

ANNUAL COMPREHENSIVE FINANCIAL *Report* '23

CAMP ESQUAGAMA - GILBERT

Photos by Robert Johnson



**ESSENTIA HEALTH - ST. MARY'S
MEDICAL CENTER - DULUTH**

Photo by David Bednarski



FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

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

Camp Esquagama - Gilbert

Camp Esquagama has been a summer camp tradition for more than 85 years. Located on Lake Esquagama near Biwabik, it began as a 4-H camp and has welcomed generations of campers ever since. Significant restoration efforts over the last decade have expanded the camp's offering to include day camps, residential camps, counselor internships, specialty camps for adults during the off-season, and more.

Essentia Health - St. Mary's Medical Center Duluth

Essentia Health opened its new 942,000-square-foot state-of-the-art hospital in July 2023. The new hospital features private rooms with views of Lake Superior. The \$900 million facility represents the largest private investment in Duluth's history.

St. Louis County Minnesota

Annual Comprehensive Financial Report
for the Fiscal Year Ending
December 31, 2023



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, 2023

TABLE OF CONTENTS

	Page
Introductory Section	
Table of Contents	i
Letter of Transmittal	1
Map - Legislative & Commissioner Districts - Duluth	6
Map - Commissioner Districts	7
Elected and Appointed Officials	8
Organizational Summary	9
Certificate of Achievement	10
Financial Section	
Independent Auditors' Report	11
Management's Discussion and Analysis	14
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	25
Statement of Activities	26
Fund Financial Statements	
Governmental Funds	
Balance Sheet	28
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position-Governmental Activities	30
Statement of Revenues, Expenditures, and Changes in Fund Balances	31
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities - Governmental Activities	32
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
General Fund	33
Road and Bridge Special Revenue Fund	39
Public Health and Human Services Special Revenue Fund	40
Pandemic Response Special Revenue Fund	41
Forfeited Tax Sale Special Revenue Fund	42
Proprietary Funds	
Statement of Net Position	44
Statement of Revenues, Expenses, and Changes in Fund Net Position	46
Statement of Cash Flows	47
Fiduciary Funds	
Statement of Fiduciary Net Position	50
Statement of Changes in Fiduciary Net Position	51
Notes to the Financial Statements	54
Required Supplementary Information	
Schedule of Employer Contributions PERA General Employees Retirement Plan	106
Schedule of Proportionate Share of Net Pension Liability PERA General Employees Retirement Plan	107
Schedule of Employer Contributions PERA Public Employees Police and Fire Retirement Plan	108
Schedule of Proportionate Share of Net Pension Liability PERA Public Employees Police and Fire Retirement Plan	109
Schedule of Employer Contributions PERA Correctional Employees Retirement Plan	110
Schedule of Proportionate Share of Net Pension Liability PERA Correctional Employees Retirement Plan	111
Schedule of Changes in the Total OPEB Liability and Related Ratios Other Postemployment Benefits	112
Notes to the Required Supplementary Information	113
Supplementary Data	
Nonmajor Governmental Funds	
Combining Balance Sheet	123
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	126
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Housing and Redevelopment Authority Special Revenue Fund	129
Community Development Block Grant Special Revenue Fund	130
Northeast Minnesota Housing Consortium Special Revenue Fund	131
Septic Services	132
Opioid Remediation	133
Forest Resources Special Revenue Fund	134
Debt Service Fund	135
Internal Service Funds	
Combining Statement of Net Position	137
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	139

ST. LOUIS COUNTY, MINNESOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

TABLE OF CONTENTS

Combining Statement of Cash Flows		141
Fiduciary Funds		
Combining Statement of Fiduciary Net Position - Custodial Funds		145
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds		152
Miscellaneous Schedules		
Schedule of Investments and Interest Earning Deposits		159
Schedule of Intergovernmental Revenue		160
Schedule of Expenditures of Federal Awards		168
Notes to the Schedule of Expenditures of Federal Awards		171
	Schedule	Page
Statistical Section		
Financial Trends		
Net Position by Component	1	174
Changes in Net Position	2	176
Fund Balances - Governmental Funds	3	178
Changes in Fund Balances, Governmental Funds	4	180
Revenue Capacity		
Tax Capacity and Estimated Market Value of Property	5	182
Direct and Overlapping Property Tax Rates	6	184
Principal Property Tax Payers	7	186
Property Tax Levies and Collections	8	187
Debt Capacity		
Ratios of Outstanding Debt by Type	9	188
Ratios of Net General Bonded Debt Outstanding	10	189
Direct and Overlapping Governmental Activities Debt	11	190
Legal Debt Margin Information	12	191
Demographic and Economic Information		
Demographic and Economic Statistics	13	193
Principal Employers	14	194
Operating Information		
Full-time Equivalent County Government Employees by Function/Program	15	195
Operating Indicators by Function/Program	16	197
Capital Asset Statistics by Function/Program	17	199



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 27, 2024

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, 2023. 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, ensure that accounting data is accurate for the preparation of financial statements in conformity with generally accepted accounting principles, and accomplish the County's policies. Management assumes full responsibility for the completeness and reliability of the information contained in this report based on 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, 2023. 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 2023 census population was estimated at 200,514 residents, while the 2014 census population was 200,540. 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 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, the county attorney, cultural and human services, the maintenance of property records, vital statistics, the 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 that 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 personnel 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, tourism, and aviation.

The mining industry continues to be a driving force in the region's economy. The most recent data from a University of Minnesota study in 2019 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 35.2 million metric tons in 2023, an increase of 10.3% from 2022. All the taconite operations produced and were steady throughout 2023, except for Northshore. Northshore was idled in April 2022 and resumed production in April 2023. Early estimates expect production in 2024 to be slightly lower.

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 (68%), coal (17%), grain (2%), and other (13%) in 2023. In 2023, the Port extended its season to the latest date in history, with the last ocean-going vessel departing on January 5, 2024. It also reported a 28-season high for iron ore. The Port reported 31.8 million tons of cargo, with 775 ships visiting the port in 2023, compared to 30.4 million tons and 704 ships in 2022. 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 the fall of 2023, the Port also saw a newly constructed 56,000-square-foot warehouse at the Clure Public Marine Terminal. The new construction is part of a multifaceted \$20.3 million project at Clure Terminal that also includes 850 linear feet of dock wall reconstruction for two of the facility's ship berths. Dock wall reconstruction is scheduled to begin in the spring of 2024. The Clure Terminal serves as a regional multimodal logistics hub and plays a critical role in supporting the port and regional industry.

The timber and paper product industry also plays a significant role in the local economy due to the region's rich natural resource base, particularly its abundant timber and forest resources. St. Louis County is an important contributor to this industry by maintaining a forest land base that is sustainably managed by a professional forestry staff. St. Louis County annually sells an average of 191,917 cords of timber primarily through public auction across 8,420 acres, providing raw material and supporting jobs in the forest sector. The County's forest lands also provide nontraditional forest resources, aggregate, etc., along with public recreational opportunities, clean water, and diverse wildlife habitat.

Essentia Health opened its impressive new \$900 million hospital on July 20, 2023. Dr. Robert Erickson, the physician lead on the visionary project (dubbed Vision Northland), emphasizes the importance of light and art in the healing process. The 942,000-square-foot structure has floor-to-ceiling windows that adorn the hallways and all 344 patient rooms, offering panoramic views of Lake Superior and the picturesque Duluth hillside. Essentia also commissioned around 100 new paintings, sculptures, and other pieces, many created by local and Native American artists. The cutting-edge medical facility is the most significant private investment in Duluth's history.

St. Luke's Hospital in Duluth started construction on a \$58 million, 82,000-square-foot vertical expansion of Building A. The expansion will add three stories for nearly 60 new private cardiac and intensive care unit hospital rooms. The project is expected to be completed by the end of 2024.

The Chisholm-Hibbing Airport Authority constructed a two-bay, 21,900-square-foot commercial airplane hangar at Range Regional Airport in Hibbing. The majority of the hangar space will be leased to a locally owned company, Premium Air, which provides on-demand charter service. The remaining portion will provide secure, climate-controlled rental space to transient visitors who regularly visit with mid- to large-size business jets. The project also included the reconstruction of a 35,000-square-foot aircraft apron, the construction of an 8,000-square-foot parking area and a 2,000-square-foot access road, the improvement of security and fencing, and the demolition of an outdated hanger and apron pavement. The total project investment was \$6.34 million and was completed in mid-2023.

Detroit Diesel Remanufacturing LLC in Hibbing is doubling its current footprint by 60,000 square feet to accommodate more production lines, additional warehouse space, and the storage of cores and other electric vehicle components. The company takes electronic parts from semis and buses and remanufactures them for Daimler Truck. They also build new vehicles and are focused on the electronic vehicle market. The company has grown from 100 to over 200 employees in the last two years.

Spirit Mountain in Duluth received \$13 million for improvements from the State's infrastructure bill. The funds will be used to repair existing facilities and construct new ones. The proposed infrastructure improvements at the recreational area are expected to boost ticket sales, leading to a 40 percent increase in employment at the ski hill.

A new retail development called "The Jigsaw" is being constructed on the corner of W. Central Entrance and Anderson Road. The development will include a Popeyes restaurant, an independent car wash, a drive-thru coffee kiosk, and a 6,010-square-foot building that will be home to an aesthetic studio and a yet-to-be revealed restaurant.

Amazon recently purchased two parcels of land from the Duluth Economic Development Authority that are located within a commercial area known as Atlas Industrial Park near Gary New Duluth. The site will be used as an Amazon distribution center. The facility will create both short-term and long-term jobs. During the construction phase, there will be employment opportunities for construction workers. Once operational, the center will provide jobs for warehouse workers, drivers, and other related positions.

The long-idle Duluth Armory will be transformed into a food hall, performance venue, and history center. The project is anticipated to cost \$58 million and has received \$9 million in Federal Historic Rehabilitation Tax Credits and \$4.5 million in state bond funding. The Armory, which 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 additional state funding is secured, the armory could reopen to the public in 2025.

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. In May 2023, state lawmakers approved \$195 million in funding for the NLX. This appropriation from the state makes up 20 percent of the total project. In December 2023, MnDot was awarded \$500,000 in federal CIDP funds to start moving the project forward. The CIDP funding will be used to develop a scope, schedule, and cost estimate for updating NLX's service development plans. 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, give business people the ability to work while they commute, and be beneficial to the environment by taking cars off the road and replacing them with clean, higher-speed trains.

Duluth-based Cirrus Aircraft saw billings over \$930 million in 2023, up more than twenty percent from the previous year. The company also opened the Innovation Center in September 2023, located at its headquarters at the Duluth International Airport, which is dedicated to the development of next-generation innovation. The Innovation Center currently employs more than 300 people. The company also updated its logo and campaign to "Everything in Reach" to align with its efforts to make aviation more accessible to experienced and new pilots, as well as non-pilots.

A new \$500 million development is being proposed at the former Duluth Central High School site. The pending development, dubbed "Incline Village," would bring 1,300 housing units and 80,000 square feet of commercial/retail space to the 80-acre property. If the proposal passes environmental review, the project would be the largest single addition to Duluth's housing inventory in decades.

The cruise ship industry continues to grow, and Duluth is seeing more than 4,000 cruise ship passengers each summer, directly pouring \$600,000 into the local economy, with an economic impact projected to climb to \$8 million or more annually. To support this relatively new industry, the Duluth Economic Development Authority approved a plan to dredge in front of the Duluth Entertainment Convention Center (DECC) so that deep-draft cruise ships can safely and conveniently dock there near a new U.S. Customs and Border Patrol facility. Right now, cruise ships have to anchor away from shore, with passengers inconveniently ferried to the dock by tender boats.

PolyMet Mining Corp. was acquired by Glencore, who already owned 82% of PolyMet Mining and has been the project's primary financial backer. The company is 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. The project has also been renamed NewRange Copper Nickel. 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.

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, 2023, 100% of the estimated retiree obligation amount has been classified as a 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, 2023, 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, 2023, the policy was 90.89% accomplished for the General Fund, 62.99% for the Road and Bridge Fund, and 90.00% for the Public Health and Human Service Fund. The three funds had a combined fund balance allocated for cash flow of \$70.2 million at year-end, an increase of \$4.8 million from 2022.

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 2023, the Depreciation Reserve Fund had a balance of \$1.0 million. Those funds will be used to fund future capital improvements at County facilities.

Other financial planning for 2024 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 its resources.
- In 2023, 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 County's debt offerings 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

St. Louis County 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.

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 replaced five smaller garages in Tower, Embarrass, Brookston, Brimson, and the Town of White that have outlived their usefulness due to their age and lack of space. All the new facilities opened in early 2024.

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's Public Works department won a national award in 2023 for a state-of-the-art road condition monitoring system. The system enables Public Works supervisors to monitor road conditions remotely from a computer or smart phone, which allows the department to make better decisions faster about the response needed. The award celebrates innovative solutions to transportation problems in local and tribal government regions.

Awards and Acknowledgments

The County received its seventh Government Finance Officers Association of the United States and Canada (GFOA) award for the 2022 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, 2022.

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 one year. St. Louis County has received the Certificate for the last thirty-four 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.

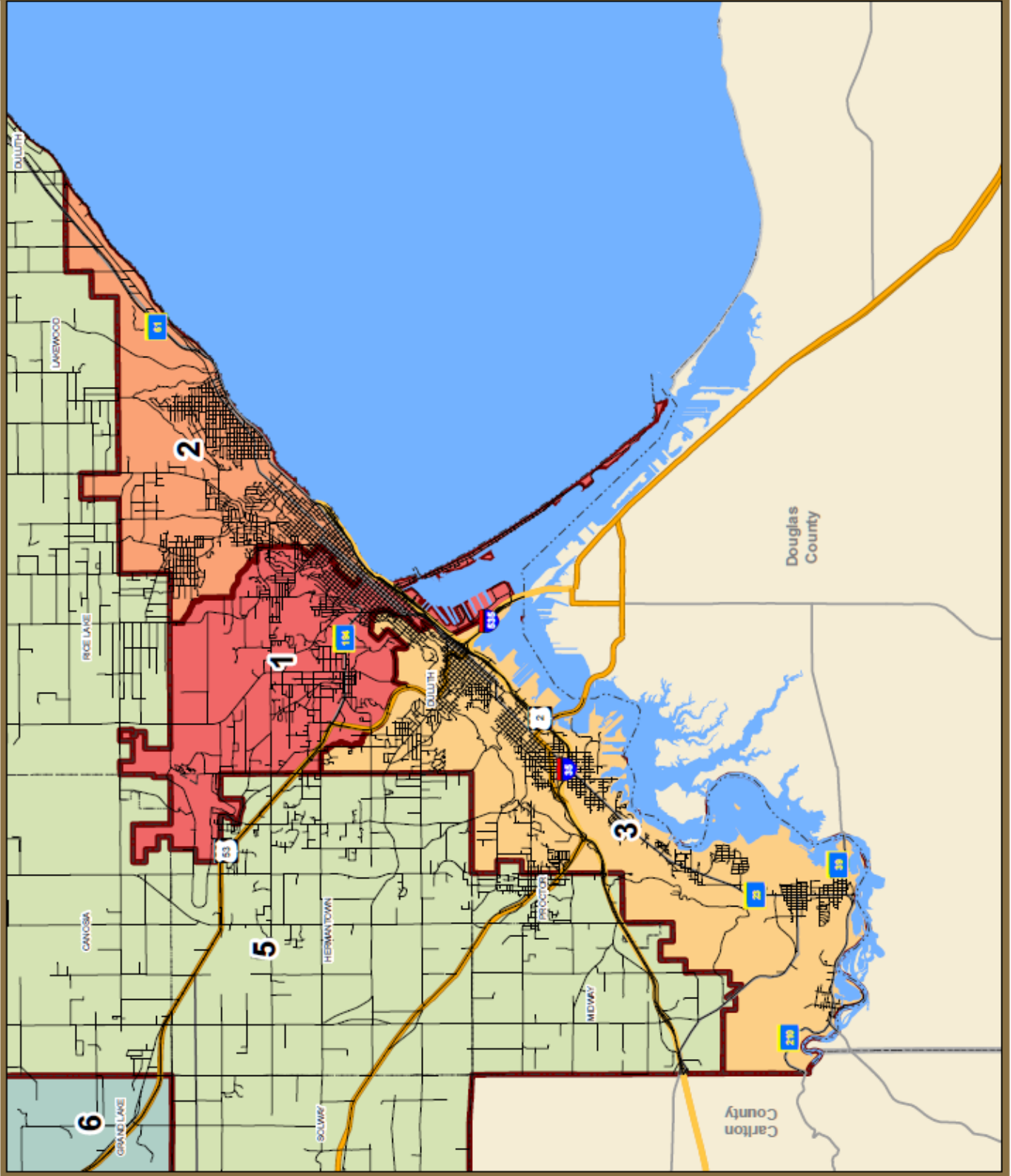


Sincerely,

NANCY NILSEN
County Auditor-Treasurer



Commissioner Districts - Duluth



Commissioner Districts



Annie Harala
Room 322, Ave. W
Duluth, MN 55802
Term Ends: 1/20/27



Patrick Doyle
Room 322, Ave. W
Duluth, MN 55802
Term Ends: 1/20/25



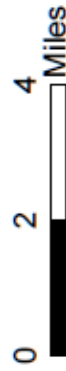
Ashley Gahm
Room 322
Duluth, MN 55802
Term Ends: 1/20/25



Keith Masell
Room 322, Ave. W
Duluth, MN 55802
Term Ends: 1/20/25



Keith Nelson
Virginia Courthouse
300 S. 5th Ave.
Virginia, MN 55782
Term Ends: 1/20/27



Auditor's Office

100 N 5th Ave W, Rm 214
(218) 726-2360
www.stlouiscountymn.gov
AuditorsGIS@stlouiscountymn.gov

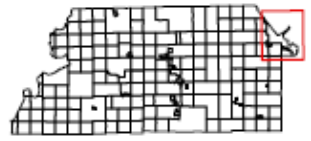
Source: St. Louis County

Map Created: 1/2/2024

Disclaimer

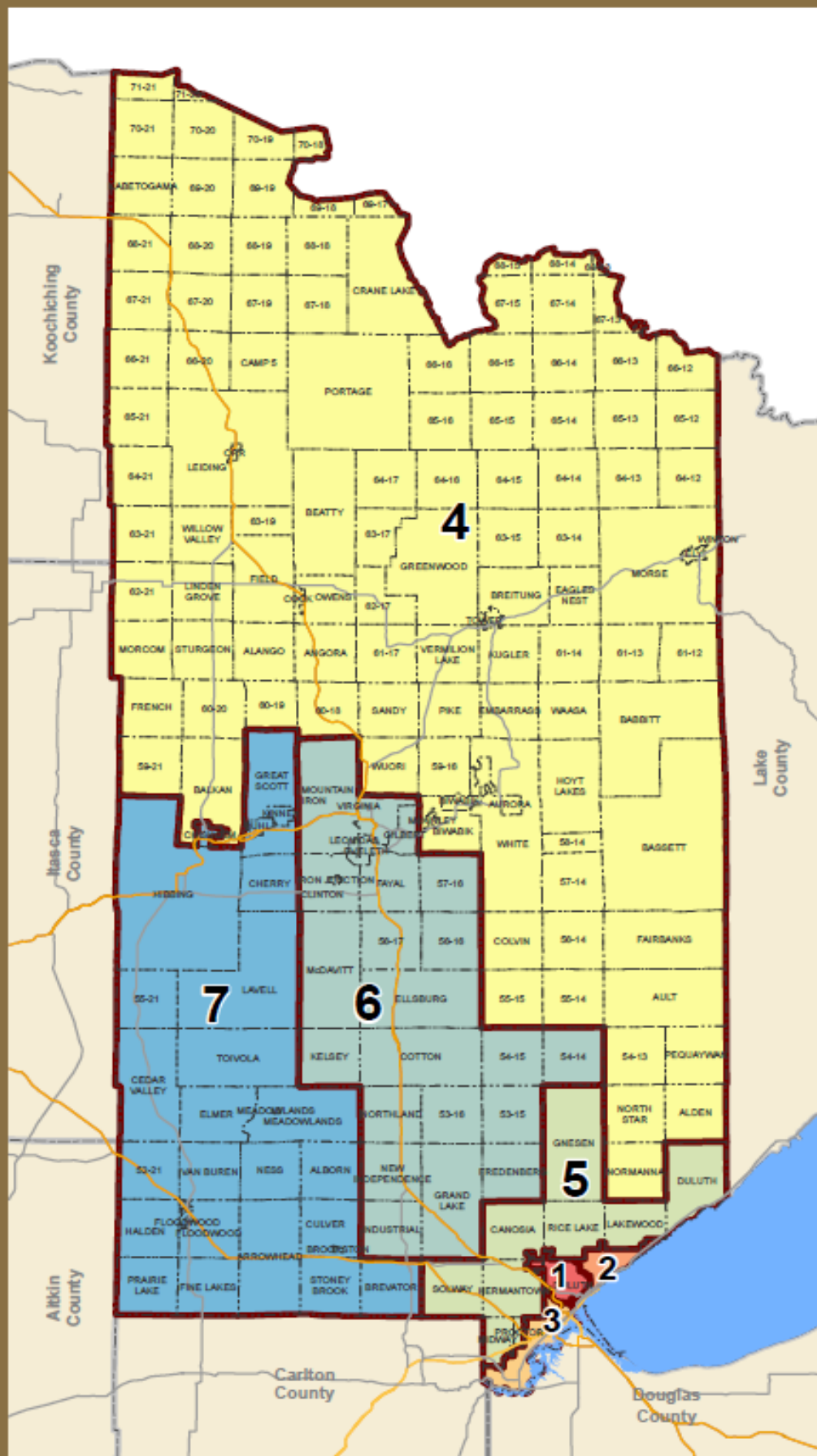
This is a compilation of records as they appear in the St. Louis County Office. It is to be used only for reference purposes and the County is not responsible for any inaccuracies herein contained.

Copyright St. Louis County
All Rights Reserved





Commissioner Districts 2023



Commissioners

1

Annie Harala
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2450
Term Ends: 1/4/2027



2

Patrick Boyle
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2359
Term Ends: 1/8/2025



3

Ashley Grimm
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2562
Term Ends: 1/8/2025



4

Paul McDonald
SLC Service Center
320 Miners Dr. E.
Ely MN 55731
(218) 365-8200
Term Ends: 1/4/2027



5

Keith Musolf
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2450
Term Ends: 1/8/2025



6

Keith Nelson
Virginia Courthouse
300 S. 5th Ave.
Virginia MN 55792
(218) 749-7108
Term Ends: 1/4/2027



7

Mike Jugovich
Hibbing Courthouse
1810 12th Ave. E.
Hibbing MN 55746
(218) 262-0201
Term Ends: 1/8/2025



0 5 10 20 30
Miles

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

Source: St. Louis County
Map Created: 2/22/2023

© Copyright St. Louis County All Rights Reserved

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, 2023

Office	Name	Term
Commissioners:		
1st District	Annie Harala	Jan. 2023 Jan. 2027
2nd District	Patrick Boyle	Jan. 2021 Jan. 2025
3rd District	Ashley Grimm	Jan. 2021 Jan. 2025
4th District	Paul McDonald	Jan. 2023 Jan. 2027
5th District	Keith Musolf	Jan. 2021 Jan. 2025
6th District	Keith Nelson	Jan. 2023 Jan. 2027
7th District	Mike Jugovich	Jan. 2021 Jan. 2025
Elected Officials:		
Attorney	Kimberly Maki	Jan. 2023 Jan. 2027
Auditor-Treasurer	Nancy Nilsen	Jan. 2023 Jan. 2027
Sheriff	Gordon Ramsay	Jan. 2023 Jan. 2027
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	Thomas Reed	
Land and Minerals Director	Julie Marinucci	
Information Technology Director	Jeremy Craker	
Planning & Community Development Director	Darren Jablonsky (interim)	
Property Management Director	Jerome Hall	
Public Records & Property Valuation Director	Mary Garness	
Environmental Services Director	David Fink	

Citizens of St. Louis County



Kimberly Maki
County Attorney
(Elected)

Attorney's Office



Gordan Ramsay
County Sheriff
(Elected)

Sheriff's Office

Board of Commissioners

Annie Harala, 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)

External County Departments

Public Works

Economic &
Community
Development

Public
Records &
Property
Valuation
(Recorder &
Assessor)

Public Health
& Human
Services

Planning &
Zoning

Environmental
Services

Land &
Minerals

Internal County Departments

Administration

Information
Technology

Property
Management

Safety & Risk
Management

Veterans
Services

Purchasing

Human
Resources

Depot &
County
Extension



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, 2022

Christopher P. Morill

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 (the County), as of and for the year ended December 31, 2023, 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 accompanying 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, 2023 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for 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 (*Government Auditing Standards*). 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, the County adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective January 1, 2023. Our opinions are not modified with respect to this matter.

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 *Government Auditing Standards* 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 *Government Auditing Standards*, 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 26, 2024 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.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Eau Claire, Wisconsin
June 26, 2024

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

Our discussion and analysis of St. Louis County's financial performance provide an overview of the County's financial activities for the fiscal year ended December 31, 2023. 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 \$74.7 million to \$1.1 billion, or 7.1%. Governmental activities increased by \$72.1 million to \$1.1 billion, while the County's business-type activities increased by \$2.6 million to \$26.5 million.

The County's governmental funds reported a combined ending fund balance of \$257.4 million for 2023, an increase of \$10.5 million, including the change in inventory, compared to 2022. The combined nonspendable and restricted fund balances accounted for \$64.7 million of the total fund balance, or 25.1%. These fund balances are not available for appropriation because of constraints placed on their use. The remaining fund balances of \$192.7 million, or 74.9%, are unrestricted and classified as either committed, assigned, or unassigned.

In 2023, the General Fund reported a total fund balance of \$90.9 million, an increase of \$9.0 million over 2022. The unassigned fund balance of the General Fund was equal to 32.3% of fund expenditures and 29.6% 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 \$10.4 million to \$141.9 million in 2023. The County paid down \$9.7 million of existing debt, amortized \$0.7 million of premium, and did not issue any new debt in 2023. The County has issued debt every year in the past ten years, except for 2017, 2019, 2022, and 2023.

All major governmental funds of the County reported actual expenditures that were less than the final 2023 expenditure budget. However, the Capital Projects Fund reported a \$17.9 million excess of actual expenditures over actual revenue for the year. The Capital Projects Fund spent \$12.4 million of existing bond proceeds in 2023. The majority of the spending was on the 2021A bond projects that were issued to continue to construct three new Public Works maintenance facilities in Kugler Township, Culver Township, and near the Whiteface Reservoir. These projects had construction costs that exceeded the estimate, so the County also used \$5.2 million of County funds in 2023 to offset the overruns. These buildings are replacing 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.

The County's only major business-type activity, the Environmental Services Fund, had an operating gain of \$9.5 thousand in 2023. With nonoperating revenues from taxes, grants, earnings on investments, and the sale of capital assets totaling \$1.1 million, the Environmental Services Fund's net position increased by \$2.6 million for the year.

Overview of the Financial Statements

This discussion and analysis are 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 its 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.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

Fund financial statements. These statements provide detailed information about the most significant funds but not about the County as a whole. Some funds are required to be established by State law and 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 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 nine 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 funds' 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 for proprietary funds. The fiduciary funds' 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 54-105 of this report.

Supplementary data. A combining balance sheet and a 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 123-172.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

Government-wide Financial Analysis

The 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 \$1.1 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	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other assets	\$ 383.4	\$ 383.6	\$ 22.1	\$ 19.3	\$ 405.5	\$ 402.9
Capital assets	1,078.9	1,019.0	11.0	9.5	1,089.9	1,028.5
Total Assets	1,462.3	1,402.6	33.1	28.8	1,495.4	1,431.4
Deferred Outflows of Resources:						
Pension related items	42.0	59.8	0.3	0.5	42.3	60.3
Other postemployment benefits	4.3	5.7	-	0.1	4.3	5.8
Total Deferred Outflows	46.3	65.5	0.3	0.6	46.6	66.1
Liabilities:						
Long-term liabilities outstanding	290.8	351.7	4.9	4.4	295.7	356.1
Other liabilities	62.8	74.5	1.5	0.8	64.3	75.3
Total Liabilities	353.6	426.2	6.4	5.2	360.0	431.4
Deferred Inflows of Resources:						
Pension related items	48.6	3.1	0.5	0.3	49.1	3.4
Other postemployment benefits	1.8	2.3	-	-	1.8	2.3
Leases	2.4	2.8	-	-	2.4	2.8
Advanced allotment	-	3.6	-	-	-	3.6
Total Deferred Inflows	52.8	11.8	0.5	0.3	53.3	12.1
Net position:						
Net investment in capital assets	931.2	873.9	11.0	9.5	942.2	883.4
Restricted	59.9	55.8	4.2	4.7	64.1	60.5
Unrestricted	111.1	100.4	11.3	9.7	122.4	110.1
Total Net Position, as reported	\$ 1,102.2	\$ 1,030.1	\$ 26.5	\$ 23.9	\$ 1,128.7	\$ 1,054.0

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

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

Governmental Activities:

In 2023, the total net position of governmental activities increased by \$72.1 million to \$1.1 billion. The total net position for the years 2022 through 2018 was \$1.0 billion, \$988.9 million, \$933.8 million, \$858.6 million, and \$803.5 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 decreased by \$0.2 million in 2023 to \$383.4 million. Cash and investments decreased by \$10.5 million due to the \$10.3 million of ARPA spending in 2023. This decrease, however, was offset by an increase in inventory, accounts receivable, and due from other governments. The increases in accounts receivable and due from other governments are just a result of the timing of the County receiving funds.

Capital assets at year-end 2023 were \$1.1 billion, compared with \$1.0 billion in 2022, an increase of \$59.9 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 \$60.9 million in 2023 to \$290.8 million. The main reason is due to the decrease in net pension liability of \$57.5 million in 2023 for St. Louis County's portion of PERA's unfunded liability.

Other liabilities decreased by \$11.7 million in 2023 to \$62.8 million. Accounts payable decreased by \$3.2 million in 2023, while unearned revenue decreased by \$8.5 million. The decrease in unearned revenue is mainly due to the spending of \$10.3 million of American Rescue Plan (ARP) funds received. The County has until 2026 to spend these funds.

Net investment in capital assets increased by \$57.3 million to \$931.2 million. The increase was mainly the result of net capital assets increasing by \$59.9 million. Outstanding debt related to capital assets decreased by \$9.6 million in 2023, mainly due to paying off \$10.4 million of existing general obligation bond debt, and no new bonds were issued in 2023.

The restricted net position of governmental activities increased by \$4.1 million to \$59.9 million in 2023. This increase was mainly due to a \$3.8 million increase in the Mary Murphy permanent fund due to investment gains.

Business-type Activities:

The total net position of the County's business-type activities increased by \$2.6 million to \$26.5 million in 2023. 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 2023.

Capital assets increased by \$1.5 million in 2023, to \$11.0 million. The depreciation expense in 2023 was \$0.4 million, and there were no landfill cell closures or new cell construction in 2023. A feasibility study for Canyon Development started in 2020 and continued into 2023. An LCCMR grant and ARPA funding were used for a leachate treatment facility construction project starting in 2022. ARPA funding was also used to install broadband fiber at all transfer stations. A new transfer station trailer, bobcat, scale, compactors, and bins were purchased along with the start of the baler replacement at the recycling facility. A 1990 Komatsu excavator and 2002 and 2007 transfer trailers were sold.

Total liabilities for business-type activities increased by \$1.2 million in 2023. The main reason was due to accounts payable increasing by \$0.7 million and closure and post-closure liabilities increasing by \$0.8 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 no issued debt for capital purchases.

The unrestricted net position for business-type activities increased by \$1.6 million in 2023 to \$11.3 million. The majority of the increase in net position is due to maintaining revenue through board-approved rate increases and new revenue sources and monitoring operating costs, along with the transfer of revenues from board-approved Environmental Trust Fund and ARPA funding sources.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

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

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
<i>Program revenues:</i>						
Charges for services	\$ 60.0	\$ 58.6	\$ 9.9	\$ 9.6	\$ 69.9	\$ 68.2
Operating grants and contributions	96.6	89.9	0.4	0.7	97.0	90.6
Capital grants and contributions	36.2	33.5	-	-	36.2	33.5
<i>General revenues:</i>						
Taxes:						
Property taxes, levied for general purposes	169.3	164.0	-	-	169.3	164.0
Property taxes, levied for debt service	6.4	6.8	-	-	6.4	6.8
Transportation sales tax	21.5	20.6	-	-	21.5	20.6
State shared	20.3	21.5	-	-	20.3	21.5
Federal shared	3.5	3.4	-	-	3.5	3.4
Investment income	19.7	(5.8)	0.8	(0.1)	20.5	(5.9)
Total revenues	<u>433.5</u>	<u>392.5</u>	<u>11.1</u>	<u>10.2</u>	<u>444.6</u>	<u>402.7</u>
Expenses						
<i>Program expenses:</i>						
General government	62.7	59.5	-	-	62.7	59.5
Public safety	71.3	66.0	-	-	71.3	66.0
Highways and streets	74.0	76.4	-	-	74.0	76.4
Health and sanitation	10.7	10.6	-	-	10.7	10.6
Human services	115.3	110.9	-	-	115.3	110.9
Culture and recreation	5.4	6.0	-	-	5.4	6.0
Conservation of natural resources	10.1	9.6	-	-	10.1	9.6
Economic development	6.8	7.5	-	-	6.8	7.5
Interest and other charges	3.7	3.9	-	-	3.7	3.9
Environmental services	-	-	9.9	8.8	9.9	8.8
Total expenses	<u>360.0</u>	<u>350.4</u>	<u>9.9</u>	<u>8.8</u>	<u>369.9</u>	<u>359.2</u>
Increase in net position before transfers	73.5	42.1	1.2	1.4	74.7	43.5
Transfers	(1.4)	(0.9)	1.4	0.9	-	-
Increase (decrease) in net position	<u>72.1</u>	<u>41.2</u>	<u>2.6</u>	<u>2.3</u>	<u>74.7</u>	<u>43.5</u>
Net position January 1	<u>1,030.1</u>	<u>988.9</u>	<u>23.9</u>	<u>21.6</u>	<u>1,054.0</u>	<u>1,010.5</u>
Net position December 31	<u>\$ 1,102.2</u>	<u>\$ 1,030.1</u>	<u>\$ 26.5</u>	<u>\$ 23.9</u>	<u>\$ 1,128.7</u>	<u>\$ 1,054.0</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 2023, program revenue increased by \$10.8 million to \$192.8 million. Operating grants and contributions increased by \$6.7 million in 2023, mainly due to the County receiving a one-time Public Safety Aid payment in the amount of \$3.4 million and a one-time Social Service time study payment in the amount of \$1.8 million. Capital grants increased by \$2.7 million, mainly due to an increase in Bridge Bond funds.

General revenues are all revenues that are not considered to be program revenues. In 2023, general revenues increased by \$30.2 million to \$240.7 million. Investment income increased by \$25.5 million due to higher interest rates and a positive mark-to-market at year-end. Tax revenues in 2023 also increased by \$5.8 million, mainly due to the 4.2% levy increase.

State-shared revenues that are classified as general revenues, commonly referred to as local government aids, decreased by \$1.2 million to \$20.3 million in 2023. The County received \$0.5 million less in Mineral Royalties and \$0.7 million less in State of Minnesota contributions to PERA in 2023.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

Expenses for governmental activities increased by \$9.6 million in 2023, or 2.7%. General government expenses increased by \$3.2 million, mainly due to union contract settlements, which increased salary costs and increased the long-term expenses associated with vesting and vested sick leave. Public Safety expenses increased by \$5.3 million, mainly due to a \$3.3 million increase in salary costs due to union negotiations and a \$1.5 million increase in operating costs, mainly due to increased medical costs at the jail and sheriff vehicle attachments that were purchased for new squad cars in 2023. Human Services expenses increased by \$4.4 million, also due to union contract settlements, which increased the salary costs and increased the long-term expenses associated with vesting and vested sick leave.

Business-type Activities:

Program revenues for business-type activities remained at \$10.3 million in 2023. Charges for services primarily increased due to the receipt of additional tonnage of material that could also be reused in our landfill as a cost-saving initiative. The remaining charges for services showed an overall slight increase. Licenses and permits resulted in a small decrease, and other operating revenues had a decrease in 2023 due to market-driven end-market recycling.

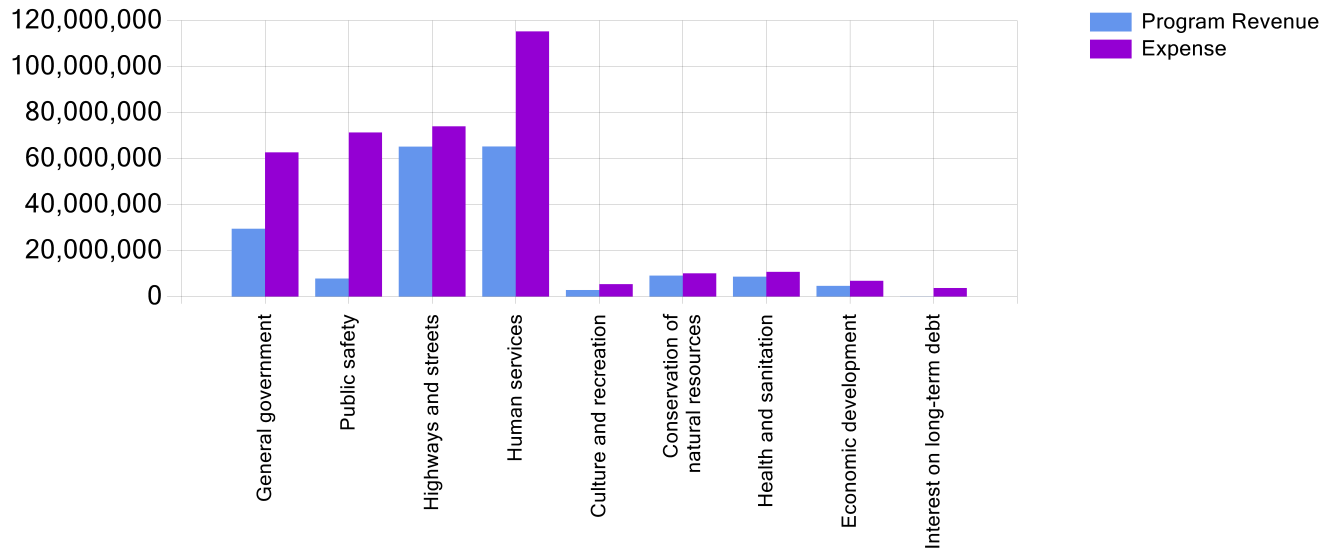
General revenues for business-type activities increased for the Environmental Services Fund in 2023 by \$0.9 million. Increases occurred primarily in investment income; grant funding decreased; and taxes had a minimal decrease.

Expenses for business-type activities were \$9.9 million in 2023. Almost all expenses for business-type activities occurred in the Environmental Services Fund for 2023. Depreciation expense decreased \$0.2 million due to cell 6 asset value re-alignment, and depletion expense increased by \$0.7 million due to MPCA inflation rates. There was no cell closure or new construction. Operating expenses increased by \$1.0 million due to haulage and garbage collection, with the majority being depletion expenses. Materials had a small decrease over 2022. Personnel Services showed an increase in salaries due to additional positions and changes, a cost of living increase, and a 3% market adjustment increase, while fringe costs had a minimal increase. A transfer of salaries to OSWW was very minimal, and GASB 68 pension expenses show a minimal decrease.

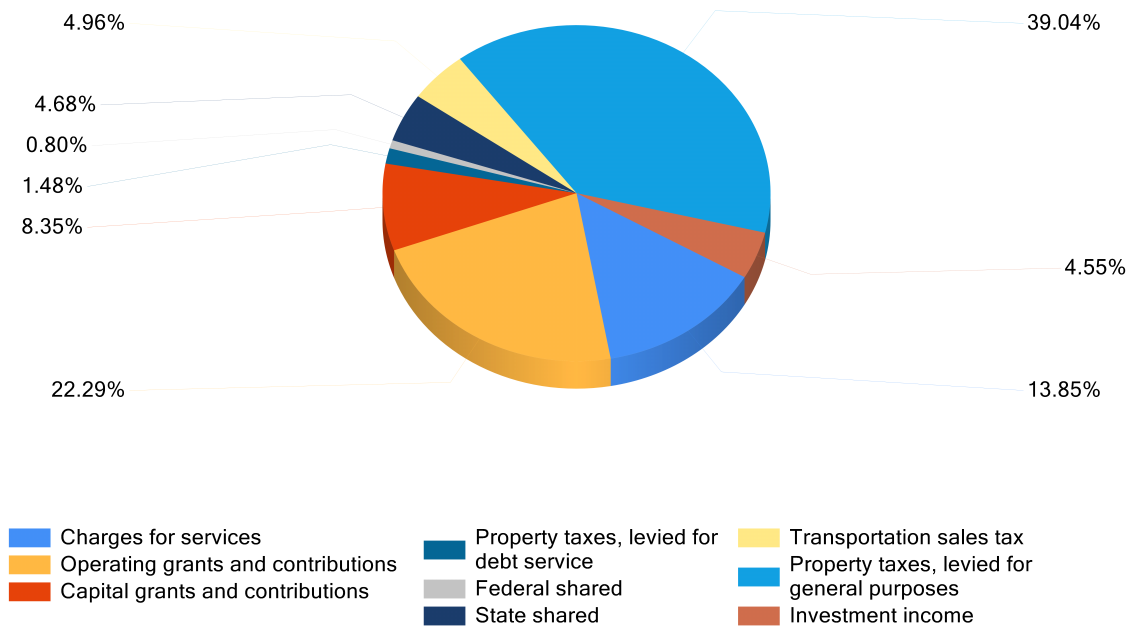
The Environmental Services Fund had a net transfer of \$1,443,933. The transfer was for ARPA-related expenditures for the Leachate Treatment Facility and Transfer Station Broadband Fiber replacement, along with Environmental Trust Funds for bailer replacement for the recycling center.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

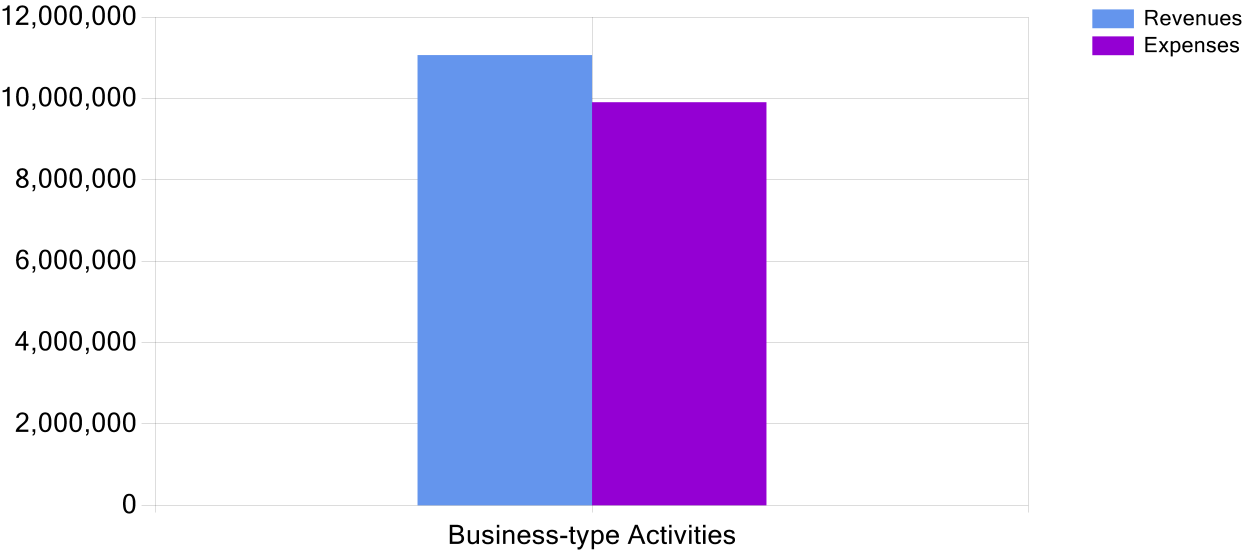
Expenses & Program Revenue: Governmental Activities



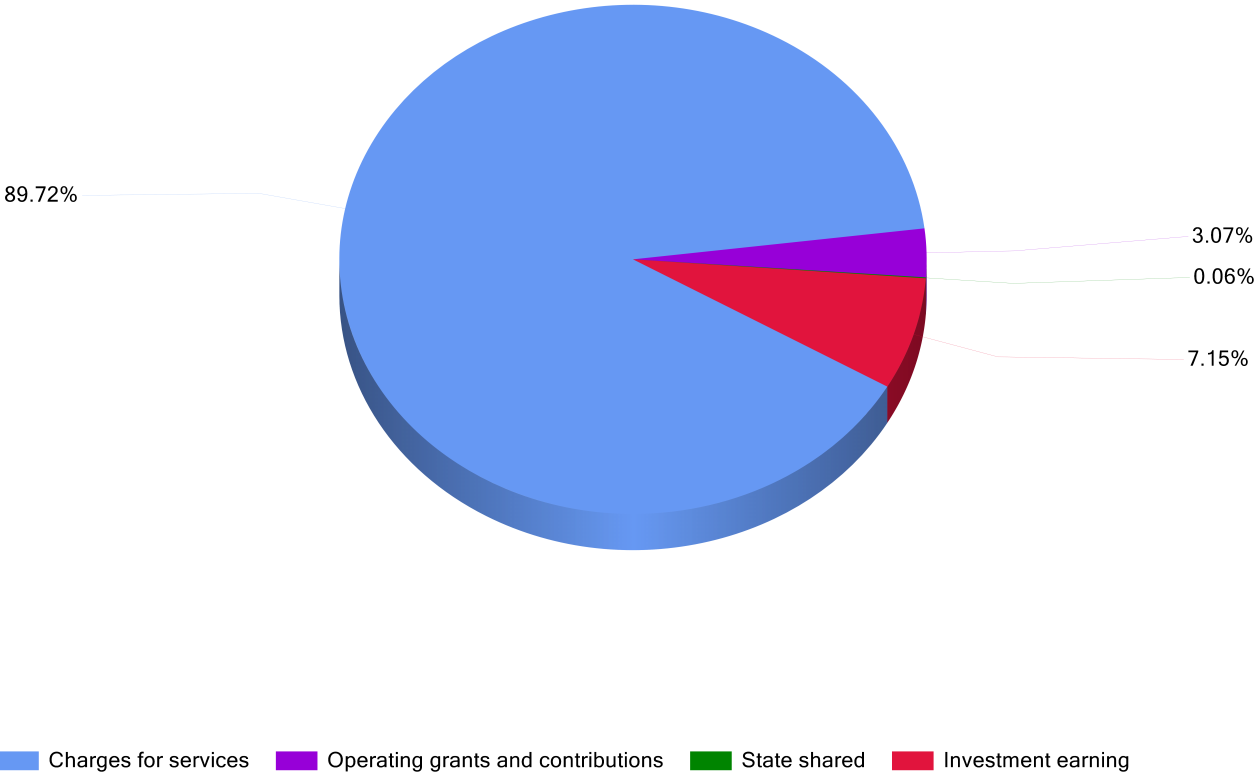
Revenues by Source: Governmental Activities



Expenses and Program Revenues: Business-type Activities



Revenues by Source: Business-type Activities



UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

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 \$257.4 million in 2023, compared with \$246.9 million as previously reported in 2022, an increase of \$10.5 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 2023 of \$64.7 million, or 25.1% of the total fund balance, and an unrestricted fund balance of \$192.7 million, or 74.9% of the total fund balance. The unrestricted fund balance was \$35.4 million committed, \$113.3 million assigned, and \$44.0 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 \$44.0 million in 2023, compared to \$42.7 million in 2022. Unassigned fund balances at the end of the year represented 29.6% of General Fund operating revenues and 32.3% 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 2023, the fund balance of the County's General Fund increased by \$8.9 million to \$90.9 million. Revenues exceeded expenditures by \$12.4 million, but net other financing sources and uses totaled \$3.5 million. The increase in fund balance was due to interest revenue, position vacancies, and funds that were unspent but encumbered at year-end.

The Road and Bridge Fund had a \$2.9 million surplus of revenue over expenditures in 2023. This was mainly due to Transportation Sales Tax revenue coming in \$3.4 million more than budget, actual expenses for gas and diesel coming in \$1.2 million due to lower than expected prices, and receiving \$1.6 million more State Aid maintenance revenue than was budgeted.

The Public Health and Human Services Fund had revenue in excess of expenditures of \$4.1 million in 2023. This was mainly due to lower Public Aid, lower grant expenditures, and lower professional services expenditures than planned.

The Pandemic Response Fund had an excess of revenues over expenditures of \$2.7 million in 2023. The increase is due to \$1.5 million in investment revenue and a transfer of \$1.2 million to our Environmental Services enterprise fund to purchase capital assets with ARPA funds. This transfer was done to keep the assets within the Enterprise Fund, but contributed to the revenue that was recognized in 2023.

Pursuant to Minnesota Statutes, the Forfeited Tax Sale Fund had no distribution for 2023. In 2023, the Federal Supreme Court ruled that Minnesota tax-forfeited statutes were unconstitutional, resulting in statewide litigation. The Land and Minerals Department halted land sales and engaged in rebuilding statutes that govern tax-forfeiture. A proposed settlement was achieved in the litigation, pending legislative funding. The legislative session is expected to create a path forward to manage tax-forfeited property and its impacts on revenue streams.

The Capital Projects Fund's fund balance decreased from \$30.3 million in 2022 to \$26.5 million in 2023. The decrease in 2023 is due to the County spending the remaining 2021A bond proceeds that were used to construct three new Public Works maintenance facilities. The County also did not issue any new debt in 2023.

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 review and approval. Actual expenditures ended

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

the year at \$11.7 million under the final budget. Expenditure budgets for personnel services (\$2.4 million), operating (\$8.7 million), and capital outlay (\$0.6 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 difficulty filling positions. A large portion of the unspent operating and capital budgets were due to outstanding encumbrances at year-end.

Actual revenues in total for 2023 came in at \$12.1 million over the final budget. Investment earnings were \$8.2 million over budget due to rate changes and unrealized gains as a result of changes in market values.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At year-end, the County's capital assets totaled \$1,089.9 million. Of that total, governmental activities accounted for \$1,078.9 million, and the remaining \$11.0 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	
	2023	2022	2023	2022	2023	2022
Land	\$ 3.2	\$ 3.2	\$ 0.3	\$ 0.3	\$ 3.5	\$ 3.5
Buildings and structures	126.9	132.6	1.0	1.1	127.9	133.7
Right-to-use leased buildings	0.6	0.1	-	-	0.6	0.1
Improvements other than buildings	-	-	7.4	6.6	7.4	6.6
Machinery and equipment	4.9	4.3	1.1	0.3	6.0	4.6
Vehicles	34.7	33.4	0.5	0.5	35.2	33.9
Right-to-use leased vehicles	3.9	2.2	-	-	3.9	2.2
Driveways	-	-	0.7	0.4	0.7	0.4
Infrastructure	868.0	826.4	-	-	868.0	826.4
Intangibles	1.4	1.4	-	-	1.4	1.4
Work in progress	33.5	15.4	-	0.3	33.5	15.7
Software subscriptions	1.8	-	-	-	1.8	-
Totals	\$ 1,078.9	\$ 1,019.0	\$ 11.0	\$ 9.5	\$ 1,089.9	\$ 1,028.5

Capital assets for governmental activities increased (including additions, disposals, and depreciation/amortization expense) by \$59.9 million, or 5.9%, over 2022. Additions for 2023 totaled \$94.2 million; disposals were \$0.4 million; and depreciation/amortization expense was \$35.1 million.

Total vehicles in 2023 increased by \$1.3 million to \$34.7 million. In 2023, the County purchased 68 automobiles, 24 emergency and road maintenance vehicles, 4 unlicensed vehicles, 6 recreational vehicles, and 4 trailers. The County disposed of 82 automobiles, 14 emergency and road maintenance vehicles, 2 unlicensed vehicles, 2 trailers, and 5 vehicle attachments (including plows, wings, and mowers).

Buildings and structures decreased by \$5.7 million to \$126.9 million in 2023. The main reasons for the change are: \$1.2 million of work-in-progress projects that were completed in 2023; and a depreciation expense of \$6.9 million.

Work in progress for governmental activities increased by \$18.1 million in 2023 to \$33.5 million. The main reasons for the change are \$19.3 million of additions to work-in-progress projects in 2023 and \$1.2 million of work-in-progress projects completed in 2023.

Business-type activities had total net capital assets increase by \$1.5 million from 2022. The primary reasons for the increase are an increase of \$0.8 million in improvements other than buildings and an increase of \$0.8 million in machinery and equipment. The Environmental Services Fund, the only enterprise fund with capital assets, had net capital assets at year-end of \$11.0 million. In 2023, they purchased 1 skidsteer, 1 forklift, 2 trailers, 4 roll-off containers, 1 scale, and 2 compactors. They continued a feasibility study for a landfill in Canyon, continued the leachate construction project, installed broadband fiber at 5 transfer stations, started a baler replacement, completed a driveway, and disposed of 2 vehicles and 2 trailers.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2023

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

Debt Administration

At year-end, the County had \$141.9 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	
	2023	2022
General obligation bonds	<u>\$ 141.9</u>	<u>\$ 152.3</u>

The County's debt decreased by \$10.4 million to \$141.9 million in 2023, compared to a decrease of \$12.9 million in 2022. In 2023, the County paid \$9.7 million on existing debt, amortized \$0.7 million in premium, and did not issue any new debt.

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 YEAR'S BUDGETS AND RATES

The average unemployment rate for St. Louis County was 3.3% in 2023; the average unemployment rate for the United States was 3.6% and 2.9% for the State of Minnesota, generally.

The County's 2024 budget was passed on December 19, 2023, at a meeting of the St. Louis County Board of Commissioners. The 2024 property tax levy was \$168.2 million, an increase of \$4.8 million compared to 2023.

In 2023, St. Louis County collected \$21.2 million due to implementing a half-percent Transportation Sales Tax and \$0.3 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 2023 was \$13.8 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 2024 budget includes 1,896 full-time equivalent employees. Of the total \$491.6 million budget for 2024, \$226.9 million, or 46.2%, was designated for personnel-related costs.

In May 2021, the County received its first half of the \$54.5 million in 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. The County must encumber the remaining funds by December 31, 2024, and must have all the funds spent by December 31, 2026.

All of these factors were considered in preparing the County's budget for the 2024 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, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and pooled investments	\$ 257,592,310	\$ 2,498,722	\$ 260,091,032
Investments	55,512,643	12,710,091	68,222,734
Lease receivable	2,393,979	-	2,393,979
Receivables (net)	25,503,084	238,792	25,741,876
Internal balances	211,675	(211,675)	-
Due from other governments	27,260,741	28,619	27,289,360
Inventories	14,810,005	1,715	14,811,720
Prepaid items	105,532	705	106,237
Restricted assets	-	6,804,358	6,804,358
Capital assets not being depreciated	38,106,143	277,966	38,384,109
Capital assets being depreciated, net	1,040,778,997	10,762,824	1,051,541,821
Total assets	1,462,275,109	33,112,117	1,495,387,226
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	41,990,501	287,259	42,277,760
Other postemployment benefits	4,314,734	84,932	4,399,666
Total deferred outflows of resources	46,305,235	372,191	46,677,426
LIABILITIES			
Accounts payable	31,892,716	1,502,028	33,394,744
Unearned revenue	30,667,320	-	30,667,320
Advance from other governments	205,304	-	205,304
Noncurrent liabilities:			
Due within one year	27,132,264	239,431	27,371,695
Due in more than one year	263,646,727	4,698,026	268,344,753
Total liabilities	353,544,331	6,439,485	359,983,816
DEFERRED INFLOWS OF RESOURCES			
Pension related items	48,628,331	464,158	49,092,489
Other postemployment benefits	1,777,763	34,994	1,812,757
Leases	2,429,178	-	2,429,178
Total deferred inflows of resources	52,835,272	499,152	53,334,424
NET POSITION			
Net investment in capital assets	931,232,821	11,040,790	942,273,611
Restricted			
General government	1,526,364	-	1,526,364
Public safety	5,115,084	-	5,115,084
Highways and streets	14,993,007	-	14,993,007
Health and sanitation	750,900	-	750,900
Human services	4,530,037	-	4,530,037
Conservation of natural resources	690,119	-	690,119
Economic development	1,693,299	-	1,693,299
Debt service	2,416,141	-	2,416,141
Permanent Funds:			
Expendable	2,986,840	-	2,986,840
Nonexpendable	25,194,567	-	25,194,567
Financial assurance	-	4,225,913	4,225,913
Unrestricted	111,071,562	11,278,968	122,350,530
Total net position	\$ 1,102,200,741	\$ 26,545,671	\$ 1,128,746,412

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, 2023

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	\$ 62,677,884	\$ 24,277,542	\$ 5,173,875	\$ -	\$ (33,226,467)	\$ -	\$ (33,226,467)
Public safety	71,312,211	4,006,182	3,812,642	-	(63,493,387)	-	(63,493,387)
Highways and streets	74,006,854	7,659,274	21,320,721	36,189,673	(8,837,186)	-	(8,837,186)
Health and sanitation	10,739,582	624,143	8,039,735	-	(2,075,704)	-	(2,075,704)
Human services	115,277,175	14,186,306	51,021,333	-	(50,069,536)	-	(50,069,536)
Culture and recreation	5,410,764	529,011	2,329,102	-	(2,552,651)	-	(2,552,651)
Conservation of natural resources	10,093,880	8,743,737	332,123	-	(1,018,020)	-	(1,018,020)
Economic development	6,810,540	-	4,624,741	-	(2,185,799)	-	(2,185,799)
Interest and other charges	3,699,838	-	34	-	(3,699,804)	-	(3,699,804)
Total governmental activities	360,028,728	60,026,195	96,654,306	36,189,673	(167,158,554)	-	(167,158,554)
Business-type Activities:							
Environmental Services	9,901,344	9,923,688	339,800	-	-	362,144	362,144
Plat Books	5,241	3,194	-	-	-	(2,047)	(2,047)
Total business-type activities	9,906,585	9,926,882	339,800	-	-	360,097	360,097
Total primary government	\$ 369,935,313	\$ 69,953,077	\$ 96,994,106	\$ 36,189,673	(167,158,554)	360,097	(166,798,457)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					169,268,156	-	169,268,156
Property taxes, levied for debt service					6,425,986	-	6,425,986
Transportation sales tax					21,502,649	-	21,502,649
State shared not restricted to specific programs					20,282,335	6,560	20,288,895
Federal shared not restricted to specific programs					3,457,887	-	3,457,887
Investment earnings					19,725,122	790,529	20,515,651
Transfers					(1,443,933)	1,443,933	-
Total general revenues and transfers					239,218,202	2,241,022	241,459,224
Changes in net position					72,059,648	2,601,119	74,660,767
Net position - January 1					1,030,141,093	23,944,552	1,054,085,645
Net position - December 31					\$ 1,102,200,741	\$ 26,545,671	\$ 1,128,746,412

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 expenses related to the COVID-19 pandemic. The major funding sources for this pandemic were the 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 the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

ST. LOUIS COUNTY, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	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	\$ 93,127,171	\$ 28,645,345	\$ 47,640,810	\$ 32,860,146	\$ 1,871,858	\$ 27,316,806	\$ 19,138,183	\$ 250,600,319
Investments	-	-	-	-	-	-	23,810,206	23,810,206
Delinquent taxes receivable	1,884,126	583,414	1,358,640	-	-	181,454	190,596	4,198,230
Lease receivable	-	-	-	-	1,899,293	494,686	-	2,393,979
Accounts receivable (net)	210,854	91,371	859,291	-	13,149,263	-	-	14,310,779
Accrued interest receivable	2,103,009	-	-	-	278,161	1,852	-	2,383,022
Loans receivable	-	-	-	-	-	-	2,221,415	2,221,415
Interfund receivable	174,158	-	-	-	-	-	-	174,158
Due from other governments	2,405,066	13,721,768	9,804,880	-	-	309,281	991,912	27,232,907
Inventories	-	14,758,826	-	-	-	-	-	14,758,826
Prepaid items	60,940	39,412	-	-	2,002	3,178	-	105,532
Advances to other funds	-	-	-	-	-	1,537,370	-	1,537,370
Total Assets	99,965,324	57,840,136	59,663,621	32,860,146	17,200,577	29,844,627	46,352,312	343,726,743
LIABILITIES								
Accounts payable	2,230,632	1,569,658	2,564,126	1,291,011	37,915	2,007,816	650,024	10,351,182
Contracts payable	2,833	2,446,487	-	-	-	688,435	-	3,137,755
Accrued payroll	3,597,174	1,099,122	2,456,178	-	197,069	-	37,228	7,386,771
Interfund payable	-	-	-	-	-	-	174,158	174,158
Due to other governments	752,294	192,123	2,994,963	737,592	1,790	-	198,660	4,877,422
Unearned revenue	798,825	531,153	2,353,074	26,541,954	361,580	-	54,919	30,641,505
Advance from other governments	-	205,304	-	-	-	-	-	205,304
Total Liabilities	7,381,758	6,043,847	10,368,341	28,570,557	598,354	2,696,251	1,114,989	56,774,097
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	-	-
Taxes	1,596,316	499,735	1,162,258	-	-	152,466	164,702	3,575,477
Grants	103,610	7,575,713	2,460,205	-	-	-	70,143	10,209,671
Leases	-	-	-	-	1,921,493	507,685	-	2,429,178
Long-term receivables	-	-	-	-	13,315,241	-	-	13,315,241
Total Deferred Inflows of Resources	1,699,926	8,075,448	3,622,463	-	15,236,734	660,151	234,845	29,529,567
FUND BALANCE								
Nonspendable	-	-	-	-	-	-	-	-
Inventories	-	14,758,826	-	-	-	-	-	14,758,826
Prepaid items	60,940	39,412	-	-	2,002	3,178	-	105,532
Mary Murphy trust	-	-	-	-	-	-	23,810,206	23,810,206
Scholarships	-	-	-	-	-	-	1,384,361	1,384,361
Missing heirs	182,504	-	-	-	-	-	-	182,504
Total Nonspendable	243,444	14,798,238	-	-	2,002	3,178	25,194,567	40,241,429
Restricted	-	-	-	-	-	-	-	-
Unorganized town roads	-	176,949	-	-	-	-	-	176,949
Transportation sales tax	-	6,962,486	-	-	-	-	-	6,962,486
Health and sanitation	-	-	-	-	-	-	706,110	706,110
Debt service	-	-	-	-	-	-	2,572,207	2,572,207
Improvement of natural resources	-	-	-	-	-	-	2,986,840	2,986,840
Economic development	593,299	-	-	-	-	-	-	593,299
Law library	438,645	-	-	-	-	-	-	438,645
Outstanding loans	-	-	-	-	-	-	1,100,000	1,100,000
Recorder's equipment	1,027,072	-	-	-	-	-	-	1,027,072
Communications	804,423	-	-	-	-	-	-	804,423
Extension service	664,766	-	-	-	-	-	-	664,766
Tax certificate assurance	198,178	-	-	-	-	-	-	198,178
Attorney forfeitures	168,056	-	-	-	-	-	-	168,056
Sheriff forfeitures	82,083	-	-	-	-	-	-	82,083
Sheriff fines	12,830	-	-	-	-	-	-	12,830
Veterans' credit	-	-	-	-	15,000	-	-	15,000
Emergency contingency	5,942	-	-	-	23,969	-	-	29,911
Sheriff's contingency	1,234	-	-	-	-	-	-	1,234
Permit to carry	119,073	-	-	-	-	-	-	119,073
Volunteer fire departments	65,325	-	-	-	-	-	-	65,325
Public safety	3,423,415	-	-	-	-	-	-	3,423,415
Capital improvement	-	-	-	-	-	247,948	-	247,948
Opioid remediation	-	-	-	-	-	-	2,069,831	2,069,831
Total Restricted	7,604,341	7,139,435	-	-	38,969	247,948	9,434,988	24,465,681
Committed	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	1,804,783	1,804,783
Conservation of natural resources	-	-	-	-	-	-	7,311,822	7,311,822
Economic development	-	-	-	-	-	-	962,057	962,057
Retiree obligations	7,297,725	2,859,058	5,008,724	-	681,783	-	128,609	15,975,899
Vesting sick leave	5,184,796	1,242,371	2,226,433	-	464,429	-	4,616	9,122,645
Ditching	-	230,866	-	-	-	-	-	230,866
SLC explorer post	4,511	-	-	-	-	-	-	4,511
Total Committed	12,487,032	4,332,295	7,235,157	-	1,146,212	-	10,211,887	35,412,583

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

ST. LOUIS COUNTY, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	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	-	5,365,886	-	-	-	-	-	5,365,886
Gas and diesel variability	-	782,049	-	-	-	-	-	782,049
Salt budget carryforward	-	685,986	-	-	-	-	-	685,986
Depreciation reserve	-	-	-	-	-	1,019,980	-	1,019,980
Capital improvements	-	-	-	-	-	24,873,031	-	24,873,031
Parking	4,044,539	-	-	-	-	-	-	4,044,539
Public safety	2,249,921	-	-	-	-	-	-	2,249,921
Economic development	513,852	-	-	-	-	-	-	513,852
General government	1,748,843	-	-	-	-	-	-	1,748,843
Culture & recreation	137,760	-	-	-	-	-	-	137,760
Public safety innovation	866,884	-	-	-	-	-	-	866,884
Highways and streets	-	10,116,952	-	-	-	-	-	10,116,952
Health and sanitation	23,582	-	41,821	-	-	-	-	65,403
Information technology	6,419,637	-	234,909	-	-	-	-	6,654,546
Prevention and innovation	-	-	7,026,513	-	-	-	-	7,026,513
Human services	-	-	25,239,899	-	-	-	-	25,239,899
Conservation of natural resources	13,673	-	-	-	178,306	-	161,036	353,015
Planning and zoning GIS	1,514,266	-	-	-	-	-	-	1,514,266
Health initiatives	-	-	2,448,202	-	-	-	-	2,448,202
Clarity Project	-	-	-	-	-	344,088	-	344,088
Economic development blight program	1,190,831	-	-	-	-	-	-	1,190,831
Elections	207,591	-	-	-	-	-	-	207,591
Camp esquagama	878,400	-	-	-	-	-	-	878,400
Other postemployment benefits	2,000,000	-	-	-	-	-	-	2,000,000
License center	236,949	-	-	-	-	-	-	236,949
COVID pandemic	-	-	-	4,289,589	-	-	-	4,289,589
Scholarships	265,000	-	-	-	-	-	-	265,000
Depot	655,972	-	-	-	-	-	-	655,972
Depot capital	65,000	-	-	-	-	-	-	65,000
Human service conference	-	-	316,743	-	-	-	-	316,743
Film production incentives	2,272,599	-	-	-	-	-	-	2,272,599
Forest management activities	66,152	-	-	-	-	-	-	66,152
Abatements	1,166,326	-	-	-	-	-	-	1,166,326
Child in need of protection/services	49,035	-	-	-	-	-	-	49,035
Total Assigned	26,586,812	17,450,873	38,437,660	4,289,589	178,306	26,237,099	161,036	113,341,375
Unassigned	43,962,011	-	-	-	-	-	-	43,962,011
Total Fund Balance	90,883,640	43,720,841	45,672,817	4,289,589	1,365,489	26,488,225	45,002,478	257,423,079
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 99,965,324	\$ 57,840,136	\$ 59,663,621	\$ 32,860,146	\$ 17,200,577	\$ 29,844,627	\$ 46,352,312	\$ 343,726,743

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, 2023

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

Total Fund Balance - governmental funds (from above)	\$ 257,423,079
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,075,924,004
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.	27,100,389
Other long-term assets are reported as deferred inflows of resources.	(50,406,094)
Certain liabilities payable from other long-term assets listed above are also not reported in the funds.	(5,326,096)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(284,833,845)
Other long-term liabilities are reported as deferred outflows of resources.	46,305,235
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.	36,014,069
Net position of governmental activities	\$ 1,102,200,741

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, 2023

	General	Road and Bridge	Public Health and Human Services	Pandemic Response	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	\$ 79,583,124	\$ 50,814,532	\$ 50,499,805	\$ -	\$ -	\$ 7,453,490	\$ 8,612,285	\$ 196,963,236
Licenses and permits	633,895	91,992	-	-	-	-	-	725,887
Intergovernmental	27,638,826	56,715,524	60,443,381	10,276,168	-	2,118,388	3,246,203	160,438,490
Charges for services	26,246,475	5,112,662	6,596,084	-	-	799,210	311,132	39,065,563
Fines and forfeits	74,088	-	-	-	-	-	-	74,088
Earnings on investments	12,238,269	-	-	1,475,654	-	320,123	3,942,057	17,976,103
Gifts and contributions	20,554	-	-	-	-	-	-	20,554
Land and timber sales	137,411	-	-	-	6,705,918	-	-	6,843,329
Miscellaneous	1,838,933	1,281,691	450,587	-	852,415	143,245	549,529	5,116,400
Total Revenues	148,411,575	114,016,401	117,989,857	11,751,822	7,558,333	10,834,456	16,661,206	427,223,650
EXPENDITURES								
Current:								
General government	56,889,516	-	-	70,502	-	176,231	-	57,136,249
Public safety	65,799,954	-	-	144,200	-	139,761	-	66,083,915
Highways and streets	-	49,042,734	-	-	-	898,693	-	49,941,427
Health and sanitation	870,371	-	6,777,660	1,640,407	-	-	1,014,170	10,302,608
Human services	616,609	-	107,062,671	4,050,145	-	-	616,329	112,345,754
Culture and recreation	3,309,244	-	-	356,314	-	97,953	-	3,763,511
Conservation of natural resources	1,483,159	-	-	-	7,007,908	-	654,395	9,145,462
Economic development	1,887,854	-	-	1,837,117	-	-	3,041,141	6,766,112
Debt service:								
Principal	655,574	-	-	-	-	1,051,604	9,768,600	11,475,778
Interest and other charges	9,573	-	-	-	-	41,184	4,203,308	4,254,065
Capital outlay:								
General government	1,738,669	-	-	-	-	480,580	-	2,219,249
Public safety	2,518,494	-	-	-	-	60,694	-	2,579,188
Highways and streets road construction	-	62,074,015	-	586,000	-	24,749,481	-	87,409,496
Health and sanitation	-	-	-	-	-	1,175	-	1,175
Human services	-	-	-	347,550	-	-	-	347,550
Conservation of natural resources	-	-	-	-	63,625	180,565	-	244,190
Culture and recreation	215,828	-	-	-	-	868,792	-	1,084,620
Total Expenditures	135,994,845	111,116,749	113,840,331	9,032,235	7,071,533	28,746,713	19,297,943	425,100,349
Excess (deficiency) of revenues over (under) expenditures	12,416,730	2,899,652	4,149,526	2,719,587	486,800	(17,912,257)	(2,636,737)	2,123,301
OTHER FINANCING SOURCES (USES)								
Transfers in	1,695,542	4,140,000	-	-	2,430	12,147,566	7,456,897	25,442,435
Transfers (out)	(7,071,330)	(15,706,431)	-	(1,243,933)	(650,598)	(305,002)	(1,328,483)	(26,305,777)
Proceeds from leases	622,863	-	-	-	-	2,139,597	-	2,762,460
Loan proceeds	-	-	-	-	-	-	77,162	77,162
Proceeds from software subscriptions	1,045,406	-	-	-	-	-	-	1,045,406
Sale of capital assets	253,229	7,090	-	-	7,856	139,026	-	407,201
Total other financing sources and (uses)	(3,454,290)	(11,559,341)	-	(1,243,933)	(640,312)	14,121,187	6,205,576	3,428,887
Net change in fund balances	8,962,440	(8,659,689)	4,149,526	1,475,654	(153,512)	(3,791,070)	3,568,839	5,552,188
Fund balances - January 1	81,921,200	47,395,535	41,523,291	2,813,935	1,519,001	30,279,295	41,433,639	246,885,896
Increase (decrease) in inventories	-	4,984,995	-	-	-	-	-	4,984,995
Fund balances - December 31	\$ 90,883,640	\$ 43,720,841	\$ 45,672,817	\$ 4,289,589	\$ 1,365,489	\$ 26,488,225	\$ 45,002,478	\$ 257,423,079

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, 2023**

Net change in fund balances--total governmental funds (from previous page)	\$ 10,537,183
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.	4,853,081
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	(416,588)
Compensated absences	(3,723,465)
Bond, lease, and subscription interest payable	(98,104)
Bond premium amortization	652,330
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.	59,741,893
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.	1,718,791
Expenditures reported in the governmental funds are not considered expenses in the Statement of Activities.	
Intra-general government function rent	55,146
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.	9,768,600
Lease and software amortization	(3,289,177)
The County's proportionate share of the Other Post-Employment Benefits	(1,894,846)
The County's proportionate share of the Public Employees Retirement Association of Minnesota	(5,768,034)
The issuance of long-term debt provides current financial resources but has no effect on net position.	(77,162)
Change in net position of governmental activities	<u>\$ 72,059,648</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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 79,652,458	\$ 79,057,223	\$ 79,583,124	\$ 525,901
Licenses and permits	672,393	672,393	633,895	(38,498)
Intergovernmental	24,566,177	24,041,391	27,638,826	3,597,435
Charges for services	26,548,202	26,693,935	26,246,475	(447,460)
Fines and forfeits	118,830	118,830	74,088	(44,742)
Earnings on investments	4,011,375	4,011,375	12,238,269	8,226,894
Gifts and contributions	25,800	27,300	20,554	(6,746)
Land and timber sales	23,000	23,000	137,411	114,411
Miscellaneous	1,618,652	1,668,501	1,838,933	170,432
Total revenues	137,236,887	136,313,948	148,411,575	12,097,627
EXPENDITURES				
General government				
Non-departmental				
Personnel services	-	204,176	204,176	-
Commissioners				
Personnel services	1,135,036	1,135,036	1,115,410	19,626
Other operating	296,646	328,646	315,723	12,923
Total commissioners	1,431,682	1,463,682	1,431,133	32,549
Port authority				
Other operating	24,000	24,000	12,000	12,000
County administrator				
Personnel services	2,044,162	1,964,584	958,855	1,005,729
Other operating	2,430,963	2,419,830	1,500,153	919,677
Capital outlay	-	79,045	79,045	-
Total county administrator	4,475,125	4,463,459	2,538,053	1,925,406
Intergovernmental affairs				
Personnel services	177,756	177,756	176,523	1,233
Other operating	183,183	196,183	168,492	27,691
Total intergovernmental affairs	360,939	373,939	345,015	28,924
Labor relations				
Other operating	152,218	152,218	69,173	83,045
Planning and zoning				
Personnel services	2,287,352	2,065,482	1,962,443	103,039
Other operating	1,805,748	1,255,734	1,030,797	224,937
Principal	-	179,246	179,246	-
Capital outlay	-	522,023	522,023	-
Total planning and zoning	4,093,100	4,022,485	3,694,509	327,976
Commitment representation				
Other operating	135,028	135,028	97,927	37,101
Court administrator				
Other operating	1,281,036	1,281,036	1,281,036	-
Examiner of titles				
Personnel services	159,855	163,321	163,321	-
Other operating	20,629	17,163	15,383	1,780
Total examiner of titles	180,484	180,484	178,704	1,780
County attorney				
Personnel services	8,644,613	8,874,681	8,869,984	4,697
Other operating	1,383,143	1,023,227	998,003	25,224
Total county attorney	10,027,756	9,897,908	9,867,987	29,921
Subtotal	22,161,368	22,198,415	19,719,713	2,478,702

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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
General government (continued)				
County auditor				
Personnel services	5,161,372	5,229,314	4,938,043	291,271
Other operating	1,615,025	1,582,498	1,137,581	444,917
Principal	-	87,564	87,564	-
Interest and other charges	-	6,435	6,435	-
Capital outlay	-	566,388	566,388	-
Total county auditor	<u>6,776,397</u>	<u>7,472,199</u>	<u>6,736,011</u>	<u>736,188</u>
Information technology				
Personnel services	6,049,338	6,049,338	5,901,022	148,316
Other operating	5,821,309	7,485,336	5,782,303	1,703,033
Principal	-	362,206	362,206	-
Capital outlay	100,000	449,031	410,083	38,948
Total information technology	<u>11,970,647</u>	<u>14,345,911</u>	<u>12,455,614</u>	<u>1,890,297</u>
County assessor				
Personnel services	4,474,327	4,474,327	4,218,955	255,372
Other operating	1,133,584	1,133,584	744,015	389,569
Total county assessor	<u>5,607,911</u>	<u>5,607,911</u>	<u>4,962,970</u>	<u>644,941</u>
Purchasing				
Personnel services	488,187	488,187	484,111	4,076
Other operating	33,244	33,244	26,793	6,451
Total purchasing	<u>521,431</u>	<u>521,431</u>	<u>510,904</u>	<u>10,527</u>
Recorder				
Personnel services	1,976,301	1,976,301	1,803,497	172,804
Other operating	732,507	732,507	434,761	297,746
Total recorder	<u>2,708,808</u>	<u>2,708,808</u>	<u>2,238,258</u>	<u>470,550</u>
Human resources				
Personnel services	1,761,415	1,820,235	1,820,235	-
Other operating	430,442	374,993	319,514	55,479
Total human resources	<u>2,191,857</u>	<u>2,195,228</u>	<u>2,139,749</u>	<u>55,479</u>
Veteran's service				
Personnel services	728,249	728,249	725,150	3,099
Other operating	166,408	165,441	128,092	37,349
Principal	-	3,662	3,662	-
Interest and other charges	-	367	367	-
Total veteran's service	<u>894,657</u>	<u>897,719</u>	<u>857,271</u>	<u>40,448</u>
Employee training				
Personnel services	393,663	394,396	394,396	-
Other operating	357,030	352,927	335,323	17,604
Total employee training	<u>750,693</u>	<u>747,323</u>	<u>729,719</u>	<u>17,604</u>
Elections				
Other operating	81,555	89,268	78,849	10,419
Subtotal	<u>31,503,956</u>	<u>34,585,798</u>	<u>30,709,345</u>	<u>3,876,453</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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
General government (continued)				
Property management				
Personnel services	5,109,468	4,998,973	4,995,611	3,362
Other operating	3,635,905	3,862,836	3,651,146	211,690
Capital outlay	8,134	162,750	161,130	1,620
Total property management	8,753,507	9,024,559	8,807,887	216,672
County fee land				
Personnel services	23,000	23,000	19,439	3,561
Other operating	-	1,504	1,504	-
Total county fee land	23,000	24,504	20,943	3,561
Health care reform				
Other operating	10,500	10,500	9,777	723
Total General government	62,452,331	65,843,776	59,267,665	6,576,111
Public safety				
Arrowhead regional corrections				
Other operating	17,483,613	17,483,776	17,483,776	-
Sheriff				
Personnel services	17,142,481	17,319,398	17,090,728	228,670
Other operating	5,110,524	5,113,512	4,210,402	903,110
Principal	-	10,679	-	10,679
Capital outlay	2,363,348	2,632,641	2,212,600	420,041
Total sheriff	24,616,353	25,076,230	23,513,730	1,562,500
Boat and water safety				
Other operating	242,022	113,113	100,457	12,656
Capital outlay	49,864	82,263	82,263	-
Total boat and water safety	291,886	195,376	182,720	12,656
Medical examiner				
Other operating	619,232	619,232	602,613	16,619
Emergency management				
Personnel services	378,356	205,147	205,147	-
Other operating	168,261	416,250	416,053	197
Capital outlay	-	205,567	115,570	89,997
Total emergency management	546,617	826,964	736,770	90,194
Rescue squad				
Other operating	284,277	312,762	312,610	152
Capital outlay	10,928	25,928	25,000	928
Total rescue squad	295,205	338,690	337,610	1,080
Law enforcement service				
Personnel services	784,805	828,837	826,223	2,614
Other operating	49,196	60,546	60,498	48
Total law enforcement service	834,001	889,383	886,721	2,662
Emergency communication				
Personnel services	4,649,201	4,947,433	4,945,374	2,059
Other operating	358,967	399,115	367,066	32,049
Capital outlay	30,900	-	-	-
Total emergency communication	5,039,068	5,346,548	5,312,440	34,108
Ambulance service				
Other operating	160,000	160,000	104,660	55,340
Subtotal	49,885,975	50,936,199	49,161,040	1,775,159
				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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Public safety (continued)				
Radio maintenance				
Personnel services	532,435	560,623	532,587	28,036
Other operating	549,625	477,408	270,307	207,101
Capital outlay	115,121	33,751	33,751	-
Total radio maintenance	1,197,181	1,071,782	836,645	235,137
Jail prisoners				
Personnel services	9,099,194	8,571,901	8,569,178	2,723
Other operating	7,777,818	6,772,880	5,927,450	845,430
Capital outlay	39,253	20,795	-	20,795
Total jail prisoners	16,916,265	15,365,576	14,496,628	868,948
Jail building				
Personnel services	744,028	742,211	742,211	-
Other operating	504,601	677,444	636,663	40,781
Capital outlay	-	7,887	7,887	-
Total jail building	1,248,629	1,427,542	1,386,761	40,781
Mine inspector				
Personnel services	274,786	288,626	288,626	-
Other operating	49,399	46,472	46,472	-
Total mine inspector	324,185	335,098	335,098	-
Volunteer fire department				
Other operating	679,159	679,159	665,203	13,956
Sheriff fines				
Other operating	13,000	13,000	-	13,000
Attorneys forfeitures				
Personnel services	20,502	20,502	11,133	9,369
Other operating	53,009	75,509	55,146	20,363
Total Attorneys forfeitures	73,511	96,011	66,279	29,732
Sheriff's forfeitures				
Other operating	45,000	64,000	27,576	36,424
Capital outlay	-	28,411	28,411	-
Total Sheriff's forfeitures	45,000	92,411	55,987	36,424
Enhanced 9-1-1				
Other operating	333,689	832,485	733,707	98,778
Capital outlay	-	13,013	13,012	1
Total enhanced 9-1-1	333,689	845,498	746,719	98,779
Law library				
Other operating	320,671	320,671	197,869	122,802
City/County antenna site				
Other operating	8,704	8,704	6,530	2,174
Sheriff's contingent fund				
Other operating	25,000	25,000	11,183	13,817
Sheriff explorers				
Other operating	-	6,500	5,090	1,410
Permit to carry				
Personnel services	57,211	180,940	180,864	76
Other operating	105,996	195,996	166,552	29,444
Total permit to carry	163,207	376,936	347,416	29,520
Total Public Safety	71,234,176	71,600,087	68,318,448	3,281,639
				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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Health and sanitation				
Occupational safety				
Personnel services	521,655	532,173	532,173	-
Other operating	387,136	365,703	338,198	27,505
Total occupational safety	908,791	897,876	870,371	27,505
Total Health and sanitation	908,791	897,876	870,371	27,505
Human services				
Emergency shelter program				
Personnel services	20,784	9,684	9,684	-
Other operating	691,402	606,925	606,925	-
Total emergency shelter program	712,186	616,609	616,609	-
Total Human services	712,186	616,609	616,609	-
Culture and recreation				
Tourism promotion				
Other operating	244,500	348,829	324,679	24,150
Depot				
Personnel services	274,144	271,418	271,418	-
Other operating	736,643	1,016,350	938,281	78,069
Principal	-	22,896	22,896	-
Interest and other charges	-	2,771	2,771	-
Capital outlay	150,427	238,004	215,828	22,176
Total depot	1,161,214	1,551,439	1,451,194	100,245
Arrowhead library system				
Other operating	720,489	720,489	720,489	-
Historical society				
Other operating	496,998	496,998	496,998	-
Community fairs				
Other operating	2,000	2,000	500	1,500
County fair - north				
Other operating	30,000	30,000	20,000	10,000
County fair - south				
Other operating	20,000	20,000	20,000	-
Trail assistance				
Other operating	500,000	575,000	447,779	127,221
Youth activities program				
Other operating	25,000	27,500	25,000	2,500
Northeast Regional ATV Trail				
Other operating	50,000	50,000	44,100	5,900
Total Culture and recreation	3,250,201	3,822,255	3,550,739	271,516
				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, 2023

	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	80,000	80,000	80,000	-
Soil conservation - south				
Other operating	80,000	80,000	80,000	-
County agent				
Personnel services	318,587	318,587	287,801	30,786
Other operating	362,410	362,410	350,884	11,526
Total county agent	680,997	680,997	638,685	42,312
Youth task force				
Personnel services	342,643	342,643	265,448	77,195
Other operating	408,458	426,658	416,526	10,132
Total youth task force	751,101	769,301	681,974	87,327
Total Conservation of natural resources	1,594,598	1,612,798	1,483,159	129,639
Economic development				
Revolving loans				
Personnel services	-	16,591	16,591	-
Other operating	2,554,721	3,273,588	1,871,263	1,402,325
Total Economic development	2,554,721	3,290,179	1,887,854	1,402,325
Total Expenditures	142,707,004	147,683,580	135,994,845	11,688,735
Excess of revenues over (under) expenditures	(5,470,117)	(11,369,632)	12,416,730	23,786,362
OTHER FINANCING SOURCES (USES)				
Transfers in	1,520,242	1,785,303	1,695,542	(89,761)
Transfers (out)	(2,740,000)	(7,071,330)	(7,071,330)	-
Proceeds from leases	-	622,863	622,863	-
Proceeds from software subscriptions	-	1,045,406	1,045,406	-
Sale of capital assets	76,946	86,946	253,229	166,283
Total other financing sources (uses)	(1,142,812)	(3,530,812)	(3,454,290)	76,522
Net change in fund balances	(6,612,929)	(14,900,444)	8,962,440	23,862,884
Fund balances - January 1	81,921,200	81,921,200	81,921,200	-
Fund balances - December 31	<u>\$ 75,308,271</u>	<u>\$ 67,020,756</u>	<u>\$ 90,883,640</u>	<u>\$ 23,862,884</u>

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 BALANCE
BUDGET AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u>
REVENUES				
Taxes	\$ 47,590,251	\$ 47,590,251	\$ 50,814,532	\$ 3,224,281
Licenses and permits	84,000	84,000	91,992	7,992
Intergovernmental	54,470,668	57,738,906	56,715,524	(1,023,382)
Charges for services	890,679	3,844,859	5,112,662	1,267,803
Miscellaneous	961,337	1,071,337	1,281,691	210,354
Total Revenues	<u>103,996,935</u>	<u>110,329,353</u>	<u>114,016,401</u>	<u>3,687,048</u>
EXPENDITURES				
Highways and streets				
Administration				
Personnel services	4,601,343	4,156,994	6,037,100	(1,880,106)
Other operating	3,089,900	3,021,188	2,495,810	525,378
Admin capital outlay	113,933	932,304	928,506	3,798
Total administration	<u>7,805,176</u>	<u>8,110,486</u>	<u>9,461,416</u>	<u>(1,350,930)</u>
Road maintenance				
Personnel services	14,707,380	14,603,584	14,176,653	426,931
Other operating	2,687,235	2,343,373	1,846,604	496,769
Road maintenance capital outlay	-	103,796	103,796	-
Total road maintenance	<u>17,394,615</u>	<u>17,050,753</u>	<u>16,127,053</u>	<u>923,700</u>
Road construction				
Personnel services	3,650,000	713,364	-	713,364
Other operating	92,500,604	30,710,004	6,234,707	24,475,297
Road construction capital outlay	2,900	61,041,713	61,041,713	-
Total road construction	<u>96,153,504</u>	<u>92,465,081</u>	<u>67,276,420</u>	<u>25,188,661</u>
Equipment maintenance and shops				
Personnel services	4,773,680	4,773,680	4,620,923	152,757
Other operating	15,228,309	15,431,590	13,630,937	1,800,653
Total equipment maintenance and shops	<u>20,001,989</u>	<u>20,205,270</u>	<u>18,251,860</u>	<u>1,953,410</u>
Total Expenditures	<u>141,355,284</u>	<u>137,831,590</u>	<u>111,116,749</u>	<u>26,714,841</u>
Excess of Revenues Over (Under) Expenditures	(37,358,349)	(27,502,237)	2,899,652	30,401,889
OTHER FINANCING SOURCES (USES)				
Transfers in	740,000	4,140,000	4,140,000	-
Transfers (out)	(6,906,431)	(15,706,431)	(15,706,431)	-
Sale of capital assets	-	-	7,090	7,090
Total other financing sources (uses)	<u>(6,166,431)</u>	<u>(11,566,431)</u>	<u>(11,559,341)</u>	<u>7,090</u>
Net change in fund balances	(43,524,780)	(39,068,668)	(8,659,689)	30,408,979
Fund Balance - January 1	47,395,535	47,395,535	47,395,535	-
Increase (decrease) in inventories	-	-	4,984,995	4,984,995
Fund Balance - December 31	<u>\$ 3,870,755</u>	<u>\$ 8,326,867</u>	<u>\$ 43,720,841</u>	<u>\$ 35,393,974</u>

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Taxes	\$ 50,623,918	\$ 50,623,918	\$ 50,499,805	\$ (124,113)
Intergovernmental	60,544,765	63,669,535	60,443,381	(3,226,154)
Charges for services	7,246,109	6,829,916	6,596,084	(233,832)
Miscellaneous	1,086,285	1,086,285	450,587	(635,698)
Total Revenues	119,501,077	122,209,654	117,989,857	(4,219,797)
EXPENDITURES				
Human services				
Administration				
Personnel services	7,498,659	7,483,044	7,413,541	69,503
Other operating	8,188,279	10,294,543	7,746,811	2,547,732
Total administration	15,686,938	17,777,587	15,160,352	2,617,235
Income maintenance				
Personnel services	15,421,924	14,615,396	14,615,396	-
Other operating	4,295,011	4,947,185	4,736,679	210,506
Total income maintenance	19,716,935	19,562,581	19,352,075	210,506
Social services				
Personnel services	36,637,230	37,478,594	37,343,630	134,964
Other operating	40,300,882	40,827,389	35,206,614	5,620,775
Total social services	76,938,112	78,305,983	72,550,244	5,755,739
Total human services	112,341,985	115,646,151	107,062,671	8,583,480
Health and sanitation				
Administration				
Personnel services	289,990	289,990	288,247	1,743
Other operating	123,053	110,052	86,336	23,716
Total administration	413,043	400,042	374,583	25,459
Nursing				
Personnel services	4,620,423	4,620,423	4,498,495	121,928
Other operating	2,555,995	2,364,618	1,904,582	460,036
Total nursing	7,176,418	6,985,041	6,403,077	581,964
Total health and sanitation	7,589,461	7,385,083	6,777,660	607,423
Total Expenditures	119,931,446	123,031,234	113,840,331	9,190,903
Net change in fund balances	(430,369)	(821,580)	4,149,526	4,971,106
Fund Balance - January 1	41,523,291	41,523,291	41,523,291	-
Fund Balance - December 31	\$ 41,092,922	\$ 40,701,711	\$ 45,672,817	\$ 4,971,106

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 10,276,168	\$ 10,276,168
Earnings on investments	-	1,475,654	1,475,654	-
Total Revenues	-	1,475,654	11,751,822	10,276,168
EXPENDITURES				
General government				
Personnel services	-	2,282	2,282	-
Other operating	40,564	124,409	68,220	56,189
Total general government	40,564	126,691	70,502	56,189
Public safety				
Other operating	-	144,200	144,200	-
Total public safety	-	144,200	144,200	-
Highways and streets				
Capital outlay	-	586,000	586,000	-
Total highways and streets	-	586,000	586,000	-
Health and sanitation				
Personnel services	86,821	260,365	260,365	-
Other operating	45,562	2,880,042	1,380,042	1,500,000
Total health and sanitation	132,383	3,140,407	1,640,407	1,500,000
Human services				
Other operating	4,926,958	7,381,773	4,050,145	3,331,628
Capital outlay	-	347,550	347,550	-
Total human services	4,926,958	7,729,323	4,397,695	3,331,628
Culture and recreation				
Other operating	66,229	356,314	356,314	-
Total culture and recreation	66,229	356,314	356,314	-
Economic development				
Other operating	2,151,260	2,702,884	1,837,117	865,767
Total economic development	2,151,260	2,702,884	1,837,117	865,767
Total Expenditures	7,317,394	14,785,819	9,032,235	5,753,584
Excess of Revenues Over (Under) Expenditures	(7,317,394)	(13,310,165)	2,719,587	16,029,752
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	(1,243,933)	(1,243,933)	-
Total other financing sources (uses)	-	(1,243,933)	(1,243,933)	-
Net change in fund balances	(7,317,394)	(14,554,098)	1,475,654	16,029,752
Fund Balance - January 1	2,813,935	2,813,935	2,813,935	-
Fund Balance - December 31	\$ (4,503,459)	\$ (11,740,163)	\$ 4,289,589	\$ 16,029,752

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES				
Land and timber sales	\$ 8,817,159	\$ 8,407,337	\$ 6,705,918	\$ (1,701,419)
Miscellaneous	61,256	621,078	852,415	231,337
Total Revenues	<u>8,878,415</u>	<u>9,028,415</u>	<u>7,558,333</u>	<u>(1,470,082)</u>
EXPENDITURES				
Current:				
Conservation of natural resources				
Personnel services	6,060,028	6,060,028	5,250,975	809,053
Other operating	1,766,068	1,977,453	1,756,933	220,520
Capital outlay	460,069	250,516	63,625	186,891
Total Expenditures	<u>8,286,165</u>	<u>8,287,997</u>	<u>7,071,533</u>	<u>1,216,464</u>
Excess of Revenues Over (Under) Expenditures	592,250	740,418	486,800	(253,618)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,430	2,430	-
Transfers (out)	(500,000)	(650,598)	(650,598)	-
Sale of capital assets	9,943	9,943	7,856	(2,087)
Total other financing sources (uses)	<u>(490,057)</u>	<u>(638,225)</u>	<u>(640,312)</u>	<u>(2,087)</u>
Net change in fund balances	102,193	102,193	(153,512)	(255,705)
Fund Balance - January 1	<u>1,519,001</u>	<u>1,519,001</u>	<u>1,519,001</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,621,194</u>	<u>\$ 1,621,194</u>	<u>\$ 1,365,489</u>	<u>\$ (255,705)</u>

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 the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. 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 non-major 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, 2023

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,362,860	\$ 135,862	\$ 2,498,722	\$ 6,991,991
Investments	12,710,091	-	12,710,091	31,702,437
Accounts receivable (net)	127,864	-	127,864	1,913,081
Accrued interest receivable	110,928	-	110,928	302,399
Due from other governments	28,619	-	28,619	27,834
Inventories	-	1,715	1,715	51,179
Prepaid items	705	-	705	-
Total current assets	15,341,067	137,577	15,478,644	40,988,921
Noncurrent assets:				
Restricted assets				
Financial assurance				
Cash and cash equivalents	3,585,770	-	3,585,770	-
Investments	3,192,665	-	3,192,665	-
Accrued interest receivable	25,923	-	25,923	-
Capital assets				
Land	277,966	-	277,966	25,500
Buildings and structures	7,397,245	-	7,397,245	2,759,177
Improvements other than buildings	13,341,018	-	13,341,018	-
Machinery and equipment	2,600,543	-	2,600,543	95,316
Vehicles	1,747,201	-	1,747,201	3,734,734
Driveways	706,382	-	706,382	-
Less accumulated depreciation	(15,029,565)	-	(15,029,565)	(3,653,591)
Total capital assets, net	11,040,790	-	11,040,790	2,961,136
Total noncurrent assets	17,845,148	-	17,845,148	2,961,136
Total assets	33,186,215	137,577	33,323,792	43,950,057
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	287,259	-	287,259	-
Other postemployment benefits	84,932	-	84,932	-
Total deferred outflows of resources	372,191	-	372,191	-

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, 2023

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 1,341,899	\$ -	\$ 1,341,899	\$ 69,407
Accrued payroll	112,593	-	112,593	41,379
Compensated absences payable	218,523	-	218,523	69,492
Claims payable	-	-	-	3,585,232
Other postemployment benefits liability	20,908	-	20,908	-
Due to other governments	47,536	-	47,536	59,541
Unearned revenue	-	-	-	25,815
Advances from other funds	-	-	-	37,497
Total current liabilities	<u>1,741,459</u>	<u>-</u>	<u>1,741,459</u>	<u>3,888,363</u>
Noncurrent liabilities:				
Compensated absences payable	683,502	-	683,502	307,782
Claims payable	-	-	-	2,451,645
Other postemployment benefits liability	284,166	-	284,166	-
Advances from other funds	-	-	-	1,499,873
Closure and post-closure liabilities	2,584,021	-	2,584,021	-
Net pension liability	1,146,337	-	1,146,337	-
Total noncurrent liabilities	<u>4,698,026</u>	<u>-</u>	<u>4,698,026</u>	<u>4,259,300</u>
Total liabilities	<u>6,439,485</u>	<u>-</u>	<u>6,439,485</u>	<u>8,147,663</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related items	464,158	-	464,158	-
Other postemployment benefits	34,994	-	34,994	-
Total deferred inflows of resources	<u>499,152</u>	<u>-</u>	<u>499,152</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	11,040,790	-	11,040,790	2,961,136
Restricted for financial assurance	4,225,913	-	4,225,913	-
Prepaid Expenses	705	-	705	-
Unrestricted	11,352,361	137,577	11,489,938	32,841,258
Total net position	<u>\$ 26,619,769</u>	<u>\$ 137,577</u>	<u>\$ 26,757,346</u>	<u>\$ 35,802,394</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			(211,675)	
Net position of business type activities			<u>\$ 26,545,671</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, 2023

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
Operating Revenues				
Charges for services	\$ 9,310,479	\$ 3,194	\$ 9,313,673	\$ 38,764,115
Licenses and permits	5,135	-	5,135	-
Other	597,511	-	597,511	70,705
Total Operating Revenues	9,913,125	3,194	9,916,319	38,834,820
Operating Expenses				
Personnel services	2,934,079	-	2,934,079	1,145,457
Contractual services	6,149,488	-	6,149,488	4,555,433
Materials	374,536	5,241	379,777	607,011
Other postemployment benefits	38,868	-	38,868	-
Claims paid	-	-	-	32,779,021
Depreciation	406,684	-	406,684	419,516
Total Operating Expenses	9,903,655	5,241	9,908,896	39,506,438
Operating Income (Loss)	9,470	(2,047)	7,423	(671,618)
Nonoperating Revenues (Expenses)				
Taxes	3,280	-	3,280	-
Grants	343,080	-	343,080	629,691
Earnings on investments	790,529	-	790,529	1,749,019
(Loss) or gain on asset disposal	9,263	-	9,263	176,753
Claims payable estimate adjustment	-	-	-	419,148
Total Nonoperating Revenues (Expenses)	1,146,152	-	1,146,152	2,974,611
Income (Loss) Before Transfers	1,155,622	(2,047)	1,153,575	2,302,993
Transfers in	1,443,933	-	1,443,933	1,370,000
Transfers (out)	-	-	-	(1,950,591)
Change in net position	2,599,555	(2,047)	2,597,508	1,722,402
Net position - January 1	24,020,214	139,624	24,159,838	34,079,992
Net position - December 31	<u>\$ 26,619,769</u>	<u>\$ 137,577</u>	<u>\$ 26,757,346</u>	<u>\$ 35,802,394</u>
Change in net position			\$ 2,597,508	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>3,611</u>	
Change in net position of business type activities			<u>\$ 2,601,119</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, 2023

	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	\$ 9,461,509	\$ 3,194	\$ 9,464,703	\$ -
Receipts from interfund services provided	-	56	56	38,379,328
Payments to suppliers	(5,057,591)	(68)	(5,057,659)	(4,728,543)
Payments to employees	(2,786,199)	-	(2,786,199)	(1,097,634)
Claims paid	-	-	-	(33,902,920)
Other receipts (payments)	602,646	-	602,646	65,762
Net cash provided (used) by operating activities	2,220,365	3,182	2,223,547	(1,284,007)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from taxes	3,280	-	3,280	-
Proceeds from grants	343,080	-	343,080	629,691
Transfers from other funds	1,443,933	-	1,443,933	1,370,000
Transfers to other funds	-	-	-	(1,950,591)
Net cash provided (used) by noncapital financing activities	1,790,293	-	1,790,293	49,100
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(1,941,684)	-	(1,941,684)	(357,980)
Proceeds from sale of capital assets	10,563	-	10,563	11,606
Proceeds from advance from other funds	-	-	-	(37,497)
Net cash provided (used) by capital and related financing activities	(1,931,121)	-	(1,931,121)	(383,871)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(10,113,441)	-	(10,113,441)	(19,214,577)
Sale of investments	9,920,660	-	9,920,660	20,080,122
Interest and dividends	473,796	-	473,796	1,062,657
Net cash provided by investing activities	281,015	-	281,015	1,928,202
Net Increase (Decrease) in Cash and Cash Equivalents	2,360,552	3,182	2,363,734	309,424
Balances - January 1	3,588,078	132,680	3,720,758	6,682,567
Balances - December 31	\$ 5,948,630	\$ 135,862	\$ 6,084,492	\$ 6,991,991
Detail on Statement of Net Position				
Cash and cash equivalents				
Current	\$ 2,362,860	\$ 135,862	\$ 2,498,722	\$ 6,991,991
Restricted				
Financial assurance	3,585,770	-	3,585,770	-
Total	\$ 5,948,630	\$ 135,862	\$ 6,084,492	\$ 6,991,991

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, 2023

	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)	\$ 9,470	\$ (2,047)	\$ 7,423	\$ (671,618)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	406,684	-	406,684	419,516
(Increase) Decrease Receivables, net	35,978	56	36,034	(378,684)
(Increase) Decrease Due from other govt	115,052	-	115,052	(4,124)
(Increase) Decrease Prepaid items	(705)	-	(705)	-
(Increase) Decrease Inventories	-	5,196	5,196	(4,209)
(Increase) Decrease Deferred pension outflows	182,481	-	182,481	-
(Increase) Decrease Deferred health outflows	27,479	-	27,479	-
Increase (Decrease) Net pension liability	(485,190)	-	(485,190)	-
Increase (Decrease) Deferred pension inflows	250,717	-	250,717	-
Increase (Decrease) Deferred health inflows	(9,462)	-	(9,462)	-
Increase (Decrease) Accounts payable	686,397	(23)	686,374	(677)
Increase (Decrease) Salaries payable	14,727	-	14,727	7,519
Increase (Decrease) Compensated absences payable	146,278	-	146,278	40,304
Increase (Decrease) Claims payable	-	-	-	(663,893)
Increase (Decrease) Due to other governments	1,451	-	1,451	(21,346)
Increase (Decrease) Other postemployment benefits	20,850	-	20,850	-
Increase (Decrease) Unearned revenue	-	-	-	(6,795)
Increase (Decrease) Closure payable	818,158	-	818,158	-
Total Adjustments	2,210,895	5,229	2,216,124	(612,389)
Net cash provided (used) by operating activities	\$ 2,220,365	\$ 3,182	\$ 2,223,547	\$ (1,284,007)
NON-CASH ACTIVITIES				
Change in fair value of investments	\$ (790,529)	\$ -	\$ (790,529)	\$ 558,456
Change in present value of future claims	-	-	-	(419,148)

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 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 who 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, 2023

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 21,290	\$ 17,811,234
Investments	-	7,742,010
Taxes receivable	-	6,104,887
Accounts receivable	-	217,979
Accrued interest receivable	-	130,644
Due from other governments	-	4,695,201
Prepaid items	-	18,450
Total Assets	<u>21,290</u>	<u>36,720,405</u>
LIABILITIES		
Accounts payable	-	3,140,988
Contracts payable	-	25,745
Accrued payroll	-	971,988
Unearned revenue	-	168,134
Due to other governments	-	6,386,261
Total Liabilities	<u>-</u>	<u>10,693,116</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - prepaid taxes	<u>-</u>	<u>77,935</u>
NET POSITION		
Restricted		
Held in trust for pool participants	-	6,241,372
Individuals, organizations, and other governments	-	6,595,267
Retiree obligations	-	3,650,907
Arrowhead regional corrections	-	5,175,998
Regional rail authority	-	1,638,280
Minneapolis-Duluth/Superior passenger rail alliance	-	95,386
Community health board	-	128,843
Duluth area family service collaborative	-	1,094,531
Local collaborative time study	-	1,015,826
Northern counties land use board	-	68,106
Voyageurs national park joint venture	-	5,748
Ash river sanitary district	-	182,483
Social welfare fund	21,290	-
ATV Joint Powers Board	-	56,607
Total net position	<u>\$ 21,290</u>	<u>\$ 25,949,354</u>

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, 2023

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Property tax collections for other governments	\$ -	\$ 218,816,717
License and fee collections for other governments	-	1,063
License and fee collections for State of MN	-	48,575,482
Contributions individuals	517,177	586,002
Estate recoveries	-	2,577,251
Taconite taxes for State of MN	-	37,014,636
Intergovernmental	-	44,283,896
Charges for services	-	7,054,725
Fines and forfeits	-	146,622
Earnings on investments	-	1,017,362
Gifts and contributions	-	218,776
Miscellaneous	-	761,634
Total Additions	517,177	361,054,166
DEDUCTIONS		
Distribution to other governments	-	23,724,020
Payment of property tax to other governments	-	240,141,334
Payment on behalf of individuals	592,489	-
Distributions to participants	-	587,024
Distribution of recoveries	-	2,577,251
Payment of fee, fine and license revenue to others	-	140,011
Payments to State of MN	-	48,575,482
Personnel services	-	24,263,971
Other operating	-	19,300,999
Capital outlay	-	3,017,434
Total Deductions	592,489	362,327,526
Changes in net position	(75,312)	(1,273,360)
Net position - January 1	96,602	27,222,714
Net position - December 31	\$ 21,290	\$ 25,949,354

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Guide to the Notes

	Page
Note 1. Summary of Significant Accounting Policies	
Financial Reporting Entity	54
Government-Wide and Fund Financial Statements	54
Measurement Focus, Basis of Accounting, and Financial Statement Presentation	54
Reconciliation of Government-Wide and Fund Financial Statements	57
Explanation of Differences Between Governmental Funds Balance Sheet and the Statement of Net Position	57
Explanation of Differences Between Governmental Funds Operating Statement and the Statement of Activities	59
Budgetary Data	61
General Budget Policies	61
Procedure for Preparing the Annual Budget	61
Reclassifications	62
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity	62
Cash and Pooled Investments	62
Property Taxes	62
Inventories	62
Prepaid Items	63
Restricted Assets	63
Capital Assets	63
Deferred Outflows/Inflows of Resources	63
Compensated Absences	63
Pension Plan	64
Conduit Debt	64
Closure and Postclosure Care Costs	64
Leases	65
Subscription-Based Information Technology Arrangements (SBITAs)	65
Long-Term Obligations	65
Classification of Net Position	65
Fund Equity	65
Federal Audit Requirements	66
Use of Estimates	66
Note 2. Detailed Notes on All Funds and Accounts	
Assets	67
Deposits and Investments	67
Deposits	68
Investments	68
Receivables	71
Loans Receivable	72
Restricted Assets	72
Capital Assets	73
Governmental Activities	73
Business-type Activities	74
Depreciation	74

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Guide to the Notes

Liabilities	75
Advance From Other Governments	75
Long-Term Debt	75
Construction Commitments	78
Purchase Commitments/Encumbrances	78
Risk Management	79
Leases	80
Leases Receivable	80
Leases Payable	82
Subscriptions Payable	83
Pension Plans	84
Plan Description	84
Benefits Provided	84
Contributions	85
Pension Costs - General Employees Fund Pension Costs	85
Pension Costs - Police and Fire Fund Pension Costs	86
Pension Costs - Correctional Plan Pension Costs	87
Actuarial Methods and Assumptions	88
Discount Rate	89
Pension Liability Sensitivity	90
Pension Plan Fiduciary Net Position	90
Public Employees Defined Contribution Plan (Defined Contribution Plan)	90
Other Postemployment Benefits Plan (OPEB)	90
Plan Description	90
Contributions	91
Actuarial Methods and Assumptions	91
Changes in the Total OPEB Liability	92
Interfund Receivables, Payables, Advances, and Transfers	93
Fund Equity	94

Note 3. Joint Ventures/Jointly Governed Organizations

Arrowhead Regional Corrections	95
Community Health Services Board	96
Regional Railroad Authority	96
Northeast Minnesota Office of Job Training	97
Northern Counties Land Use Coordinating Board	97
Minnesota Counties Information Systems (MCIS)	98
Duluth Area Family Service Collaborative	98
North Area Collective Local Collaborative	99
Minneapolis-Duluth/Superior Passenger Rail Alliance	99
Northeast Minnesota Emergency Communications Board (NEECB)	100
Northeastern Minnesota Enforcement & Safety Information System (NEMESIS)	100
City/County Communications Antenna Site	100
Voyageurs National Park Water Basin Joint County Sewer Project	100
Non-Emergency Medical Transportation Project	100
Northeast Regional ATV Trail Joint Powers Board	101
Ash River Sanitary District	101
Crane Lake	101
Brookston	101

Note 4. Summary of Significant Contingencies and Other Items

Claims and Litigation	102
Abatements	102
Tax Abatements	104
Pollution Remediation	105
Northwoods Townhomes Project	105
Tax Forfeited Land Management	105
Subsequent Event	105
Effects of New Accounting Standards on Current-Period Financial Statements	105

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 on March 1, 1856, as an organized county having the 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 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

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement establishes accounting and financial reporting requirements related to subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This standard was implemented on January 1, 2023.

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's or segment's operational or capital requirements. Taxes are not included in 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, 2023

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 are generally 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 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 the 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 expenses related to the COVID-19 pandemic. The major funding sources for this pandemic were the federal Coronavirus Relief Fund (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, Opioid Remediation, 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 Mary C. Murphy Trust Fund is used to report resources that are legally restricted. Per State Statute 375-475, updated in 2023, St. Louis County may use up to 50 percent of the principal in an environmental trust fund in calendar years 2023, 2024, and 2025 and up to ten percent annually thereafter for renewable and climate change-related economic development and environmental projects in the County that protect the environment or create clean-economy jobs and manufacturing. The County must leave a minimum of \$10 million as principal in the account.

The Scholarship Permanent Fund is used to account for a scholarship program. State Statute 298.2215 allows the County to establish a scholarship program with unencumbered revenue received pursuant to sections 298.018, 298.28, 298.39, 298.396, or 298.405 or any law imposing a tax upon severed mineral values. The scholarship must be used at a two-year Minnesota State College or University within the County. An applicant for a scholarship must be a resident of the County at the time of the applicant's high school graduation.

Enterprise Funds cover Plat Book activities.

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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 who are not able to manage their own finances.

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, 2023. 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 come from 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, 2023

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	\$ 250,600,319	\$ -	\$ 6,991,991	\$ -	\$ 257,592,310
Investments	23,810,206	-	31,702,437	-	55,512,643
Delinquent taxes receivable	4,198,230	-	-	(4,198,230)	-
Accounts receivable (net)	14,310,779	-	1,913,081	(16,223,860)	-
Accrued interest receivable	2,383,022	-	302,399	(2,685,421)	-
Loans receivable	2,221,415	-	-	(2,221,415)	-
Lease receivable	2,393,979	-	-	-	2,393,979
Interfund receivable	174,158	-	-	(174,158)	-
Due from other governments	27,232,907	-	27,834	-	27,260,741
Receivables (net)	-	-	-	25,503,084	25,503,084
Internal balances	-	-	211,675	-	211,675
Inventories	14,758,826	-	51,179	-	14,810,005
Prepaid items	105,532	-	-	-	105,532
Advances to other funds	1,537,370	-	-	(1,537,370)	-
Capital assets not being depreciated	-	38,080,643	25,500	-	38,106,143
Capital assets being depreciated, net	-	1,037,843,361	2,935,636	-	1,040,778,997
Total Assets	343,726,743	1,075,924,004	44,161,732	(1,537,370)	1,462,275,109
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	-	41,990,501	-	-	41,990,501
Other postemployment benefits	-	4,314,734	-	-	4,314,734
Total Deferred Outflows of Resources	-	46,305,235	-	-	46,305,235
LIABILITIES					
Accounts payable	10,351,182	-	69,407	21,472,127	31,892,716
Contracts payable	3,137,755	-	-	(3,137,755)	-
Salaries payable	7,386,771	-	41,379	(7,428,150)	-
Interfund payable	174,158	-	-	(174,158)	-
Bond interest payable	-	316,331	-	(316,331)	-
Lease interest payable	-	117,224	-	(117,224)	-
Software subscription interest payable	-	35,450	-	(35,450)	-
Due to other governments	4,877,422	5,326,096	59,541	(10,263,059)	-
Unearned revenue	30,641,505	-	25,815	-	30,667,320
Advance from other governments	205,304	-	-	-	205,304
Due within one year	-	23,477,540	3,692,221	(37,497)	27,132,264
Due in more than one year	-	260,887,300	4,259,300	(1,499,873)	263,646,727
Total Liabilities	56,774,097	290,159,941	8,147,663	(1,537,370)	353,544,331
DEFERRED INFLOWS OF RESOURCES					
Taxes	3,575,477	(3,575,477)	-	-	-
Grants	10,209,671	(10,209,671)	-	-	-
Pension related items	-	48,628,331	-	-	48,628,331
Other postemployment benefits	-	1,777,763	-	-	1,777,763
Long-term receivables	13,315,241	(13,315,241)	-	-	-
Leases	2,429,178	-	-	-	2,429,178
Total Deferred Inflows of Resources	29,529,567	23,305,705	-	-	52,835,272
FUND BALANCE/NET POSITION					
Net investment in capital assets	-	928,271,685	2,961,136	-	931,232,821
Nonspendable	40,241,429	-	-	(40,241,429)	-
Restricted	24,465,681	(4,810,752)	-	40,241,429	59,896,358
Committed	35,412,583	-	-	(35,412,583)	-
Assigned	113,341,375	-	-	(113,341,375)	-
Unassigned	43,962,011	(114,697,340)	33,052,933	37,682,396	-
Unrestricted	-	-	-	111,071,562	111,071,562
Total Fund Balance/Net Position	257,423,079	808,763,593	36,014,069	-	1,102,200,741
Total Liabilities, Deferred Inflows of Resources, and Fund Balance/ Net Position	\$ 343,726,743	\$ 1,122,229,239	\$ 44,161,732	\$ (1,537,370)	\$ 1,508,580,344

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

(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	\$ 1,581,291,200
Accumulated depreciation	<u>(505,367,196)</u>
	<u><u>\$ 1,075,924,004</u></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>\$ (27,100,389)</u>
Adjustment of due to other governments	<u><u>\$ 5,326,096</u></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, 2023, were:

Bond interest payable	\$ 316,331
Lease interest payable	117,224
Software subscription interest payable	35,450
	<u><u>\$ 469,005</u></u>

	Due Within One Year	Due In More Than One Year	Total
Bonds and notes payable	\$ 10,053,404	\$ 132,201,739	\$ 142,255,143
Compensated absences	10,660,562	25,448,730	36,109,292
Claims payable	3,585,232	2,451,645	6,036,877
Lease payable	1,176,658	2,342,133	3,518,791
Software subscription payable	594,249	1,043,479	1,637,728
Other postemployment benefits liability	1,062,159	14,436,292	15,498,451
Net pension liability	-	85,722,709	85,722,709
	<u><u>\$ 27,132,264</u></u>	<u><u>\$ 263,646,727</u></u>	<u><u>\$ 290,778,991</u></u>

Pension related items - deferred outflows	\$ (41,990,501)
Pension related items - deferred inflows	48,628,331
	<u><u>\$ 6,637,830</u></u>

Other postemployment benefits - deferred outflows	\$ (4,314,734)
Other postemployment benefits - deferred inflows	1,777,763
	<u><u>\$ (2,536,971)</u></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 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	<u><u>\$ 211,675</u></u>
--	--------------------------

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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	\$ 196,963,236	\$ 233,555	\$ -	\$ -	\$ (197,196,791)	\$ -
Property taxes						
General purpose	-	-	-	-	169,268,156	169,268,156
Debt service	-	-	-	-	6,425,986	6,425,986
Transportation sales tax	-	-	-	-	21,502,649	21,502,649
Licenses and permits	725,887	-	-	-	(725,887)	-
Intergovernmental	160,438,490	-	-	-	(160,438,490)	-
State shared	-	(93,747)	-	-	20,376,082	20,282,335
Federal shared	-	-	-	-	3,457,887	3,457,887
Operating grants	-	1,242,237	-	-	95,412,069	96,654,306
Capital grants	-	1,929,234	-	-	34,260,439	36,189,673
Charges for services	39,065,563	406,584	-	-	20,554,048	60,026,195
Fines and forfeits	74,088	-	-	-	(74,088)	-
Earnings on						
investments	17,976,103	-	-	1,749,019	-	19,725,122
Gifts and contributions	20,554	-	-	-	(20,554)	-
Land and timber sales	6,843,329	1,041,470	(606,894)	-	(7,277,905)	-
Miscellaneous	5,116,400	-	407,201	-	(5,523,601)	-
Total	427,223,650	4,759,333	(199,693)	1,749,019	-	433,532,309
Expenditures/Expenses						
Current:						
General government	57,136,249	2,571,591	3,163,797	(193,753)	-	62,677,884
Public safety	66,083,915	3,136,484	2,105,468	(13,656)	-	71,312,211
Highways and streets	49,941,427	(3,498,059)	27,485,838	77,648	-	74,006,854
Health and sanitation	10,302,608	379,281	84,174	(26,481)	-	10,739,582
Human services	112,345,754	3,302,337	1,931	(372,847)	-	115,277,175
Culture and recreation	3,763,511	10,692	1,636,561	-	-	5,410,764
Conservation of						
natural resources	9,145,462	744,981	222,633	(19,196)	-	10,093,880
Economic development	6,766,112	21,738	24,768	(2,078)	-	6,810,540
Debt service:						
Principal	11,475,778	-	(11,475,778)	-	-	-
Interest and						
other charges	4,254,065	-	(554,227)	-	-	3,699,838
Capital outlay	93,885,468	-	(93,885,468)	-	-	-
Total	425,100,349	6,669,045	(71,190,303)	(550,363)	-	360,028,728
Other financing uses/changes						
in net position:						
Transfers in	25,442,435	-	-	1,370,000	-	26,812,435
Transfers out	(26,305,777)	-	-	(1,950,591)	-	(28,256,368)
Proceeds from leases	2,762,460	-	(2,762,460)	-	-	-
Proceeds from software						
subscriptions	1,045,406	-	(1,045,406)	-	-	-
Sale of capital assets	407,201	-	(407,201)	-	-	-
Loan proceeds	77,162	-	(77,162)	-	-	-
Increase in inventories	4,984,995	(4,984,995)	-	-	-	-
Total	8,413,882	(4,984,995)	(4,292,229)	(580,591)	-	(1,443,933)
Net change for the year	\$ 10,537,183	\$ (6,894,707)	\$ 66,698,381	\$ 1,718,791	\$ -	\$ 72,059,648

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

(1) Because some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered "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	\$ 233,555
Long-term receivables:	
Intergovernmental	3,077,724
Intra-general government function rent	(55,146)
Charges for services	461,730
Land & timber sales	1,041,470
	<u>\$ 4,759,333</u>

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 leases) also result in an expense in the statement of activities. In addition, intra-general government function expenses are eliminated.

Due to other governments	\$ 416,588
Intra-general government function rent	(55,146)
Increase in inventories	(4,984,995)
Compensated absences	3,723,465
Pensions	5,674,287
Other postemployment benefits	1,894,846
	<u>\$ 6,669,045</u>

(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	\$ (93,885,468)
Net disposal of capital assets	606,893
Depreciation/Depletion expense	34,725,170
GASB 96 adjustment *	(1,188,488)
Difference	<u>\$ (59,741,893)</u>

*Adjustment is due to GASB 96 implementation

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) The issuance of bonds is reported as another financing source for 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 on governmental funds.

Principal payments made	\$ (9,768,600)
Lease payments	(1,111,010)
Software subscription payments	(596,168)
Bond interest payable	(33,944)
Lease and software interest payable	132,047
Bond premium amortization	(652,330)
	<u>\$ (12,030,005)</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 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 \$21,672,352.

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 that 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 in 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 the 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

F. Reclassifications

Several account balances were reclassified as of and for the year ended December 31, 2022, 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, 2023. Although comparative statements for 2022 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 credited to the General Fund for 2023 were \$12,238,269. 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 the 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 on the property, they become a lien on the 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 valued at cost using the moving average method. Inventory items are recorded as expenditures at the time that they are purchased. The reported inventories are offset by a fund balance classified as non-spendable, which indicates that they do not constitute available spendable resources.

Plat Book Enterprise Fund inventories consist of items for resale and consumption and are recorded as expenses 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 expenses 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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), intangibles, leased assets, and SBITAs, 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 their historical cost or an estimated historical cost if they were 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 a network. For the purposes of depreciating landfill capital assets, a waste mass survey or an addition 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
Leased assets:	Determined by lease terms
Software subscriptions:	Determined by subscription terms

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 assets 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 pensions 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 assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County reports unavailable revenue, advanced allotments, other postemployment benefits, leases, and pension-related items in this category. Unavailable revenue is reported only on the governmental funds balance sheet, while pensions 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 five sources: delinquent taxes, intergovernmental grants, advanced allotments, leases, 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.

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 3.50 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Vested sick leave is available at retirement to be used for the 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 \$9,634,844 as of December 31, 2023, 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 the time of employer payroll payment 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, 2023, the outstanding principal balance was \$1.5 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 closure 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 the landfill capacity used as of the financial statement date. The \$2,584,021 reported for the open area on the Environmental Services Enterprise Fund statement of net position as landfill closure and postclosure liability at December 31, 2023, represents the following:

Postclosure liability

This is the liability for postclosure costs for the Regional Landfill.	\$749,145
It is based on the use of 55.54% 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 55.54% of the existing open area.	\$1,834,876

The County will recognize the remaining \$2,068,733 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 2023. The County expects the open area to be closed in 2025 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 the 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, 2023, restricted assets of \$6,804,358 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.

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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Leases

The County is a lessor because it leases capital assets to other entities. As a lessor, the County reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The County continues to report and depreciate the capital assets being leased as capital assets of the primary government.

The County is the lessee because it leases capital assets from other entities. As a lessee, the County reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the County recognizes lease proceeds and capital outlay at the initiation of the lease and the outflow of resources for the lease liability as a debt service payment.

Subscription-Based Information Technology Arrangements (SBITAs)

The County reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the County recognizes subscription proceeds and capital outlay at the initiation of the subscription and the outflow of resources for the subscription liability as a debt service payment. The County has a policy to recognize subscriptions over \$100,000 as a subscription liability and an intangible capital asset.

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 the 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 the 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 the 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 (inventories and prepaid items) or because they are not legally spendable (the principal portion of the Mary C. Murphy Trust 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 balances are available.

Committed – amounts to be used for specific purposes as determined by a 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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, 2023; 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, 2023

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	\$ 257,592,310
Investments	55,512,643

Business-type Activities:

Current assets:

Cash and pooled investments	2,498,722
Investments	12,710,091

Restricted assets:

Financial assurance	
Cash and pooled investments	3,585,770
Investments	3,192,665

Fiduciary Activities:

Current assets:

Cash and cash equivalents	17,832,524
Investments	7,742,010
Total	<u>\$ 360,666,735</u>

Deposits	\$ 3,087,939
Prepaid Interest	19,455
Cash on hand	66,163
Assets held in trust	1,370,642
Investments	356,122,536
Total deposits, cash on hand, and investments	<u>\$ 360,666,735</u>

	Held for Individual Investment Accounts - Private Purpose Trust Fund	Held for All Other County Funds	Total
Cash and pooled investments	\$ 21,290	\$ 281,488,036	\$ 281,509,326
Investments	-	79,157,409	79,157,409
Total	<u>\$ 21,290</u>	<u>\$ 360,645,445</u>	<u>\$ 360,666,735</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 bonds, or collateral. The fair 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 the 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 fair value of collateral must equal 110% of deposits not covered by insurance or surety bonds. As of December 31, 2023, 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, or 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 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, 2023, the County had the following investments and maturities:

	Investment Maturities in Years						
	Fair Value	Less than 1	1-2	2-3	3-4	4-5	More than 5
Negotiable CDs	\$ 48,322,000	\$ 11,787,000	\$ 3,709,000	\$ 2,473,000	\$ 7,672,000	\$ 21,944,000	\$ 737,000
MAGIC Portfolio	80,381,768	80,381,768	-	-	-	-	-
MAGIC TERM	45,000,000	45,000,000	-	-	-	-	-
Minnesota SBI	23,810,206	23,810,206	-	-	-	-	-
Municipal Bonds	12,375,128	2,680,307	2,607,396	2,044,391	3,720,156	1,322,878	-
FFCB	65,834,879	9,892,562	14,907,744	12,373,459	242,577	12,911,927	15,506,610
FHLB	29,697,521	16,245,506	740,797	3,261,366	3,692,270	2,744,926	3,012,656
FNMA	11,427,572	-	3,881,247	-	7,546,325	-	-
US Treasury	39,273,462	4,496,452	970,486	10,947,706	21,800,849	1,057,969	-
Total	\$ 356,122,536	\$ 194,293,801	\$ 26,816,670	\$ 31,099,922	\$ 44,674,177	\$ 39,981,700	\$ 19,256,266

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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
DECEMBER 31, 2023

The County has the following recurring fair value measurements as of December 31, 2023:

	December 31, 2023	Fair Value Measurements Using:		
		Level 1	Level 2	Level 3
Investments by fair value level				
Negotiable certificates of deposit	\$ 48,322,000	\$ -	\$ 48,322,000	\$ -
Fixed income securities				
Municipal issues	12,375,128	-	12,375,128	-
Federal Farm Credit Bank	65,834,879	-	65,834,879	-
Federal Home Loan Bank	29,697,521	-	29,697,521	-
Federal National Mortgage Association	11,427,572	-	11,427,572	-
US Treasury securities	39,273,462	-	39,273,462	-
Total fixed income securities	<u>158,608,562</u>	<u>-</u>	<u>158,608,562</u>	<u>-</u>
Total investments by fair value level	<u>\$ 206,930,562</u>	<u>\$ -</u>	<u>\$ 206,930,562</u>	<u>\$ -</u>
Investments at amortized cost				
MAGIC portfolio	<u>\$ 80,381,768</u>			
Investments measured at the net asset value (NAV)				
MAGIC TERM	<u>\$ 45,000,000</u>			
Total investments	<u>\$ 332,312,330</u>			
Cash and cash equivalents	4,544,199			
Total investments and cash and cash equivalents	<u>\$ 336,856,529</u>			

MAGIC is a local government investment pool. The County invests in this pool for the purpose of a 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 costs. 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 the 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 on pre-determined maturity dates selected by the County at the time of purchase. Should the County need to redeem shares in a 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 a share, plus dividends thereon, at the projected yield; less such a share's allocation of any losses incurred by the series; and less a premature redemption penalty, if any.

The County also holds \$23,810,206 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. Per Minn. Stat §373.475, updated in 2023, St. Louis County may use up to 50 percent of the principal in an environmental trust fund in calendar years 2023, 2024, and 2025 and up to ten percent annually thereafter for renewable and climate change-related economic development and environmental projects in the County that protect the environment or create clean-economy jobs and manufacturing. The County must leave a minimum of \$10 million as principal in the account. The County invests in this pool due to increased investment authority and historically high rates of return on investment.

Credit Risk. Generally, credit risk is the risk that the 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 Mary C. Murphy 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 rating requirements set by state statute.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

The County's exposure to credit risk as of December 31, 2023, is as follows:

Rating	Fair Value
S&P AAA	\$ 3,265,363
S&P AA+	146,714,631
S&P AA	1,815,668
Moody's Aaa	338,467
Moody's Aa1	6,023,865
Moody's Aa2	450,568
Total	<u>\$ 158,608,562</u>

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, as of December 31, 2023, 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, 2023, 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	\$ 4,198,230	\$ -
Accounts receivable	16,223,860	13,315,241
Accrued interest receivable	2,685,421	-
Loans receivable	2,221,415	2,109,273
Interfund receivable	174,158	-
Total Governmental Activities	<u>\$ 25,503,084</u>	<u>\$ 15,424,514</u>
Business Activities:		
Accounts receivable	\$ 127,864	\$ -
Accrued interest receivable	110,928	-
Total Business Activities	<u>\$ 238,792</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Loans Receivable

The loan receivable from the Minnesota Assistance Council for Veterans is \$150,000 and is included in the restricted, outstanding loans category of the 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 restricted, outstanding loans category of the 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 restricted, outstanding loans category of the 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 the Bois Forte Band of Chippewa is \$150,000 and is included in the restricted, outstanding loans category of the 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 \$1,121,415 as of December 31, 2023. These are included in the committed health and sanitation category of the fund balances.

The loan receivable from City Center Housing Corporation is \$200,000 and is included in the restricted, outstanding loans category of the 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.

The loan receivable from City Center Housing Corporation is \$200,000 and is included in the restricted, outstanding loans category of the 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.

Restricted Assets

Business-type activities

Financial assurance for closure and post closure care

Cash and cash equivalents	\$ 3,585,770
Investments	3,192,665
Accrued interest receivable	25,923
Total	<u>\$ 6,804,358</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

Governmental Activities:

	Beginning Balance *	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 3,191,238	\$ -	\$ -	\$ -	\$ 3,191,238
Permanent right of way	1,260,110	118,500	-	-	1,378,610
Work in progress	15,419,211	19,350,606	-	(1,233,522)	33,536,295
Total capital assets, not being depreciated	19,870,559	19,469,106	-	(1,233,522)	38,106,143
Capital assets, being depreciated/amortized:					
Buildings and structures	228,906,317	6,871	(42,907)	1,233,522	230,103,803
Right-to-use leased buildings	82,244	622,863	(49,130)	-	655,977
Machinery and equipment	25,129,436	1,649,474	(372,150)	-	26,406,760
Vehicles	85,889,171	7,448,124	(2,972,106)	-	90,365,189
Right-to-use leased vehicles	2,440,893	2,139,597	-	-	4,580,490
Infrastructure	1,127,217,308	61,862,005	-	-	1,189,079,313
Computer software	6,815,741	-	(441,385)	-	6,374,356
Temporary right of way	40,240	-	(40,240)	-	-
Right-to-use software subscriptions	1,188,490 *	1,045,406	-	-	2,233,896
Total capital assets, being depreciated/amortized	1,477,709,840	74,774,340	(3,917,918)	1,233,522	1,549,799,784
Less accumulated depreciation/amortization for:					
Buildings and structures	(96,203,730)	(7,024,956)	-	-	(103,228,686)
Right-to-use leased buildings	(48,339)	(65,488)	49,130	-	(64,697)
Machinery and equipment	(20,825,963)	(1,078,585)	367,635	-	(21,536,913)
Vehicles	(52,476,176)	(5,809,002)	2,654,675	-	(55,630,503)
Right-to-use leased vehicles	(212,252)	(466,966)	-	-	(679,218)
Infrastructure	(300,866,583)	(20,162,958)	-	-	(321,029,541)
Computer software	(6,678,992)	(59,858)	364,494	-	(6,374,356)
Temporary right of way	(40,240)	-	40,240	-	-
Right-to-use software subscriptions	-	(476,873)	-	-	(476,873)
Total accumulated depreciation/amortization	(477,352,275)	(35,144,686)	3,476,174	-	(509,020,787)
Total capital assets, being depreciated/amortized net	1,000,357,565	39,629,654	(441,744)	1,233,522	1,040,778,997
Governmental activities, capital assets, net	<u>\$ 1,020,228,124</u>	<u>\$ 59,098,760</u>	<u>\$ (441,744)</u>	<u>\$ -</u>	<u>\$ 1,078,885,140</u>

* Beginning balances are restated due to GASB 96.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Business-type activities:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 277,966	\$ -	\$ -	\$ -	\$ 277,966
Work in Progress	333,980	17,510	-	(351,490)	-
Total capital assets, not being depreciated	611,946	17,510	-	(351,490)	277,966
Capital assets, being depreciated:					
Buildings and structures	7,397,245	-	-	-	7,397,245
Improvements other than buildings	12,592,015	749,003	-	-	13,341,018
Machinery and equipment	1,630,903	969,640	-	-	2,600,543
Vehicles	1,715,114	201,982	(169,895)	-	1,747,201
Driveways	351,343	3,549	-	351,490	706,382
Total capital assets, being depreciated	23,686,620	1,924,174	(169,895)	351,490	25,792,389
Less accumulated depreciation for:					
Buildings and structures	(6,268,556)	(159,230)	-	-	(6,427,786)
Improvements other than buildings	(5,967,922)	41,142	-	-	(5,926,780)
Machinery and equipment	(1,320,278)	(141,403)	-	-	(1,461,681)
Vehicles	(1,226,811)	(131,873)	168,595	-	(1,190,089)
Driveways	(7,909)	(15,320)	-	-	(23,229)
Total accumulated depreciation	(14,791,476)	(406,684)	168,595	-	(15,029,565)
Total capital assets, being depreciated, net	8,895,144	1,517,490	(1,300)	351,490	10,762,824
Business-type activities, capital assets, net	<u>\$ 8,895,144</u>	<u>\$ 1,517,490</u>	<u>\$ (1,300)</u>	<u>\$ 351,490</u>	<u>\$ 10,762,824</u>

Depreciation:

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
General government	\$ 3,163,797
Public safety	2,105,468
Highways	27,485,838
Health	84,174
Human services	1,931
Culture and recreation	1,636,561
Conservation of natural resources	222,633
Economic development	24,768
Internal service funds	419,516
Total depreciation expenses - governmental activities	<u>\$ 35,144,686</u>
Business-type activities	
Environmental services	<u>\$ 406,684</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

B. Liabilities

Advance From Other Governments

The Minnesota Department of Transportation (MnDOT) advanced funds to the County to help with 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, 2023, which includes unamortized bond premiums of \$6,216,984, was as follows:

	Beginning Balance *	Additions	Reductions	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
<i>Bonds, notes, and tax lease obligations payable</i>					
General obligation debt					
Crossover Refunding 2015B	\$ 992,682	\$ -	\$ (992,682)	\$ -	\$ -
Capital Improvement Bonds 2015C	24,609,098	-	(2,706,729)	21,902,369	2,831,729
Capital Improvement Bonds 2016A	17,177,761	-	(1,664,515)	15,513,246	1,734,515
Crossover Refunding 2016B	14,840,479	-	(1,152,334)	13,688,145	1,207,334
General Obligation 2018A	25,434,368	-	(1,156,243)	24,278,125	1,211,243
General Obligation 2018B	14,416,304	-	(615,299)	13,801,005	645,299
General Obligation 2020A	23,742,603	-	(1,125,541)	22,617,062	1,145,541
Crossover Refunding 2020B	4,601,097	-	(939,110)	3,661,987	954,109
General Obligation 2021A	26,479,922	-	(29,877)	26,450,045	274,877
<i>Total bonds, notes and tax lease obligations payable</i>	152,294,314	-	(10,382,330)	141,911,984	10,004,647
<i>Other Liabilities</i>					
Leases	1,867,342	2,762,460	(1,111,011)	3,518,791	1,176,658
Software subscriptions*	1,188,490	1,045,406	(596,168)	1,637,728	594,249
AgBMP Direct Borrowing	304,597	77,162	(38,600)	343,159	48,757
Compensated absences	32,345,520	19,957,056	(16,193,284)	36,109,292	10,660,562
Claims payable	7,119,918	32,342,189	(33,425,230)	6,036,877	3,585,232
Other postemployment benefits	14,543,978	954,473	-	15,498,451	1,062,159
Net pension liability	143,267,946	-	(57,545,237)	85,722,709	-
<i>Total other liabilities</i>	200,637,791	57,138,746	(108,909,530)	148,867,007	17,127,617
Governmental activities long-term liabilities	\$ 352,932,105	\$ 57,138,746	\$ (119,291,860)	\$ 290,778,991	\$ 27,132,264
BUSINESS-TYPE ACTIVITIES					
<i>Other Liabilities</i>					
Compensated absences	\$ 755,748	\$ 412,048	\$ (265,771)	\$ 902,025	\$ 218,523
Other postemployment benefits	284,223	20,851	-	305,074	20,908
Net pension liability	1,631,527	-	(485,190)	1,146,337	-
Closure and post-closure liabilities	1,765,863	818,158	-	2,584,021	-
Business-type activities long-term liabilities	\$ 4,437,361	\$ 1,251,057	\$ (750,961)	\$ 4,937,457	\$ 239,431

*Beginning balance was restated due to GASB 96 implementation

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, \$6,414,151 of internal service funds' compensated absences and claims payable are included in the above amounts. Also, for governmental activities, claims, Net Pension/OPEB, leases, and compensated absences are generally liquidated by the General, Road and Bridge, Public Health and Human Services, and Forfeited Tax Sale Special Revenue funds.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

General obligation bonds and notes payable at December 31, 2023, of the following issues:

\$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 2.00 to 5.00 percent, including unamortized premium of \$2,459,478.	\$ 21,902,369
\$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.	15,513,246
\$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.	13,688,145
\$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.	24,278,125
\$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.	13,801,005
\$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.	22,617,062
\$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 occurred on December 1, 2022.	3,661,987
\$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.	26,450,045
Total General obligation bonds	<u>\$ 141,911,984</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

General obligation revenue notes payable at December 31, 2023, 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.	\$ 2,684
\$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.	21,561
\$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.	21,561
\$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.	8,517
\$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.	30,637
\$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.	24,896
\$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.	75,954
\$91,822 2022 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	80,187
\$77,162 2023 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	77,162
The terms of the above described revenue notes require semi-annual repayments of \$23,113 to \$5,251 from April 1, 2024 through 2034.	

Total notes payable	<u>\$ 343,159</u>
---------------------	-------------------

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 that 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 those 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 the rate or amount to pay the principal on the note. The AgBMP may rescind all or part of this agreement or part of any uncommitted allocation if the County fails to comply with Minn. Stat. These notes will be paid off in April 2034, but they 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
2024	\$ 10,004,647	\$ 3,795,955	\$ 48,757
2025	10,402,776	3,406,208	50,081
2026	10,742,189	3,070,808	41,157
2027	11,067,189	2,752,009	32,703
2028	11,357,189	2,457,057	27,996
2029-2033	46,056,357	8,262,218	133,359
2034-2038	29,389,800	3,770,060	9,106
2039-2043	12,891,837	683,691	-
Total:	\$ 141,911,984	\$ 28,198,006	\$ 343,159

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

The County's proportionate shares of general obligation debt and general obligation revenue debt at December 31, 2023, of all governmental units that 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	\$ 147,411,662	100.00 %	\$ 147,411,662
Overlapping Debt			
School Districts	138,734,000	36.01	49,963,450
Western Lake Superior Sanitary District	61,940,975	82.34	51,002,811
Underlying Debt			
Cities	188,438,197	100.00	188,438,197
School Districts	430,593,757	100.00	430,593,757
Towns	1,776,316	100.00	1,776,316
North Shore Sanitary District	3,885,000	100.00	3,885,000
Hibbing HRA	1,285,012	100.00	1,285,012
Cook Community Hospital	7,014,561	100.00	7,014,561
Virginia HRA	1,770,000	100.00	1,770,000
Total	<u><u>\$ 982,849,480</u></u>		<u><u>\$ 883,140,766</u></u>

Construction Commitments

As of December 31, 2023, 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	\$ 390,000	\$ 22,661	\$ 20,861
Culver Facility	11,442,933	10,014,691	5,337,573
Kugler Facility	12,917,716	11,095,337	6,292,950
Whiteface Facility	12,393,081	10,599,573	6,003,552
Total	<u><u>\$ 37,143,730</u></u>	<u><u>\$ 31,732,262</u></u>	<u><u>\$ 17,654,936</u></u>

Purchase Commitments/Encumbrances

As of December 31, 2023, 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	\$ 7,000,378
Road and Bridge	2,091,121
Public Health and Human Services	5,262,200
Forfeited Tax Sale	160,208
Forest Resources	161,036
Total	<u><u>\$ 14,674,943</u></u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 has the County had a loss exceeding the coverage of its 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 risks, except fire and property damage to major structures, are 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 \$0 as of December 31, 2023, 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, 2023, 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 \$3,692,149, and the present value is calculated at 3.1190%.

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 that have personnel; the premiums are based on historical costs and are reported as quasi-external transactions. A portion of the premium is for administrative and reinsurance costs, which are paid from the fund, and 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 the cost of claims management by a third-party administrator and the cost of an insurance consultant. Premiums include a provision for stop-loss insurance and administrative expenses and are based on anticipated claims and the 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.

Changes in the funds' claims liability amounts during 2022 were:

	Property, Casualty, & Liability Insurance Fd	Workers' Compensation Insurance Fund	Medical/ Dental Insurance Fund
Beginning of fiscal year liability for claims	\$ 55,000	\$ 4,072,374	\$ 3,295,684
Current year claims and changes in estimates	495,251	294,767	32,343,125
Claim payments	(550,251)	(1,284,822)	(31,601,210)
Balance of claims payable at fiscal year end	<u>\$ -</u>	<u>\$ 3,082,319</u>	<u>\$ 4,037,599</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Changes in the funds' claims liability amounts during 2023 were:

	Property, Casualty, & Liability Insurance Fund	Workers' Compensation Insurance Fund	Medical/ Dental Insurance Fund
Beginning of fiscal year liability for claims	\$ -	\$ 3,082,319	\$ 4,037,599
Current year claims and changes in estimates	460,006	1,049,952	31,309,921
Claim payments	(460,006)	(1,469,100)	(31,973,814)
Balance of claims payable at fiscal year end	<u>\$ -</u>	<u>\$ 2,663,171</u>	<u>\$ 3,373,706</u>

Leases Receivable

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 252 months remaining on a lease as Lessor for the use of Hibbing Law Enforcement in Hibbing Courthouse. An initial lease receivable was recorded in the amount of \$92,513. As of December 31, 2023, the value of the lease receivable was \$83,698. The lessee is required to make annual fixed payments of \$5,000. The lease has an interest rate of 1.3000%. The value of the deferred inflow of resources as of December 31, 2023 was \$83,702, and St. Louis County recognized lease revenue of \$4,405 during the fiscal year. The lessee has one extension option for 180 months.

On September 1, 2022, St. Louis County entered into a 120-month lease as Lessor for the use of Mining Resources LLC land. An initial lease receivable was recorded in the amount of \$312,233. As of December 31, 2023, the value of the lease receivable was \$249,475. The lessee is required to make annual fixed payments of \$35,430. The lease has an interest rate of 2.9270%. The value of the deferred inflow of resources as of December 31, 2023 was \$270,602, and St. Louis County recognized lease revenue of \$31,223 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 242 months remaining on a lease as Lessor for the use of mining rights for Peat Moss-Toivola. An initial lease receivable was recorded in the amount of \$319,980. As of December 31, 2023, the value of the lease receivable was \$288,613. The lessee is required to make annual fixed payments of \$19,720. The lease has an interest rate of 2.2752%. The value of the deferred inflow of resources as of December 31, 2023 was \$288,247, and St. Louis County recognized lease revenue of \$15,867 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 64 months remaining on a lease as Lessor for the use of the Ely Joint Maintenance Facility. An initial lease receivable was recorded in the amount of \$678,373. As of December 31, 2023, the value of the lease receivable was \$410,988. The lessee is required to make semi-annual fixed payments of \$69,916. The lease has an interest rate of 1.1770%. The value of the deferred inflow of resources as of December 31, 2023 was \$423,983, and St. Louis County recognized lease revenue of \$127,195 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 89 months remaining on a lease as Lessor for the use of Side Lake Tower. An initial lease receivable was recorded in the amount of \$121,901. As of December 31, 2023, the value of the lease receivable was \$87,419. The lessee is required to make annual fixed payments of \$18,000. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of December 31, 2023 was \$89,029, and St. Louis County recognized lease revenue of \$16,436 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 96 months remaining on a lease as Lessor for the use of the Duluth Wireless Communication Tower. An initial lease receivable was recorded in the amount of \$80,807. As of December 31, 2023, the value of the lease receivable was \$60,590. The lessee is required to make annual fixed payments of \$10,626. The lease has an interest rate of 1.4750%. The value of the deferred inflow of resources as of December 31, 2023 was \$60,605, and St. Louis County recognized lease revenue of \$10,101 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 96 months remaining on a lease as Lessor for the use of the Whiteface Microwave Relay Tower. An initial lease receivable was recorded in the amount of \$46,237. As of December 31, 2023, the value of the lease receivable was \$34,673. The lessee is required to make annual fixed payments of \$6,000. The lease has an interest rate of 1.0840%. The value of the deferred inflow of resources as of December 31, 2023 was \$34,677, and St. Louis County recognized lease revenue of \$5,780 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 98 months remaining on a lease as Lessor for the use of Timber Stand and Harvest (Black Spruce). An initial lease receivable was recorded in the amount of \$51,694. As of December 31, 2023, the value of the lease receivable was \$40,237. The lessee is required to make annual fixed payments of \$6,000. The lease has an interest rate of 1.0840%. The value of the deferred inflow of resources as of December 31, 2023 was \$39,034, and St. Louis County recognized lease revenue of \$6,330 during the fiscal year.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 120 months remaining on a lease as Lessor for the use of DUL Tower - ATC White Twp Land. An initial lease receivable was recorded in the amount of \$113,770. As of December 31, 2023, the value of the lease receivable was \$90,997. The lessee is required to make annual fixed payments of \$12,000. The lease has an interest rate of 1.2050%. The value of the deferred inflow of resources as of December 31, 2023 was \$91,016, and St. Louis County recognized lease revenue of \$11,377 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 89 months remaining on a lease as Lessor for the use of the Central Lakes Wireless Communication Tower. An initial lease receivable was recorded in the amount of \$120,111. As of December 31, 2023, the value of the lease receivable was \$86,284. The lessee is required to make annual fixed payments of \$18,000. The lease has an interest rate of 1.4220%. The value of the deferred inflow of resources as of December 31, 2023 was \$87,721, and St. Louis County recognized lease revenue of \$16,195 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 72 months remaining on a lease as Lessor for the use of Embarrass Tower Lease. An initial lease receivable was recorded in the amount of \$58,539. As of December 31, 2023, the value of the lease receivable was \$39,024. The lessee is required to make annual fixed payments of \$9,960. The lease has an interest rate of 0.8330%. The value of the deferred inflow of resources as of December 31, 2023 was \$39,026, and St. Louis County recognized lease revenue of \$9,757 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 72 months remaining on a lease as Lessor for the use of Cliffs Dunka Surface Lease - location 6012. An initial lease receivable was recorded in the amount of \$30,531. As of December 31, 2023, the value of the lease receivable was \$20,382. The lessee is required to make annual fixed payments of \$5,202. The lease has an interest rate of 0.8330%. The value of the deferred inflow of resources as of December 31, 2023 was \$20,354, and St. Louis County recognized lease revenue of \$5,089 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 294 months remaining on a lease as Lessor for the use of Hibbing Taconite Surface Lease - 2. An initial lease receivable was recorded in the amount of \$259,850. As of December 31, 2023, the value of the lease receivable was \$240,347. The lessee is required to make annual fixed payments of \$13,185. The lease has an interest rate of 1.6990%. The value of the deferred inflow of resources as of December 31, 2023 was \$238,685, and St. Louis County recognized lease revenue of \$10,582 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 66 months remaining on a lease as Lessor for the use of Hibbing Taconite Surface Lease - 1. An initial lease receivable was recorded in the amount of \$31,722. As of December 31, 2023, the value of the lease receivable was \$19,121. The lessee is required to make annual fixed payments of \$6,480. The lease has an interest rate of 0.8330%. The value of the deferred inflow of resources as of December 31, 2023 was \$20,302, and St. Louis County recognized lease revenue of \$5,710 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 84 months remaining on a lease as Lessor for the use of Teck Surface Lease - Priority 2. An initial lease receivable was recorded in the amount of \$669,147. As of December 31, 2023, the value of the lease receivable was \$477,917. The lessee is required to make annual fixed payments of \$98,406. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of December 31, 2023 was \$477,962, and St. Louis County recognized lease revenue of \$95,592 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 84 months remaining on a lease as Lessor for the use of Teck Surface Lease - Priority 1. An initial lease receivable was recorded in the amount of \$172,336. As of December 31, 2023, the value of the lease receivable was \$123,085. The lessee is required to make annual fixed payments of \$25,344. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of December 31, 2023 was \$123,097, and St. Louis County recognized lease revenue of \$24,619 during the fiscal year.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 84 months remaining on a lease as Lessor for the use of PolyMet Surface Lease - location 5914. An initial lease receivable was recorded in the amount of \$57,588. As of December 31, 2023, the value of the lease receivable was \$41,129. The lessee is required to make annual fixed payments of \$8,469. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of December 31, 2023 was \$41,136, and St. Louis County recognized lease revenue of \$8,227 during the fiscal year.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Principal and Interest Expected to Maturity

Fiscal Year	Governmental Activities		Total Payments
	Principal Payments	Interest Payments	
2024	\$ 402,355	\$ 35,299	\$ 437,654
2025	407,490	30,164	437,654
2026	412,702	24,952	437,654
2027	271,269	20,073	291,342
2028	259,767	16,413	276,180
2029 - 2033	313,378	47,063	360,441
2034 - 2038	164,755	24,769	189,524
2039 - 2043	136,549	8,535	145,084
2044 - 2045	25,714	656	26,370
	<u>\$ 2,393,979</u>	<u>\$ 207,924</u>	<u>\$ 2,601,903</u>

Leases Payable

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 54 months remaining on a lease as Lessee for the use of 12 PW Motor Graders. An initial lease liability was recorded in the amount of \$2,440,893. As of December 31, 2023, the value of the lease liability was \$1,233,795. St. Louis County is required to make annual fixed payments of \$652,113. The lease has an interest rate of 2.2500%. The equipment's estimated useful life was 138 months as of contract commencement. The value of the right-to-use asset as of December 31, 2023, of \$2,440,893 with accumulated amortization of \$424,503 is included with Equipment on the Lease Class activities table found below. St. Louis County has the option to purchase the equipment for \$1 each.

As of the GASB 87 implementation date of January 1, 2022, St. Louis County had 78 months remaining on a lease as Lessee for the use of the Veterans Service Center. An initial lease liability was recorded in the amount of \$33,113. As of December 31, 2023, the value of the lease liability was \$26,221. St. Louis County is required to make monthly fixed payments of \$2,432. The lease has an interest rate of 1.3000%. The building's estimated useful life was 0 months as of contract commencement. The value of the right to use asset as of December 31, 2023, of \$33,114 with accumulated amortization of \$10,188 is included with Buildings on the Lease Class activities table found below.

On April 1, 2023, St. Louis County entered into a 120-month lease as Lessee for the use of the License Center in the Miller Hill Mall. An initial lease liability was recorded in the amount of \$407,035. As of December 31, 2023, the value of the lease liability was \$381,241. St. Louis County is required to make monthly fixed payments of \$3,581. The lease has an interest rate of 2.4500%. The building's estimated useful life was 120 months as of the contract commencement. The value of the right to use asset as of December 31, 2023, of \$407,035 with accumulated amortization of \$30,528 is included with Buildings on the Lease Class activities table found below.

On March 1, 2023, St. Louis County entered into a 48-month lease as Lessee for the use of PW Enterprise 49 Vehicles. An initial lease liability was recorded in the amount of \$2,139,597. As of December 31, 2023, the value of the lease liability was \$1,684,604. St. Louis County is required to make a fixed payment of \$454,993 on March 1, 2023, at which time the annual payment increased to \$595,398. The lease has an interest rate of 7.2719%. The vehicles' estimated useful life was 84 months as of the contract commencement. The value of the right to use asset as of December 31, 2023, of \$2,139,597 with accumulated amortization of \$254,715 is included with Vehicles on the Lease Class activities table found below. St. Louis County has the option to purchase the vehicles for \$6,370 in total.

On May 1, 2023, St. Louis County entered into a 72-month lease as Lessee for the use of Storage Lease for Depot. An initial lease liability was recorded in the amount of \$215,828. As of December 31, 2023, the value of the lease liability was \$192,930. St. Louis County is required to make monthly fixed payments of \$3,208. The lease has an interest rate of 2.3260%. The building's estimated useful life was 72 months as of the contract commencement. The value of the right to use asset as of December 31, 2023, of \$215,828 with accumulated amortization of \$23,981 is included with Buildings on the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Right-to-use-leased buildings	\$ 655,977	\$ 64,697
Right-to-use leased vehicles	4,580,490	679,218
Total Leases	<u>\$ 5,236,467</u>	<u>\$ 743,915</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Principal and Interest Requirements to Maturity

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 1,176,658	\$ 143,242	\$ 1,319,900
2025	1,208,965	112,325	1,321,290
2026	625,433	59,496	684,929
2027	219,728	18,009	237,737
2028	82,060	6,066	88,126
2029-2033	205,947	10,600	216,547
	<u>\$ 3,518,791</u>	<u>\$ 349,738</u>	<u>\$ 3,868,529</u>

Subscriptions Payable

As of the GASB 96 implementation date of January 1, 2023, St. Louis County had 48 months remaining on a subscription for the use of OnBase Enterprise Agreement. An initial subscription liability was recorded in the amount of \$1,188,490. As of December 31, 2023, the value of the subscription liability is \$879,496. St. Louis County is required to make annual fixed payments of \$386,242. The subscription has an interest rate of 2.6760%. The value of the right to use asset as of December 31, 2023, of \$1,188,490 with accumulated amortization of \$297,122 is included with Software on the Subscription Class activities table found below.

On May 1, 2023, St. Louis County entered into a 44-month subscription for the use of NeoGov - Insight and Learn. An initial subscription liability was recorded in the amount of \$364,031. As of December 31, 2023, the value of the subscription liability is \$310,818. St. Louis County is required to make annual fixed payments of \$53,212. The subscription has an interest rate of 2.4670%. The value of the right to use asset as of December 31, 2023, of \$364,031 with accumulated amortization of \$66,187 is included with Software on the Subscription Class activities table found below.

On July 1, 2023, St. Louis County entered into a 36-month subscription for the use of Workforce. An initial subscription liability was recorded in the amount of \$159,353. As of December 31, 2023, the value of the subscription liability is \$104,636. St. Louis County is required to make annual fixed payments of \$54,717. The subscription has an interest rate of 3.0410%. The value of the right to use asset as of December 31, 2023, of \$159,353 with accumulated amortization of \$26,559 is included with Software on the Subscription Class activities table found below.

On July 1, 2023, St. Louis County entered into a 36-month subscription for the use of Pictometry EagleView. An initial subscription liability was recorded in the amount of \$522,023. As of December 31, 2023, the value of the subscription liability is \$342,778. St. Louis County is required to make annual fixed payments of \$179,246. The subscription has an interest rate of 3.0410%. The value of the right to use asset as of December 31, 2023, of \$522,022 with accumulated amortization of \$87,005 is included with Software on the Subscription Class activities table found below.

Amount of Subscription Assets by Major Classes of Underlying Asset

As of Fiscal Year-end		
Asset Class	Subscription Asset Value	Accumulated Amortization
Software	\$ 2,233,896	\$ 476,873

Principal and Interest Requirements to Maturity

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 594,249	\$ 42,253	\$ 636,502
2025	627,212	28,287	655,499
2026	416,267	10,898	427,165
Total	<u>\$ 1,637,728</u>	<u>\$ 81,438</u>	<u>\$ 1,719,166</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

Police and Fire Benefits

Benefits for Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis, from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis, from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of the average salary for each year of service. 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 equal 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
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 for Correctional Plan members first hired after June 30, 2010, vest on a prorated basis, from 50 percent after five years up to 100 percent after ten years of credited service. The annuity accrual rate is 1.9 percent of the average salary for each year of service in 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 equal 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. In 2023, legislation clarified that if the annual increase cap is reduced to 1 percent, there is a way to return to the 2.5 percent increase if certain criteria are met. 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.

In 2023, the legislature allocated funding for a one-time lump-sum payment to General Employee and Police and Fire Plan benefit recipients. Eligibility criteria and the payment amount are specified in the statute. The one-time payment is non-compounding towards future benefits.

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

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2023, 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, 2023, were \$8,012,743. The County's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Police and Fire members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2023, 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, 2023, were \$1,918,595. The County's contributions were equal to the required contributions as set by state statute.

Correctional Fund Contributions

Correctional Plan members were required to contribute 5.83 percent of their annual covered salary in fiscal year 2023, 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, 2023, were \$458,414. 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, 2023, the County reported a liability of \$72,504,420 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 \$1,998,631.

The net pension liability was measured as of June 30, 2023, 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, 2022, through

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion was 1.2966 percent at the end of the measurement period and 1.3052 percent at the beginning of the period.

County's proportionate share of net pension liability	\$ 72,504,420
State of Minnesota's proportionate share of the net pension liability associated with the County	<u>1,998,631</u>
Total	<u><u>\$ 74,503,051</u></u>

For the year ended December 31, 2023, the County recognized a pension expense of \$11,553,742 as its proportionate share of the General Employees Plan's pension expense. In addition, the County recognized an additional \$207,456 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, 2023, 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	\$ 2,381,073	\$ 499,473
Changes in actuarial assumptions	11,737,452	19,872,852
Net collective difference between projected and actual investment earnings	-	2,711,416
Changes in proportion	442,478	1,098,710
Contributions paid to PERA subsequent to the measurement date	<u>4,046,489</u>	<u>-</u>
Total	<u><u>\$ 18,607,492</u></u>	<u><u>\$ 24,182,451</u></u>

The \$4,046,489 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, 2024. 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
2024	\$ 1,714,427
2025	(11,325,940)
2026	1,562,930
2027	(1,572,865)

Police and Fire Fund Pension Costs

As of December 31, 2023, the County reported a liability of \$13,431,595 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, 2023, 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, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.7778% at the end of the measurement period and 0.8018% at the beginning of the period.

County's proportionate share of net pension liability	\$ 13,431,595
State of Minnesota's proportionate share of the net pension liability associated with the County	<u>541,014</u>
Total	<u><u>\$ 13,972,609</u></u>

The State of Minnesota contributed \$18 million to the Police and Fire Fund for the plan's fiscal year ending June 30, 2023. The contribution consisted of \$9 million in direct state aid that meets 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, 2022. 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 percent

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

funded or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the County totaled 541,014.

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. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2023, the County recognized a pension expense of \$3,846,286 for its proportionate share of the Police and Fire Plan's pension expense. The County recognized \$70,002 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 \$70,002 for the year ended December 31, 2023, 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, 2023, 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	\$ 3,703,541	\$ -
Changes in actuarial assumptions	15,586,278	18,884,981
Net collective difference between projected and actual investment earnings	-	644,782
Changes in proportion	514,649	921,931
Contributions paid to PERA subsequent to the measurement date	986,358	-
Total	<u>\$ 20,790,826</u>	<u>\$ 20,451,694</u>

The \$986,358 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, 2024. 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
2024	\$ 496,737
2025	(74,501)
2026	3,184,591
2027	(861,908)
2028	(3,392,145)

Correctional Plan Pension Costs

As of December 31, 2023, the County reported a liability of \$933,031 for its proportionate share of the Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2023, 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 paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions from all of PERA's participating employers. The County's proportionate share was 2.0640% at the end of the measurement period and 1.9960% at the beginning of the period.

For the year ended December 31, 2023, the County recognized a pension expense of \$782,914 for its proportionate share of the Correctional Plan's pension expense.

As of December 31, 2023, 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:

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 359,356	\$ 81,930
Changes in actuarial assumptions	2,221,606	4,256,602
Net collective difference between projected and actual investment earnings	-	119,218
Changes in proportion	60,537	594
Contributions paid to PERA subsequent to the measurement date	237,943	-
Total	<u>\$ 2,879,442</u>	<u>\$ 4,458,344</u>

The \$237,943 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, 2024. 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
2024	\$ 24,480
2025	(2,215,751)
2026	472,885
2027	(98,459)

Total Pension Expense

The total pension expense for all plans recognized by the County for the year ended December 31, 2023, was \$16,460,400.

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 Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	<u>100%</u>	

Actuarial Methods and Assumptions

The total pension liability for the June 30, 2023, 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 7.0 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 reasonable by the actuary. An investment return of 7.0 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan, Police and Fire Plan, and the Correctional Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan, 1 percent for the Police and Fire Plan, and 2 percent for the Correction Plan.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11.0 percent at age 20 to 3.0 percent at age 60.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. 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 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan and the Correctional Plan were completed in 2020, 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 2023:

General Employees Fund

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.5 percent to 7.0 percent.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirement on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.5 percent to 7.0 percent.
- The single discount rate changed from 5.4 percent to 7.0 percent.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$19.4 million was contributed to the Plan on October 1, 2023.
- The vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years, increasing incrementally to 100 percent after 10 years.
- A one-time, non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

Correctional Fund

Changes in Actuarial Assumptions:

- The investment return rate was changed from 6.5 percent to 7.0 percent.
- The single discount rate changed from 5.42 percent to 7.0 percent.

Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$5.3 million was contributed to the plan on October 1, 2023.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- The maximum benefit increase will revert back to 2.5 percent. The maximum increase is 1.5 percent, and the Plan's funding ratio improves to 85 percent for two consecutive years on a market value of assets basis.

Discount Rate

The discount rate used to measure the total pension liability in 2023 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers would be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees, Police and Fire and

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Correctional Plans 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	6.00%	\$ 128,266,142	6.00%	\$ 26,649,886	6.00%	\$ 4,918,120	
Current Discount Rate	7.00%	72,504,420	7.00%	13,431,595	7.00%	933,031	
1% Higher	8.00%	26,638,284	8.00%	2,564,391	8.00%	(2,246,561)	

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 Defined Contribution 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 five percent 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 2023 were:

Contribution Amount		Contribution Amount		Required
Employee	Employer	Employee	Employer	Rate
\$ 25,433	\$ 25,433	5%	5%	5%

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 retired population, retirees are receiving an implicit rate subsidy.

St. Louis County has 1,675 participants. There are 1,588 active participants, 73 retired participants, and 14 spouses. There were no inactive employees who 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 \$144,418 as an explicit subsidy

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 vary by contract and date of retirement. The County is funding this liability on a pay-as-you-go basis. For the fiscal year ended in 2023, the county contributed \$991,499 to the plan.

Actuarial Methods and Assumptions

The County's OPEB liability was measured as of December 31, 2023, and the total OPEB liability was determined by an actuarial valuation as of January 1, 2022.

The total OPEB liability was determined by an actuarial valuation as of January 1, 2022, using the following actuarial assumptions, which were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary Increases	Service graded table
Health Care Trend Rates	6.5% decreasing to 4.0% over 53 years

Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

Since the plan is not funded by an irrevocable trust, the discount rate is set by reviewing 20-year municipal bond yields. The municipal bond rate assumption was set by considering published rate information for 20-year high-quality, tax-exempt, general obligation municipal bonds as of the Measurement Date.

The salary scale used to value GASB 75 liabilities is similar to the tables used to value pension liabilities for Minnesota public employees. The rates are based on the most recent four-year experience study for the Public Employees Retirement Association of Minnesota Police and Fire Plan, completed in 2020, and the four-year experience study for the Public Employees Retirement Association of Minnesota General Employees Plan, completed in 2019, and a review of the inflation assumption.

The long-term inflation assumption has been chosen based on a review of historical changes in the Consumer Price Index (CPI). Published projections of future inflation rates were also considered.

The medical trend rates have been chosen based on a review of historical health care increase rates, projected health care increase rates, and projected health care expenditures as a percentage of GDP. The components of health care costs were considered when developing the aggregate set of trend rates.

The mortality rates used are from recent tables developed and recommended by the Society of Actuaries.

The retirement and withdrawal assumptions used to value GASB 75 liabilities are similar to those used to value pension liabilities for Minnesota public employees. The rates are based on the Public Employees Retirement Association of Minnesota's actuarial experience studies. The most recent four-year experience study for the General Employees Plan was completed in 2019. The most recent four-year experience study for the Police and Fire Plan was completed in 2020.

Plan disability benefits are of similar value to other plan benefits. Therefore, disability incidence is presumed to be included in retirement and withdrawal incidence.

The plan participation percentages for retirees and their spouses reflect past, current, and expected future expectations of medical plan enrollment for current actives and retirees. These amounts are adjusted to reflect population changes, differences in actual versus expected liabilities, and changes in enrollment/participation patterns.

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

For the year ending December 31, 2023:

- The discount rate was changed from 4.00% to 3.70%.

For the year ending December 31, 2022:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General and Safety) with the MP-2019 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General and Safety) with the MP-2021 Generational Improvement Scale.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

- The salary increase rates were updated to reflect the latest experience study.
- The retirement and withdrawal rates were updated to reflect the latest experience study.
- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.00% to 4.00%.

Changes in the Total OPEB Liability

Balance January 1, 2023	\$ 14,828,201
Changes for the year	
Service cost	1,073,759
Interest	616,443
Assumption changes	276,621
Benefit payments	(991,499)
Net Change	<u>975,324</u>
Balance December 31, 2023	<u><u>\$ 15,803,525</u></u>

Of the \$15,803,525 total OPEB liability, \$1,083,067 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 2.7%	Discount Rate 3.7%	1% Increase 4.7%
OPEB Liability	\$ 16,940,240	\$ 15,803,525	\$ 14,740,934

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	\$ 14,012,975	\$ 15,803,525	\$ 17,921,810

As of December 31, 2023, the County reported its proportionate share of the OPEB's deferred outflows of resources and deferred inflows of resources.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Losses	\$ 3,409,048	\$ -
Change of Assumptions	990,618	1,812,216
Liability Gains	-	541
Total	<u><u>\$ 4,399,666</u></u>	<u><u>\$ 1,812,757</u></u>

Year Ending December 31	Future Recognition
2024	\$ 1,090,087
2025	1,043,491
2026	203,614
2027	203,616
2028	46,101
Total	<u><u>\$ 2,586,909</u></u>

For the year ended December 31, 2023, the County recognized an OPEB expense of \$2,745,213.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Interfund Receivables, Payables, Advances, and Transfers

The composition of interfund transfers during the year ended December 31, 2023, is as follows:
Interfund Receivables/Payables (for deficit cash balances):

Receivable Fund	Payable Fund	Amount
General	Northeast Minnesota Housing Consortium	\$ 174,158

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

Receivable Fund	Payable Fund	Amount
Capital Projects	County Garage	\$ 1,537,370

Interfund Transfers:

Fund Transferred To	Fund Transferred From	Purpose	Amount
Major Funds			
General	Road and Bridge	Road restriction enforcement, aerial imagery	\$ 46,000
	Mary C. Murphy	Natural resource improvements, environmental enforcement, education	373,022
	Forest Resources	GIS project, aerial imagery	116,000
	Medical/Dental Insurance	Health and wellness reimbursement	395,459
	Forfeited Tax Sale	Blight program	650,598
	Capital Projects	Depot building projects, asset sales	105,002
	County Garage	Asset sales	9,461
Road and Bridge	General	Corner Certificate Program, reduction in state funding, year-end savings for capital projects	3,940,000
	Capital Projects	Equipment purchases	200,000
Forfeited Tax Sale	General	Mine fencing	2,430
Capital Projects	General	County Program Aid, building projects	3,128,900
	Road and Bridge	Building projects	8,800,000
	Forest Resources	Road maintenance	42,995
	County Garage	Asset sales	175,671
Environmental Services	Mary C. Murphy	Recycling upgrades	200,000
	Pandemic Response	Leachate treatment system, broadband	1,243,933
Nonmajor Funds			
Debt Service	Road and Bridge	Bond payment	6,860,431
Septic Services	Mary C. Murphy	Forgivable septic loans, on-site wastewater operations	596,466
Property, Casualty, and Liability Insurance	Workers' Compensation Insurance	Align funding with needs	1,370,000
	Total		\$ 28,256,368

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

	Future Year Budget	Encumbrances	Cash Flow	Future Unallotment	Total
Unassigned					
General	\$ 979,254	\$ -	\$ 39,581,760	\$ 3,400,997	\$ 43,962,011
Assigned					
Road and Bridge	348,274	2,097,768	7,670,910	-	10,116,952
Public Health and Human Services	-	2,337,773	22,943,947	-	25,281,720
Total	<u>\$ 1,327,528</u>	<u>\$ 4,435,541</u>	<u>\$ 70,196,617</u>	<u>\$ 3,400,997</u>	<u>\$ 79,360,683</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, 2023, the maximum amounts, actual amounts, and percentage funded are shown below. The future unallotment is calculated based on the required departmental savings due to state unallotments.

	Cash Flow		
	Maximum Amount	Actual Amount	Percentage Funded
General	\$ 43,549,246	\$ 39,581,760	90.89%
Road and Bridge	12,177,897	7,670,910	62.99%
Public Health and Human Services Fund	25,493,274	22,943,947	90.00%

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 2022 (the most recent available year), county contributions were in the following proportion:

Carlton County	9.81%
Cook County	1.58%
Koochiching County	4.29%
Lake County	2.96%
St. Louis County	81.36%
Total	<u>100.00%</u>

St. Louis County provided \$17,483,776 in funding during 2023. 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, 2022 (the most recent available) is:

Total Assets	\$	29,674,517
Deferred Outflows		9,743,103
Total Liabilities		26,859,835
Deferred Inflows		1,196,718
Total Net Position		11,361,067
Total Program and General Revenues		30,978,968
Total Expenses/Uses		32,031,219
Change in Net Position		(1,052,251)

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 under 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. The 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 2023.

A summary of the financial information from the Community Health Services Board's Government-Wide Financial Statements for December 31, 2022 (the most recent available) is:

Total Assets	\$ 1,572,673
Deferred Outflows	108,129
Total Liabilities	1,848,033
Deferred Inflows	32,682
Total Net Position	(199,913)
Total Program and	
General Revenues	6,959,772
Total Expenses	6,985,702
Change in Net Position	(25,930)

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 2023.

A summary of the financial information from the Regional Railroad Authority's Government-Wide Financial Statements for December 31, 2022 (the most recent available) is:

Total Assets	\$ 38,390,377
Deferred Outflows	132,537
Total Liabilities	1,713,444
Deferred Inflows	82,591
Total Net Position	36,726,879
Total Revenues	7,054,488
Total Expenses	3,425,329
Change in Net Position	3,629,159

Separate financial information can be obtained from:

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 "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 Financial Statements for June 30, 2023 is:

Total Assets	\$ 1,854,514
Deferred Outflows	608,368
Total Liabilities	3,102,151
Deferred Inflows	138,946
Total Net Position	(778,215)
Total Revenues	4,658,249
Total Expenses	4,728,393
Change in Net Position	(70,144)

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, 2023 is:

Total Assets	\$ 68,993
Total Liabilities	887
Total Net Position	68,106
Total Revenues	21,000
Total Expenses	17,104
Change in Net Position	3,896

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

Minnesota Counties Information Systems (MCIS)

The Counties of Aitkin, Carlton, Cass, Chippewa, Cook, Itasca, Kanabec, 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 twelve-member board composed of a member appointed by each of the participating counties' boards of commissioners. Financing is obtained through user charges made to members. Cass County is the fiscal agent for MCIS.

A summary of the financial information from the Minnesota Counties Information System's Government-Wide Financial Statements for December 31, 2022 (the most recent available) is:

Total Assets	\$	1,838,176
Total Deferred Outflows		567,908
Total Liabilities		1,264,505
Total Deferred Inflows		25,400
Total Net Position		1,116,179
Total Revenues		3,162,539
Total Expenses		3,048,876
Change in Net Position		113,663

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, ISD 709, ISD 704, 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 2023. 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, 2023 is:

Total Assets	\$	1,267,450
Total Liabilities		172,919
Total Net Position		1,094,531
Total Revenues		399,928
Total Expenses		404,424
Change in Net Position		(4,496)

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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, ISD 605, ISD 696, ISD 698, ISD 701, ISD 2711, ISD 712, ISD 707, ISD 2909, ISD 2142, Northland Learning Center, and Arrowhead Regional Corrections. 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 2023. St. Louis County is the fiscal agent for the Collaborative, which is accounted for in the Local Collaborative Time Study Custodial Fund. A summary of the financial information of the Collaborative for the year ended December 31, 2023 is:

Total Assets	\$ 1,079,846
Total Liabilities	64,020
Total Net Position	1,015,826
Total Revenue	390,940
Total Expenses	284,450
Change in Net Position	106,490

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 is comprised of 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, 2022 (the most recent available) is:

Total Assets	\$ 27,683
Total Liabilities	18,235
Total Net Position	9,448
Total Revenues	103,200
Total Expenses	138,461
Change in Net Position	(35,261)

Separate financial information can be obtained from:

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 \$1,689 in funding to this organization in 2023.

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 \$210,654 in funding to this organization in 2023.

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 are comprised of 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 financial activity. It is accounted for in the General Fund. This agreement will continue until it is 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 January 1, 2018. This agreement will govern the application for, solicitation of, and administration of funds received for the purposes 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, 2023. 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 under 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 purposes 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 Joint Powers 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. St. Louis County contributed \$44,100, Koochiching County contributed \$9,450, and Lake County contributed \$9,450 to the Northeast Regional ATV Trail Joint Powers Board's 2023 budget. 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 it on 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. On August 8, 2023, the St. Louis County Board approved Resolution No. 23-434, agreeing to be the fiscal agent on a state direct appropriation. These grants allow Crane Lake to build a visitor center and campground near Voyageurs National Park in the amount of \$7.7 million. 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
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 County's financial statements.

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 2023, the County abated \$710,743 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 (ST Paper) - Assist the City in financing for the ST Paper 1, LLC plan to convert the existing Verso paper mill facility into a new tissue paper manufacturing plant and associated development costs for the site	14.00%	\$ 99,511
City of Duluth (Costco) - Assist the City with completing public infrastructure improvements related to the development of the Costco Wholesale Store.	21.32%	151,503
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.	16.51%	117,341
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.	4.91%	34,890
City of Duluth (Cirrus Aircraft) - Assist with the plan to convert the existing Maintenance, Repair and Overhaul (MRO) building at the Duluth International Airport to expand its corporate headquarters, operations, and production facility at the Duluth International Airport.	15.78%	112,150
City of Virginia (P & H Mine Pro (Joy Global)) - Assist in the lease of property for the construction of a new facility.	1.41%	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.	24.44%	173,738
City of Hibbing (L & M Radiator) - Assist in the expansion with the construction of a new manufacturing building adjacent to and connected to its existing main building.	1.63%	11,610
		<u>\$ 710,743</u>

The City of Duluth (ST Paper 1, LLC) was approved for a tax abatement to assist the City in financing for the ST Paper plan to convert the existing Verso paper mill into a new tissue paper manufacturing plant and associated site development costs for a site located at 100 North Central Avenue in Duluth. This will benefit the public with the creation of new full-time jobs, potential spin-off development, and support services. The agreement commences with real estate taxes payable in the year 2023, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

\$600,000. ST Paper 1, LLC, will pay the assessed property taxes as they are 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 portion on line 6 of the tax statements each year. The City is obligated to certify that eligible development costs of at least \$600,000 have been paid by ST Paper 1, LLC.

The City of Virginia (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 to 2023 and will abate \$100,000 over the ten-year period at \$10,000 per year. P & H will pay the assessed property taxes as they are 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, including 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 \$860,000. Mills Fleet Farm will pay the assessed property taxes as they are 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.

The City of Hibbing (L & M Radiator) was approved for a tax abatement to assist the business with the construction of a new manufacturing building adjacent to 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 \$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 the assessed property taxes as they are 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 \$650,000. Costco Wholesale Corporation will pay the assessed property taxes as they are 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 \$400,000. CityView Flats, LLC, will pay the assessed property taxes as they are 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 \$300,000. Roers Lake & First Street LLC will pay the assessed property taxes as they are 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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

The City of Duluth (Cirrus Aircraft) was approved for a tax abatement to assist the City and Cirrus Aircraft with the plan to convert the existing Maintenance, Repair, and Overhaul (MRO) building at the Duluth International Airport to expand its corporate headquarters, operations, and production facility at the Duluth International Airport. The public benefits gained by the creation of new full-time jobs, potential spin-off development and support services, development of unused or underutilized real property, and other benefits exceed the costs of the tax abatement. The agreement commences with real estate taxes payable in the year 2023, with the County remitting all Tax Abatement Financing (TAF) proceeds until the total amount of TAF proceeds received by the City equals \$600,000. Cirrus Aircraft will pay the assessed property taxes as they are 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 \$600,000 have been paid by Cirrus Aircraft.

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 \$5.6 million in tax abatements paid in 2023, \$3.0 million was to promote redevelopment and economic development, and \$2.6 million was to promote housing. Currently, the County is collecting tax increments paid through the property tax collection process. 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 property value after the improvements are made.

Purpose	Name	City	Percentage of Increment Collected to be Returned	Decertification Date	Excess Increment Paid 2023
Housing	TIF District 73	Orr	100%	12/31/2024	\$ 6,107
Redevelopment	TIF District 84	Duluth	100%	12/31/2027	120,437
Redevelopment	TIF District 87	Chisholm	100%	12/31/2030	1,968
Housing	TIF District 90	Duluth	100%	12/31/2030	1,599,139
Housing	TIF District 91	Duluth	100%	12/31/2030	48,253
Housing	TIF District 92	Duluth	100%	12/31/2031	423,287
Housing	TIF District 93	Tower	100%	12/31/2031	24,462
Housing	TIF District 94	Duluth	100%	12/31/2033	63,538
Housing	TIF District 95	Duluth	100%	12/31/2032	38,345
Housing	TIF District 96	Duluth	100%	12/31/2033	92,536
Housing	TIF District 98	Duluth	100%	12/31/2034	22,980
Housing	TIF District 102	Duluth	100%	12/31/2038	26,598
Redevelopment	TIF District 103	Hibbing	100%	12/31/2041	75,780
Redevelopment	TIF District 104	Duluth	100%	12/31/2040	1,082,848
Redevelopment	TIF District 105	Duluth	100%	12/31/2042	553,802
Housing	TIF District 106	Duluth	100%	12/31/2041	25,571
Redevelopment	TIF District 107	Hermantown	100%	12/31/2041	151,405
Redevelopment	TIF District 108	Duluth	100%	12/31/2042	292,639
Redevelopment	TIF District 109	Duluth	100%	12/31/2043	447,171
Redevelopment	TIF District 110	Duluth	100%	12/31/2043	290,067
Economic Development	TIF District 111	Mountain Iron	100%	12/31/2026	15,146
Economic Development	TIF District 112	Mountain Iron	100%	12/31/2028	10,762
Housing	TIF District 114	Duluth	100%	12/31/2047	91,798
Housing	TIF District 115	Duluth	100%	12/31/2047	52,977
Housing	TIF District 120	Duluth	100%	12/31/2037	40,054
					<u>\$ 5,597,670</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

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, 2023, as it would need to be determined through the legal system.

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 in 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 pledges 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 that 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 894,000 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 June 20, 2024, the County declared a State of Local Disaster due to flash flooding that began with heavy rainfall on June 18th, 2024. The flooding happened throughout St. Louis County, with the most severe flooding occurring in central parts of the County, including the communities of Hibbing, Chisholm, Virginia, Biwabik, Ely and Cook. The County, Cities, Townships, and electrical co-ops are actively compiling damage and impact assessment to determine overall cost of damage and eligibility for state public disaster assistance.

Effects of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following standards. When they become effective, the application of these standards may restate portions of these financial statements.

Statement No. 100 Accounting Changes and Error Corrections
Statement No. 101 Compensated Absences
Statement No. 102 Certain Risk Disclosures
Statement No. 103 Financial Reporting Model Improvements

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%
December 31, 2022	7,517,606	7,517,606	-	100,234,749	7.50%
December 31, 2023	8,012,743	8,012,743	-	106,836,577	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 (Percentage) of the Net Pension Liability (Asset)	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%
June 30, 2022	1.3052%	103,372,271	3,030,646	106,402,917	97,759,406	105.74%	76.67%
June 30, 2023	1.2966%	72,504,420	1,998,631	74,503,051	103,109,137	70.32%	83.10%

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%
December 31, 2022	1,757,838	1,757,838	-	9,931,288	17.70%
December 31, 2023	1,918,595	1,918,595	-	10,839,522	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%
June 30, 2022	0.8018%	34,891,169	1,524,190	36,415,359	9,740,935	358.19%	70.53%
June 30, 2023	0.7778%	13,431,595	541,014	13,972,609	10,213,786	131.50%	86.47%

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%
December 31, 2022	397,140	397,140	-	4,538,738	8.75%
December 31, 2023	458,414	458,414	-	5,239,011	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%
June 30, 2022	1.99%	6,636,033	4,385,633	151.31%	74.58%
June 30, 2023	2.06%	933,031	4,839,607	19.28%	95.94%

* 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, 2023

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service Cost	\$ 539,833	\$ 493,695	\$ 592,423	\$ 1,035,980	\$ 995,723	\$ 1,073,759
Interest	332,276	372,366	267,565	292,253	280,596	616,443
Assumption Changes	(58,329)	119,176	1,776,198	-	(2,682,579)	276,621
Plan Changes	-	-	-	(842,912)	-	-
Differences between projected and actual experience	(1,329)	1,087	2,967,280	-	3,627,641	-
Benefit payments	(1,066,390)	(917,916)	(1,193,172)	(1,203,781)	(850,296)	(991,499)
Other changes	(322,750)	625,513	-	-	-	-
Net change in total OPEB liability	\$ (576,689)	\$ 693,921	\$ 4,410,294	\$ (718,460)	\$ 1,371,085	\$ 975,324
Total OPEB Liability - Beginning	\$ 9,648,050	\$ 9,071,361	\$ 9,765,282	\$ 14,175,576	\$ 13,457,116	\$ 14,828,201
Total OPEB Liability - Ending	<u>\$ 9,071,361</u>	<u>\$ 9,765,282</u>	<u>\$ 14,175,576</u>	<u>\$ 13,457,116</u>	<u>\$ 14,828,201</u>	<u>\$ 15,803,525</u>
Covered employee payroll	\$ 96,989,030	\$ 100,099,354	\$ 108,534,286	\$ 102,766,544	\$ 104,106,977	\$ 106,970,549
Total OPEB liability (asset) as a percentage of covered employee payroll	9.4%	9.8%	13.1%	13.1%	14.2%	14.8%

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023

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

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.50 percent to 7.00 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Changes in Plan Provisions

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

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 have been 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.
- 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

- 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 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.
- 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 \$16.0 million in 2017 and 2018 and \$6.0 million 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

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 Plan

2023 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 6.50 percent to 7.00 percent.
- The single discount rate was changed from 5.4 percent to 7.0 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.
- The vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years, increasing incrementally to 100 percent after ten years.
- A one-time, non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- A total and permanent duty disability benefit was added, effective July 1, 2023.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

Changes in Plan Provisions

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

2021 Changes

Changes in Actuarial Assumptions

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

- 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.
- 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 applied.

Changes in Plan Provisions

- There have been 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 have been 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

- Annual 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 reaches 100 percent funding, or July 1, 2048, if earlier.
- Member contributions were changed 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 were changed 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 decreased 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

- 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 that proposed rates 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.
- 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.
- Assumed termination rates were reduced to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members decreased from 65% to 60%.
- 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 have been 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%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

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

2015 Changes

Changes in Actuarial Assumptions

- The assumed annual 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 annual 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

Correctional Plan

2023 Changes

Changes in Actuarial Assumptions

- The investment return rate was changed from 6.50 percent to 7.00 percent.
- The single discount rate changed from 5.42 percent to 7.00 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$5.3 million will be contributed to the Plan on October 1, 2023.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- The maximum benefit increase will revert back to 2.5 percent if the maximum increase is 1.5 percent and the Plan's funding ratio improves to 85 percent for two consecutive years on a market value of assets basis.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The discount rate changed from 6.50% to 5.42%.
- The benefit increase assumption was changed from 2.00% per annum to 2.00% per annum through December 31, 2054, and 1.5% per annum thereafter.

Changes in Plan Provisions

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

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent for financial reporting purposes.
- 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 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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

- 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 annual 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.
- Interest credited on member contributions decreased 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.

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 improvements 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

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.

Other Postemployment Benefits

Assets have not been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

2023

- The discount rate was changed from 4.00% to 3.70%.

2022

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with the MP-2019 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with the MP-2021 Generational Improvement Scale.
- The salary increase rates were updated to reflect the latest experience study.
- The retirement and withdrawal rates were updated to reflect the latest experience study.
- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.00% to 4.00%.

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 employees 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 until age 65.
- The discount rate was changed from 2.74% to 2.00%.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
CONTINUED

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.

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.

Opioid Remediation - This fund is used to account for the opioid abatement dollars that are the result of court settlements.

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 Funds

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.

Mary C. Murphy Trust Fund - This fund is used to report resources that are legally restricted. Per State Statute 375.475, updated in 2023, St. Louis County may use up to 50 percent of the principal in an environmental trust fund in calendar years 2023, 2024, and 2025 and up to ten percent annually thereafter for renewable and climate change-related economic development and environmental projects in the County that protect the environment or create clean economy jobs and manufacturing. The County must leave a minimum of \$10 million as principal in the account.

Scholarship Fund - This fund is used to account for a scholarship program. State Statute 298.2215 allows the County to establish a scholarship program with unencumbered revenue received pursuant to sections 298.018, 298.28, 298.39, 298.39, 298.396 or 298.405 or any law imposing a tax upon severed mineral values. The scholarship must be used at a two-year Minnesota State College or University within the County. An applicant for a scholarship must be a resident of the County at the time of the applicant's high school graduation.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Special Revenue Funds		
	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
ASSETS			
Cash and cash equivalents	\$ 961,161	\$ 309	\$ -
Investments	-	-	-
Delinquent taxes receivable	5,333	-	-
Loans receivable	1,100,000	-	-
Due from other governments	-	424,922	323,333
Total Assets	2,066,494	425,231	323,333
LIABILITIES			
Accounts payable	-	215,743	149,175
Accrued payroll	-	10,828	-
Interfund payable	-	-	174,158
Due to other governments	-	198,660	-
Unearned revenue	-	-	-
Total Liabilities	-	425,231	323,333
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			
Taxes	4,437	-	-
Grants	-	-	-
Total Deferred Inflows of Resources	4,437	-	-
FUND BALANCES			
Nonspendable			
Mary Murphy trust	-	-	-
Scholarships	-	-	-
Total Nonspendable	-	-	-
Restricted			
Health and sanitation	-	-	-
Debt service	-	-	-
Improvement of natural resources	-	-	-
Outstanding loans	1,100,000	-	-
Opioid remediation	-	-	-
Total Restricted	1,100,000	-	-
Committed			
Health and sanitation	-	-	-
Conservation of natural resources	-	-	-
Economic development	962,057	-	-
Retiree obligations	-	-	-
Vesting sick leave	-	-	-
Total Committed	962,057	-	-
Assigned			
Conservation of natural resources	-	-	-
Total Fund Balance	2,062,057	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,066,494	\$ 425,231	\$ 323,333

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Special Revenue Funds			
	Septic Services	Opioid Remediation	Forest Resources	Total
ASSETS				
Cash and cash equivalents	\$ 1,623,453	\$ 2,207,304	\$ 7,476,303	\$ 12,268,530
Investments	-	-	-	-
Delinquent taxes receivable	-	-	-	5,333
Loans receivable	1,121,415	-	-	2,221,415
Due from other governments	218,304	-	25,353	991,912
Total Assets	2,963,172	2,207,304	7,501,656	15,487,190
LIABILITIES				
Accounts payable	144,188	137,473	3,445	650,024
Accrued payroll	26,400	-	-	37,228
Interfund payable	-	-	-	174,158
Due to other governments	-	-	-	198,660
Unearned revenue	54,919	-	-	54,919
Total Liabilities	225,507	137,473	3,445	1,114,989
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Taxes	-	-	-	4,437
Grants	44,790	-	25,353	70,143
Total Deferred Inflows of Resources	44,790	-	25,353	74,580
FUND BALANCES				
Nonspendable				
Mary Murphy trust	-	-	-	-
Scholarships	-	-	-	-
Total Nonspendable	-	-	-	-
Restricted				
Health and sanitation	706,110	-	-	706,110
Debt service	48,757	-	-	48,757
Improvement of natural resources	-	-	-	-
Outstanding loans	-	-	-	1,100,000
Opioid remediation	-	2,069,831	-	2,069,831
Total Restricted	754,867	2,069,831	-	3,924,698
Committed				
Health and sanitation	1,804,783	-	-	1,804,783
Conservation of natural resources	-	-	7,311,822	7,311,822
Economic development	-	-	-	962,057
Retiree obligations	128,609	-	-	128,609
Vesting sick leave	4,616	-	-	4,616
Total Committed	1,938,008	-	7,311,822	10,211,887
Assigned				
Conservation of natural resources	-	-	161,036	161,036
Total Fund Balance	2,692,875	2,069,831	7,472,858	14,297,621
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,963,172	\$ 2,207,304	\$ 7,501,656	\$ 15,487,190

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Debt Service Fund	Mary C Murphy Trust Fund	Scholarship Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,498,452	\$ 2,986,840	\$ 1,384,361	\$ 19,138,183
Investments	-	23,810,206	-	23,810,206
Delinquent taxes receivable	185,263	-	-	190,596
Loans receivable	-	-	-	2,221,415
Due from other governments	-	-	-	991,912
Total Assets	<u>2,683,715</u>	<u>26,797,046</u>	<u>1,384,361</u>	<u>46,352,312</u>
LIABILITIES				
Accounts payable	-	-	-	650,024
Accrued payroll	-	-	-	37,228
Interfund payable	-	-	-	174,158
Due to other governments	-	-	-	198,660
Unearned revenue	-	-	-	54,919
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,114,989</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Taxes	160,265	-	-	164,702
Grants	-	-	-	70,143
Total Deferred Inflows of Resources	<u>160,265</u>	<u>-</u>	<u>-</u>	<u>234,845</u>
FUND BALANCES				
Nonspendable				
Mary Murphy trust	-	23,810,206	-	23,810,206
Scholarships	-	-	1,384,361	1,384,361
Total Nonspendable	<u>-</u>	<u>23,810,206</u>	<u>1,384,361</u>	<u>25,194,567</u>
Restricted				
Health and sanitation	-	-	-	706,110
Debt service	2,523,450	-	-	2,572,207
Improvement of natural resources	-	2,986,840	-	2,986,840
Outstanding loans	-	-	-	1,100,000
Opioid remediation	-	-	-	2,069,831
Total Restricted	<u>2,523,450</u>	<u>2,986,840</u>	<u>-</u>	<u>9,434,988</u>
Committed				
Health and sanitation	-	-	-	1,804,783
Conservation of natural resources	-	-	-	7,311,822
Economic development	-	-	-	962,057
Retiree obligations	-	-	-	128,609
Vesting sick leave	-	-	-	4,616
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,211,887</u>
Assigned				
Conservation of natural resources	-	-	-	161,036
Total Fund Balance	<u>2,523,450</u>	<u>26,797,046</u>	<u>1,384,361</u>	<u>45,002,478</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 2,683,715</u>	<u>\$ 26,797,046</u>	<u>\$ 1,384,361</u>	<u>\$ 46,352,312</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds		
	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
REVENUES			
Taxes	\$ 230,176	\$ -	\$ -
Intergovernmental	550	1,822,429	935,779
Charges for services	-	-	-
Earnings on investments	-	-	-
Miscellaneous	-	-	-
Total Revenues	230,726	1,822,429	935,779
EXPENDITURES			
Current:			
Health and sanitation	-	-	-
Human services	-	-	-
Conservation of natural resources	-	-	-
Economic development	282,933	1,822,429	935,779
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	282,933	1,822,429	935,779
Excess (deficiency) of revenues over (under) expenditures	(52,207)	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	-	-
Loan proceeds	-	-	-
Total other financing sources and (uses)	-	-	-
Net change in fund balances	(52,207)	-	-
Fund Balance - January 1	2,114,264	-	-
Fund Balance - December 31	\$ 2,062,057	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds			
	Septic Services	Opioid Remediation	Forest Resources	Total
REVENUES				
Taxes	\$ -	\$ -	\$ 571,762	\$ 801,938
Intergovernmental	98,640	-	358,779	3,216,177
Charges for services	311,132	-	-	311,132
Earnings on investments	7,479	107,560	-	115,039
Miscellaneous	120	440,351	109,058	549,529
Total Revenues	417,371	547,911	1,039,599	4,993,815
EXPENDITURES				
Current:				
Health and sanitation	1,014,170	-	-	1,014,170
Human services	-	616,329	-	616,329
Conservation of natural resources	-	-	648,773	648,773
Economic development	-	-	-	3,041,141
Debt service:				
Principal	38,600	-	-	38,600
Interest and other charges	-	-	-	-
Total expenditures	1,052,770	616,329	648,773	5,359,013
Excess (deficiency) of revenues over (under) expenditures	(635,399)	(68,418)	390,826	(365,198)
OTHER FINANCING SOURCES (USES)				
Transfers in	596,466	-	-	596,466
Transfers (out)	-	-	(158,995)	(158,995)
Loan proceeds	77,162	-	-	77,162
Total other financing sources and (uses)	673,628	-	(158,995)	514,633
Net change in fund balances	38,229	(68,418)	231,831	149,435
Fund Balance - January 1	2,654,646	2,138,249	7,241,027	14,148,186
Fund Balance - December 31	\$ 2,692,875	\$ 2,069,831	\$ 7,472,858	\$ 14,297,621

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Debt Service Fund	Mary C Murphy Trust Fund	Scholarship Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 6,425,986	\$ -	\$ 1,384,361	\$ 8,612,285
Intergovernmental	230,026	-	(200,000)	3,246,203
Charges for services	-	-	-	311,132
Earnings on investments	-	3,827,018	-	3,942,057
Miscellaneous	-	-	-	549,529
Total Revenues	6,656,012	3,827,018	1,184,361	16,661,206
EXPENDITURES				
Current:				
Health and sanitation	-	-	-	1,014,170
Human services	-	-	-	616,329
Conservation of natural resources	-	5,622	-	654,395
Economic development	-	-	-	3,041,141
Debt service:				
Principal	9,730,000	-	-	9,768,600
Interest and other charges	4,203,308	-	-	4,203,308
Total expenditures	13,933,308	5,622	-	19,297,943
Excess (deficiency) of revenues over (under) expenditures	(7,277,296)	3,821,396	1,184,361	(2,636,737)
OTHER FINANCING SOURCES (USES)				
Transfers in	6,860,431	-	-	7,456,897
Transfers (out)	-	(1,169,488)	-	(1,328,483)
Loan proceeds	-	-	-	77,162
Total other financing sources and (uses)	6,860,431	(1,169,488)	-	6,205,576
Net change in fund balances	(416,865)	2,651,908	1,184,361	3,568,839
Fund Balance - January 1	2,940,315	24,145,138	200,000	41,433,639
Fund Balance - December 31	\$ 2,523,450	\$ 26,797,046	\$ 1,384,361	\$ 45,002,478

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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 230,288	\$ 230,288	\$ 230,176	\$ (112)
Intergovernmental	-	-	550	550
Total Revenues	230,288	230,288	230,726	438
EXPENDITURES				
Economic development				
Personnel services	90,000	90,000	-	90,000
Other operating	433,486	610,071	282,933	327,138
Total Expenditures	523,486	700,071	282,933	417,138
Net Change in Fund Balances	(293,198)	(469,783)	(52,207)	417,576
Fund Balance - January 1	2,114,264	2,114,264	2,114,264	-
Fund Balance - December 31	<u>\$ 1,821,066</u>	<u>\$ 1,644,481</u>	<u>\$ 2,062,057</u>	<u>\$ 417,576</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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 3,554,436	\$ 1,822,429	\$ 1,822,429	\$ -
Total Revenues	3,554,436	1,822,429	1,822,429	-
EXPENDITURES				
Economic development				
Personnel services	595,121	333,224	333,224	-
Other operating	2,959,315	1,489,205	1,489,205	-
Total Expenditures	3,554,436	1,822,429	1,822,429	-
Net Change in Fund Balances	-	-	-	-
Fund Balance - January 1	-	-	-	-
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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,034,714	\$ 935,779	\$ 935,779	\$ -
Miscellaneous	400	-	-	-
Total Revenues	4,035,114	935,779	935,779	-
EXPENDITURES				
Economic development				
Personnel services	324,400	37,200	37,200	-
Other operating	3,710,714	898,579	898,579	-
Total Expenditures	4,035,114	935,779	935,779	-
Net Change in Fund Balances	-	-	-	-
Fund Balance - January 1	-	-	-	-
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
SEPTIC SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 18,600	\$ 143,430	\$ 98,640	\$ (44,790)
Charges for services	280,000	280,000	311,132	31,132
Earnings on investments	10,000	10,000	7,479	(2,521)
Miscellaneous	1,000	1,000	120	(880)
Total Revenues	309,600	434,430	417,371	(17,059)
EXPENDITURES				
Health and sanitation				
Personnel services	817,770	817,770	687,049	130,721
Other operating	713,017	360,908	327,121	33,787
Total health and sanitation	1,530,787	1,178,678	1,014,170	164,508
Debt service				
Principal	75,000	75,000	38,600	36,400
Total debt service	75,000	75,000	38,600	36,400
Total Expenditures	1,605,787	1,253,678	1,052,770	200,908
Excess of Revenues Over (Under) Expenditures	(1,296,187)	(819,248)	(635,399)	183,849
OTHER FINANCING SOURCES				
Transfers in	783,057	783,057	596,466	(186,591)
Loan proceeds	70,000	70,000	77,162	7,162
Total Other Financing Sources	853,057	853,057	673,628	(179,429)
Net Change in Fund Balances	(443,130)	33,809	38,229	4,420
Fund Balance - January 1	2,654,646	2,654,646	2,654,646	-
Fund Balance - December 31	\$ 2,211,516	\$ 2,688,455	\$ 2,692,875	\$ 4,420

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OPIOID REMEDIATION
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Final</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES			
Earnings on investments	\$ 107,560	\$ 107,560	\$ -
Miscellaneous	1,844,358	440,351	(1,404,007)
Total Revenues	<u>1,951,918</u>	<u>547,911</u>	<u>(1,404,007)</u>
EXPENDITURES			
Human services			
Other operating	1,951,918	616,329	1,335,589
Total Expenditures	<u>1,951,918</u>	<u>616,329</u>	<u>1,335,589</u>
Net Change in Fund Balances	-	(68,418)	(68,418)
Fund Balance - January 1	<u>2,138,249</u>	<u>2,138,249</u>	<u>-</u>
Fund Balance - December 31	<u><u>\$ 2,138,249</u></u>	<u><u>\$ 2,069,831</u></u>	<u><u>\$ (68,418)</u></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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 570,896	\$ 570,896	\$ 571,762	\$ 866
Intergovernmental	165,419	196,473	358,779	162,306
Miscellaneous	-	109,058	109,058	-
Total Revenues	736,315	876,427	1,039,599	163,172
EXPENDITURES				
Conservation of natural resources				
Other operating	805,536	975,010	648,773	326,237
Capital outlay	40,000	-	-	-
Total Expenditures	845,536	975,010	648,773	326,237
Excess of Revenues Over (Under) Expenditures	(109,221)	(98,583)	390,826	489,409
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(216,000)	(226,638)	(158,995)	67,643
Total Other Financing Sources (Uses)	(216,000)	(226,638)	(158,995)	67,643
Net Change in Fund Balances	(325,221)	(325,221)	231,831	557,052
Fund Balance - January 1	7,241,027	7,241,027	7,241,027	-
Fund Balance - December 31	<u>\$ 6,915,806</u>	<u>\$ 6,915,806</u>	<u>\$ 7,472,858</u>	<u>\$ 557,052</u>

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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 6,427,739	\$ 6,427,739	\$ 6,425,986	\$ (1,753)
Intergovernmental	228,763	228,763	230,026	1,263
Total Revenues	<u>6,656,502</u>	<u>6,656,502</u>	<u>6,656,012</u>	<u>(490)</u>
EXPENDITURES				
Debt service				
Principal	9,730,000	9,730,000	9,730,000	-
Interest and other charges	4,203,308	4,203,308	4,203,308	-
Total Expenditures	<u>13,933,308</u>	<u>13,933,308</u>	<u>13,933,308</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(7,276,806)	(7,276,806)	(7,277,296)	(490)
OTHER FINANCING SOURCES				
Transfers in	6,860,431	6,860,431	6,860,431	-
Total other financing sources	<u>6,860,431</u>	<u>6,860,431</u>	<u>6,860,431</u>	<u>-</u>
Net change in fund balances	(416,375)	(416,375)	(416,865)	(490)
Fund Balance - January 1	<u>2,940,315</u>	<u>2,940,315</u>	<u>2,940,315</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 2,523,940</u>	<u>\$ 2,523,940</u>	<u>\$ 2,523,450</u>	<u>\$ (490)</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, 2023

	County Garage	Property, Casualty, & Liability Insurance	Workers' Compensation Insurance
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,237,346	\$ 1,034,463	\$ 1,979,119
Investments	-	2,970,909	10,067,269
Accounts receivable (net)	1,242	6,001	10,386
Accrued interest receivable	-	39,290	69,135
Due from other governments	-	-	27,834
Inventories	51,179	-	-
Total current assets	<u>1,289,767</u>	<u>4,050,663</u>	<u>12,153,743</u>
Noncurrent assets:			
Capital assets:			
Land	25,500	-	-
Buildings and structures	2,759,177	-	-
Machinery and equipment	95,316	-	-
Vehicles	3,734,734	-	-
Less accumulated depreciation	(3,653,591)	-	-
Total capital asset (net)	<u>2,961,136</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>2,961,136</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,250,903</u>	<u>4,050,663</u>	<u>12,153,743</u>
LIABILITIES			
Current liabilities:			
Accounts payable	9,005	4,367	47,382
Accrued payroll	23,447	4,004	13,928
Compensated absences payable	60,682	-	-
Claims payable	-	-	211,526
Due to other governments	1,348	-	58,193
Unearned revenue	-	-	-
Advances from other funds	37,497	-	-
Total current liabilities	<u>131,979</u>	<u>8,371</u>	<u>331,029</u>
Noncurrent liabilities:			
Noncurrent compensated absences	198,184	-	-
Noncurrent claims payable	-	-	2,451,645
Noncurrent advances from other funds	1,499,873	-	-
Total non-current liabilities	<u>1,698,057</u>	<u>-</u>	<u>2,451,645</u>
Total liabilities	<u>1,830,036</u>	<u>8,371</u>	<u>2,782,674</u>
NET POSITION			
Net investment in capital assets	2,961,136	-	-
Unrestricted	(540,269)	4,042,292	9,371,069
Total net position	<u>\$ 2,420,867</u>	<u>\$ 4,042,292</u>	<u>\$ 9,371,069</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2023

	Medical/ Dental Insurance	Retired Employees' Health Insurance	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,766,969	\$ (25,906)	\$ 6,991,991
Investments	18,664,259	-	31,702,437
Accounts receivable (net)	1,751,034	144,418	1,913,081
Accrued interest receivable	193,974	-	302,399
Due from other governments	-	-	27,834
Inventories	-	-	51,179
Total current assets	<u>23,376,236</u>	<u>118,512</u>	<u>40,988,921</u>
Noncurrent assets:			
Capital assets:			
Land	-	-	25,500
Buildings and structures	-	-	2,759,177
Machinery and equipment	-	-	95,316
Vehicles	-	-	3,734,734
Less accumulated depreciation	-	-	(3,653,591)
Total capital asset (net)	<u>-</u>	<u>-</u>	<u>2,961,136</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>2,961,136</u>
Total assets	<u>23,376,236</u>	<u>118,512</u>	<u>43,950,057</u>
LIABILITIES			
Current liabilities:			
Accounts payable	8,549	104	69,407
Accrued payroll	-	-	41,379
Compensated absences payable	-	8,810	69,492
Claims payable	3,373,706	-	3,585,232
Due to other governments	-	-	59,541
Unearned revenue	25,815	-	25,815
Advances from other funds	-	-	37,497
Total current liabilities	<u>3,408,070</u>	<u>8,914</u>	<u>3,888,363</u>
Noncurrent liabilities:			
Noncurrent compensated absences	-	109,598	307,782
Noncurrent claims payable	-	-	2,451,645
Noncurrent advances from other funds	-	-	1,499,873
Total non-current liabilities	<u>-</u>	<u>109,598</u>	<u>4,259,300</u>
Total liabilities	<u>3,408,070</u>	<u>118,512</u>	<u>8,147,663</u>
NET POSITION			
Net investment in capital assets	-	-	2,961,136
Unrestricted	19,968,166	-	32,841,258
Total net position	<u>\$ 19,968,166</u>	<u>\$ -</u>	<u>\$ 35,802,394</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, 2023

	<u>County Garage</u>	<u>Property, Casualty, & Liability Insurance</u>	<u>Workers' Compensation Insurance</u>
Operating Revenues			
Charges for services	\$ 2,009,497	\$ 566,710	\$ 2,277,104
Other	<u>2,567</u>	<u>67,981</u>	<u>157</u>
Total Operating Revenues	<u>2,012,064</u>	<u>634,691</u>	<u>2,277,261</u>
Operating Expenses			
Personnel services	681,875	110,696	352,886
Contractual services	346,535	646,209	1,628,945
Materials	531,801	125	25,903
Claims paid	-	-	1,469,100
Depreciation	<u>419,516</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>1,979,727</u>	<u>757,030</u>	<u>3,476,834</u>
Operating Income (Loss)	<u>32,337</u>	<u>(122,339)</u>	<u>(1,199,573)</u>
Nonoperating revenues (expenses)			
Grants	-	-	629,691
Earnings on investments	-	133,216	496,510
(Loss) or gain on asset disposal	175,483	1,270	-
Claims payable estimate adjustment	<u>-</u>	<u>-</u>	<u>419,148</u>
Total Nonoperating Revenues (Expenses)	<u>175,483</u>	<u>134,486</u>	<u>1,545,349</u>
Income Before Transfers	207,820	12,147	345,776
Transfers in	-	1,370,000	-
Transfers (out)	<u>(185,132)</u>	<u>-</u>	<u>(1,370,000)</u>
Change in net position	22,688	1,382,147	(1,024,224)
Net position - January 1	<u>2,398,179</u>	<u>2,660,145</u>	<u>10,395,293</u>
Net position - December 31	<u><u>\$ 2,420,867</u></u>	<u><u>\$ 4,042,292</u></u>	<u><u>\$ 9,371,069</u></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, 2023**

	<u>Medical/ Dental Insurance</u>	<u>Retired Employees' Health Insurance</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 33,910,804	\$ -	\$ 38,764,115
Other	<u>-</u>	<u>-</u>	<u>70,705</u>
Total Operating Revenues	<u>33,910,804</u>	<u>-</u>	<u>38,834,820</u>
Operating Expenses			
Personnel services	-	-	1,145,457
Contractual services	1,933,744	-	4,555,433
Materials	49,182	-	607,011
Claims paid	31,309,921	-	32,779,021
Depreciation	<u>-</u>	<u>-</u>	<u>419,516</u>
Total Operating Expenses	<u>33,292,847</u>	<u>-</u>	<u>39,506,438</u>
Operating Income (Loss)	<u>617,957</u>	<u>-</u>	<u>(671,618)</u>
Nonoperating revenues (expenses)			
Grants	-	-	629,691
Earnings on investments	1,119,293	-	1,749,019
(Loss) or gain on asset disposal	-	-	176,753
Claims payable estimate adjustment	<u>-</u>	<u>-</u>	<u>419,148</u>
Total Nonoperating Revenues (Expenses)	<u>1,119,293</u>	<u>-</u>	<u>2,974,611</u>
Income Before Transfers	1,737,250	-	2,302,993
Transfers in	-	-	1,370,000
Transfers (out)	<u>(395,459)</u>	<u>-</u>	<u>(1,950,591)</u>
Change in net position	1,341,791	-	1,722,402
Net position - January 1	<u>18,626,375</u>	<u>-</u>	<u>34,079,992</u>
Net position - December 31	<u><u>\$ 19,968,166</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 35,802,394</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	County Garage	Property, Casualty, & Liability Insurance	Workers' Compensation Insurance
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 2,014,397	\$ 560,806	\$ 2,277,104
Payments to suppliers	(882,262)	(187,317)	(1,676,299)
Payments to employees	(626,425)	(110,244)	(350,907)
Claims paid	-	(460,006)	(1,469,100)
Other receipts (payments)	2,567	67,856	(4,661)
Net cash provided (used) by operating activities	<u>508,277</u>	<u>(128,905)</u>	<u>(1,223,863)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from grants	-	-	629,691
Transfers from other funds	-	1,370,000	-
Transfers to other funds	(185,132)	-	(1,370,000)
Net cash provided (used) by noncapital financing activities	<u>(185,132)</u>	<u>1,370,000</u>	<u>(740,309)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(357,980)	-	-
Proceeds from the sale of capital assets	10,336	1,270	-
Proceeds from advance from other fund	(37,497)	-	-
Net cash provided (used) by capital and related financing activities	<u>(385,141)</u>	<u>1,270</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	(2,235,385)	(3,851,371)
Sale of investments	-	1,242,000	5,797,314
Interest and dividends	-	74,205	317,986
Net cash provided (used) by investing activities	<u>-</u>	<u>(919,180)</u>	<u>2,263,929</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(61,996)	323,185	299,757
Balances - January 1	<u>1,299,342</u>	<u>711,278</u>	<u>1,679,362</u>
Balances - December 31	<u><u>\$ 1,237,346</u></u>	<u><u>\$ 1,034,463</u></u>	<u><u>\$ 1,979,119</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 32,337	\$ (122,339)	\$ (1,199,573)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	419,516	-	-
(Increase) Decrease Receivables	4,900	(5,902)	(694)
(Increase) Decrease Due from other government	-	-	(4,124)
(Increase) Decrease Inventories	(4,209)	-	-
Increase (Decrease) Accounts payable	(1,065)	(1,116)	1,243
Increase (Decrease) Salaries payable	5,088	452	1,979
Increase (Decrease) Compensated absences payable	50,362	-	-
Increase (Decrease) Claims payable	-	-	-
Increase (Decrease) Due to other governments	1,348	-	(22,694)
Increase (Decrease) Unearned revenue	-	-	-
Total Adjustments	<u>475,940</u>	<u>(6,566)</u>	<u>(24,290)</u>
Net cash provided (used) by operating activities	<u><u>\$ 508,277</u></u>	<u><u>\$ (128,905)</u></u>	<u><u>\$ (1,223,863)</u></u>
NON-CASH ACTIVITIES			
Change in fair value of investments	\$ -	\$ 26,215	\$ 160,515
Change in present value of future claims	-	-	(419,148)

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Medical/ Dental Insurance	Retired Employees' Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 33,655,707	\$ (128,686)	\$ 38,379,328
Payments to suppliers	(1,982,667)	2	(4,728,543)
Payments to employees	-	(10,058)	(1,097,634)
Claims paid	(31,973,814)	-	(33,902,920)
Other receipts (payments)	-	-	65,762
Net cash provided (used) by operating activities	<u>(300,774)</u>	<u>(138,742)</u>	<u>(1,284,007)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from grants	-	-	629,691
Transfers from other funds	-	-	1,370,000
Transfers to other funds	(395,459)	-	(1,950,591)
Net cash provided (used) by noncapital financing activities	<u>(395,459)</u>	<u>-</u>	<u>49,100</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	-	(357,980)
Proceeds from the sale of capital assets	-	-	11,606
Proceeds from advance from other fund	-	-	(37,497)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(383,871)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(13,127,821)	-	(19,214,577)
Sale of investments	13,040,808	-	20,080,122
Interest and dividends	670,466	-	1,062,657
Net cash provided (used) by investing activities	<u>583,453</u>	<u>-</u>	<u>1,928,202</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(112,780)	(138,742)	309,424
Balances - January 1	<u>2,879,749</u>	<u>112,836</u>	<u>6,682,567</u>
Balances - December 31	<u><u>\$ 2,766,969</u></u>	<u><u>\$ (25,906)</u></u>	<u><u>\$ 6,991,991</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 617,957	\$ -	\$ (671,618)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	-	-	419,516
(Increase) Decrease Receivables	(248,302)	(128,686)	(378,684)
(Increase) Decrease Due from other government	-	-	(4,124)
(Increase) Decrease Inventories	-	-	(4,209)
Increase (Decrease) Accounts payable	259	2	(677)
Increase (Decrease) Salaries payable	-	-	7,519
Increase (Decrease) Compensated absences payable	-	(10,058)	40,304
Increase (Decrease) Claims payable	(663,893)	-	(663,893)
Increase (Decrease) Due to other governments	-	-	(21,346)
Increase (Decrease) Unearned revenue	(6,795)	-	(6,795)
Total Adjustments	<u>(918,731)</u>	<u>(138,742)</u>	<u>(612,389)</u>
Net cash provided (used) by operating activities	<u><u>\$ (300,774)</u></u>	<u><u>\$ (138,742)</u></u>	<u><u>\$ (1,284,007)</u></u>
NON-CASH ACTIVITIES			
Change in fair value of investments	\$ 371,726	\$ -	\$ 558,456
Change in present value of future claims	-	-	(419,148)

FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and 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 System 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 and 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 order.

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, 2023

	<u>NEMESIS</u>	<u>State of Minnesota</u>	<u>Beer- Auctioneer Licenses Fund</u>	<u>Taxes and Penalties Fund</u>
ASSETS				
Cash and cash equivalents	\$ 8,381	\$ 1,654,366	\$ 1,063	\$ 1,933,821
Investments	-	-	-	-
Taxes receivable	-	-	-	6,052,504
Accounts receivable	19,655	29,486	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	-	-	-	1
Prepaid items	-	-	-	-
Total Assets	<u>28,036</u>	<u>1,683,852</u>	<u>1,063</u>	<u>7,986,326</u>
LIABILITIES				
Accounts payable	-	-	-	-
Contracts payable	-	-	-	-
Accrued payroll	-	3,545	-	-
Unearned revenue	-	-	-	-
Due to other governments	<u>28,036</u>	<u>1,680,307</u>	<u>1,063</u>	<u>1,855,887</u>
Total Liabilities	<u>28,036</u>	<u>1,683,852</u>	<u>1,063</u>	<u>1,855,887</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,935</u>
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	-	6,052,504
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>\$ -</u>	<u>\$ 6,052,504</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	Arrowhead Regional Corrections Fund	Regional Rail Authority	Minneapolis- Duluth/ Superior Passenger Rail Alliance	Community Health Board
ASSETS				
Cash and cash equivalents	\$ 8,128,666	\$ 2,815,641	\$ 110,578	\$ -
Investments	1,742,010	-	-	-
Taxes receivable	-	52,383	-	-
Accounts receivable	147,400	11,846	-	142
Accrued interest receivable	17,736	-	-	-
Due from other governments	248,840	56,905	-	1,590,453
Prepaid items	-	-	-	-
Total Assets	<u>10,284,652</u>	<u>2,936,775</u>	<u>110,578</u>	<u>1,590,595</u>
LIABILITIES				
Accounts payable	408,269	1,283,801	15,192	49,685
Contracts payable	25,745	-	-	-
Accrued payroll	931,021	14,571	-	22,851
Unearned revenue	-	-	-	60,663
Due to other governments	<u>92,712</u>	<u>123</u>	<u>-</u>	<u>1,328,553</u>
Total Liabilities	<u>1,457,747</u>	<u>1,298,495</u>	<u>15,192</u>	<u>1,461,752</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	3,650,907	-	-	-
Arrowhead regional corrections	5,175,998	-	-	-
Regional rail authority	-	1,638,280	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	95,386	-
Community health board	-	-	-	128,843
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>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ 8,826,905</u>	<u>\$ 1,638,280</u>	<u>\$ 95,386</u>	<u>\$ 128,843</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	Duluth Area Family Service Collaborative Fund	Local Collaborative Time Study Fund	Northern Counties Land Use Board Fund	Voyageurs National Park Joint Venture
ASSETS				
Cash and cash equivalents	\$ 1,267,450	\$ 1,079,846	\$ 68,993	\$ 15,353
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	<u>1,267,450</u>	<u>1,079,846</u>	<u>68,993</u>	<u>15,353</u>
LIABILITIES				
Accounts payable	167,336	58,437	887	9,605
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	<u>5,583</u>	<u>5,583</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>172,919</u>	<u>64,020</u>	<u>887</u>	<u>9,605</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	1,094,531	-	-	-
Local collaborative time study	-	1,015,826	-	-
Northern counties land use board	-	-	68,106	-
Voyageurs national park joint venture	-	-	-	5,748
Ash river sanitary district	-	-	-	-
ATV Joint Powers Board	-	-	-	-
Total Net Position	<u>\$ 1,094,531</u>	<u>\$ 1,015,826</u>	<u>\$ 68,106</u>	<u>\$ 5,748</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	Ash River Sanitary District	ATV Joint Powers Board	MN Regional Parks and Trails	Sheriff Forfeits/ Evidence
ASSETS				
Cash and cash equivalents	\$ 182,483	\$ 46,127	\$ (2,884)	\$ 201,915
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	9,450	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	41,608	-	103,315	-
Prepaid items	-	15,000	3,450	-
Total Assets	<u>224,091</u>	<u>70,577</u>	<u>103,881</u>	<u>201,915</u>
LIABILITIES				
Accounts payable	41,608	9,699	681	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	4,271	103,200	-
Due to other governments	-	-	-	128,714
Total Liabilities	<u>41,608</u>	<u>13,970</u>	<u>103,881</u>	<u>128,714</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	-	73,201
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	182,483	-	-	-
ATV Joint Powers Board	-	56,607	-	-
Total Net Position	<u>\$ 182,483</u>	<u>\$ 56,607</u>	<u>\$ -</u>	<u>\$ 73,201</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	Estate Recovery Fund	Crane Lake - LCCMR Grant	Brookston - LCCMR Grant	Jail Inmate/Kiosk
ASSETS				
Cash and cash equivalents	\$ 1,154,857	\$ (1,450,670)	\$ (163,712)	\$ 194,495
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	-	2,490,367	163,712	-
Prepaid items	-	-	-	-
Total Assets	<u>1,154,857</u>	<u>1,039,697</u>	<u>-</u>	<u>194,495</u>
LIABILITIES				
Accounts payable	-	1,039,697	-	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	<u>1,154,857</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,154,857</u>	<u>1,039,697</u>	<u>-</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	-	-	-	194,495
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>\$ -</u>	<u>\$ 194,495</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	NEECB	Civil Fund	Taconite Relief	Taconite Production Tax
ASSETS				
Cash and cash equivalents	\$ 20,609	\$ 310,549	\$ 128,464	\$ 104,843
Investments	-	-	6,000,000	-
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	112,908	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	<u>20,609</u>	<u>310,549</u>	<u>6,241,372</u>	<u>104,843</u>
LIABILITIES				
Accounts payable	38	56,053	-	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	104,843
Total Liabilities	<u>38</u>	<u>56,053</u>	<u>-</u>	<u>104,843</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	6,241,372	-
Individuals, organizations, and other governments	20,571	254,496	-	-
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>\$ 20,571</u>	<u>\$ 254,496</u>	<u>\$ 6,241,372</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	<u>Total</u>
ASSETS	
Cash and cash equivalents	\$ 17,811,234
Investments	7,742,010
Taxes receivable	6,104,887
Accounts receivable	217,979
Accrued interest receivable	130,644
Due from other governments	4,695,201
Prepaid items	<u>18,450</u>
Total Assets	<u><u>36,720,405</u></u>
LIABILITIES	
Accounts payable	3,140,988
Contracts payable	25,745
Accrued payroll	971,988
Unearned revenue	168,134
Due to other governments	<u>6,386,261</u>
Total Liabilities	<u>10,693,116</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - prepaid taxes	<u>77,935</u>
NET POSITION	
Restricted for:	
Held in trust for pool participants	6,241,372
Individuals, organizations, and other governments	6,595,267
Retiree obligations	3,650,907
Arrowhead regional corrections	5,175,998
Regional rail authority	1,638,280
Minneapolis-Duluth/Superior passenger rail alliance	95,386
Community health board	128,843
Duluth area family service collaborative	1,094,531
Local collaborative time study	1,015,826
Northern counties land use board	68,106
Voyageurs national park joint venture	5,748
Ash river sanitary district	182,483
ATV Joint Powers Board	<u>56,607</u>
Total Net Position	<u><u>\$ 25,949,354</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	NEMESIS	State of Minnesota	Beer- Auctioneer Licenses Fund	Taxes and Penalties Fund
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ 216,870,535
License and fee collections for other governments	-	-	1,063	-
License and fee collections for State of MN	-	48,575,482	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	376,412	919,021	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	53,420	-	-	-
Total Additions	<u>429,832</u>	<u>49,494,503</u>	<u>1,063</u>	<u>216,870,535</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	216,478,985
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	1,063	-
Payments to State of MN	-	48,575,482	-	-
Personnel services	28,036	919,021	-	-
Other operating	419,479	-	-	-
Capital outlay	-	-	-	-
Total Deductions	<u>447,515</u>	<u>49,494,503</u>	<u>1,063</u>	<u>216,478,985</u>
Changes in net position	(17,683)	-	-	391,550
Net position - January 1	<u>17,683</u>	<u>-</u>	<u>-</u>	<u>5,660,954</u>
Net position - December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,052,504</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Arrowhead Regional Corrections Fund	Regional Rail Authority	Minneapolis- Duluth/ Superior Passenger Rail Alliance	Community Health Board
ADDITIONS				
Property tax collections for other governments	\$ -	\$ 1,946,182	\$ -	\$ -
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	30,748,334	873,885	-	7,559,539
Charges for services	1,150,690	2,720	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	245,714	-	-	-
Gifts and contributions	-	-	218,776	-
Miscellaneous	500,943	165,060	-	28,820
Total Additions	<u>32,645,681</u>	<u>2,987,847</u>	<u>218,776</u>	<u>7,588,359</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	6,455,172
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	22,154,608	449,334	23,000	683,466
Other operating	6,803,890	1,905,059	109,838	453,410
Capital outlay	1,214,843	1,802,591	-	-
Total Deductions	<u>30,173,341</u>	<u>4,156,984</u>	<u>132,838</u>	<u>7,592,048</u>
Changes in net position	2,472,340	(1,169,137)	85,938	(3,689)
Net position - January 1	<u>6,354,565</u>	<u>2,807,417</u>	<u>9,448</u>	<u>132,532</u>
Net position - December 31	<u>\$ 8,826,905</u>	<u>\$ 1,638,280</u>	<u>\$ 95,386</u>	<u>\$ 128,843</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	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	342,106	342,106	21,000	58,300
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	57,822	48,834	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Additions	<u>399,928</u>	<u>390,940</u>	<u>21,000</u>	<u>58,300</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	-
Distributions to participants	1,873	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	-	-	-
Other operating	402,551	284,450	17,104	56,685
Capital outlay	-	-	-	-
Total Deductions	<u>404,424</u>	<u>284,450</u>	<u>17,104</u>	<u>56,685</u>
Changes in net position	(4,496)	106,490	3,896	1,615
Net position - January 1	<u>1,099,027</u>	<u>909,336</u>	<u>64,210</u>	<u>4,133</u>
Net position - December 31	<u><u>\$ 1,094,531</u></u>	<u><u>\$ 1,015,826</u></u>	<u><u>\$ 68,106</u></u>	<u><u>\$ 5,748</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Ash River Sanitary District	ATV Joint Powers Board	MN Regional Parks and Trails	Sheriff Forfeits/ Evidence
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	601,105	55,950	401,547	-
Charges for services	-	53,550	-	-
Fines and forfeits	-	-	-	146,622
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	11,398
Total Additions	<u>601,105</u>	<u>109,500</u>	<u>401,547</u>	<u>158,020</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	-	-	-	138,948
Payments to State of MN	-	-	-	-
Personnel services	3,661	-	-	-
Other operating	617,167	137,790	401,547	9,538
Capital outlay	-	-	-	-
Total Deductions	<u>620,828</u>	<u>137,790</u>	<u>401,547</u>	<u>148,486</u>
Changes in net position	(19,723)	(28,290)	-	9,534
Net position - January 1	<u>202,206</u>	<u>84,897</u>	<u>-</u>	<u>63,667</u>
Net position - December 31	<u><u>\$ 182,483</u></u>	<u><u>\$ 56,607</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 73,201</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<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	-	-	-	586,002
Estate recoveries	2,577,251	-	-	-
Taconite taxes for State of MN	-	-	-	-
Intergovernmental	-	3,260,105	40	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Additions	<u>2,577,251</u>	<u>3,260,105</u>	<u>40</u>	<u>586,002</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	-
Distributions to participants	-	-	-	585,151
Distribution of recoveries	2,577,251	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	-	40	-
Other operating	-	3,260,105	-	-
Capital outlay	-	-	-	-
Total Deductions	<u>2,577,251</u>	<u>3,260,105</u>	<u>40</u>	<u>585,151</u>
Changes in net position	-	-	-	851
Net position - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,644</u>
Net position - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,495</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	NEECB	Civil Fund	Taconite Relief	Taconite Production Tax
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	-	-	13,457,130	23,557,506
Intergovernmental	19,879	-	-	-
Charges for services	6,206	4,546,126	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	560,149	104,843
Gifts and contributions	-	-	-	-
Miscellaneous	1,993	-	-	-
Total Additions	<u>28,078</u>	<u>4,546,126</u>	<u>14,017,279</u>	<u>23,662,349</u>
DEDUCTIONS				
Distribution to other governments	-	-	17,268,848	-
Payment of property tax to other governments	-	-	-	23,662,349
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	2,805	-	-	-
Other operating	24,158	4,398,228	-	-
Capital outlay	-	-	-	-
Total Deductions	<u>26,963</u>	<u>4,398,228</u>	<u>17,268,848</u>	<u>23,662,349</u>
Changes in net position	1,115	147,898	(3,251,569)	-
Net position - January 1	<u>19,456</u>	<u>106,598</u>	<u>9,492,941</u>	<u>-</u>
Net position - December 31	<u>\$ 20,571</u>	<u>\$ 254,496</u>	<u>\$ 6,241,372</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Total</u>
ADDITIONS	
Property tax collections for other governments	\$ 218,816,717
License and fee collections for other governments	1,063
License and fee collections for State of MN	48,575,482
Contributions individuals	586,002
Estate recoveries	2,577,251
Taconite taxes for State of MN	37,014,636
Intergovernmental	44,283,896
Charges for services	7,054,725
Fines and forfeits	146,622
Earnings on investments	1,017,362
Gifts and contributions	218,776
Miscellaneous	<u>761,634</u>
Total Additions	<u>361,054,166</u>
DEDUCTIONS	
Distribution to other governments	23,724,020
Payment of property tax to other governments	240,141,334
Distributions to participants	587,024
Distribution of recoveries	2,577,251
Payment of fee, fine and license revenue to others	140,011
Payments to State of MN	48,575,482
Personnel services	24,263,971
Other operating	19,300,999
Capital outlay	<u>3,017,434</u>
Total Deductions	<u>362,327,526</u>
Changes in net position	(1,273,360)
Net position - January 1	<u>27,222,714</u>
Net position - December 31	<u><u>\$ 25,949,354</u></u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INVESTMENTS AND INTEREST EARNING DEPOSITS
DECEMBER 31, 2023

	Interest Rates	Par Value	Market
Pooled Investments and Deposits			
Certificates of Deposit	0.60% - 5.50%	\$ 40,509,929	\$ 40,509,929
MAGIC Portfolio	Varies	80,381,768	80,381,768
MAGIC TERM	4.92% - 5.60%	31,000,000	31,000,000
Municipal Bonds	0.78% - 4.00%	13,050,000	12,375,128
FFCB	0.875% - 5.70%	53,826,000	53,087,747
FHLB	1.875% - 5.00%	28,320,000	28,080,524
FNMA	0.625% - 1.625%	10,043,000	9,208,065
US Treasury	0.25% - 2.25%	27,100,000	25,409,905
Total Pooled Investments and Deposits		\$ 284,230,697	\$ 280,053,066
Mary C. Murphy Trust Fund			
MN Board of Investments	Varies	\$ 23,810,206	\$ 23,810,206
Environmental Services Enterprise Fund			
Certificates of Deposit	2.10% - 5.10%	\$ 2,712,000	\$ 2,712,000
MAGIC TERM	5.18% - 5.73%	2,400,000	2,400,000
FFCB	1.82% - 4.25%	4,450,000	4,335,478
FHLB	4.375%	685,000	697,632
FNMA	0.75%	750,000	665,852
US Treasury	0.00% - 2.25%	5,450,000	5,091,794
Total Environmental Services Enterprise Fund		\$ 16,447,000	\$ 15,902,756
Property, Casualty, & Liability Insurance			
Internal Service Fund			
Certificates of Deposit	2.50% - 4.85%	\$ 746,000	\$ 746,000
MAGIC TERM	5.18% - 5.48%	1,000,000	1,000,000
FFCB	1.82% - 4.625%	1,000,000	990,681
US Treasury	1.75%	250,000	234,228
Total Property, Casualty, & Liability Insurance			
Internal Service Fund		\$ 2,996,000	\$ 2,970,909
Workers' Compensation Insurance			
Internal Service Fund			
Certificates of Deposit	1.65% - 5.20%	\$ 2,239,000	\$ 2,239,000
MAGIC TERM	5.18% - 5.50%	1,100,000	1,100,000
FFCB	1.82% - 4.25%	3,050,000	2,993,129
FNMA	0.75%	750,000	665,852
US Treasury	0.00% - 2.25%	3,250,000	3,069,288
Total Workers' Compensation Insurance			
Internal Service Fund		\$ 10,389,000	\$ 10,067,269
Medical/Dental Insurance			
Internal Service Fund			
Certificates of Deposit	2.65% - 5.15%	\$ 3,461,000	\$ 3,461,000
MAGIC TERM	5.18% - 5.50%	3,500,000	3,500,000
FFCB	1.125% - 4.625%	4,521,000	4,427,844
FHLB	1.25%	1,000,000	919,365
FNMA	0.75%	1,000,000	887,803
US Treasury	0.00% - 2.25%	5,750,000	5,468,247
Total Medical/Dental Insurance			
Internal Service Fund		\$ 19,232,000	\$ 18,664,259
Taconite Relief Trust Fund			
MAGIC TERM	5.63%	\$ 6,000,000	\$ 6,000,000
Arrowhead Regional Corrections Custodial Fund			
Certificates of Deposit	0.50% - 5.15%	\$ 1,742,010	\$ 1,742,010
Total Investments and Deposits		\$ 364,846,913	\$ 359,210,475

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

		Special Revenue Funds					
	General Fund	Road and Bridge	Public Health and Human Services	Pandemic Response Fund	Other	Debt Service Funds	
Appropriations and Shared Revenue							
State							
Department of Natural Resources							
Mineral rents & royalties	\$ 886,791	\$ -	\$ -	\$ -	\$ -	\$ -	
Department of Public Safety							
Enhanced 911 program grant	789,293	-	-	-	-	-	
Department of Revenue							
County program aid	10,630,772	1,321,692	1,896,189	-	-	-	
Disparity aid	2,486,661	746,882	1,751,677	-	-	222,707	
ICWA aid	-	-	278,432	-	-	-	
Local homeless prevention aid	-	-	181,970	-	-	-	
Local performance aid	25,000	-	-	-	-	-	
Market value credit	82,394	27,073	57,095	-	547	7,259	
PERA aid	274,178	-	-	-	-	-	
Police aid	1,107,999	-	-	-	-	-	
Public safety aid	3,423,415	-	-	-	-	-	
State fire aid	10,175	-	-	-	-	-	
Department of Transportation							
30 percent rental income	264	81	191	-	1	26	
Engineering	-	1,747,725	-	-	-	-	
LRIP/RRSA state bond	-	1,212,500	-	-	-	-	
MN FD 29 bridge bond	-	3,948,117	-	-	-	-	
Municipal maintenance	-	1,567,500	-	-	-	-	
Regular construction	-	13,456,941	-	-	-	-	
Regular maintenance	-	10,425,616	-	-	-	-	
State aid for consulting	-	433,757	-	-	-	-	
State park	-	121,662	-	-	-	-	
Town bridge	-	975,432	-	-	-	-	
Unorganized town road and bridge aid	-	168,124	-	-	-	-	
Total Appropriations and Shared Revenue	\$ 19,716,942	\$ 36,153,102	\$ 4,165,554	\$ -	\$ 548	\$ 229,992	
Reimbursement for Services							
State							
Department of Human Services							
Alternative care 180 day	\$ -	\$ -	\$ 13,425	\$ -	\$ -	\$ -	
Child welfare targeted case mgmt	-	-	2,879,878	-	-	-	
Children's therapeutic support services	-	-	1,236	-	-	-	
Community alternatives for disabled individuals waived services	-	-	792,268	-	-	-	
CON CD fund	-	-	12,659	-	-	-	
Elderly waived services	-	-	9,169	-	-	-	
Medical assistance MCH home visits	-	-	13,657	-	-	-	
Medical assistance - ACT	-	-	824,256	-	-	-	
Medical assistance - CEHI	-	-	830,096	-	-	-	
Medical assistance - Rule 5	-	-	249,137	-	-	-	
Developmental disabilities waived services	-	-	496,189	-	-	-	
MH targeted case management	-	-	690,023	-	-	-	
OBRA screenings-reimb	-	-	31,765	-	-	-	
Traumatic brain injury	-	-	16,040	-	-	-	
VADD targeted case management	-	-	72,213	-	-	-	
Total Reimbursement for Services Revenue	\$ -	\$ -	\$ 6,932,011	\$ -	\$ -	\$ -	

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Capital Projects Fund	Permanent Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Appropriations and Shared Revenue					
State					
Department of Natural Resources					
Mineral rents & royalties	\$ -	\$ (200,000)	\$ -	\$ -	\$ 686,791
Department of Public Safety					
Enhanced 911 program grant	-	-	-	-	789,293
Department of Revenue					
County program aid	-	-	-	-	13,848,653
Disparity aid	258,762	-	-	-	5,466,689
ICWA aid	-	-	-	-	278,432
Local homeless prevention aid	-	-	-	-	181,970
Local performance aid	-	-	-	-	25,000
Market value credit	8,434	-	-	-	182,802
PERA aid	-	-	-	-	274,178
Police aid	-	-	-	-	1,107,999
Public safety aid	-	-	-	-	3,423,415
State fire aid	-	-	-	-	10,175
Department of Transportation					
30 percent rental income	28	-	-	-	591
Engineering	-	-	-	-	1,747,725
LRIP/RRSA state bond	-	-	-	-	1,212,500
MN FD 29 bridge bond	-	-	-	-	3,948,117
Municipal maintenance	-	-	-	-	1,567,500
Regular construction	-	-	-	-	13,456,941
Regular maintenance	-	-	-	-	10,425,616
State aid for consulting	-	-	-	-	433,757
State park	-	-	-	-	121,662
Town bridge	-	-	-	-	975,432
Unorganized town road and bridge aid	-	-	-	-	168,124
Total Appropriations and Shared Revenue	\$ 267,224	\$ (200,000)	\$ -	\$ -	\$ 60,333,362
Reimbursement for Services					
State					
Department of Human Services					
Alternative care 180 day	\$ -	\$ -	\$ -	\$ -	\$ 13,425
Child welfare targeted case mgmt	-	-	-	-	2,879,878
Children's therapeutic support services	-	-	-	-	1,236
Community alternatives for disabled individuals waived services	-	-	-	-	792,268
CON CD fund	-	-	-	-	12,659
Elderly waived services	-	-	-	-	9,169
Medical assistance MCH home visits	-	-	-	-	13,657
Medical assistance - ACT	-	-	-	-	824,256
Medical assistance - CEHI	-	-	-	-	830,096
Medical assistance - Rule 5	-	-	-	-	249,137
Developmental disabilities waived services	-	-	-	-	496,189
MH targeted case management	-	-	-	-	690,023
OBRA screenings-reimb	-	-	-	-	31,765
Traumatic brain injury	-	-	-	-	16,040
VADD targeted case management	-	-	-	-	72,213
Total Reimbursement for Services Revenue	\$ -	\$ -	\$ -	\$ -	\$ 6,932,011

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds					Debt Service 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	\$ 102,431	\$ -	\$ -	\$ -	\$ 18,600	\$ -
Department of Administration						
MN Department of Administration	20,000	-	-	-	-	-
Department of Employment and Economic Development						
Crane Lake grant	18,068	-	-	-	-	-
Depot building projects	-	-	-	-	-	-
Department of Environmental Assistance						
SCORE recycling grant	-	-	-	-	-	-
Department of Health						
Healthy kids	-	-	17,400	-	-	-
Health disparities	-	-	1,002	-	-	-
Local public health grant	-	-	1,386,807	-	-	-
Promising practices/heart	-	-	19,117	-	-	-
Thrive suicide prevention	-	-	136,011	-	-	-
Department of Housing Finance						
Family homelessness prevention	-	-	976,799	-	-	-
Department of Human Services						
Adult integrated fund	-	-	743,209	-	-	-
Alternative care	-	-	13,425	-	-	-
Alternative response	-	-	52,375	-	-	-
Child care basic sliding fee	-	-	24,148	-	-	-
Child protection - GTFCP	-	-	1,141,168	-	-	-
Child support health ins bonus	-	-	58,666	-	-	-
Child support incentives	-	-	51,391	-	-	-
Child welfare-opiates	-	-	529,603	-	-	-
Children's mental health	-	-	88,582	-	-	-
CMH respite care	-	-	28,685	-	-	-
Community alternatives for disabled individual waived services	-	-	792,207	-	-	-
Community social services act block grant	-	-	3,138,628	-	-	-
Consolidated chemical dependency fund admin	-	-	192,228	-	-	-
Consumer directed	-	-	40,338	-	-	-
Cost effective health insurance	-	-	980,944	-	-	-
Child and teen checkups	-	-	118,807	-	-	-
Day training & habilitation	-	-	3,244	-	-	-
DD family support	-	-	52,890	-	-	-
Early hearing detection & intervention	-	-	10,800	-	-	-
Elderly waived services	-	-	9,169	-	-	-
Emergency protective care	48,050	-	-	-	-	-
Essential community service	-	-	1,821	-	-	-
SNAP employment and training	-	-	1,901	-	-	-
Fraud prevention incentives	-	-	140,180	-	-	-
Homeless outreach	-	-	803,267	-	-	-
Hospital decompression grant	-	-	300,000	-	-	-
Housing and support rate trans	-	-	2,490,746	-	-	-
Housing support services	-	-	604,126	-	-	-
LTSS	-	-	3,195,920	-	-	-
Medical assistance-MCH home visits	-	-	13,661	-	-	-
Medical assistance renewal	-	-	258,741	-	-	-
Medical assistance ACT	-	-	690,878	-	-	-
Developmental disabilities waived services	-	-	496,189	-	-	-
MN family investment project child care	-	-	27,561	-	-	-
MN family investment project employment services	-	-	316,911	-	-	-
MN VASA	-	-	217,896	-	-	-
OBRA screenings-grant	-	-	10,588	-	-	-
Parent support outreach program	-	-	72,931	-	-	-
Periodic data match	-	-	82,432	-	-	-
Semi-independent living skills	-	-	693,765	-	-	-
SSTS correction	-	-	1,860,899	-	-	-
Statewide health improvement - SHIP	-	-	163,857	-	-	-
Stay grant	-	-	27,888	-	-	-
Transitions to community	-	-	29,548	-	-	-
Traumatic brain injury	-	-	16,040	-	-	-
Workers compensation	-	-	-	-	-	-

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Capital Projects Fund	Permanent Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants					
State Grants					
Board of Water & Soil Resources					
Natural resources block grant	\$ -	\$ -	\$ -	\$ -	\$ 121,031
Department of Administration					
MN Department of Administration	-	-	-	-	20,000
Department of Employment and Economic Development					
Crane Lake grant	-	-	-	-	18,068
Depot building projects	1,500,000	-	-	-	1,500,000
Department of Environmental Assistance					
SCORE recycling grant	-	-	280,401	-	280,401
Department of Health					
Healthy kids	-	-	-	-	17,400
Health disparities	-	-	-	-	1,002
Local public health grant	-	-	-	-	1,386,807
Promising practices/heart	-	-	-	-	19,117
Thrive suicide prevention	-	-	-	-	136,011
Department of Housing Finance					
Family homelessness prevention	-	-	-	-	976,799
Department of Human Services					
Adult integrated fund	-	-	-	-	743,209
Alternative care	-	-	-	-	13,425
Alternative response	-	-	-	-	52,375
Child care basic sliding fee	-	-	-	-	24,148
Child protection - GTFCP	-	-	-	-	1,141,168
Child support health ins bonus	-	-	-	-	58,666
Child support incentives	-	-	-	-	51,391
Child welfare-opiates	-	-	-	-	529,603
Children's mental health	-	-	-	-	88,582
CMH respite care	-	-	-	-	28,685
Community alternatives for disabled individual waived services	-	-	-	-	792,207
Community social services act block grant	-	-	-	-	3,138,628
Consolidated chemical dependency fund admin	-	-	-	-	192,228
Consumer directed	-	-	-	-	40,338
Cost effective health insurance	-	-	-	-	980,944
Child and teen checkups	-	-	-	-	118,807
Day training & habilitation	-	-	-	-	3,244
DD family support	-	-	-	-	52,890
Early hearing detection & intervention	-	-	-	-	10,800
Elderly waived services	-	-	-	-	9,169
Emergency protective care	-	-	-	-	48,050
Essential community service	-	-	-	-	1,821
SNAP employment and training	-	-	-	-	1,901
Fraud prevention incentives	-	-	-	-	140,180
Homeless outreach	-	-	-	-	803,267
Hospital decompression grant	-	-	-	-	300,000
Housing and support rate trans	-	-	-	-	2,490,746
Housing support services	-	-	-	-	604,126
LTSS	-	-	-	-	3,195,920
Medical assistance-MCH home visits	-	-	-	-	13,661
Medical assistance renewal	-	-	-	-	258,741
Medical assistance ACT	-	-	-	-	690,878
Developmental disabilities waived services	-	-	-	-	496,189
MN family investment project child care	-	-	-	-	27,561
MN family investment project employment services	-	-	-	-	316,911
MN VASA	-	-	-	-	217,896
OBRA screenings-grant	-	-	-	-	10,588
Parent support outreach program	-	-	-	-	72,931
Periodic data match	-	-	-	-	82,432
Semi-independent living skills	-	-	-	-	693,765
SSTS correction	-	-	-	-	1,860,899
Statewide health improvement - SHIP	-	-	-	-	163,857
Stay grant	-	-	-	-	27,888
Transitions to community	-	-	-	-	29,548
Traumatic brain injury	-	-	-	-	16,040
Workers compensation	-	-	-	629,691	629,691

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds					Debt Service 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	\$ -	\$ 1,560,464	\$ -	\$ -	\$ -	\$ -
Aquatic invasive species prevention	752,102	-	-	-	-	-
Boat and water safety	134,336	-	-	-	-	-
LCCMR grants	-	-	-	-	-	-
Off highway ATV	48,162	-	-	-	-	-
Snowmobile safety	20,648	-	-	-	-	-
State forest road access	-	-	-	-	299,519	-
State trail assistance	372,779	-	-	-	-	-
Board of Peace Officer Standards and Training						
Training reimbursement	108,091	-	-	-	-	-
Department of Public Safety						
Bullet proof vests	53,058	-	-	-	-	-
MN state patrol forfeit	2,698	-	-	-	-	-
Office of Justice program grants	6,872	-	-	-	-	-
Public assistance disaster fund	216,855	41,672	-	-	13,675	-
Department of Transportation						
Local rd research board OPERA	-	32,000	-	-	-	-
Northeast Minnesota rail initiative	-	3,772,366	-	-	-	-
Iron Ranges Resources & Rehabilitation Board						
ATV trail grant	-	27,133	-	-	-	-
Demolition grants	29,410	-	-	-	-	-
MN PERA						
MN contributions to PERA	70,002	-	-	-	-	-
MN Pollution Control Agency						
LCCMR septic grants	-	-	-	-	80,040	-
Secretary of State						
Voting resources	27,527	-	-	-	-	-
Veterans Affairs						
Enhancement	20,305	-	-	-	-	-
Total State Grants	\$ 2,051,394	\$ 5,433,635	\$ 23,125,389	\$ -	\$ 411,834	\$ -
Federal Grants						
Center for Disease Control						
93.323 MDH COVID 19	\$ 155	\$ -	\$ -	\$ -	\$ -	\$ -
93.967 infrastructure	-	-	34,937	-	-	-
Department of Agriculture						
10.557 Women, infants, and children peer breastfeeding	-	-	12,652	-	-	-
10.557 Women, infants, and children (through Community Health Board)	-	-	710,250	-	-	-
10.561 Supplemental nutrition and assistance program	67,563	-	2,141,190	-	-	-
10.561 SNAP employment and training	-	-	51,042	-	-	-
10.572 Federal WIC	-	-	2,367	-	-	-
10.665 National forest land	1,520,588	-	-	-	-	-
10.665 National forest land - roads & schools	-	243,412	-	-	-	-
10.665 National forest title III	37,439	-	-	-	-	-
10.691 Good neighbor authority	-	6,081	-	-	-	-
10.697 State & forest hazardous fuels	688	-	-	-	-	-
10.720 Community wildfire defense	9,570	-	-	-	-	-
Department of Commerce						
11.419 Coastal zone management and administration	-	9,493	-	-	-	-
Department of Education						
84.181 Follow along program	-	-	3,897	-	-	-
Department of Health & Human Services						
93.069 Public health emergency preparedness	-	-	97,560	-	-	-
93.251 Universal newborn hearing screening	-	-	2,350	-	-	-
93.268 Immunization funding	-	-	448,657	-	-	-
93.314 Early hearing detection intervention	-	-	225	-	-	-
93.323 ELC funding	-	-	454,438	-	-	-
93.354 workforce development	-	-	35,992	-	-	-
93.439 Healthy food	-	-	4,901	-	-	-
93.556 Title 4B fam response	-	-	33,462	-	-	-
93.558 MN family investment project employment services	-	-	2,193,581	-	-	-
93.558 Temporary assistance to needy families admin	17,047	-	534,557	-	-	-
93.558 Temporary assistance to needy families home visiting	-	-	252,445	-	-	-
93.563 Child support	91,756	-	3,372,697	-	-	-
93.563 Title IV-D incentives	-	-	406,856	-	-	-
93.575 BSF CC admin	-	-	44,847	-	-	-
93.575 MFSIP CC admin	-	-	28,685	-	-	-
93.590 Federal PSOP child's trust	-	-	51,737	-	-	-
93.645 Title 4B fam response	-	-	86,463	-	-	-
93.658 Foster care	35,208	-	45,351	-	-	-
93.658 IV-E foster care social service time study	-	-	1,833,910	-	-	-
93.658 Title IV-E cost of care	-	-	1,424,751	-	-	-
93.658 Title IV-E foster care case management	-	-	23,005	-	-	-
93.667 Title XX block grant	-	-	1,717,367	-	-	-
93.669 Prenatal sub exposure	-	-	86,370	-	-	-
93.674 Support for emancipation and living functionally	-	-	52,554	-	-	-
93.747C Adult protection COVID	-	-	10,692	-	-	-

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Capital Projects Fund	Permanent Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants (continued)					
State grants (continued)					
Department of Natural Resources					
All-terrain vehicle acct grant	\$ -	\$ -	\$ -	\$ -	\$ 1,560,464
Aquatic invasive species prevention	-	-	-	-	752,102
Boat and water safety	-	-	-	-	134,336
LCCMR grants	-	-	59,399	-	59,399
Off highway ATV	-	-	-	-	48,162
Snowmobile safety	-	-	-	-	20,648
State forest road access	-	-	-	-	299,519
State trail assistance	-	-	-	-	372,779
Board of Peace Officer Standards and Training					
Training reimbursement	-	-	-	-	108,091
Department of Public Safety					
Bullet proof vests	-	-	-	-	53,058
MN state patrol forfeit	-	-	-	-	2,698
Office of Justice program grants	-	-	-	-	6,872
Public assistance disaster fund	351,125	-	-	-	623,327
Department of Transportation					
Local rd research board OPERA	-	-	-	-	32,000
Northeast Minnesota rail initiative	-	-	-	-	3,772,366
Iron Ranges Resources & Rehabilitation Board					
ATV trail grant	-	-	-	-	27,133
Demolition grants	-	-	-	-	29,410
MN PERA					
MN contributions to PERA	-	-	3,280	-	73,282
MN Pollution Control Agency					
LCCMR septic grants	-	-	-	-	80,040
Secretary of State					
Voting resources	-	-	-	-	27,527
Veterans Affairs					
Enhancement	-	-	-	-	20,305
Total State Grants	\$ 1,851,125	\$ -	\$ 343,080	\$ 629,691	\$ 33,846,148
Federal Grants					
Center for Disease Control					
93.323 MDH COVID 19	\$ -	\$ -	\$ -	\$ -	\$ 155
93.967 infrastructure	-	-	-	-	34,937
Department of Agriculture					
10.557 Women, infants, and children peer breastfeeding	-	-	-	-	12,652
10.557 Women, infants, and children (through Community Health Board)	-	-	-	-	710,250
10.561 Supplemental nutrition and assistance program	-	-	-	-	2,208,753
10.561 SNAP employment and training	-	-	-	-	51,042
10.572 Federal WIC	-	-	-	-	2,367
10.665 National forest land	-	-	-	-	1,520,588
10.665 National forest land - roads & schools	-	-	-	-	243,412
10.665 National forest title III	-	-	-	-	37,439
10.691 Good neighbor authority	-	-	-	-	6,081
10.697 State & forest hazardous fuels	-	-	-	-	688
10.720 Community wildfire defense	-	-	-	-	9,570
Department of Commerce					
11.419 Coastal zone management and administration	-	-	-	-	9,493
Department of Education					
84.181 Follow along program	-	-	-	-	3,897
Department of Health & Human Services					
93.069 Public health emergency preparedness	-	-	-	-	97,560
93.251 Universal newborn hearing screening	-	-	-	-	2,350
93.268 Immunization funding	-	-	-	-	448,657
93.314 Early hearing detection intervention	-	-	-	-	225
93.323 ELC funding	-	-	-	-	454,438
93.354 workforce development	-	-	-	-	35,992
93.439 Healthy food	-	-	-	-	4,901
93.556 Title 4B fam response	-	-	-	-	33,462
93.558 MN family investment project employment services	-	-	-	-	2,193,581
93.558 Temporary assistance to needy families admin	-	-	-	-	551,604
93.558 Temporary assistance to needy families home visiting	-	-	-	-	252,445
93.563 Child support	-	-	-	-	3,464,453
93.563 Title IV-D incentives	-	-	-	-	406,856
93.575 BSF CC admin	-	-	-	-	44,847
93.575 MFSIP CC admin	-	-	-	-	28,685
93.590 Federal PSOP child's trust	-	-	-	-	51,737
93.645 Title 4B fam response	-	-	-	-	86,463
93.658 Foster care	-	-	-	-	80,559
93.658 IV-E foster care social service time study	-	-	-	-	1,833,910
93.658 Title IV-E cost of care	-	-	-	-	1,424,751
93.658 Title IV-E foster care case management	-	-	-	-	23,005
93.667 Title XX block grant	-	-	-	-	1,717,367
93.669 Prenatal sub exposure	-	-	-	-	86,370
93.674 Support for emancipation and living functionally	-	-	-	-	52,554
93.747C Adult protection COVID	-	-	-	-	10,692

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds					Debt Service Funds
	General Fund	Road and Bridge	Public Health and Human Services	Pandemic Response Fund	Other	
Grants (continued)						
Federal Grants (continued)						
93.778 Child teen checkups	\$ -	\$ -	\$ 118,807	\$ -	\$ -	\$ -
93.778 LTSS	-	-	3,902,222	-	-	-
93.778 MA Trans Admin - MTM	-	-	295,609	-	-	-
93.778 Medical assistance	158,121	-	3,315,480	-	-	-
93.778 Medical assistance - Rule 25	-	-	1,153,804	-	-	-
93.778 Medical assistance incentives	-	-	39,068	-	-	-
93.870 Strong foundations	-	-	460,165	-	-	-
93.912 RHN planning grant	-	-	10,074	-	-	-
93.977 Hepatitis C grant	-	-	34,676	-	-	-
93.994 Fed maternal & child health	-	-	352,168	-	-	-
Department of Homeland Security						
97.012 Boating safety financial assurance	86,375	-	-	-	-	-
97.036 FEMA public assistance	1,122	69,691	-	-	45,585	-
97.042 Emergency management performance grant	192,799	-	-	-	-	-
97.067 Homeland security grant	173,749	-	-	-	-	-
Department of Housing & Urban Development						
14.218 CDBG federal grant	-	-	-	-	1,785,354	-
14.231 Emergency shelter grant	616,609	-	-	-	-	-
14.239 Home federal grant	-	-	-	-	740,819	-
14.267 CoC planning-mckinney vento	-	-	125,929	-	-	-
Department of Interior						
15.226 Payment in lieu of taxes	1,937,680	283	266	-	2	34
Department of Justice						
16.575 Crime victim assistance	111,044	-	-	-	-	-
16.738 Law enforcement block grant	7,225	-	-	-	-	-
16.838 Building bridges	40,498	-	-	-	-	-
16.838 COSSAP	608,541	-	-	-	-	-
Department of Natural Resources						
20.219 Trail assistance grant	75,000	-	-	-	-	-
Department of Transportation						
20.205 Highway planning and construction	-	13,283,356	-	-	-	-
20.600 Safe & sober	20,341	-	-	-	-	-
20.608 Toward zero deaths under the influence	1,321	-	-	-	-	-
20.616 Toward zero deaths seat belt & distracted	35,176	-	-	-	-	-
Department of Treasury						
21.027 Coronavirus state and local fiscal recovery	-	-	-	10,276,168	-	-
21.032 LATCF	-	1,357,172	-	-	-	-
Total Federal Grants	\$ 5,845,615	\$ 14,969,488	\$ 26,008,056	\$ 10,276,168	\$ 2,571,760	\$ 34
Other Grants						
Local						
AIK CHB MIIC grant	\$ -	\$ -	\$ 53,533	\$ -	\$ -	\$ -
EIP credit co, LLC	24,875	-	-	-	-	-
Essentia farm to school	-	-	34,295	-	-	-
Great lakes restore init	-	159,299	-	-	-	-
Health partners MH awareness	-	-	2,975	-	-	-
Ordean catalyst grant	-	-	3,836	-	-	-
Sauer family foundation	-	-	108,791	-	-	-
UCare post-partum support	-	-	2,305	-	-	-
UMD intercultural dev	-	-	6,636	-	-	-
Total Other Grants	\$ 24,875	\$ 159,299	\$ 212,371	\$ -	\$ -	\$ -
In-kind Match	\$ -	\$ -	\$ -	\$ -	\$ 232,035	\$ -
Total Intergovernmental Revenue	\$ 27,638,826	\$ 56,715,524	\$ 60,443,381	\$ 10,276,168	\$ 3,216,177	\$ 230,026

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Capital Projects Fund	Permanent Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants (continued)					
Federal Grants (continued)					
93.778 Child teen checkups	\$ -	\$ -	\$ -	\$ -	\$ 118,807
93.778 LTSS	-	-	-	-	3,902,222
93.778 MA Trans Admin - MTM	-	-	-	-	295,609
93.778 Medical assistance	-	-	-	-	3,473,601
93.778 Medical assistance - Rule 25	-	-	-	-	1,153,804
93.778 Medical assistance incentives	-	-	-	-	39,068
93.870 Strong foundations	-	-	-	-	460,165
93.912 RHN planning grant	-	-	-	-	10,074
93.977 Hepatitis C grant	-	-	-	-	34,676
93.994 Fed maternal & child health	-	-	-	-	352,168
Department of Homeland Security					
97.012 Boating safety financial assurance	-	-	-	-	86,375
97.036 FEMA public assistance	-	-	-	-	116,398
97.042 Emergency management performance grant	-	-	-	-	192,799
97.067 Homeland security grant	-	-	-	-	173,749
Department of Housing & Urban Development					
14.218 CDBG federal grant	-	-	-	-	1,785,354
14.231 Emergency shelter grant	-	-	-	-	616,609
14.239 Home federal grant	-	-	-	-	740,819
14.267 CoC planning-mckinney vento	-	-	-	-	125,929
Department of Interior					
15.226 Payment in lieu of taxes	39	-	-	-	1,938,304
Department of Justice					
16.575 Crime victim assistance	-	-	-	-	111,044
16.738 Law enforcement block grant	-	-	-	-	7,225
16.838 Building bridges	-	-	-	-	40,498
16.838 COSSAP	-	-	-	-	608,541
Department of Natural Resources					
20.219 Trail assistance grant	-	-	-	-	75,000
Department of Transportation					
20.205 Highway planning and construction	-	-	-	-	13,283,356
20.600 Safe & sober	-	-	-	-	20,341
20.608 Toward zero deaths under the influence	-	-	-	-	1,321
20.616 Toward zero deaths seat belt & distracted	-	-	-	-	35,176
Department of Treasury					
21.027 Coronavirus state and local fiscal recovery	-	-	-	-	10,276,168
21.032 LATCF	-	-	-	-	1,357,172
Total Federal Grants	\$ 39	\$ -	\$ -	\$ -	\$ 59,671,160
Other Grants					
Local					
AIK CHB MIIC grant	\$ -	\$ -	\$ -	\$ -	\$ 53,533
EIP credit co, LLC	-	-	-	-	24,875
Essentia farm to school	-	-	-	-	34,295
Great lakes restore init	-	-	-	-	159,299
Health partners MH awareness	-	-	-	-	2,975
Ordean catalyst grant	-	-	-	-	3,836
Sauer family foundation	-	-	-	-	108,791
UCare post-partum support	-	-	-	-	2,305
UMD intercultural dev	-	-	-	-	6,636
Total Other Grants	\$ -	\$ -	\$ -	\$ -	\$ 396,545
In-kind Match	\$ -	\$ -	\$ -	\$ -	\$ 232,035
Total Intergovernmental Revenue	\$ 2,118,388	\$ (200,000)	\$ 343,080	\$ 629,691	\$ 161,411,261

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

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				
State & Private Forestry Hazardous Fuel Reduction Program	10.697		\$ 688	\$ -
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		202MN004W1003	674,056	-
WIC Peer Breast Feeding Support Program (WIC PBSP)		192MN004W5003	12,652	-
(Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children 10.557 \$686,708)				
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		232MN101S2514	2,208,753	-
Supplemental Nutrition Assistance Program Employment & Training				
Administration		232MN127Q7503	49,141	-
Support		232MN101S2520	1,901	-
(Total Supplemental Nutrition Assistance Program Employment & Training \$51,042)				
(Total State Administrative Matching Grants for Supplemental Nutrition Assistance Program 10.561 \$2,259,795)				
WIC Farmers' Market Nutrition Program (FMNP)	10.572	12-700-00061	2,367	-
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	37,439	-
Title I		P.L. 113-40	243,412	-
(Total Schools and Roads - Grants to States 10.665 \$1,801,439)				
Good Neighbor Authority	10.691	P.L. 113 - 79	6,081	-
Passed Through Minnesota Division of Forestry				
Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	10.720	23-DG-1109420-173	9,570	-
Total U.S. Department of Agriculture			\$ 4,766,648	\$ -
U.S. Department of Commerce National Oceanic and Atmospheric Administration				
Passed Through Department of Natural Resources				
Coastal Zone Management Administration Awards	11.419	NA22NOS4190054	\$ 9,493	\$ -
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			\$ 1,589,983	\$ 1,303,031
COVID-19 CDBG			232,446	232,446
(Total Community Development Block Grants/Entitlement Grants 14.218 \$1,882,429)				
Emergency Solutions Grant Program	14.231			
ESG HUD Administration Grants			204,297	193,113
COVID-19 ESG Grants			412,311	412,311
(Total Emergency Solutions Grant Program 14.231 \$616,608)				
Home Investment Partnerships Program	14.239		935,779	882,077
Continuum of Care Program	14.267		104,698	-
Total U.S. Department of Housing and Urban Development			\$ 3,479,514	\$ 3,022,978
U.S. Department of the Interior				
Direct				
Payments in Lieu of Taxes	15.226		\$ 1,938,304	\$ -
U.S. Department of Justice				
Passed Through Minnesota Department of Public Safety				
Crime Victim Assistance	16.575	A-CVS-2024-STLOUICO-139	\$ 111,044	\$ -
Passed Through City of Duluth				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG03527-JAGX	7,225	7,225
Passed Through Office of Justice Programs				
Crime Victim Assistance/Discretionary Grants	16.582	15POVC-23-GG-02402-NONF	4,172	-
Passed Through the Institute for Intergovernmental Research (IIR)				
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	2017-AR-BX-K003	628,790	-
Total U.S. Department of Justice			\$ 751,231	\$ 7,225
U.S. Department of Transportation				
Passed Through Minnesota Department of Transportation				
Highway Planning and Construction	20.205	99969	\$ 13,896,282	\$ -
Passed Through Minnesota Department of Natural Resources				
Recreational Trails Program	20.219	0009-22-2B	75,000	-
Passed Through City of Duluth				
Highway Safety Cluster				
State and Community Highway Safety (Part of Highway Safety Cluster \$55,517)	20.600	A-ENFRC23-2023-DULUTHPD-064	4,648	-
(Total State and Community Highway Safety 20.600 \$20,340)				
National Priority Safety Programs (Part of Highway Safety Cluster \$55,517)	20.616	A-ENFRC23-2023-DULUTHPD-064	1,394	-
(Total National Priority Safety Programs 20.616 \$35,177)				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC23-2023-DULUTHPD-064	1,321	-
Passed Through City of Virginia				
Highway Safety Cluster				
State and Community Highway Safety (Part of Highway Safety Cluster \$55,517)	20.600	A-ENFRC23-2023-VIRGINIAPD-049	1,024	-
(Total State and Community Highway Safety 20.600 \$20,340)				
National Priority Safety Programs (Part of Highway Safety Cluster \$55,517)	20.616	A-ENFRC23-2023-VIRGINIAPD-049	342	-
(Total National Priority Safety Programs 20.616 \$35,177)				
Passed Through Minnesota Department of Public Safety				
State and Community Highway Safety (Part of Highway Safety Cluster \$55,517)	20.600	A-OFFICR23-2023-STLOUSO-020	14,668	-
(Total State and Community Highway Safety 20.600 \$20,340)				
National Priority Safety Programs (Part of Highway Safety Cluster \$55,517)	20.616	A-OFFICR23-2023-STLOUSO-020	33,441	-
(Total National Priority Safety Programs 20.616 \$35,177)				
Total U.S. Department of Transportation			\$ 14,028,120	\$ -

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, 2023
 (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				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027		\$ 10,276,168	\$ -
COVID-19 Local Assistance and Tribal Consistency Fund (LATCF)	21.032		2,714,343	-
Total Department of Treasury			\$ 12,990,511	\$ -
U.S. Department of Education				
Passed Through Carlton, Cook, Lake, and St. Louis Community Health Board				
Special Education-Grants for Infants and Families	84.181	B04MC32551	\$ 3,897	\$ -
U.S. Department of Health and Human Services				
Passed Through Carlton, Cook, Lake, and St. Louis Community Health Board				
Public Health Emergency Preparedness	93.069	NU90TP922026	\$ 98,073	\$ -
Early Hearing Detection and Intervention	93.251	12-700-0061	2,350	-
COVID-19 Immunization Cooperative Agreements	93.268	NH23IP922628	476,758	-
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	12-700-0061	225	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NH23IP922628	319,108	-
(Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) 93.323 \$319,263)				
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Crisis Response	93.354	NU90TP922188	34,426	-
State Physical Activity and Nutrition (SPAN)	93.439	12-700-0061	4,901	-
Temporary Assistance for Needy Families	93.558	2501MNTANF	251,846	-
(Total Temporary Assistance for Needy Families 93.558 \$4,254,061)				
Medical Assistance Program (Part of Medicaid Cluster)	93.778			
Child & Teen Checkups Administrative Services		2005MN5ADM	118,807	-
(Total Medical Assistance 93.778 \$8,888,140)				
Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870	X1043589	460,165	-
Maternal and Child Health Services Block Grant to the States	93.994	B04MC32551	352,261	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	NE11OE000048	34,937	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	NH25PS005127	34,676	-
Passed Through Minnesota Department of Human Services				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	214227	155	-
(Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) 93.323 \$319,263)				
MaryLee Allen Promoting Safe and Stable Families	93.556	2201MNFPS	44,616	-
Temporary Assistance for Needy Families	93.558			
Minnesota Family Investment Program		2301MNTANF	3,450,611	-
Program Administrative Cost Reimbursements		23101MNTANF	551,604	-
(Total Temporary Assistance for Needy Families 93.558 \$4,254,061)				
Child Support Enforcement	93.563			
Title IV-D County-Wide Indirect Aid - Income Maintenance		2301MNCSES	91,756	-
Title IV-D Child Support Administration Aid and Federal Incentives		2301MNCES	3,779,553	-
(Total Child Support Enforcement 93.563 \$3,871,309)				
Child Care and Development Block Grant (Part of CCDF Cluster)	93.575	2301MNCDF	73,532	-
Community-Based Child Abuse Prevention Grants	93.590	2202MNBCAP	51,737	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2201MNCWSS	79,533	-
Foster Care Title IV-E	93.658	2301MNFOS	3,362,225	283,064
Social Services Block Grant	93.667	2301MNSOSR	1,717,367	-
Child Abuse and Neglect State Grants	93.669	2101MNNCAN	97,277	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2301MNCILP	46,199	-
COVID-19 Elder Abuse Prevention Intervention Program	93.747	2101MNAPC6	10,692	-
Medical Assistance Program (Part of Medicaid Cluster)	93.778			
Medical Assistance		2305MN5ADM	8,730,265	-
Federal Incentive Payments		2305MN5MAP	39,068	-
(Total Medical Assistance Program 93.778 \$8,888,140)				
Rural Health Outreach and Rural Network Development Program	93.912	1 P10RH49218□01□00	14,714	-
Total U.S. Department of Health and Human Services			\$ 24,329,437	\$ 283,064

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, 2023
 (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)		227996	\$ 19,000	\$ -
Boating & Water Safety Sub-Grant		223594	67,375	-
(Total Boating Safety Financial Assistance 97.012 \$86,375)				
Passed Through Minnesota Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	137-99137-01	114,175	-
Emergency Management Performance Grants	97.042	A-EMPG-2022-STLOUICO-076	122,784	-
Homeland Security Grant Program	97.067	A-OPSG-2021-STLOUISCO-009	187,465	-
Total U.S. Department of Homeland Security			\$ 510,799	\$ -
Total Federal Awards			\$ 62,807,954	\$ 3,313,267
Clusters of programs are groupings of closely related programs that share common compliance requirements.				
Total expenditures by cluster are:				
Supplemental Nutrition Assistance Program (SNAP) Cluster			\$ 2,259,795	
Forest Service Schools and Roads Cluster			1,801,439	
CDBG - Entitlement Grants Cluster			1,822,429	
Highway Safety Cluster			55,517	
Child Care and Development Block Grant (CCDF) Cluster			73,532	
Medicaid Cluster			8,888,140	

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, 2023

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, 2023. 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 21.027, which follows 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. 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, 2023

Reconciliation of Intergovernmental Revenue	Federal AL Number	Amount
Federal grant revenue per Schedule of Intergovernmental Revenue		\$ 59,671,160
Unavailable Revenue in 2023 - grants received more than 60 days after year-end		
Continuum of Care Program	14.267	5,916
Crime Victim Assistance/Discretionary Grants	16.582	4,172
Highway Planning and Construction (Regular)	20.205	772,537
Public Health Emergency Preparedness	93.069	513
COVID-19 Immunization Cooperative Agreements	93.268	28,101
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Crisis Response	93.354	366
MaryLee Allen Promoting Safe and Stable Families	93.556	11,154
Temporary Assistance for Needy Families	93.558	1,257,159
Stephanie Tubbs Jones Child Welfare Services Program	93.645	19,883
Child Abuse and Neglect State Grants	93.669	10,907
Rural Health Outreach and Rural Network Development Program	93.912	4,640
Maternal and Child Health Services Block Grant to the States	93.994	93
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	36,788
Emergency Management Performance Grants	97.042	7,317
Homeland Security Grant Program	97.067	13,716
Unavailable in 2022, recognized as revenue in 2023		
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	(36,194)
Continuum of Care Program	14.267	(27,147)
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	(20,250)
Highway Planning and Construction (Regular)	20.205	(159,611)
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	(135,329)
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Crisis Response	93.354	(1,932)
Temporary Assistance for Needy Families	93.558	(728)
Stephanie Tubbs Jones Child Welfare Services Program	93.645	(26,814)
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	(6,355)
Medical Assistance Program	93.778	(94,971)
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(39,012)
Emergency Management Performance Grants	97.042	(77,332)
Grants received in 2022 but spent in 2023		
COVID-19 Local Assistance and Tribal Consistency Fund (LATCF)	21.032	1,357,172
Program Income		
Community Development Block Grants(CDBG)/Entitlement Grants	14.218	37,075
Home Investment Partnerships Program	14.239	194,960
Total expenditures per Schedule of Expenditures of Federal Awards		<u>\$ 62,807,954</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.	174
---	-----

Revenue Capacity	
-------------------------	--

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	182
---	-----

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.	188
---	-----

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.	193
--	-----

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.	195
--	-----

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				
	2014	2015	2016	2017	2018
Governmental activities					
Net investment in capital assets	\$ 556,683,649	\$ 583,821,271	\$ 612,901,331	\$ 663,198,830	\$ 726,772,187
Restricted	26,589,973	70,308,890	89,915,022	65,481,512	54,083,315
Unrestricted	134,070,739	31,017,384	12,973,052	31,482,005	22,606,777
Total governmental activities net position	<u>\$ 717,344,361</u>	<u>\$ 685,147,545</u>	<u>\$ 715,789,405</u>	<u>\$ 760,162,347</u>	<u>\$ 803,462,279</u>
Business-type activities					
Net investment in capital assets	\$ 7,672,802	\$ 7,302,389	\$ 6,868,467	\$ 9,741,229	\$ 8,409,623
Restricted	2,331,286	2,254,051	2,129,155	3,273,622	3,366,124
Unrestricted	11,941,099	10,763,449	10,088,870	9,716,339	7,809,610
Total business-type activities net position	<u>\$ 21,945,187</u>	<u>\$ 20,319,889</u>	<u>\$ 19,086,492</u>	<u>\$ 22,731,190</u>	<u>\$ 19,585,357</u>
Primary government					
Net investment in capital assets	\$ 564,356,451	\$ 591,123,660	\$ 619,769,798	\$ 672,940,059	\$ 735,181,810
Restricted	28,921,259	72,562,941	92,044,177	68,755,134	57,449,439
Unrestricted	146,011,838	41,780,833	23,061,922	41,198,344	30,416,387
Total primary government net position	<u>\$ 739,289,548</u>	<u>\$ 705,467,434</u>	<u>\$ 734,875,897</u>	<u>\$ 782,893,537</u>	<u>\$ 823,047,636</u>

Schedule 1

ST. LOUIS COUNTY, MINNESOTA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year				
2019	2020	2021	2022	2023
\$ 774,182,980	\$ 821,301,671	\$ 836,031,732	\$ 873,919,126	\$ 931,232,821
44,237,883	48,476,781	56,230,133	55,762,177	59,896,358
40,208,786	64,033,538	96,618,453	100,459,790	111,071,562
<u>\$ 858,629,649</u>	<u>\$ 933,811,990</u>	<u>\$ 988,880,318</u>	<u>\$ 1,030,141,093</u>	<u>\$ 1,102,200,741</u>
\$ 8,166,962	\$ 7,921,477	\$ 8,169,781	\$ 9,507,090	\$ 11,040,790
3,848,037	4,395,237	4,495,530	4,662,757	4,225,913
6,994,394	7,389,884	8,967,191	9,774,705	11,278,968
<u>\$ 19,009,393</u>	<u>\$ 19,706,598</u>	<u>\$ 21,632,502</u>	<u>\$ 23,944,552</u>	<u>\$ 26,545,671</u>
\$ 782,349,942	\$ 829,223,148	\$ 844,201,513	\$ 883,426,216	\$ 942,273,611
48,085,920	52,872,018	60,725,663	60,424,934	64,122,271
47,203,180	71,423,422	105,585,644	110,234,495	122,350,530
<u>\$ 877,639,042</u>	<u>\$ 953,518,588</u>	<u>\$ 1,010,512,820</u>	<u>\$ 1,054,085,645</u>	<u>\$ 1,128,746,412</u>

Schedule 2

ST. LOUIS COUNTY, MINNESOTA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017
Expenses				
Governmental activities				
General government	\$ 49,666,414	\$ 44,082,239	\$ 48,748,275	\$ 48,530,937
Public safety	54,501,618	51,350,879	58,469,479	57,291,657
Highways and streets	49,163,367	46,584,379	49,617,143	52,877,191
Health and sanitation	4,795,994	4,827,603	5,284,406	5,470,905
Human services	79,419,419	86,145,675	93,601,510	97,303,366
Culture and recreation	2,177,850	3,720,156	3,369,858	3,486,461
Conservation of natural resources	9,087,657	9,873,312	9,060,539	9,844,470
Economic development	2,879,553	3,237,323	3,178,327	3,753,955
Interest and other charges	2,181,891	2,438,806	3,088,164	3,837,284
Bond issuance costs	-	117,120	-	-
Total governmental activities expenses	253,873,763	252,377,492	274,417,701	282,396,226
Business-type activities				
Environmental services	7,972,128	7,741,835	8,523,576	3,956,187
Other Enterprise Funds	10,064	9,024	80,812	38,500
Total business-type activities expenses	7,982,192	7,750,859	8,604,388	3,994,687
Total primary government expenses	\$ 261,855,955	\$ 260,128,351	\$ 283,022,089	\$ 286,390,913
Program Revenues				
Governmental activities:				
Charges for services and other program revenues:				
General government	\$ 18,259,101	\$ 18,766,951	\$ 19,561,024	\$ 20,498,364
Public safety	4,686,528	3,473,117	3,924,325	3,944,212
Highways and streets	3,480,798	2,655,678	7,200,966	6,785,054
Health and sanitation	561,034	590,322	446,229	663,118
Human services	12,747,627	13,142,738	12,242,341	12,812,171
Culture and recreation	-	-	-	-
Conservation of natural resources	7,641,654	15,819,498	12,072,268	10,867,757
Economic development	918,752	43,343	100	150
Operating grants and contributions	72,374,834	56,139,010	60,604,204	70,121,922
Capital grants and contributions	19,725,748	23,658,301	24,928,471	24,182,578
Total governmental activities program revenues	140,396,076	134,288,958	140,979,928	149,875,326
Business-type activities:				
Charges for services:				
Environmental services	6,096,029	6,394,661	6,836,219	6,795,857
Other Enterprise Funds	19,146	15,783	28,350	17,805
Operating grants and contributions	407,990	372,087	341,904	302,361
Total business-type activities program revenues	6,523,165	6,782,531	7,206,473	7,116,023
Total primary government program revenues	\$ 146,919,241	\$ 141,071,489	\$ 148,186,401	\$ 156,991,349
Net (Expense)/Revenue				
Governmental activities	\$ (113,477,687)	\$ (118,088,534)	\$ (133,437,773)	\$ (132,520,900)
Business-type activities	(1,459,027)	(968,328)	(1,397,915)	3,121,336
Total primary government net expense	\$ (114,936,714)	\$ (119,056,862)	\$ (134,835,688)	\$ (129,399,564)
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes, levied for general purposes	\$ 121,198,926	\$ 120,866,397	\$ 121,028,079	\$ 130,189,995
Property taxes, levied for debt service	6,154,941	7,379,545	6,733,511	6,790,164
Transportation sales tax	-	11,085,356	14,141,713	14,580,365
State shared	18,091,331	18,323,388	18,761,512	18,325,839
Federal shared	1,755,887	261,575	284,413	1,769,105
Investment earnings	3,367,682	2,208,804	3,247,704	5,515,189
Special Items - capital asset adjustments	2,512,402	175,501	(321,918)	55,827
Transfers	(429,628)	(224,784)	204,619	(332,642)
Total governmental activities	152,651,541	160,075,782	164,079,633	176,893,842
Business-type activities				
Taxes				
Property taxes, levied for general purposes	\$ 247,871	\$ 246,261	\$ 125,369	\$ 9,393
State Shared	-	-	9,582	695
Investment earnings	273,137	197,440	227,602	180,632
Special Items	-	-	6,584	-
Transfers	429,628	224,784	(204,619)	332,642
Total business-type activities	950,636	668,485	164,518	523,362
Total primary government	\$ 153,602,177	\$ 160,744,267	\$ 164,244,151	\$ 177,417,204
Changes in Net Position				
Governmental activities	\$ 39,173,854	\$ 41,987,248	\$ 30,641,860	\$ 44,372,942
Business-type activities	(508,391)	(299,843)	(1,233,397)	3,644,698
Total primary government	\$ 38,665,463	\$ 41,687,405	\$ 29,408,463	\$ 48,017,640

Schedule 2

ST. LOUIS COUNTY, MINNESOTA
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

2018	2019	2020	2021	2022	2023
\$ 48,592,813	\$ 50,886,407	\$ 52,191,312	\$ 51,505,131	\$ 59,542,219	\$ 62,677,884
54,402,269	57,788,107	54,891,977	55,117,463	65,951,457	71,312,211
50,535,861	55,178,035	59,447,031	66,300,584	76,353,227	74,006,854
6,000,673	7,430,886	13,008,828	10,328,701	10,615,620	10,739,582
98,710,007	98,988,990	103,331,200	99,532,044	110,871,339	115,277,175
3,691,776	4,000,045	4,309,801	4,460,326	5,991,081	5,410,764
9,065,610	8,729,100	8,698,640	9,579,441	9,589,480	10,093,880
3,507,863	3,360,756	10,262,738	9,254,063	7,544,606	6,810,540
4,030,034	4,614,418	4,305,394	4,095,423	3,990,018	3,699,838
-	-	-	-	-	-
<u>278,536,906</u>	<u>290,976,744</u>	<u>310,446,921</u>	<u>310,173,176</u>	<u>350,449,047</u>	<u>360,028,728</u>
10,544,963	7,721,096	7,672,643	8,060,435	8,748,573	9,901,344
14,316	6,747	51,980	19,805	8,339	5,241
<u>10,559,279</u>	<u>7,727,843</u>	<u>7,724,623</u>	<u>8,080,240</u>	<u>8,756,912</u>	<u>9,906,585</u>
<u>\$ 289,096,185</u>	<u>\$ 298,704,587</u>	<u>\$ 318,171,544</u>	<u>\$ 318,253,416</u>	<u>\$ 359,205,959</u>	<u>\$ 369,935,313</u>
\$ 20,717,724	\$ 20,800,732	\$ 21,699,968	\$ 22,122,202	\$ 22,845,616	\$ 24,277,542
3,806,513	3,561,191	3,586,252	3,891,052	3,757,150	4,006,182
4,732,541	6,656,841	5,207,198	4,454,786	6,074,194	7,659,274
636,845	912,121	836,914	722,514	715,950	624,143
12,477,933	12,656,120	13,225,146	13,001,574	15,838,249	14,186,306
-	342,164	193,318	341,520	320,047	529,011
9,406,596	9,370,050	9,140,379	10,780,661	9,087,947	8,743,737
200	150	250	111,470	150	-
65,835,124	66,878,466	98,810,965	78,682,526	89,994,711	96,654,306
23,799,966	25,189,087	26,920,036	25,935,588	33,476,457	36,189,673
<u>141,413,442</u>	<u>146,366,922</u>	<u>179,620,426</u>	<u>160,043,893</u>	<u>182,110,471</u>	<u>192,870,174</u>
6,640,627	6,648,058	7,691,343	9,318,310	9,633,800	9,923,688
8,468	6,008	23,616	8,804	4,546	3,194
286,987	460,735	275,791	285,972	664,251	339,800
<u>6,936,082</u>	<u>7,114,801</u>	<u>7,990,750</u>	<u>9,613,086</u>	<u>10,302,597</u>	<u>10,266,682</u>
<u>\$ 148,349,524</u>	<u>\$ 153,481,723</u>	<u>\$ 187,611,176</u>	<u>\$ 169,656,979</u>	<u>\$ 192,413,068</u>	<u>\$ 203,136,856</u>
\$ (137,123,464)	\$ (144,609,822)	\$ (130,826,495)	\$ (150,129,283)	\$ (168,338,576)	\$ (167,158,554)
(3,623,197)	(613,042)	266,127	1,532,846	1,545,685	360,097
<u>\$ (140,746,661)</u>	<u>\$ (145,222,864)</u>	<u>\$ (130,560,368)</u>	<u>\$ (148,596,437)</u>	<u>\$ (166,792,891)</u>	<u>\$ (166,798,457)</u>
\$ 136,953,563	\$ 141,312,854	\$ 150,526,521	\$ 152,464,212	\$ 163,957,777	\$ 169,268,156
6,076,005	6,524,526	6,620,196	6,583,518	6,838,545	6,425,986
15,271,797	16,243,975	16,192,112	19,013,745	20,555,920	21,502,649
20,023,431	19,540,652	19,742,545	20,223,258	21,508,599	20,282,335
3,483,422	3,532,870	3,288,678	3,334,543	3,420,908	3,457,887
4,117,270	12,719,233	9,637,909	3,816,227	(5,786,257)	19,725,122
-	-	-	-	-	-
(435,081)	689,515	875	(237,892)	(896,141)	(1,443,933)
<u>185,490,407</u>	<u>200,563,625</u>	<u>206,008,836</u>	<u>205,197,611</u>	<u>209,599,351</u>	<u>239,218,202</u>
\$ 9,639	\$ -	\$ -	\$ -	\$ -	\$ -
11,874	11,815	4,080	7,104	6,592	6,560
238,154	481,150	427,873	148,062	(136,368)	790,529
-	233,628	-	-	-	-
<u>435,081</u>	<u>(689,515)</u>	<u>(875)</u>	<u>237,892</u>	<u>896,141</u>	<u>1,443,933</u>
<u>694,748</u>	<u>37,078</u>	<u>431,078</u>	<u>393,058</u>	<u>766,365</u>	<u>2,241,022</u>
<u>\$ 186,185,155</u>	<u>\$ 200,600,703</u>	<u>\$ 206,439,914</u>	<u>\$ 205,590,669</u>	<u>\$ 210,365,716</u>	<u>\$ 241,459,224</u>
\$ 48,308,479	\$ 55,953,803	\$ 75,182,341	\$ 55,068,328	\$ 41,260,775	\$ 72,059,648
(2,926,236)	(575,964)	697,205	1,925,904	2,312,050	2,601,119
<u>\$ 45,382,243</u>	<u>\$ 55,377,839</u>	<u>\$ 75,879,546</u>	<u>\$ 56,994,232</u>	<u>\$ 43,572,825</u>	<u>\$ 74,660,767</u>

Schedule 3

ST. LOUIS COUNTY, MINNESOTA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 882,776	\$ 558,932	\$ 1,110,385	\$ 842,311
Restricted	5,600,518	5,610,702	2,877,147	2,716,543
Committed	11,198,786	11,175,193	11,181,351	11,557,726
Assigned	13,297,528	15,989,811	18,139,783	17,364,782
Unassigned	<u>35,349,694</u>	<u>34,786,997</u>	<u>37,196,660</u>	<u>37,027,480</u>
Total general fund	<u>\$ 66,329,302</u>	<u>\$ 68,121,635</u>	<u>\$ 70,505,326</u>	<u>\$ 69,508,842</u>
All Other Governmental Funds				
Nonspendable	\$ 17,415,185	\$ 22,533,116	\$ 26,649,056	\$ 27,449,111
Restricted	9,299,382	47,685,253	59,278,434	34,473,547
Committed	21,046,801	20,121,586	19,745,067	20,295,660
Assigned	53,105,776	50,504,334	49,422,783	44,034,197
Unassigned	<u>-</u>	<u>-</u>	<u>(86)</u>	<u>-</u>
Total all other government funds	<u>\$ 100,867,144</u>	<u>\$ 140,844,289</u>	<u>\$ 155,095,254</u>	<u>\$ 126,252,515</u>

Schedule 3

ST. LOUIS COUNTY, MINNESOTA
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 829,672	\$ 496,722	\$ 394,308	\$ 385,363	\$ 625,905	\$ 243,444
2,663,751	3,499,400	3,960,029	4,478,768	4,514,972	7,604,341
11,535,451	11,435,806	11,930,709	11,216,445	11,144,712	12,487,032
16,746,109	16,334,445	21,517,824	22,133,060	22,896,820	26,586,812
40,190,030	41,486,020	43,114,632	42,979,502	42,738,791	43,962,011
<u>\$ 71,965,013</u>	<u>\$ 73,252,393</u>	<u>\$ 80,917,502</u>	<u>\$ 81,193,138</u>	<u>\$ 81,921,200</u>	<u>\$ 90,883,640</u>
\$ 26,630,815	\$ 31,577,334	\$ 34,372,388	\$ 39,127,153	\$ 31,413,999	\$ 39,997,985
63,872,775	31,154,596	62,514,338	49,149,249	35,382,947	16,861,340
20,730,280	20,288,262	21,691,496	20,795,007	21,436,958	22,925,551
40,370,377	48,597,565	49,813,504	69,330,889	76,730,995	86,754,563
-	-	-	(2,178)	(203)	-
<u>\$ 151,604,247</u>	<u>\$ 131,617,757</u>	<u>\$ 168,391,726</u>	<u>\$ 178,400,120</u>	<u>\$ 164,964,696</u>	<u>\$ 166,539,439</u>

Schedule 4

ST. LOUIS COUNTY, MINNESOTA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017
Revenues				
Taxes	\$ 127,734,734	\$ 139,810,906	\$ 142,338,881	\$ 152,021,672
Licenses	311,378	326,097	318,610	338,241
Intergovernmental	119,682,121	106,462,164	114,216,291	116,514,726
Charges for services	27,189,262	26,646,992	30,011,290	30,238,046
Fines and forfeits	137,528	148,358	161,375	335,030
Earnings on investments	2,994,443	1,925,007	2,955,231	5,278,526
Gifts and contributions	8,982	50,647	13,139	25,385
Land and timber sales	8,007,234	14,517,143	11,547,500	9,194,493
Miscellaneous	4,554,843	3,850,754	4,511,245	5,292,329
Total revenues	<u>290,620,525</u>	<u>293,738,068</u>	<u>306,073,562</u>	<u>319,238,448</u>
Expenditures				
General government	41,551,894	41,574,289	44,638,065	45,490,303
Public safety	46,673,255	48,638,872	49,360,919	51,185,228
Highways and streets	38,392,604	32,215,419	33,222,000	35,215,416
Health and sanitation	4,946,831	4,679,163	4,977,595	5,296,681
Human services	79,113,396	84,131,293	89,851,302	96,404,600
Culture and recreation	2,177,850	2,038,795	1,712,057	1,851,060
Conservation of natural resources	8,793,370	9,059,619	8,281,415	8,630,421
Economic development	2,851,579	3,200,199	3,132,751	3,711,769
Debt service:				
Principal	6,997,490	7,895,390	6,900,390	13,580,201
Interest and other charges	2,492,340	2,744,737	3,547,549	4,680,122
Bond issuance costs	-	117,120	-	-
Capital outlay	67,260,570	65,226,586	85,848,604	82,887,029
Total Expenditures	<u>301,251,179</u>	<u>301,521,482</u>	<u>331,472,647</u>	<u>348,932,830</u>
Excess of revenues over (under) expenditures	<u>(10,630,654)</u>	<u>(7,783,414)</u>	<u>(25,399,085)</u>	<u>(29,694,382)</u>
Other Financing Sources (Uses)				
Transfers in	8,724,703	16,395,871	21,625,136	15,017,556
Transfers (out)	(10,293,379)	(16,343,554)	(21,102,488)	(15,217,058)
Proceeds from leases	-	-	-	-
Bonds issued	5,470,000	38,415,000	23,315,000	-
Premium on bonds issued	213,897	2,724,564	2,356,356	-
Sale of capital assets	2,512,402	175,501	153,773	188,546
Refunding bonds issued	-	7,715,000	15,200,000	-
Premium on refunding bonds issued	-	562,801	1,075,261	-
Bond proceeds remitted to joint venture	(5,253,000)	-	-	-
Loan proceeds	-	118,420	96,227	-
Proceeds from software subscriptions	-	-	-	-
Total other financing sources (uses)	<u>1,374,623</u>	<u>49,763,603</u>	<u>42,719,265</u>	<u>(10,956)</u>
Net change in fund balances	<u>\$ (9,256,031)</u>	<u>\$ 41,980,189</u>	<u>\$ 17,320,180</u>	<u>\$ (29,705,338)</u>
Debt service as a percentage of noncapital expenditures	4.1%	4.6%	4.3%	6.9%

Schedule 4

ST. LOUIS COUNTY, MINNESOTA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

2018	2019	2020	2021	2022	2023
\$ 158,874,597	\$ 164,061,559	\$ 173,390,342	\$ 178,629,291	\$ 191,524,020	\$ 196,963,236
358,421	573,355	594,074	771,590	665,110	725,887
127,053,015	125,770,305	157,197,865	135,223,428	153,529,168	160,438,490
30,843,968	33,290,094	32,685,884	32,529,019	35,396,157	39,065,563
147,522	152,361	61,989	119,240	56,871	74,088
3,807,852	12,067,009	9,060,823	3,726,188	(5,212,480)	17,976,103
14,441	23,589	18,600	2,265	28,265	20,554
8,173,349	8,125,688	8,138,325	10,630,485	8,560,043	6,843,329
3,688,986	3,593,204	3,947,710	4,498,654	6,414,798	5,116,400
<u>332,962,151</u>	<u>347,657,164</u>	<u>385,095,612</u>	<u>366,130,160</u>	<u>390,961,952</u>	<u>427,223,650</u>
47,645,505	49,507,010	52,040,883	52,177,832	55,054,570	57,136,249
53,862,909	54,840,421	56,100,959	58,422,181	60,714,012	66,083,915
36,239,798	36,938,325	40,631,395	44,389,007	49,234,561	49,941,427
6,027,687	7,203,860	13,194,809	10,607,456	10,325,159	10,302,608
98,711,114	99,065,892	106,390,135	103,119,948	107,632,329	112,345,754
2,056,375	2,362,232	2,675,082	2,848,085	4,360,789	3,763,511
8,442,128	8,406,955	9,038,431	9,704,972	9,063,382	9,145,462
3,475,638	3,327,670	10,228,874	9,238,030	7,622,848	6,766,112
8,010,991	9,249,550	8,918,362	26,367,744	12,922,601	11,475,778
4,631,664	5,486,139	5,080,465	5,310,793	4,732,253	4,254,065
-	-	-	-	-	-
79,766,844	93,433,882	66,213,357	63,418,803	82,285,439	93,885,468
<u>348,870,653</u>	<u>369,821,936</u>	<u>370,512,752</u>	<u>385,604,851</u>	<u>403,947,943</u>	<u>425,100,349</u>
<u>(15,908,502)</u>	<u>(22,164,772)</u>	<u>14,582,860</u>	<u>(19,474,691)</u>	<u>(12,985,991)</u>	<u>2,123,301</u>
18,192,909	17,959,567	21,040,301	18,389,457	17,802,860	25,442,435
(18,793,163)	(16,754,069)	(22,965,437)	(18,926,775)	(18,300,636)	(26,305,777)
-	-	-	3,118,800	-	2,762,460
-	-	30,355,000	25,855,000	-	-
-	-	732,941	662,268	-	-
226,048	203,319	132,717	703,273	592,574	407,201
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	36,616	71,437	91,822	77,162
-	-	-	-	-	1,045,406
<u>(374,206)</u>	<u>1,408,817</u>	<u>29,332,138</u>	<u>29,873,460</u>	<u>186,620</u>	<u>3,428,887</u>
<u>\$ (16,282,708)</u>	<u>\$ (20,755,955)</u>	<u>\$ 43,914,998</u>	<u>\$ 10,398,769</u>	<u>\$ (12,799,371)</u>	<u>\$ 5,552,188</u>
4.7%	5.3%	4.6%	9.8%	5.5%	4.7%

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
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
2022	95,924,560	11,009,571	39,526,630	33,614,284	21,893,152
2023	114,318,154	12,278,815	41,925,538	39,681,182	25,567,059

Source: St. Louis County Auditor-Treasurer

Schedule 5

ST. LOUIS COUNTY, MINNESOTA
Tax Capacity and Estimated Market Value of Property
Last Ten Fiscal Years

Personal Property	Total Net Tax Capacity	% Change Total Net Tax Capacity	Total County Tax Rate Per \$100 of Taxable Net Tax Capacity	Estimated Market Value	Total Net Tax Capacity as a Percentage of Estimated Market Value
\$ 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%
9,542,283	211,510,480	(1.26)%	68.1388	20,492,398,600	1.03%
12,095,256	245,866,004	16.24%	61.6065	23,562,325,839	1.04%

Schedule 6

ST. LOUIS COUNTY, MINNESOTA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended December 31	County Direct Tax Rates Per \$100 of Taxable Net Tax Capacity				
	General Levy	Debt Service Levy	Regional Library Levy	County-wide Enterprise Fund	Total
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
2022	65.0619	2.7764	0.3005	-	68.1388
2023	58.9038	2.4387	0.2640	-	61.6065

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
32.0031	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
43.4253	13.8605	2.7047	26.5629	13.5553
35.3597	10.5986	1.7742	18.7757	11.2887

Schedule 7

**ST. LOUIS COUNTY, MINNESOTA
Principal Property Tax Payers
Current and Nine Years Ago**

Taxpayer	2023			2014		
	Net Tax Capacity Value	Rank	Percentage of Total Taxable Net Tax Capacity Value	Net Tax Capacity Value	Rank	Percentage of Total Taxable Net Tax Capacity Value
Wisconsin Central LTD	\$ 6,314,972	1	2.57%	\$ 3,502,012	2	2.09%
Allete, Inc. (Minnesota Power)	6,176,724	2	2.51%	5,334,461	1	3.19%
Enbridge Energy LTD Partnership	5,418,850	3	2.20%	2,279,779	3	1.36%
Burlington No/Santa Fe Railway Co	1,376,798	4	0.56%	698,784	9	0.42%
American Transmission Co LLC	1,303,862	5	0.53%	746,574	6	0.45%
Duluth Clinic	1,214,756	6	0.49%	704,114	8	0.42%
Miller Hill Mall	1,022,655	7	0.42%	810,228	5	0.48%
Northern States Power Co	682,575	8	0.28%			
Property Tax Dept	600,223	9	0.24%			
Great River Energy	599,211	10	0.24%	851,082	4	0.51%
Menards Inc				715,318	7	0.43%
Cliffs Mining Services				617,771	10	0.37%
	<u>\$ 24,710,626</u>		<u>10.04%</u>	<u>\$ 16,260,123</u>		<u>9.72%</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
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%	1,255,967	106,508,919	99.38%
2017	116,925,963	114,907,543	98.27%	937,717	115,845,260	99.08%
2018	122,620,235	120,532,562	98.30%	1,168,625	121,701,187	99.25%
2019	127,201,123	125,105,026	98.35%	1,325,275	126,430,301	99.39%
2020	136,030,055	133,988,242	98.50%	1,456,026	135,444,268	99.57%
2021	138,321,904	136,459,341	98.65%	811,570	137,270,911	99.24%
2022	146,981,488	144,985,638	98.64%	816,507	145,802,145	99.20%
2023	153,955,383	151,769,936	98.58%	-	151,769,936	98.58%

Notes:

- (1) - Excludes tax credits and certain state aids.
- (2) - Includes some small amounts that are not 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	Leases	Software Subscriptions			
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	1.52%	843
2022	152,294,314	304,597	1,867,342	-	154,466,253	1.37%	774
2023	141,911,984	343,159	3,518,791	1,637,728	147,411,662	Not Available	735

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			Percentage of Estimated Market Value	Per Capita
		General Obligation Bonds	Less: Amounts Available in Debt Service Fund (1)	Net General Bonded Debt Outstanding		
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
2022	304,597	152,294,314	2,784,593	149,509,721	0.73%	749
2023	343,159	141,911,984	2,416,141	139,495,843	0.59%	696

Sources:

(1) This is the amount restricted for debt service payments. This column was changed to reflect the 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, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable*</u>	<u>Share of Debt</u>
Direct Debt			
St. Louis County	\$ 147,411,662	100.00%	\$ 147,411,662
Overlapping Debt			
School District #94	52,650,000	3.86%	2,033,715
School District #381	44,415,000	15.09%	6,701,608
School District #698	150,000	97.15%	145,728
School District #707	89,000	52.90%	47,084
School District #2142	41,430,000	99.05%	41,035,315
Western Lake Superior Sanitary District	61,940,975	82.34%	51,002,811
Subtotal, overlapping debt			<u>100,966,261</u>
Total Direct and Overlapping Debt			<u><u>\$ 248,377,923</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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Market value of taxable property	\$ 14,488,302,620	\$ 14,740,006,310	\$ 15,285,072,934	\$ 15,744,495,775	\$ 16,397,142,021
Debt limit (3% of market value) *	434,649,079	442,200,189	458,552,188	472,334,873	491,914,261
Debt applicable to limit:					
General obligation bonds	55,844,034	97,060,525	131,607,647	116,922,054	154,226,426
Less: Amount set aside for repayment of general obligation debt	<u>(1,658,107)</u>	<u>(8,554,007)</u>	<u>(25,434,249)</u>	<u>(20,458,433)</u>	<u>(19,902,267)</u>
Total net debt applicable to limit	54,185,927	88,506,518	106,173,398	96,463,621	134,324,159
Legal debt margin	<u>\$ 380,463,152</u>	<u>\$ 353,693,671</u>	<u>\$ 352,378,790</u>	<u>\$ 375,871,252</u>	<u>\$ 357,590,102</u>
Total net debt applicable to the limit as a percentage of the debt limit	12.47%	20.02%	23.15%	20.42%	27.31%

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>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 17,058,467,275	\$ 17,693,802,086	\$ 18,290,267,288	\$ 19,181,926,392	\$ 22,326,683,712
511,754,018	530,814,063	548,708,019	575,457,792	669,800,511
144,222,416	165,639,268	165,243,862	152,294,314	141,911,984
<u>(17,928,541)</u>	<u>(22,203,457)</u>	<u>(5,987,655)</u>	<u>(2,940,315)</u>	<u>(2,523,450)</u>
126,293,875	143,435,811	159,256,207	149,353,999	139,388,534
<u>\$ 385,460,143</u>	<u>\$ 387,378,252</u>	<u>\$ 389,451,812</u>	<u>\$ 426,103,793</u>	<u>\$ 530,411,977</u>
24.68%	27.02%	29.02%	25.95%	20.81%

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)
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	11,015,352	55,303	99,217	23,967	3.1%
2022	199,532	11,287,953	56,572	100,031	23,838	3.6%
2023	200,514	Not Available	Not Available	100,561	23,798	2.9%

Sources:

- (1) - US Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov/index.htm> - Available March '24)
- (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 (census.gov)

Schedule 14

**ST. LOUIS COUNTY, MINNESOTA
Principal Employers
Current Year and Nine Years Ago**

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Essentia Health	7,752	1	7.71%	6,026	1	5.79%
St. Louis County	1,895	2	1.88%	1,759	2	1.69%
St. Luke's Hospital	1,882	3	1.87%	1,554	4	1.49%
Minnesota Taconite (US Steel)	1,500	4	1.49%	1,390	6	1.34%
University of Minnesota Duluth	1,367	5	1.36%	1,639	3	1.57%
Allete	1,200	6	1.19%	1,322	8	1.27%
Hibbing Taconite Company	1,100	7	1.09%	-		
Duluth Air National Guard Base	1,000	8	0.99%	1,068	9	1.03%
Uniprise (United Health Care)	900	9	0.89%	1,368	7	1.31%
Cirrus Aircraft	850	10	0.85%			
Duluth Public Schools				1,426	5	1.37%
City of Duluth				850	10	0.82%
Total	19,446		19.32%	18,402		17.68%

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			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General government	417.40	420.40	422.90	428.90
Public safety	277.10	276.10	284.10	283.10
Highways and streets	319.00	312.00	312.00	312.00
Health and sanitation	66.15	72.80	71.20	68.65
Human services	565.75	585.50	622.35	631.15
Conservation of natural resources	70.15	70.15	71.15	72.15
Culture and recreation	-	-	-	-
Environmental services	43.00	42.50	41.75	41.50
Total	<u>1,758.55</u>	<u>1,779.45</u>	<u>1,825.45</u>	<u>1,837.45</u>

Notes:

Internal Service Funds are included in 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					
2018	2019	2020	2021	2022	2023
438.90	440.90	441.90	444.90	446.40	456.40
282.10	285.10	290.60	292.60	294.60	293.85
312.00	312.00	312.00	308.00	304.00	304.00
70.85	70.50	69.00	72.00	70.00	70.00
630.10	645.60	648.10	649.60	658.60	660.60
72.15	72.15	72.15	72.15	69.15	68.15
-	1.00	1.00	1.00	1.50	1.50
41.05	41.00	41.00	41.00	41.00	41.00
<u>1,847.15</u>	<u>1,868.25</u>	<u>1,875.75</u>	<u>1,881.25</u>	<u>1,885.25</u>	<u>1,895.50</u>

Schedule 16

**ST. LOUIS COUNTY, MINNESOTA
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year			
	2014	2015	2016	2017
General Government				
Auditor's Office				
Payments issued	37,557	38,313	38,518	37,081
Motor Vehicle Driver's License	17,707	18,313	19,200	18,269
Motor Vehicle Passports	5,817	7,368	8,254	9,286
Motor Vehicle Transactions	52,705	55,911	61,921	61,124
Planning - Building Permits Issued				
Single Family Dwelling	144	168	172	137
Other	504	566	651	731
Public Safety				
Sheriff's Department				
Arrests	1,701	1,545	1,282	2,067
Citations	1,855	1,691	1,708	995
Mines				
Mine Investigations and Inspections	521	414	392	428
Highways and Streets				
Road and Bridge				
Miles of Overlay	-	-	4.00	-
Miles of Mill Overlay	-	30.20	2.00	34.10
Miles of Reclaim Overlay	24.80	34.00	30.00	30.20
Miles of Mill Reclaim Overlay	11.60	29.20	16.00	10.80
Miles of Construction	1.50	0.50	2.00	2.80
Miles of Bridge Constructed	1.00	0.35	0.40	1.30
Tons of Crushing	245,000	198,000	167,000	235,350
Miles of Crack Seal	182.00	165.80	64.00	-
Miles of Chip Seal (1)	27.00	98.00	124.00	145.60
Miles of Micro Seal (1)	26.40	18.80	-	-
Health and Human Services				
Health				
Public Health Visits (2)	6,283	7,098	5,042	5,472
Public Health Nursing Clients Served	2,170	2,487	2,229	2,698
Human Services				
Unduplicated Children in Out of Home Placement	963	1,047	1,166	1,271
Financial Assistance Cases	31,555	38,357	24,377	36,970
Child Support Cases	11,600	11,644	11,194	10,213
Persons Receiving DD (prev MR/RC) Waivered Services (3)	766	736	754	783
Permanency 12 months	57%	54%	41%	42%
Purchased Social Services (4)	\$ 143,054,192	\$ 155,482,267	\$ 163,240,897	\$ 171,802,698
Social Services Administrative costs (5)	\$ 29,368,786	\$ 32,782,197	\$ 33,789,536	\$ 38,931,385
Conservation of Natural Resources				
Land (6)				
Tax Forfeited Acres	893,049	893,158	890,449	890,768
County Fee Land Acres (7)	-	-	-	-
Contracts Sold	99	85	89	93
Closed Sales	113	109	84	111
Acres Harvested	10,350	9,720	7,091	8,824
Average Size of Sale (Acres)	92	88	83	79
Harvest Volume (Cords)	227,921	194,316	172,813	178,821
Cords Per Sale	1,856	1,903	1,898	1,735
Value	\$ 4,738,946	\$ 5,409,724	\$ 3,963,375	\$ 4,888,486
Average Value Per Sale	\$ 41,290	\$ 48,319	\$ 46,419	\$ 44,040
Average Value Per Cord	\$ 22	\$ 26	\$ 25	\$ 25
Average Value Per Cut Acre	\$ 458	\$ 557	\$ 559	\$ 554
Volume Per Cut Acre (Cords)	20	22	23	22
Value Per Tax Forfeit Acre	\$ 5	\$ 6	\$ 4	\$ 5
Environmental Services				
Tons of Municipal Solid Waste Landfilled	51,320	51,785	51,128	52,028
Tons of Industrial Waste Landfilled	1,466	1,370	3,029	1,460
Tons of Demolition Collected	9,561	7,832	8,091	5,813

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.
- (6) Beginning with the 2023 report, all Land statistics exclude pieces and decorative products. This change has been applied retroactively.
- (7) Land & Minerals began managing County Fee Land in 2022 and was able to start quantifying the acres in 2023.

Source: Individual County Departments

Schedule 16

ST. LOUIS COUNTY, MINNESOTA
Operating Indicators by Function/Program
Last Ten Fiscal Years

Fiscal Year						
2018	2019	2020	2021	2022	2023	
35,460	32,770	29,566	29,844	30,051	30,974	
18,704	21,673	22,161	24,921	21,583	21,607	
8,183	8,158	3,337	4,973	6,515	7,503	
64,745	66,172	42,818	47,718	49,525	48,571	
184	182	158	180	187	190	
1,082	1,284	1,188	1,317	1,360	1,132	
907	955	863	1,033	879	868	
1,747	1,425	1,273	1,252	1,048	926	
465	389	323	370	328	356	
4.30	0.70	5.80	7.40	-	-	
15.50	7.90	2.90	9.70	12.00	15.00	
77.50	22.40	29.10	42.30	31.00	20.00	
-	23.20	10.00	36.20	21.00	17.00	
0.50	2.30	1.80	1.00	1.00	2.00	
0.13	1.80	0.70	1.00	1.00	1.00	
245,000	216,627	233,194	230,916	265,378	231,003	
-	191.70	140.70	142.50	59.00	234.00	
85.60	103.60	107.32	81.90	102.00	100.00	
-	-	-	-	8.00	14.00	
5,975	5,482	4,413	2,920	2,955	2,750	
3,994	3,361	4,333	4,390	4,407	4,140	
1,257	1,082	947	905	849	788	
34,578	33,151	36,620	38,562	40,213	39,365	
9,539	9,615	8,607	8,232	7,854	7,493	
758	747	786	N/A	N/A	N/A	
46%	60%	44%	50%	43%	54%	
\$ 173,910,551	\$ 174,440,369	\$ 183,241,437	unavailable	unavailable	unavailable	
\$ 41,111,142	\$ 42,498,791	\$ 44,336,173	\$ 47,032,162	\$ 48,431,319	\$ 51,617,479	
888,936	888,592	886,756	884,945	882,058	894,181	
-	-	-	-	-	9,159	
87	81	104	99	89	90	
109	97	88	78	81	107	
9,128	7,929	7,010	6,354	6,047	7,465	
84	80	79	77	73	65	
176,442	172,221	167,806	141,596	152,761	152,880	
1,764	1,687	1,840	1,661	1,562	1,560	
\$ 4,407,835	\$ 4,175,993	\$ 3,946,803	\$ 3,348,290	\$ 3,376,601	\$ 4,835,255	
\$ 40,165	\$ 42,014	\$ 44,315	\$ 39,400	\$ 40,203	\$ 41,926	
\$ 23	\$ 25	\$ 24	\$ 25	\$ 26	\$ 29	
\$ 483	\$ 527	\$ 563	\$ 527	\$ 558	\$ 648	
\$ 21	\$ 21	\$ 23	\$ 22	\$ 21	\$ 24	
\$ 5	\$ 5	\$ 4	\$ 4	\$ 4	\$ 5	
51,824	52,605	53,481	53,952	53,672	56,793	
1,573	734	402	404	357	521	
4,824	3,997	4,627	5,768	8,339	6,038	

Schedule 17

ST. LOUIS COUNTY, MINNESOTA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Courthouses	3	3	3	3	3	3	3	3	3	3
Motor Pool Vehicles	142	148	137	136	139	150	156	144	143	154
Office Buildings	3	3	3	3	3	3	3	3	3	3
Parking Ramp	2	2	2	2	2	2	2	2	2	2
Public Safety										
Vehicles	166	184	187	186	207	204	228	213	223	218
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	5	5
Highways and Streets										
Vehicles	227	249	263	261	239	238	259	248	249	218
Miles of County Road	1,266	1,263	1,247	1,247	1,248	1,247	1,245	1,243	1,243	1,243
Miles of County State Aid Road	1,389	1,387	1,384	1,384	1,384	1,384	1,385	1,385	1,385	1,385
Number of Bridges	596	598	598	598	595	596	597	598	599	606
Garages and Storage Buildings	91	91	91	93	93	94	94	94	94	95
Graders, Loaders, and Heavy Trucks	374	385	381	413	429	465	487	457	409	405
Health and Sanitation										
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	48	47	48	44	45	48	49	45	43	43
Offices and Garages	8	8	8	8	8	8	6	6	6	6
Graders, Loaders, and Heavy Trucks	13	13	13	13	14	15	16	15	15	15

Sources:

 St. Louis County Auditor-Treasurer
 Individual County Departments