST. LOUIS COUNTY, MINNESOTA
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Full-time Equivalent Employees					
2016	2017	2018	2019	2020	2021
422.90	428.90	438.90	440.90	441.90	444.90
284.10	283.10	282.10	285.10	290.60	292.60
312.00	312.00	312.00	312.00	312.00	308.00
71.20	68.65	70.85	70.50	69.00	72.00
622.35	631.15	630.10	645.60	648.10	649.60
71.15	72.15	72.15	72.15	72.15	72.15
-	-	-	1.00	1.00	1.00
41.75	41.50	41.05	41.00	41.00	41.00
<u>1,825.45</u>	<u>1,837.45</u>	<u>1,847.15</u>	<u>1,868.25</u>	<u>1,875.75</u>	<u>1,881.25</u>

Schedule 16

**ST. LOUIS COUNTY, MINNESOTA
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year			
	2012	2013	2014	2015
General Government				
Auditor's Office				
Payments issued	36,078	36,650	37,557	38,313
Motor Vehicle Driver's License	19,621	15,180	17,707	18,313
Motor Vehicle Passports	5,629	4,707	5,817	7,368
Motor Vehicle Transactions	52,944	38,180	52,705	55,911
Planning - Building Permits Issued				
Single Family Dwelling	121	129	144	168
Other	508	528	504	566
Public Safety				
Sheriff's Department				
Arrests	2,253	2,047	1,701	1,545
Traffic Citations	2,396	2,253	1,855	1,691
Mines				
Mine Investigations and Inspections	436	428	521	414
Highways and Streets				
Road and Bridge				
Miles of Overlay	-	-	-	-
Miles of Mill Overlay	-	-	-	30.20
Miles of Reclaim Overlay	34.20	11.20	24.80	34.00
Miles of Mill Reclaim Overlay	22.30	21.70	11.60	29.20
Miles of Construction	21.70	5.00	1.50	0.50
Miles of Bridge Constructed	-	2.27	1.00	0.35
Tons of Crushing	291,296	209,965	245,000	198,000
Miles of Crack Seal	148.40	106.10	182.00	165.80
Miles of Chip Seal (1)	-	-	27.00	98.00
Miles of Micro Seal (1)	-	-	26.40	18.80
Health and Human Services				
Health				
Public Health Visits (2)	6,472	7,476	6,283	7,098
Public Health Nursing Clients Served	1,830	1,566	2,170	2,487
Human Services				
Unduplicated Children in Out of Home Placement	780	869	963	1,047
Financial Assistance Cases	23,895	23,877	31,555	38,357
Child Support Cases	11,917	11,871	11,600	11,644
Persons Receiving DD (prev MR/RC) Waivered Services (3)	754	778	766	736
Permanency 12 months	unavailable	63%	57%	54%
Purchased Social Services (4)	\$ 136,101,330	\$ 136,201,198	\$ 143,054,192	\$ 155,482,267
Social Services Administrative costs (5)	\$ 25,993,636	\$ 29,750,944	\$ 29,368,786	\$ 32,782,197
Conservation of Natural Resources				
Land				
Total Acres of Tax Forfeit Lands	893,040	893,193	893,049	893,158
Contracts Sold	126	120	104	95
Closed Sales	111	109	108	108
Acres Harvested	10,783	8,325	10,056	9,429
Average Size of Sale (Acres)	97	76	93	87
Harvest Volume (Cords)	215,749	159,777	207,439	207,700
Cords Per Sale	1,944	1,466	1,921	1,923
Value	\$ 4,766,023	\$ 3,480,550	\$ 4,598,436	\$ 5,303,873
Average Value Per Sale	\$ 42,937	\$ 31,932	\$ 42,578	\$ 49,110
Average Value Per Cord	\$ 22	\$ 22	\$ 22	\$ 26
Average Value Per Cut Acre	\$ 442	\$ 418	\$ 457	\$ 563
Volume Per Cut Acre (Cords)	20	19	21	22
Value Per Tax Forfeit Acre	\$ 5	\$ 4	\$ 5	\$ 6
Environmental Services				
Tons of Municipal Solid Waste Landfilled	52,007	51,573	51,320	51,785
Tons of Industrial Waste Landfilled	12,675	14,647	1,466	1,370
Tons of Demolition Collected	8,791	9,153	9,561	7,832

Notes:

- (1) Chip seal and micro seal were new programs in 2014.
- (2) Includes home and virtual visits
- (3) Beginning in 2021, this is no longer a valid metric and will not be updated.
- (4) Purchased Social Services are payments made by DHS or Health and Human Services for St. Louis County residents
- (5) Includes children's services, child care, chemical dependency, mental health, developmental disabilities, and adult services

Source: Individual County Departments

Schedule 16

**ST. LOUIS COUNTY, MINNESOTA
Operating Indicators by Function/Program
Last Ten Fiscal Years**

	Fiscal Year					
	2016	2017	2018	2019	2020	2021
	38,518	37,081	35,460	32,770	29,566	29,844
	19,200	18,269	18,704	21,673	22,161	24,921
	8,254	9,286	8,183	8,158	3,337	4,973
	61,921	61,124	64,745	66,172	42,818	47,718
	172	137	184	182	158	180
	651	731	1,082	1,284	1,188	1,317
	1,282	2,067	907	955	863	1,033
	1,708	995	1,747	1,425	1,273	1,252
	392	428	465	389	323	370
	4.00	-	4.30	0.70	5.80	7.40
	2.00	34.10	15.50	7.90	2.90	9.70
	30.00	30.20	77.50	22.40	29.10	42.30
	16.00	10.80	-	23.20	10.00	36.20
	2.00	2.80	0.50	2.30	1.80	1.00
	0.40	1.30	0.13	1.80	0.70	1.00
	167,000	235,350	245,000	216,627	233,194	230,916
	64.00	-	-	191.70	140.70	142.50
	124.00	145.60	85.60	103.60	107.32	81.90
	-	-	-	-	-	-
	5,042	5,472	5,975	5,482	4,413	2,920
	2,229	2,698	3,994	3,361	4,333	4,390
	1,166	1,271	1,257	1,082	947	905
	24,377	36,970	34,578	33,151	36,620	38,562
	11,194	10,213	9,539	9,615	8,607	8,232
	754	783	758	747	786	N/A
	41%	42%	46%	60%	44%	unavailable
\$	163,240,897	\$ 171,802,698	\$ 173,910,551	\$ 174,440,369	\$ unavailable	\$ unavailable
\$	33,789,536	\$ 38,931,385	\$ 41,111,142	\$ 42,498,791	\$ 44,336,173	\$ 47,032,162
	890,449	890,768	888,936	888,592	886,756	884,945
	117	105	95	91	109	102
	83	112	109	99	102	84
	7,034	9,001	9,045	7,898	8,279	6,421
	85	80	83	80	81	76
	150,824	193,101	192,260	166,539	165,936	137,824
	1,817	1,724	1,764	1,682	1,627	1,641
\$	3,871,488	\$ 4,862,475	\$ 4,407,835	\$ 4,174,369	\$ 3,990,192	\$ 3,348,290
\$	46,644	\$ 43,415	\$ 40,439	\$ 42,165	\$ 39,120	\$ 39,861
\$	26	\$ 25	\$ 23	\$ 25	\$ 24	\$ 24
\$	550	\$ 540	\$ 487	\$ 529	\$ 482	\$ 521
	21	21	21	21	20	21
\$	4	\$ 5	\$ 5	\$ 5	\$ 5	\$ 4
	51,128	52,028	51,824	52,605	53,481	53,952
	3,029	1,460	1,573	734	402	404
	8,091	5,813	4,824	3,997	4,627	5,768

Schedule 17

ST. LOUIS COUNTY, MINNESOTA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Courthouses	3	3	3	3	3	3	3	3	3	3
Motor Pool Vehicles	131	135	142	148	137	136	139	150	156	144
Office Buildings	2	2	3	3	3	3	3	3	3	3
Parking Ramp	2	2	2	2	2	2	2	2	2	2
Public Safety										
Vehicles	166	172	166	184	187	186	207	204	228	213
Jail and Lockup Facilities	3	3	3	3	3	3	3	3	3	3
Emergency Operations Center	1	1	1	1	1	1	1	1	1	1
Rescue Squad Buildings			2	2	3	3	5	5	5	5
Highways and Streets										
Vehicles	220	231	227	249	263	261	239	238	259	248
Miles of County Road	1,600	1,594	1,266	1,263	1,247	1,247	1,248	1,247	1,245	1,243
Miles of County State Aid Road	1,392	1,392	1,389	1,387	1,384	1,384	1,384	1,384	1,385	1,385
Number of Bridges	594	601	596	598	598	598	595	596	597	598
Garages and Storage Buildings	90	91	91	91	91	93	93	94	94	94
Graders, Loaders, and Heavy Trucks	380	376	374	385	381	413	429	465	487	457
Health and Sanitation										
Nursing Homes	1	1	-	-	-	-	-	-	-	-
Demolition Landfill	1	1	1	1	1	1	1	1	1	1
Regional Landfill	1	1	1	1	1	1	1	1	1	1
Recyclables Processing Facility	1	1	1	1	1	1	1	1	1	1
Transfer Station	5	5	5	5	5	5	5	5	5	5
Human Services										
Office Buildings	2	2	2	2	2	2	2	2	2	2
Culture and Recreation										
Heritage and Arts Center	1	1	1	1	1	1	1	1	1	1
Conservation of Natural Resources										
Vehicles	47	49	48	47	48	44	45	48	49	45
Offices and Garages	8	8	8	8	8	8	8	8	6	6
Graders, Loaders, and Heavy Trucks	13	13	13	13	13	13	14	15	16	15

Sources:

St. Louis County Auditor-Treasurer
Individual County Departments