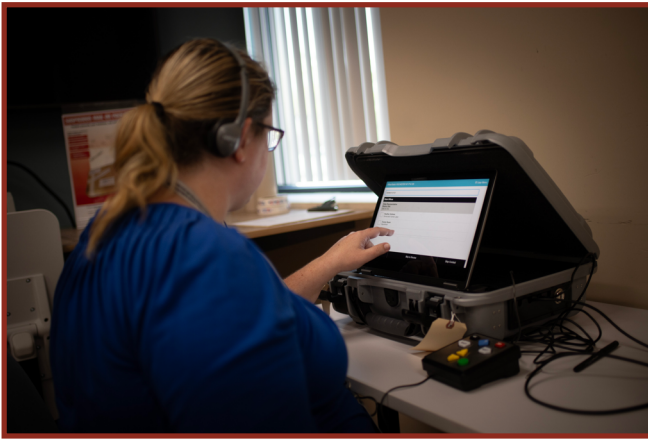




Olmsted County

Annual Comprehensive Financial Report
For the year ended December 31, 2024



Olmsted County Elections team triumphs during busy election year

Elections give people a voice in their community, and in Olmsted County, a dedicated team works hard to make them happen. In 2024, the Elections team successfully ran multiple elections following all election laws, even as new rules were introduced.

To prepare for the busy election year, the county hired additional staff—including election assistants, aides, and ballot board judges—and purchased necessary supplies and equipment. These added resources cost the county approximately \$676,000, after accounting for about \$189,000 in reimbursements from other government entities.

Election preparations began in January 2024 with absentee voting for the Presidential Nomination Primary. New laws required additional weekend hours, evening voting hours, as well as an extended direct balloting period, allowing voters more time to cast their ballots. Another major change in June 2024 introduced a permanent absentee voter list, making it easier for voters to receive their ballots automatically. This list grew from 650 voters last year to 3,420 in 2024.

In addition to the Presidential Nomination Primary, the team also managed the state primary, keeping them busy throughout the year. The season wrapped up with the General Election on November 4, 2024. Voter turnout was impressive, with 84% of Olmsted County voters participating—higher than the state average of 76%.

Thanks to the hard work of staff and volunteers, the 2024 elections in Olmsted County were smooth, efficient, and well-run.

Some content in this communication was generated with the assistance of artificial intelligence (AI).



Olmsted County, Minnesota

Annual Comprehensive Financial Report

For the Year Ended December 31, 2024

Wilfredo Román-Catála, CPA/MBA
Chief Financial Officer

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Controller

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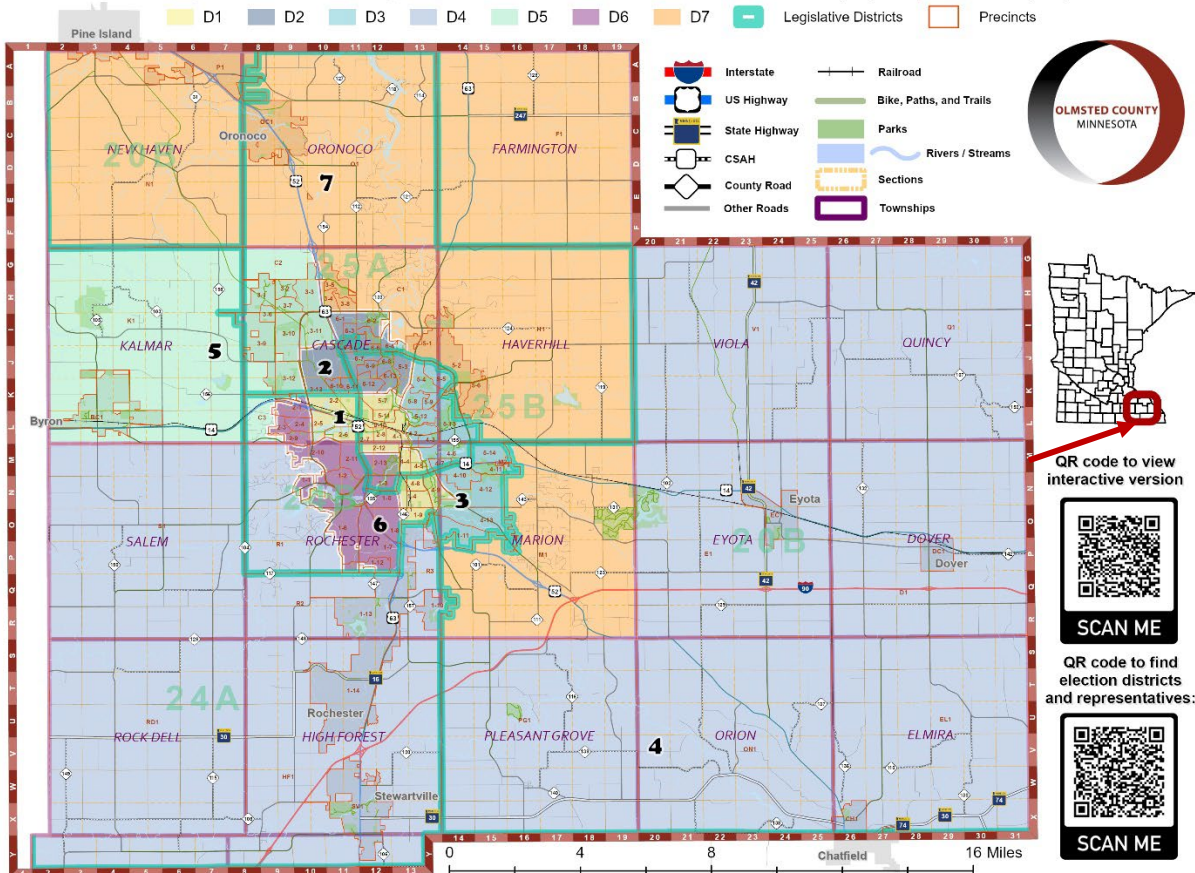
For inquiries contact Wilfredo Román-Catála, Finance Department, 151 Fourth Street S.E.,
Rochester, MN 55904-3710, wilfredo.catala@olmstedcounty.gov, or telephone
507.328.7499



DATE OF INCORPORATION:	1855
FORM OF GOVERNMENT:	Board of Commissioners – Administrator
NUMBER OF EMPLOYEES:	1426 Full-Time Equivalents
AREA:	660 Square Miles
POPULATION:	Estimated 167,100
NUMBER OF TOWNSHIPS:	18
NUMBER OF CITIES:	8
LARGEST CITY:	City of Rochester, Estimated Population 123,000
MILES OF ROAD:	500

Olmsted County, Minnesota Legislative, Commissioner, Precincts

Prepared By: Olmsted County Geographic Information Systems
Map Prepared May 2024 Districts Adopted April 26, 2022



This map is intended for reference only. If discrepancies are found within this map please notify the Olmsted County GIS 507-328-7100, 2122 Campus DR SE, Rochester, MN 55904.

Size: 8.5" x 11"

OLMSTED COUNTY
FUND LEVEL STATEMENTS FOR YEAR ENDED DECEMBER 31, 2024

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OLMSTED COUNTY
FUND LEVEL STATEMENTS FOR YEAR ENDED DECEMBER 31, 2024

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SECTION I INTRODUCTORY SECTION

Transmittal Letter
Certificate of Achievement for Excellence in Financial Reporting
List of Principal Officials
Organization of Olmsted County



Olmsted County Finance
151 4TH Street SE
Rochester, MN 55904-3710
507-328-7676
Fax: 507-328-7949

June 10, 2025

To: The Citizens of Olmsted County, Minnesota
The Olmsted County Board of Commissioners
Travis Gransee, County Administrator
Interested Agencies and Institutions

The Finance Department is pleased to present Olmsted County's Annual Comprehensive Financial Report for the year ended December 31, 2024. This report is intended to be used by citizens, elected officials, internal managers, bond rating agencies, financial institutions, governmental agencies, and any others with an interest in Olmsted County's financial affairs.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with county management. To provide a reasonable basis for making these representations, county management has established a comprehensive **internal control framework** that is designed to protect county assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Olmsted County financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, Olmsted County's comprehensive internal control framework has been designed to provide a reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

Baker Tilly US, LLP, has issued an **unmodified ("clean") opinion** on the county's financial statements for the year ended December 31, 2024. The auditor report is located at the front of the financial section of this report (page 19).

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a **Management's Discussion and Analysis (MD&A)**. The **letter of transmittal** that you are currently reading is designed to complement the MD&A and should be read in conjunction with it. The county's MD&A can be found immediately following the Independent Auditors' Report.

As the role of county government becomes more complex, citizen involvement becomes more important than ever. One of the purposes of this report is to keep citizens informed about the services performed by the county, the cost of those services, and how they are funded. In order to minimize printing and distribution costs, the Olmsted County Annual Comprehensive Financial Report is available, in its entirety, on the county's website at <https://www.olmstedcounty.gov/>. Other electronic and printed formats may be made available by contacting the Olmsted County Finance department. For other information, please contact the County Administrator's office, the Finance office, or any of the county's managers. **Contact information** can be found on the county's website and also on page 16 of this report.

On February 20, 1855, Olmsted County was created from 660 square miles of land in southeastern Minnesota that had been a part of three surrounding counties. The county was named after David Olmsted, a newspaper publisher and fur trader. In 1863, Doctor William Mayo arrived in Rochester to become the examining surgeon of federal draftees during the Civil War.

A series of strong tornados that swept through the county in August 1883 caused 37 deaths and hundreds of injuries. At the time, there were no hospitals in Rochester, so doctors William Mayo and his two sons, Will and Charlie, took charge of caring for the patients in a dance hall that was transformed into a temporary emergency room. Soon after that, the Sisters of St. Francis banded together to form St. Mary's Hospital, which ultimately led to the creation of the Mayo Clinic.

Since then, the population of Olmsted County has grown to an estimated total of 167,100 citizens. The county ranks seventh in population size among Minnesota's 87 counties. The City of Rochester, the county seat, has an estimated population of 123,000 making it the third largest Minnesota city, after the twin cities of Minneapolis and St. Paul.

The county operates under an elected seven-member board of commissioners, each member representing one of the seven districts of the county. The county attorney and county sheriff are also elected officials. The **Olmsted County Board of Commissioners** are responsible for, among other things, authorizing resolutions, adopting the annual budget, appointing committees, and hiring the county administrator. The **county administrator** is responsible for carrying out the policies and resolutions the board adopts. The administrator oversees day-to-day operations of the county and appoints the heads of the various county departments to manage these operations. Our Olmsted County website provides contact information for the county administrator:
<https://www.olmstedcounty.gov>.

Olmsted County government provides its citizens with a broad spectrum of services and infrastructure based on state laws and community needs. Examples of county services include law enforcement and detention, construction and maintenance of roads and bridges, solid waste management and recycling, public health, social services, emergency management, and library services for rural citizens.

Budgetary overview

It is estimated that over **70% of the services that Minnesota counties provide are required (mandated)** by state or federal law. In Olmsted County, the process of developing an annual budget starts early in the preceding year. County management and departments first determine the impact of the latest legislative session, which is scheduled to end in May of each year. The decisions made by state lawmakers can determine which services the county will be required to provide, the cost of those mandated services, and how much funding the state and federal governments will contribute to pay for the services. In addition to mandated services, the county provides other services that are important to our citizens. An example of a non-mandated service is the construction and maintenance of county roads.

A **modified version of zero-based budgeting** is used to develop budgets. Departmental managers, Finance, and Administration carefully review all budget line items each year for potential adjustments. More importantly, they ask questions to determine the value of current services, such as:

- Is the service still in line with the county's mission and stated objectives?
- Does the service meet the needs of citizens?
- If the service is continued, should it be performed at a different level?
- Should the service be discontinued?

Some departments work with citizen advisory boards and commissions during this process to gather community input on how to balance too many needs with not enough resources. **During the month of August**, county departments work with the county administrator and discuss budget requests before anything is brought to the Olmsted County Board of Commissioners for review. The board also meets with several outside agencies who request funding from the county.

By mid-September, the board meets with each department to discuss their budgets, and the county administrator recommends to the board a total budget and levy. State law requires that the county **certify the maximum property tax levy for the coming year** by September 30. In November, preliminary property tax statements are mailed to taxpayers showing the amount their taxes would be in the following year if the September 30 budget is adopted.

In early December, a public hearing is held to gather further citizen input. Minnesota Truth-in-Taxation law specifies the date and time of that hearing. At a later date, but prior to the end of the year, the law requires the county board to adopt the final budget and tax levy for the following year.

Olmsted County **budgets are controlled** at the expenditure level within departments, a much more detailed level than is required by state or federal law. Budget to actual comparisons for each governmental fund are reported in the Required Supplementary Information section of this report.

Because the budget is in large amounts, it's often difficult for citizens to compare the cost of Olmsted County services. The table below breaks down the property tax paid by Olmsted County citizens into per person amounts that are easier to compare to other goods and services people buy.

Budgets Per Person - Property Taxes

	Per Person Levy	
	2024	2025
<i>Criminal Justice / Public Safety</i>		
Courts	16	16
Attorney	48	50
Sheriff / Emergency Management	104	108
Adult Detention Center	108	112
Community Corrections	-	5
<i>Highways</i>		
Construction	22	17
Maintenance	23	25
<i>Health, Housing and Human Services</i>		
Public Health	55	57
Olmsted County Housing and Redevelopment Authority (1)	40	41
Family Support and Assistance (Eligibility Screening)	44	44
Protection Social Services (Children)	145	159
Protection Social Services (Adult)	79	82
Land Management	16	16
Elections	7	-
Graham Park	4	4
Parks	14	15
Debt Service (2)	26	41
Other (3)	31	23
Total (4)	782	814

(1) The Olmsted County Housing and Redevelopment Authority collects taxes from all taxable properties located in Olmsted County except those within the city limits of the City of Stewartville.

(2) The 2025 per person expense amount includes a \$17,184,238 payment to refund 2015A bonds from proceeds/reserves in escrow.

(3) All Other includes Libraries, Conservation, History Center, Veteran Services, Program Aid from the State, and Administrative Services.

(4) Population used for 2024 and 2025 respectively are: 167,092 and 169,448. The 2024 and 2025 population is based on an internal estimate, since the State Demographer estimate was not available when preparing for the ACFR.

As mentioned above, **citizen advisory boards and commissions** are asked to participate in developing the annual budget. The boards and commissions are made up of citizens who apply for appointments for a limited number of years. Advisory board and commissions openings are publicly advertised on our county website and social media pages. Citizens who feel they have the experience and skills to make useful contributions to an advisory board are encouraged to apply. The list of advisory boards can be found on the Olmsted County website: <https://www.olmstedcounty.gov/government/boards-commissions>.

Factors affecting Olmsted County's economic condition and outlook

The following discussion of the local and state economy, as well as major county initiatives, is intended to add some perspective to the information found in the financial statements.

The local economy

The economy of the county, for which the City of Rochester is the county seat, is built around health care, high technology, and agriculture. The three major (non-government) employers for Olmsted County include the **Mayo Clinic, IBM-Rochester, and Olmsted Medical Center**. These three employers combined employ approximately 54,600 people in a workforce of over 136,000. Due to the presence of the Mayo Clinic, the **hospitality industry** also plays a major role in the health of the local economy. Over 6,700 transient lodging rooms serve more than 3.3 million national and international visitors each year.

The housing market in Olmsted County has maintained a healthy increase in values. Between 2019 and 2024, **market values** in the county increased by about 43% (8.53% annually). During this same time, Olmsted County has continued to experience **steady growth in population, jobs, and income**. Between 2019 and 2024, the county's population grew by about 5.4%. The most recent Census data shows Olmsted County's average unemployment rate at 2.3%, compared to 3.0% for the state and 4.0% for the U.S.

The most recent American Community Survey (Census) data estimates Olmsted County's median annual household income (adjusted for inflation) of \$93,500 is higher than the state's, \$87,600 and the national median of \$78,500.

Olmsted County is projected to remain one of Minnesota's fastest-growing counties over the next two decades, while Rochester will be part of one of the fastest-growing metropolitan areas in the state. According to the Olmsted County Planning Department, Olmsted County is projected to reach a population of 201,000 to 203,000 by the year 2050, with Rochester reaching a population of 152,000 to 155,000. This will represent growth in countywide population of approximately 13,800 persons per decade, reflecting about a 21% increase from the estimated 2024 population of 167,100. Their projections also show that the county should reach about 166,000 jobs by 2045. This growth appears to be very doable considering the anticipated impact of **Destination Medical Center (DMC) economic development initiative and Bold. Forward. Unbound.**

Destination Medical Center (DMC) is the largest economic development initiative in Minnesota and one of the largest currently underway in the United States. It represents a shared vision of making the Rochester area as the world's premier destination center for health and wellness. With more than \$5 billion in projected private investments, it is estimated that DMC could generate significant growth to the region by creating more than 30,000 jobs and generating up to \$8 billion in new net tax revenue. Additional information about DMC can be found on the DMC website at <http://dmc.mn/>.

In 2023, Mayo Clinic launched its Bold. Forward. Unbound. Initiative, a transformative investment in Rochester that will expand its clinical, research, and educational infrastructure. This initiative is designed to enhance the patient’s experience, elevate the delivery of world-class care, and strengthen Mayo's mission to inspire hope and promote health and well-being.

The plan includes approximately **2.4 million square feet of new facilities**, incorporating advanced technologies to improve healthcare delivery. **Mayo Clinic is investing \$5 billion** over the course of this initiative.

Beyond the direct impact on patient care, the initiative is expected to generate substantial benefits for Rochester and the surrounding region, including:

- **Economic Development:** Creation of thousands of new jobs and generating new tax revenue for the state and local governments.
- **Regional Growth:** Attraction of additional visitors and businesses to Rochester, contributing to medical tourism and economic vitality.
- **Community Enhancement:** Improved access to services and recreational, cultural, and entertainment options, contributing to quality of life for residents and visitors alike.
- **Health and Urban Development:** Strengthening Rochester’s reputation as America’s City for Health, and a model for sustainable and inclusive urban development.

Following enabling projects completed in 2024—including utility upgrades and transportation planning—major construction activities began in 2025 with the demolition of existing structures to make way for new facilities.

Long-term financial planning and relevant financial policies

Olmsted County’s solid financial performance and financial health can be attributed, in part, to strong financial management practices rooted in our flexible business principles. The principles provide county leadership the guidance, foresight, and flexibility needed to implement timely and sound financial and operational decisions in response to the everchanging economic and fiscal landscape. The aforementioned principles provide direction about ethics, banking, budgets, financial reporting, assets capitalization and depreciation, debt, investments, purchasing, reserves management, revenue management, enterprise fund operations, and self-insurance.

Some of the activities, under the principles mentioned above, impacting long-term financial planning include, but are not limited to:

Regular involvement by finance staff of the qualitative judgment of programmatic managers in budget development, monitoring and financial forecasting.

One-time revenues (uncertain funding streams) are linked to one-time expenditures to avoid building instability into the budget.

The goal to maintain fund balances between 35% to 50% of operating revenues in our Governmental Funds.

A Five-Year Capital Improvement Plan for major public improvements is reviewed and updated annually.

Our self-insurance health plan is modeled out five years for rate setting purposes.

Extensive use of self-supporting internal service funds to account for overhead costs.

Over the years, Olmsted County has been able to accumulate reserves and strengthen its financial position during periods of economic expansion. This approach has allowed county leadership greater flexibility in balancing the budget during times of economic downturn by using reserves to fill some of the annual budget gaps. As a result, the county has positioned itself favorably to minimize the risk of structural deficits while maintaining credit quality.

In the third quarter of 2024, Moody's Investor Services affirmed Olmsted County's **credit rating of Aaa** and "stable," the highest rating possible to attain.

In its report, Moody's Investor Services said, "Olmsted County benefits from a very strong financial position, low leverage and a growing local economy with healthy resident income anchored by Mayo Clinic".

State of Minnesota

The majority of services that counties provide are **mandated (required) by the State of Minnesota**. The state provides partial funding for these services using income and sales tax revenues collected from citizens throughout the state. The remaining costs must be covered by other revenues, primarily property taxes.

For many years, the amount of income and sales tax revenues collected by the state and shared with local governments to provide mandated services has been steadily declining. With fewer dollars from the state, other funding sources (property taxes, for example) must cover a higher percentage of expenses.

One advantage county officials see in the trend of less state funding and more tax-supported services is that property taxes are a more stable source of funding which should make it easier to plan for the future. However, county management continues to ask state legislators to **eliminate all Maintenance of Effort (MOE) rules that require the county to spend as much as the prior year** on a particular program or service, even if that level of spending is deemed unnecessary. The county board believes that county citizens whose property is being taxed should be able to decide what services they need and what level of service is most appropriate.

Major Olmsted County initiatives

Housing/homelessness work

Olmsted County advanced its affordable-housing stock in 2024 through two major development projects. The Red Hawk Drive initiative delivered 10 single-family homes in southeast Rochester—backed by \$2.5 million in construction funding and \$680,000 in American Rescue Plan Act land-acquisition dollars—and, in partnership with Bigelow Homes LLC and First Homes Community Land Trust, made homeownership attainable for households at or below 80% of area median income (AMI). When the homes sold, the \$2.5 million in sale proceeds will assist future efforts to create affordable homeownership.

Meanwhile, Trailside Apartments broke ground on 36 affordable senior units for residents 55 and older: half set aside for households earning up to 30% of AMI and the remainder for those up to 50%. This \$14 million project draws on state support, \$540,000 from the Coalition for Rochester Area Housing and local contributions via the Olmsted County Housing and Redevelopment Authority's (HRA) property tax levy.

To tackle homelessness and repurpose existing assets, the county also launched Any Path Home—a coalition of 10 agencies focused on expanding outreach, enhancing data collection, strengthening partnerships, and closing service gaps—and approved a \$5 million HRA purchase of the former Residences of Old Town Hall. Together, these efforts underscore Olmsted County’s commitment to creating inclusive communities and ensuring safe, attainable housing is available to all residents.

Protecting groundwater and enhancing soil health

Groundwater in Olmsted County is especially vulnerable to nitrate pollution due to the area's Karst geology. To address this, the Olmsted Soil and Water Conservation District (OSWCD) continues to lead a groundwater protection and soil health initiative that supports farmers in adopting practices that reduce nitrate leaching, improve nitrogen retention, and limit soil erosion. The program encourages the use of cover crops, grazing, and alternative cropping systems and offers cost-share funding to support these changes.

Since its launch in 2022, the initiative has impacted nearly 29,000 acres of agricultural land. In 2024, OSWCD had 119 producers enrolled in the program. Funded in part by a \$5 million allocation from the Olmsted County Board of Commissioners using American Rescue Plan Act dollars, the initiative continues to grow. To date, approximately 30 percent of the farmers in Olmsted County have enrolled in one of the cost-share options under this initiative.

Design progress of the Olmsted County Materials Recovery Facility

Sixty percent of the design work for the Olmsted County Materials Recovery Facility (MRF) was completed in the third quarter of 2024. The design includes the overall building envelope and material processing equipment layout. The MRF’s primary focus is processing the county’s garbage to remove non-combustible wastes that are detrimental to the combustion equipment at the Olmsted County Waste-to-Energy Facility. This process also provides recovery of some materials, such as aluminum, ferrous metals, and plastics. The MRF is also designed to support single-sort (also known as curbside) recycling sorting. All design work is expected to be completed in the third quarter of 2025, with construction work beginning before the end of 2025. The MRF is expected to be in operation in early 2027.

Mobile crisis response changes in 2024

Mobile crisis response is about offering face-to-face services for adults and children who may be experiencing a mental health crisis or emergency. Prior to 2025, Olmsted County was included in a partnership to provide a regional response for mental health crisis services. However, on January 1, 2025, Olmsted County began its own mobile crisis response process provided by the county’s Crisis Response team and the planning for this transition occurred throughout 2024.

People in crisis can call both 988 or 911. Based on the call, if appropriate, a Crisis Response worker may be sent out to meet with the client. They may be accompanied by a member of local law enforcement depending on the nature of the crisis and other safety variables.

The transition to an Olmsted County-specific mobile crisis response team allows for a more tailored approach to meeting the needs of our local community. By focusing resources and coordination within Olmsted County, we can ensure faster response times, improved service integration, and better alignment with our community’s specific needs and values.

Mobilizing Olmsted Voices for Equity (M.O.V.E. community council)

The Mobilizing Olmsted Voices for Equity (M.O.V.E.) community council framework was developed by a team of community members and Olmsted County employees over the course of 15 months, and in October 2024, the first M.O.V.E. community council meetings occurred. The council – made up of community members and Olmsted County staff – will help ensure county services are examined through an equity lens. Public health services will be its first area of focus. Members will work to identify pressing concerns among community members through robust engagement, which may involve surveys, listening sessions, or other interactive forums. Their insights and recommendations will be shared regularly with Olmsted County leadership and commissioners.

Other information

Awards and acknowledgments

Olmsted County is proud to have earned the **Certificate of Achievement for Excellence** in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for 39 consecutive years, for the fiscal years ended December 31, 1985 through 2023. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

We invite you to continue on and read the Annual Comprehensive Financial Report. Olmsted County is a complex operation. This report will give you a good overview of its finances. If you have questions regarding any of the materials presented here, please contact the county administrator's office, the Finance Department, or any of the county management in the List of Principal Officials that follows. We also invite you to visit Olmsted County's web page at <https://www.olmstedcounty.gov/>.

Finally, we would like to acknowledge the contributions of the many employees of Olmsted County who worked to compile this report.

Respectfully submitted,



Wilfredo Román Cátala, CPA
Chief Financial Officer



Nancy Thomas, CPA
Assistant Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Olmsted County
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

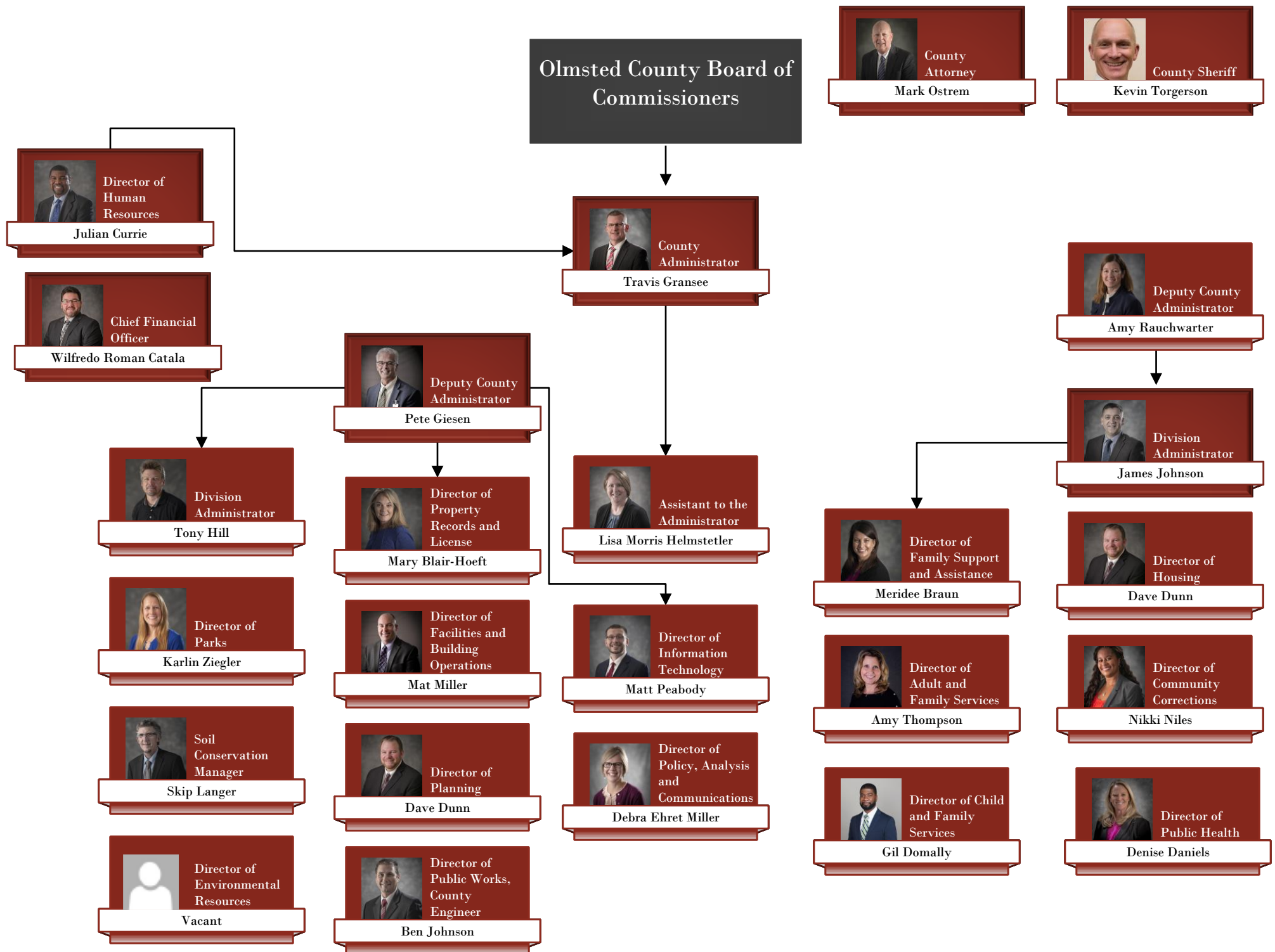
December 31, 2023

Christopher P. Morill

Executive Director/CEO

OLMSTED COUNTY
LIST OF PRINCIPAL OFFICIALS
AS OF DECEMBER 31, 2024

OFFICE	NAME		TELEPHONE	E-MAIL
Commissioners:				
1st District	Laurel Podulke-Smith	January 2028	(507) 328-6123	laurel.posulke-smith@olmstedcounty.gov
2nd District	David Senjem	January 2027	(507) 319-7627	david.senjem@olmstedcounty.gov
3rd District	Gregg Wright	January 2028	(507) 328-6001	gregory.wright@olmstedcounty.gov
4th District	Brian Mueller	January 2027	(507) 328-6125	brian.mueller@olmstedcounty.gov
5th District	Michelle Rossman	January 2027	(507) 328-6136	michelle.rossman@olmstedcounty.gov
6th District	Sheila Kiscaden (1)	January 2027	(507) 287-6845	sheila.kiscaden@olmstedcounty.gov
7th District	Mark Thein (2)	January 2028	(507) 696-7188	mark.thein@olmstedcounty.gov
Officers:				
Elected:				
Attorney	Mark Ostrem	January 2027	(507) 328-7600	mark.ostrem@olmstedcounty.gov
Sheriff	Kevin Torgerson	January 2027	(507) 328-6745	kevin.torgerson@olmstedcounty.gov
Appointed:				
Administrator	Travis Gransee	Indefinite	(507) 328-7201	travis.gransee@olmstedcounty.gov
Deputy Administrator: General Government, Public Works, and Environmental Resources	Pete Giesen	Indefinite	(507) 328-7434	pete.giesen@olmstedcounty.gov
Deputy Administrator: Health, Housing, & Human Services Admin & Veteran Services	Amy Rauchwarter	Indefinite	(507) 328-6351	amy.rauchwarter@olmstedcounty.gov
Division Administrator: Health, Housing, & Human Services	James Johnson	Indefinite	(507) 328-7239	james.johnson@olmstedcounty.gov
Division Administrator: Public Works	Tony Hill	Indefinite	(507) 328-7008	tony.hill@olmstedcounty.gov
Director of Public Works and County Engineer	Benjamin Johnson	Indefinite	(507) 328-7054	benjamin.johnson@olmstedcounty.gov
Director of Parks	Karlin Ziegler	Indefinite	(507) 328-7086	karlin.ziegler@olmstedcounty.gov
Director of Environmental Resources	vacant			
Director of Property Records and Licensing	Mary Blair-Hoeft	Indefinite	(507) 328-7646	mary.blairhoeft@olmstedcounty.gov
Director of Facilities and Building Operations	Mathew Miller	Indefinite	(507) 328-6722	mathew.miller@olmstedcounty.gov
Director of Planning and Housing	Dave Dunn	Indefinite	(507) 328-7143	david.dunn@olmstedcounty.gov
Director of Family Support and Assistance	Meridee Braun	Indefinite	(507) 328-6513	meridee.braun@olmstedcounty.gov
Director of Adult and Family Services	Amy Thompson	Indefinite	(507) 328-6352	amy.thompson@olmstedcounty.gov
Director of Child and Family Services	Gil Domally	Indefinite	(507) 328-6639	gilbert.domally@olmstedcounty.gov
Director of Community Corrections	Nikki Niles	Indefinite	(507) 328-7245	nikki.niles@olmstedcounty.gov
Director of Public Health	Denise Daniels	Indefinite	(507) 328-7468	denise.daniels@olmstedcounty.gov
Director of Policy, Analysis and Communication	Debra Ehret Miller	Indefinite	(507) 213-7866	debra.ehretmiller@olmstedcounty.gov
Director of Information Technology	Matthew Peabody	Indefinite	(507) 328-7779	matthew.peabody@olmstedcounty.gov
Director of Human Resources	Julian Currie	Indefinite	(507) 328-6015	julian.currie@olmstedcounty.gov
Chief Financial Officer	Wilfredo Roman-Catala	Indefinite	(507) 328-7499	wilfredo.romancatala@olmstedcounty.gov
Soil Conservation Manager	Skip Langer	Indefinite	(507) 328-7140	skip.langer@olmstedcounty.gov
(1) Chair of Board of Commissioners for 2024	Sheila Kiscaden - retired as of 12/31/2024			
(2) Chair of Board of Commissioners for 2025	Mark Thein			





SECTION II FINANCIAL SECTION

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Independent Auditors' Report

To the Board of County Commissioners of
Olmsted 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 Olmsted County, Minnesota (the County), as of and for the year ended December 31, 2024, 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, based on our audit and the report of other auditors, 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, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Olmsted County Housing and Redevelopment Authority, a major enterprise fund, which represents 25%, 26% and 40%, respectively, of the assets, net position, and revenues of the business-type activities. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Olmsted County Housing and Redevelopment Authority are based solely on the report of the other auditors.

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 Matters

As discussed in Note 1, the County adopted the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections* effective January 1, 2024. Our opinions are not modified with respect to this matter.

As discussed in Note 1, the County adopted the provisions of GASB Statement No. 101, *Compensated Absences* effective January 1, 2024. Net position and fund balance as of December 31, 2023 has been restated for the implementation of GASB 101, *Compensated Absences*. 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 and other auditors 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, 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 10, 2025 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 10, 2025

Management's Discussion and Analysis

Management's Discussion and Analysis (MD&A) provides an overview and analysis of the financial activities of Olmsted County for the fiscal year ended December 31, 2024. Please consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page 6-14 of this report.

Financial Highlights

At December 31, 2024, the county's government-wide assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$472.0 million (net position). Deferred outflows and inflows are defined on page 60 of this report in the notes to the financial statements.

Net position consists of:

- \$299.4 million, or 64% of total net position represents the county's net investment in capital assets.
- \$34.4 million, or 7% of total net position is restricted by specific statutory requirements or external commitments.
- \$138.2 million, or 29% of total net position is unrestricted and may be used to meet the county's obligations to citizens and creditors.

The county's total government-wide net position increased \$33.3 million during the year. Governmental activities net position increased \$17.2 million during the year and business-type activities increased \$16.1 million during the year.

Olmsted County's capital assets increased \$34.9 million in 2024. The primary reason for the increase in capital assets is a \$41.9 million increase in buildings, a \$14.2 million increase in infrastructure, a \$4.7 million increase in equipment, \$3.9 million increase in subscription software, a \$1.8 million increase in land, a \$1.0 million increase in improvements other than buildings, offset by a \$31.2 million decrease in construction in progress and a \$1.0 million decrease in software.

Olmsted County's total debt outstanding increased \$11.3 million in 2024. The primary reason for the increase in outstanding debt is due to the issuance of bonds of \$19.9 million offset by bond payments of \$13.6 million, a \$5.3 million increase in subscription payable offset by subscription payments of \$2.0 million, and a \$965 thousand increase in financed purchase payable.

At December 31, 2024, the county's governmental funds combined assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$163.1 million (fund balance).

Governmental fund balance consists of:

- \$3.5 million, or 2% of total government fund balance is nonspendable.
- \$40.8 million, or 25% of total governmental fund balance is restricted for specific purposes.
- \$118.8 million, or 73% of total governmental fund balance is available for spending at the county's discretion (assigned and unassigned fund balance).

The governmental funds fund balance decreased \$4.2 million. The Opioid Settlement Fund, Debt Service Fund, and Capital Projects Fund, fund balance increased \$804 thousand, \$2.4 million, \$4.3 million, respectively, offset by the General Fund, Infrastructure Fund, and Health and Human Service Fund, fund balance decrease of \$5.0 million, \$6.1 million, and \$605 thousand, respectively.

Olmsted County was allocated \$8.1 million in Opioid Settlement Funds and has received \$2.3 million of that amount from the National Opioid Settlement Fund in total, \$1.3 million in 2024. These funds will be used for forward-looking strategies, programming, and services to abate the opioid epidemic.

Overview of the Financial Statements

The management's discussion and analysis is intended to serve as an introduction to Olmsted County's basic financial statements, which include three components: 1) government-wide statements, 2) fund financial statements, 3) notes to the financial statements. This financial report also contains supplementary information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the county's finances, in a manner similar to private-sector business. These statements can be found on pages 42 and 43 of this report.

The **Statement of Net Position** includes all the county's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Olmsted County is improving or deteriorating.

The **Statement of Activities** takes all the current year's revenues and expenses into account regardless of when the cash is received or paid. This means some of the revenues and expenses reported in this statement will result in cash flows in a future year.

Both government-wide statements make distinction between *types of activities*:

- *Governmental activities* are principally supported by property taxes and intergovernmental revenue. Most of the county's basic services are included here such as general government, public safety, conservation of natural resources, economic development, highways and streets, health, human services, and cultural and recreation.
- *Business-type activities* are supported to a large extent by user fees and charges. Waste management services, an Olmsted County Housing and Redevelopment Authority (HRA) blended component unit, and a sewer collection and treatment system are the three *business-type activities* the county operates.

Fund Financial Statements

The fund financial statements provide more detailed information than the government-wide statements. Using separate funds is a way to maintain control over resources that have been segregated for specific activities or objectives. Olmsted County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The county's funds fall into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions or programs reported as *governmental activities* in the government-wide financial statements. However, the governmental fund financial statements differ from the government-wide statements.

The fund statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Therefore, the *timing of cash flows* is taken into account when determining the amount of revenues and expenditures in the governmental fund financial statements, while it is disregarded in the government-wide statements where all *earned* revenues and all *incurred* expenses are recorded. This modified-accrual approach in the fund statements may be useful in evaluating a government's near-term financing requirements. The basic governmental funds financial statements are on pages 44 and 46 of this report.

By comparing the two types of statements, government-wide vs. governmental funds, readers may better understand the long-term impact of the government's short-term financing decisions. To aid in this comparison, a reconciliation of the fund statements to the government-wide statements is provided for both the balance sheet, on page 45, and the statement of revenues, expenditures, and changes in fund balance, on page 47.

Olmsted County has six governmental funds which are all considered to be major funds: General, Infrastructure, Health and Human Services, Opioid Settlement, Debt Service, and Capital Projects.

For each fund, information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. There are no other governmental funds.

Proprietary funds are used to account for services for which the county charges customers a fee directly related to the services provided. Olmsted County has two different types of proprietary funds. The basic proprietary funds financial statements are on pages 48-50 of this report.

Enterprise fund statements report the same amounts as the *business-type activities* in the government-wide financial statements. But the fund statements provide more detail and additional information, such as cash flows. These statements provide separate information for the Waste Management and the Olmsted County HRA, which are considered major funds of the county. The Olmsted County HRA is a blended component unit. The Sanitary Sewer Fund is reported as a non-major fund.

Internal service funds are used to report activities that support other county departments and are funded by user charges to those departments. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Additional detail pertaining to the internal service funds can be found in the Supplementary Information section of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the county. Since the resources of those funds are not available to support the county's programs, these funds are not included in the government-wide financial statements. Olmsted has two types of fiduciary funds, a **private-purpose trust fund and custodial funds**. Additional detail pertaining to the custodial funds can be found in the Supplementary Information section of this report. The basic fiduciary funds financial statements are on page 51 and 52 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 - 112 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also includes *required supplementary information*, which presents budgetary comparisons to financial results for each of the four governmental funds, the schedule of county's changes in post-employment benefits liability and related ratios, the schedule of the county's proportionate share of the Public Employee Retirement Association (PERA) net pension liability and the schedule of contributions to the PERA pension plan. Required supplementary information and notes to the required supplementary information can be found on pages 114-133 of this report.

Government-wide Overall Financial Analysis

As shown in the table below, county assets and deferred outflows of resources exceeded its liabilities and deferred inflows by \$472.0 million as of December 31, 2024.

Table 1: Olmsted County Net Position

Olmsted County's Net Position as of December 31 (in thousands of dollars)								
	Governmental activities		Business-type activities		Total			Percent
	2023	2024	2023	2024	2023	2024	Change	Change
Current and other assets	\$ 283,656	\$ 279,791	\$ 53,150	\$ 61,179	\$ 336,806	\$ 340,970	\$ 4,164	1%
Capital assets	333,896	363,483	98,116	103,445	432,012	466,928	34,916	8%
Total assets	\$ 617,552	\$ 643,274	\$ 151,266	\$ 164,624	\$ 768,818	\$ 807,898	\$ 39,080	5%
Total deferred outflows	\$ 37,129	\$ 23,175	\$ 1,187	\$ 547	\$ 38,316	\$ 23,722	\$ (14,594)	-38%
Current liabilities	\$ 23,163	\$ 20,673	\$ 2,722	\$ 3,624	\$ 25,885	\$ 24,297	\$ (1,588)	-6%
Noncurrent liabilities	232,550	227,099	60,217	56,142	292,767	283,241	(9,526)	-3%
Total liabilities	\$ 255,713	\$ 247,772	\$ 62,939	\$ 59,766	\$ 318,652	\$ 307,538	\$ (11,114)	-3%
Total deferred inflows	\$ 45,871	\$ 49,111	\$ 3,273	\$ 3,010	\$ 49,144	\$ 52,121	\$ 2,977	6%
Net Position:								
Net investment in capital assets	\$ 230,797	\$ 245,415	\$ 44,297	\$ 54,005	\$ 275,094	\$ 299,420	\$ 24,326	9%
Restricted	23,490	23,359	9,324	11,034	32,814	34,393	1,579	5%
Unrestricted	98,810	100,792	32,620	37,356	131,430	138,148	6,718	5%
Total net position	\$ 353,097	\$ 369,566	\$ 86,241	\$ 102,395	\$ 439,338	\$ 471,961	\$ 32,623	7%

The largest portion of the county's net position reflects the net investment in capital assets (e.g. land, roads and bridges, buildings, equipment, and software net of any related debt used to acquire those assets that is still outstanding). These capital assets are used to provide services to citizens and are *not available for future spending*.

As shown in the table below, the county's net position increased by \$33.3 million during the year, an increase of 8% from the previously reported 2023 net position and an 8% increase from the restated 2023 net position.

Table 2: Olmsted County Changes in Net Position

Olmsted County Changes in Net Position as of December 31
(in thousands of dollars)

	Governmental activities		Business-type activities		Total			Percent Change
	2023	2024	2023	2024	2023	2024	Change	
Revenues								
<u>Program revenues:</u>								
Charges for services	\$ 31,354	\$ 34,007	\$ 31,143	\$ 32,090	\$ 62,497	\$ 66,097	\$ 3,600	6%
Operating grants and contributions	59,540	65,693	9,501	10,958	69,041	76,651	7,610	11%
Capital grants and contributions	6,139	2,560	97	795	6,236	3,355	(2,881)	-46%
<u>General revenues and special item:</u>								
Property taxes	119,236	125,094	4,541	4,878	123,777	129,972	6,195	5%
Sales taxes	18,557	17,991	-	-	18,557	17,991	(566)	-3%
Wheelage taxes	1,426	1,465	-	-	1,426	1,465	39	3%
Unrestricted grants	13,517	12,969	-	-	13,517	12,969	(548)	-4%
Investment income	11,782	11,131	1,010	1,806	12,792	12,937	145	1%
Other	303	327	-	118	303	445	142	47%
Total revenues	\$ 261,854	\$ 271,237	\$ 46,292	\$ 50,645	\$ 308,146	\$ 321,882	\$ 13,736	4%
Expenses								
General government	\$ 14,817	\$ 15,688	\$ -	\$ -	\$ 14,817	\$ 15,688	\$ 871	6%
Public safety	68,881	70,802	-	-	68,881	70,802	1,921	3%
Conservation of natural resources	1,943	1,818	-	-	1,943	1,818	(125)	-6%
Highways and streets	30,728	31,715	-	-	30,728	31,715	987	3%
Health	15,272	15,555	-	-	15,272	15,555	283	2%
Human services	95,579	100,862	-	-	95,579	100,862	5,283	6%
Culture and recreation	7,309	8,267	-	-	7,309	8,267	958	13%
Interest on long-term debt	3,033	3,484	-	-	3,033	3,484	451	15%
Waste management	-	-	23,434	23,627	23,434	23,627	193	1%
Sanitary sewer	-	-	134	220	134	220	86	64%
HRA	-	-	14,161	16,550	14,161	16,550	2,389	17%
Other	80	80	-	-	80	80	-	0%
Total expenses	\$ 237,642	\$ 248,271	\$ 37,729	\$ 40,397	\$ 275,371	\$ 288,668	\$ 13,297	5%
Excess (Deficiency) of Revenues over Expenses	\$ 24,212	\$ 22,966	\$ 8,563	\$ 10,248	\$ 32,775	\$ 33,214	\$ 439	1%
Transfers	(867)	(5,793)	867	5,793	-	-	-	-
Extraordinary gain caused by storm damage	-	-	93	113	93	113	20	22%
Change in net position	\$ 23,345	\$ 17,173	\$ 9,523	\$ 16,154	\$ 32,868	\$ 33,327	459	1%
Net position - beginning, as previously reported	\$ 329,752	\$ 353,097	\$ 76,718	\$ 86,241	\$ 406,470	\$ 439,338	\$ 32,868	8%
Change in accounting principle	\$ -	\$ (704)	\$ -	\$ -	\$ -	\$ (704)	\$ (704)	-100%
Net position - beginning, as restated	\$ 329,752	\$ 352,393	\$ 76,718	\$ 86,241	\$ 406,470	\$ 438,634	\$ 32,164	8%
Net position - ending	\$ 353,097	\$ 369,566	\$ 86,241	\$ 102,395	\$ 439,338	\$ 471,961	\$ 32,623	7%

Governmental Activities

Net position in governmental activities increased \$17.2 million (5%) during the year or \$16.5 million (5%) from the beginning net position as previously reported.

Beginning net position of \$353.1 million (as previously reported), decreased \$704 thousand (.20%) to \$352.4 million (restated) due to the implementation of Government Accounting Standard Board (GASB) Statement No. 101, Compensated Absences.

Program revenues are \$102.2 million and general revenues are \$169.0 million for total revenues of \$271.2 million. Program expenses total \$248.2 million. Net transfers with business-type activities are (\$5.8) million. This results in a \$17.2 million increase in net position.

Charges for services increased \$2.7 million (8%). Significant changes from 2023 to 2024 include:

- Health charges for services increased \$1.2 million primarily due to a \$1.1 million increase in opioid settlement funds. The opioid settlement funds were recorded in other revenue in the governmental fund statement of revenues, expenditures, and change in fund balances which is converted to charges for services in the government-wide.
- Human Service charges for services increased \$968 thousand primarily due to a \$470 thousand increase in assertive community treatment services due to higher rates and more units being provided and a \$273 thousand increase in health plan targeted case management due to bringing the Zumbro Valley contract in house.
- Various other smaller increases and decreases make up the remaining change.

Operating grants and contributions increased \$6.2 million (10%). Significant changes from 2023 to 2024 include:

- General government operating grants and contributions increased \$1.1 million primarily due to a \$679 thousand increase in Federal Administrative Aid.
- Public safety operating grants and contributions decreased \$2.3 million primarily due to a one-time Public Safety Aid appropriation of \$2.4 million in 2023.
- Highway and streets operating grants and contributions increased \$1.8 million primarily due to a \$1.0 million increase in State Aid Construction allocation and a \$700 thousand increase in State Aid maintenance allocation.
- Health operating grants and contributions increased \$930 thousand due to various small increases including two new state grants (Foundational Public Health Responsibilities-\$124 thousand and Emergency Preparedness Grant-\$105 thousand).
- Human service operating grants increased \$4.5 million primarily due to a \$1.4 million increase in federal medical assistance and \$650 thousand increase in federal child support due to increases in the cost pool, a \$1.3 million increase in federal reimbursement for services related to targeted case management due to bringing services previously provided by Zumbro Valley in-house, a \$781 thousand increase in statewide housing and local homelessness prevention aid, a \$443 thousand increase in the state adult mental health grant, a \$390 thousand increase in State MnChoice due to increases in the cost pool, offset by a \$897 thousand decrease in a one-time medical assistant eligibility renewal state aid received in 2023 to fund medical assistance renewal costs and a \$753 thousand one-time payment from the State of Minnesota for errors found in the allocation process for the social service time study grant.
- Various other smaller increases and decreases make up the remaining change.

Capital grants and contributions decreased \$3.6 million (58%). Significant changes from 2023 to 2024 include:

- Highway and streets capital grants decreased \$3.8 million. Federal grant revenue for the CSAH 4/44 road project decreased \$4.8 million, offset by a \$900 thousand increase in grant revenue for bridge projects which includes \$600 thousand for the CSAH 44/TH 14 bridge project.
- Various other smaller increases and decreases make up the remaining change.

The **property tax** collections increased \$5.9 million (5%) which is at par with the tax levy increase of 5.2%.

Sales tax collections decreased \$566 thousand (3%). Sales tax revenue is driven by consumer spending. When consumers spend less, sales tax revenue decreases.

Unrestricted state aids and grants decreased \$548 thousand (4%) primarily due to the last of the Coronavirus State and Local Fiscal Recovery Funds expenses occurring in 2023 (\$5.4 million decrease), offset by a \$2.1 million increase in PERA aid due to the State of Minnesota one-time contributions to the general employee retirement plan and general employee police and fire plan and a \$2.7 million increase in county program aid.

Investment income decreased \$651 thousand (6%) primarily due to the average cash and investment balance increasing compared to 2023, offset by a decrease in unrealized gain due to the fair value of investments.

General government expenses increased \$871 thousand (6%). General government activities include property, records, licensing, planning, and other. Significant changes from 2023 to 2024 include:

- Property, Records, and Licensing Department personnel costs increased \$1.2 million due to adding 3 full time equivalents, adding provisional elections staff for the 2024 elections, cost-of-living adjustments, and performance-based increases.
- Internal service fund charges increased \$423 thousand primarily due to rent charges increasing 5.7% and administrative personnel costs.
- Groundwater Protections and Soil Program costs increased \$336 thousand due to an increase in participants in this program aimed to promote the growing of beneficial crops such as small grains, forages, other alternative crops, and grazing land.
- In the government-wide statement of activities, internal service fund operating income or loss from internal activities is allocated to governmental activities expense to eliminate internal revenues and expenses. The allocation of internal service fund operations to general government expenses decreased \$992 thousand due to the internal service funds having an operating loss in 2023 and an operating income in 2024. See the proprietary fund section below for more details on internal service funds.
- Pension expense decreased by \$630 thousand due to changes in actuarial assumptions, plan provisions, interest rates, and asset market values.
- Various other smaller increases and decreases make up the remaining change.

Public safety expenses increased \$1.9 million (3%). Public Safety activities include law enforcement, adult detention center, community corrections, county attorney, coroner, district courts, and law library. Significant changes from 2023 to 2024 include:

- Personnel costs increased by \$3.0 million due to cost-of-living adjustments, performance-based increases, change in benefit elections, overfills, and increases in overtime.
- Internal service fund charges increased by \$1.3 million primarily due to rent charges increasing 5.7% and administrative personnel costs.
- Equipment costs not meeting the capitalization threshold increased \$669 thousand.
- Depreciation expense increased by \$420 thousand due to an increase in assets.
- Maintenance costs increased by \$309 thousand primarily due to new software contracts.
- Contributions to the Dodge Olmsted Community Correction Joint Powers Board increased \$305 thousand primarily due to an increase in personnel cost for cost-of-living adjustments and performance-based increases.
- Pension expense decreased by \$2.9 million due to changes in actuarial assumptions, plan provisions, interest rates, and asset market values.
- In the government-wide statement of activities, internal service fund operating income or loss from internal activities is allocated to governmental activities expense to eliminate internal revenues and expenses. The allocation of internal service fund operations to public safety expenses decreased \$1.7 million due to the internal service funds having an operating loss in 2023 and an operating income in 2024. See the proprietary fund section below for more details on internal service funds.
- Various other smaller increases and decreases make up the remaining change.

Conservation of natural resources expenses decreased \$125 thousand (6%). Conservation of natural resources activities include soil and water conservation and extension services. This decrease is primarily due to the costs associated with the 2023 cost of connecting the Zumbro Ridge Estates manufactured home park to the Rochester sewage treatment plant (\$383 thousand), offset by adding a Soil Conservation Technician position (\$120 thousand).

Highways and streets expenses increased \$987 thousand (3%). Highway and streets activities include surveying, maintenance, construction, and equipment maintenance and shops. Significant changes from 2023 to 2024 include:

- Depreciation expense increased by \$806 thousand due to an increase in assets.
- Personnel costs increased by \$670 due to cost-of-living adjustments and performance-based increases.
- Pension expense decreased by \$441 thousand due to changes in actuarial assumptions, plan provisions, interest rates, and asset market values.
- Various other smaller increases and decreases make up the remaining change.

Health expenses increased \$283 thousand (2%). Health activities include general public health, emergency preparedness, disease prevention, health promotion, and environmental. Significant changes from 2023 to 2024 include:

- Personnel costs increased by \$868 thousand due to an increase of 0.70 full time equivalent, cost-of-living adjustments, performance-based increases, and the timing of vacant positions being filled.
- Internal service fund charges increased \$345 thousand primarily due to rent charges increasing 5.7% and administrative personnel costs.
- Pension expense decreased by \$656 thousand due to changes in actuarial assumptions, plan provisions, interest rates, and asset market values.
- In the government-wide statement of activities, internal service fund operating income or loss from internal activities is allocated to governmental activities expense to eliminate internal revenues and expenses. The allocation of internal service fund operations to health expenses decreased \$540 thousand due to the internal service funds having an operating loss in 2023 and an operating income in 2024. See the proprietary fund section below for more details on internal service funds.
- Various other smaller increases and decreases make up the remaining change.

Human services expenses increased \$5.3 million (6%). Human services program activities include income maintenance, social services, support services, and veterans' services. Significant changes from 2023 to 2024 include:

- Child and Family Services personnel costs increased by \$4.0 million primarily due to an increase of 26 full-time equivalents to bring Family Service Rochester targeted case management contract in-house, cost-of-living adjustments, performance-based increases, and timing of vacant positions being filled.
- Adult and Family Services personnel costs increased by \$1.7 million primarily due to an increase of 12 full-time equivalents, cost-of-living adjustments, performance-based increases, and timing of vacant positions being filled.
- Family Support and Assistance personnel costs increased by \$1.0 million primarily due to an increase of 4 full-time equivalents, cost-of-living adjustments, performance-based increases, and timing of vacant positions being filled.
- Community Corrections personnel costs increased by \$492 thousand primarily due to an increase of 4 full-time equivalents, cost-of-living adjustments, and performance-based increases.
- Diversity, Equity, and Community Outreach (DECO) personnel costs increased by \$394 thousand due to an increase of 4 full-time equivalents, cost-of-living adjustments, and performance-based increases.
- Internal service fund charges increased \$2.8 million primarily due to rent charges increasing 5.7% and administrative personnel costs.
- Child placement costs increased \$1.0 million due to youth with severe behavioral issues staying longer in expensive and often out of state facilities and increased rates.
- Pension expense increased \$739 thousand due to the State of Minnesota making a one-time contribution to the Public Employee Retirement Association (PERA) on behalf of PERA member entities.

- Pension expense decreased by \$3.2 million due to changes in actuarial assumptions, plan provisions, interest rates, and asset market values.
- In the government-wide statement of activities, internal service fund operating income or loss from internal activities is allocated to governmental activities expense to eliminate internal revenues and expenses. The allocation of internal service fund operations to human services expenses decreased \$1.9 million due to the internal service funds having an operating loss in 2023 and an operating income in 2024. See the proprietary fund section below for more details on internal service funds.
- Targeted Case Management contract costs decreased by \$1.6 million due to bringing the contract with Family Services Rochester in-house.
- Commitment costs decreased by \$462 thousand due to fewer people meeting the medical necessary requirements.
- Various other smaller increases and decreases make up the remaining change.

Culture and recreation expenses increased \$958 thousand (13%). Culture and recreation program activities include parks, historical society, diversity and youth programs, and library. This increase is due to various small increases including a \$353 thousand increase in internal charges and a \$316 thousand increase in depreciation expense.

Interest on long-term debt increased \$451 thousand (15%) primarily due to an increase in bond debt and subscription payables.

Transfers to business-type activities increased \$4.9 million (568%) for the Growing Affordable Inclusive Neighborhoods (GAIN) program which creates incentives to develop smaller, lower-priced, owner-occupied homes.

Business-Type Activities

Net position in business-type activities increased \$16.2 million (19%).

Program revenues are \$43.9 million and general revenues are \$6.8 million for total revenues of \$50.7 million. Program expenses total \$40.4 million. Net transfers with governmental activities are \$5.8 million. Extraordinary gains are \$113 thousand. This results in a \$16.2 million increase in net position.

Charges for services increased \$947 thousand (3%) due to charges for services in the Olmsted County HRA, including a \$575 thousand increase in rent and a \$375 thousand increase for portability payments from other housing authorities for tenants that have moved to Olmsted County. The increase in rent revenue is due to the new ROTH building and OCBA properties opening in July and general rent increases at all properties.

Operating grants and contributions increased \$1.5 million (15%) primarily due to an increase in Housing Choice Voucher funds in the Olmsted County HRA.

Capital grants and contributions increased \$698 thousand (720%) due to the Trailside Apartments project in the Olmsted County HRA.

The **property tax** collections increased \$337 thousand (7.4%) which is at par with the tax levy increase of 7.5%.

Investment income increased \$796 thousand (79%) primarily due the average cash and investment balance increasing compared to 2023.

Waste Management expenses increased \$193 thousand (1%).

Sanitary Sewer expenses increased \$86 thousand (64%).

Olmsted County HRA expenses increased \$2.4 million (17%) primarily due to a \$1.2 million increase in housing assistance payments. This increase is due to an increase in the number of units and an increase in contribution per unit. Administrative costs increased \$707 thousand due to new properties and programs. The remaining change is made of various other increases and decreases.

Extraordinary Gain increased \$20 thousand (22%).

Transfers from governmental activities increased \$4.9 million (568%) for the Growing Affordable Inclusive Neighborhoods (GAIN) program which creates incentives to develop smaller, lower-priced owner-occupied homes.

Financial Analysis of Governmental and Proprietary Funds

Governmental funds. The focus of Olmsted County's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable resources*. This information may be useful in assessing the county's financing requirements. In particular, *assigned and unassigned fund balance* serve as a measure of available net resources.

Table 3: Olmsted County Governmental Funds – Fund Balances

Olmsted County Governmental Funds - Fund Balances (in thousands of dollars)			
	2023	2024	Change
Fund Balances:			
Nonspendable	\$ 3,305	\$ 3,534	\$ 229
Restricted	40,243	40,811	568
Assigned	39,648	31,905	(7,743)
Unassigned	84,693	86,872	2,179
Total Fund Balances	<u>\$ 167,889</u>	<u>\$ 163,122</u>	<u>\$ (4,767)</u>
 Total Operating Revenues	 \$ 267,193	 \$ 262,990	 \$ (4,203)
 Assigned and Unassigned Fund Balance as % of Operating Revenues	 47%	 45%	

The county's total fund balance in the governmental funds as of December 31, 2024, is \$163.1 million, a decrease of \$4.8 million (3%) from the previously reported 2023 fund balance or \$4.2 million (3%) from the restated 2023 fund balance. Beginning fund balance, as previously reported of \$167.9 million, decreased \$520 thousand (.30%) to \$167.4 million due to the implementation of Government Accounting Standard Board (GASB) statement No. 101, Compensated Absences. The governmental funds compensated absence liability is accounted for in the self-insurance internal service fund. The current year expenses are recognized in the governmental funds when earned.

Fund balance in the **General Fund** decreased \$5.1 million (4%) during the year or \$5.2 million (5%) from beginning net position, as previously reported. Significant factors contributing to the decrease in fund balance include:

- Investment income was more than anticipated by \$2.7 million primarily due to an increase in the fair value of investments resulting in an unrealized gain.
- Higher than anticipated intergovernmental revenue of \$709 thousand primarily due to Federal Administrative Aid (\$578 thousand).
- Planned \$8.9 million decrease in fund balance for the Growing Affordable Inclusive Neighborhoods (GAIN) program (\$4.9 million), affordable housing units (\$2.5 million), groundwater protection (\$842 thousand), and various other smaller projects.

- More Law Enforcement personnel costs than anticipated due to the department being fully staffed most of the year, change in benefit elections, overfills, and overtime of \$715 thousand.
- The remaining net change in fund balance is made of various smaller items.

Fund balance in the **Infrastructure Fund** decreased \$6.1 million (68%) during the year or \$6.2 million (69%) from beginning net position, as previously reported. Significant factors contributing to the decrease include:

- Higher than anticipated 2024 County State Aid Highway revenue of \$770 thousand.
- 2023 County State Aid Highway (CSAH) 4 and 44 costs of \$3.6 million were reimbursed with 2024 Highway State Aid allotments (2024 revenue).
- Various other 2023 state, federal, and municipal project costs of \$750 thousand were reimbursed with 2024 Highway State Aid allotments (2024 revenue).
- Planned \$4.4 million decrease in fund balance restricted for transit and transportation for the Public Works Service Center project.
- 2024 County State Aid Highway (CSAH) 5 and 25 costs of \$4.6 million will be reimbursed with 2025 Highway State Aid allotments (2025 revenue).
- CSAH 44/TH 14 interchange project costs of \$1.0 million will be reimbursed with 2025 Highway State Aid allotments (2025 revenue).
- The remaining net change in fund balance is made of various smaller items.

Fund balance in the **Health and Human Services Fund** decreased \$605 thousand (4%) during the year or \$910 thousand (7%) from beginning net position, as previously reported. Significant factors contributing to the decrease include:

- Planned increase in fund balance of \$836 thousand due to bringing Family Services Rochester targeted case management contract in house.
- Less personnel costs than anticipated due to resignations and retirements of long-time employees, vacancies due to employee turnover, and changes in benefit elections in the amount of \$766 thousand.
- Deferred \$867 thousand of Adult Mental Health Initiative (AMHI) grant revenue due to the timing (availability) of the reimbursement.
- More than anticipated child placement costs of \$951 thousand due to more residential treatment, shelter and crisis center placements, and rate increases.
- Planned \$391 thousand decrease in fund balance restricted for medical assistance renewal costs.
- The remaining net change in fund balance is made of various smaller items.

Fund balance in the **Opioid Settlement Fund** increased \$804 thousand (76%). Significant factors contributing to the increase include:

- More than anticipated opioid settlement funds of \$975 thousand.
- The remaining net change in fund balance is made of various smaller items.

Fund balance in the **Debt Service Fund** increased \$2.4 million (10%). Significant factors contributing to the increase include:

- Levied property tax revenue in the amount of \$2.5 million for the 2024 bond issuance with no related debt service requirements.
- The remaining net change in fund balance is made of various smaller items.

Fund balance in the **Capital Projects Fund** increased \$4.3 million (90%). Significant factors contributing to the increase include:

- Unspent 2024 bond proceeds of \$5.5 million, including \$1.5 million for Oxbow Park campground relocation, \$2.8 million for Graham Park historic highway shop restoration, \$530 thousand for Public Works Service Center Fiber, \$192 thousand for tandem trucks, \$287 thousand for the Public Safety Training Center project, and various other smaller projects.
- Recognized \$528 thousand of grant revenue deferred in the prior year due to the timing (availability) of the reimbursement.
- Use of \$1.7 million prior year bond proceeds for transportation equipment.
- The remaining net change in fund balance is made of various smaller items.

At year-end 2024, the governmental funds have a **combined assigned and unassigned fund balance (“available”)** of \$118.8 million. This is 45% of the \$263.0 million revenues in those funds, which is 2% lower than 2023. This balance provides a means to pay for the county’s operations until the first half of the following year’s tax levy is collected in May. It is also used to prevent a large increase in property taxes from one year to the next in the event of disasters and unforeseen funding changes by the state and federal governments.

The [Office of the Minnesota State Auditor](#) recommends local governments that rely significantly on property taxes maintain an unrestricted fund balance in the General Fund and special revenue funds of 35 to 50 percent of operating revenue. It is Olmsted County practice to maintain a combined governmental funds unrestricted fund balance around 42.5% of operating revenues.

Olmsted County has maintained bond ratings of Aaa and AAA from two national rating agencies, Moody’s and Standard & Poor’s (S&P), respectively. In the third quarter of 2024, Moody’s Investor Services affirmed the Aaa credit rating citing the county’s strong financial position, low leverage, and growing local economy with healthy resident income anchored by Mayo Clinic. In September 2023, S&P affirmed the AAA rating citing a very strong economy, budgetary flexibility, liquidity, management, debt and long-term liabilities, and strong budget performance and institutional framework.

Proprietary funds. The proprietary funds’ statements provide more detail of the business-type activities reported in the government-wide statements, as well as the internal service funds. The activities of internal service funds predominantly benefit governmental funds. Therefore, internal service funds are included within *governmental activities* in the government-wide financial statements.

Table 4: Olmsted County Proprietary Fund – Net Position
Olmsted County Proprietary Funds - Net Position
(in thousands of dollars)

	Enterprise Funds			Internal Service Funds		
	2023	2024	Change	2023	2024	Change
Net Position:						
Net Investment in Capital Assets	\$ 44,297	\$ 54,005	\$ 9,708	\$ 25,030	\$ 23,781	\$ (1,249)
Restricted	9,324	11,034	1,710	3,590	4,047	457
Unrestricted	32,620	37,356	4,736	25,590	27,471	1,881
Total Net Position	<u>\$ 86,241</u>	<u>\$102,395</u>	<u>\$16,154</u>	<u>\$ 54,210</u>	<u>\$ 55,299</u>	<u>\$ 1,089</u>

Enterprise fund total net position increased by \$16.2 million (19%) during the year.

The **Waste Management Fund** net position increased \$6.7 million (10%) during the year. Significant factors contributing to the increase include:

- Planned increase in net position of \$2.1 million.
- More than anticipated tipping fees of \$990 thousand due to waste being influenced by economic conditions.
- Less than anticipated personnel costs of \$843 thousand primarily due to vacant positions and changes in pension actuarial assumptions, plan provisions, interest rates, and asset market values.
- Less than anticipated need for contracted service costs of \$621 thousand.
- Less than anticipated long-term maintenance of \$554 thousand due to costs being less than expected, cancelled, or moved to future years.
- More than anticipated electricity sales of \$352 thousand due to more kilowatt-hours (kWH) being generated and sold.
- The remaining change in net position is made of various smaller items.

The **Olmsted County Housing and Redevelopment Fund (HRA)** net position increased \$9.5 million (55%) during the year. Significant factors contributing to the increase include:

- Transfer in from the general fund for assets held for resale of \$4.9 million.
- Capital grants for the purchase of capital assets of \$795 thousand.
- Unspent property taxes of \$3.7 million.
- The remaining change in net position is made of various smaller items.

The **Sanitary Sewer Fund** net position decreased \$8 thousand (1%).

Internal service fund total net position increased by \$1.3 million (3%) during the year or \$1.1 million (2%) from beginning net position, as previously reported.

Beginning net position of \$54.2 million (as previously reported), decreased \$184 thousand (.30%) to \$54.0 million (restated) due to the implementation of Government Accounting Standard Board (GASB) Statement No. 101, Compensated Absences.

The **Self-Insurance Fund** net position decreased \$450 thousand (3%) during the year.

Health insurance activity decreased net position by \$320 thousand. Significant factors contributing to the decrease include:

- More than anticipated charges to other funds of \$551 thousand due to a 3.6% increase in employee utilization of the health plan.
- More than anticipated pharmacy rebates of \$739 thousand.
- Less than anticipated health care costs of \$1.5 million.
- More than anticipated prescription costs of \$937 thousand.
- The remaining change in net position is made of various smaller items.

Dental insurance activity increased net position by \$67 thousand. The change in net position is made of various small items.

Liability insurance activity increased net position by \$151 thousand. The change in net position is made of various small items.

Workers' Compensation activity decreased net position by \$348 thousand. Significant factors contributing to this decrease include:

- There were no charges to other funds due to a 2024 premium holiday (planned decrease in net position of \$716 thousand).
- Less than anticipated workers' compensation costs of \$374 thousand due to lower claims in 2024.
- The remaining change in net position is made of various smaller items.

The **Administrative Services Fund** net position increased \$1.4 million (26%) during the year or \$1.2 million (22%) from beginning net position, as previously reported. Significant factors contributing to this increase include:

- Less than anticipated other services and charges of \$505 thousand made of various small items.
- Less than anticipated costs for equipment not meeting the capitalization threshold of \$500 thousand.
- The remaining change in net position is made of various smaller items.

The **Building Facilities Fund** net position increased \$330 thousand (1%) during the year or \$315 thousand from the beginning net position, as previously reported. This increase is made of various small items.

Fiduciary funds. The county maintains two fiduciary funds, a private-purpose trust fund and a custodial fund. The private-purpose trust fund accounts for representative payee funds. The custodial fund accounts for service bureau activities, revenues collected for the State of Minnesota, revenues collected for other individuals, organizations or governments, and taxes and penalties collected for school districts, towns, and cities. The private-purpose trust fund net position is \$309 thousand, and the custodial funds net position is \$6.0 million at year end.

General Fund Budgetary Highlights

Original budget compared to final budget

The final amended budgeted revenues are \$2.2 million more than original budgeted revenues. Intergovernmental increased by \$1.7 million for voting grants and aids (\$309 thousand), E911 appropriation (\$355 thousand), Public Employee Retirement Association (PERA) aid for State of Minnesota one-time contributions (\$797 thousand), and various other smaller increases. The investment income budget increased \$507 thousand to reflect current interest rates.

The final amended budgeted expenditures are \$5.6 million more than the original budgeted expenditures. The public safety expenditure budget increased \$4.3 million primarily due to a new body camera contract (\$2.1 million), pension expense (\$612 thousand), a new medical service contract in the Adult Detention Center (\$200 thousand), attorney costs for child protection and commitments (\$150 thousand), equipment for the new public safety training center (\$149 thousand), and various other smaller increases. The other expenditure budget increased \$934 thousand primarily for the Groundwater Protection and Soil Program (\$842 thousand). The remaining change is made of various smaller items.

Final budget compared to actual results

Table 5: Olmsted County General Fund – Final Budget and Actual Amounts

Olmsted County General Fund - Final Budget and Actual Amounts
(in thousands of dollars)

	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Taxes	\$ 55,931	\$ 55,654	\$ (277)
Licenses and permits	1,324	1,410	86
Intergovernmental	15,269	15,977	708
Charges for services	15,851	15,430	(421)
Investment income	6,092	8,761	2,669
Other	1,807	1,598	(209)
Total Revenues	\$ 96,274	\$ 98,830	\$ 2,556
Expenditures			
General government	\$ 13,769	\$ 12,468	\$ 1,301
Public safety	75,059	73,795	1,264
Conservation of natural resources	1,868	1,840	28
Culture and recreation	6,224	6,152	72
Other	2,948	2,457	491
Total Expenditures	\$ 99,868	\$ 96,712	\$ 3,156

The actual revenues are \$2.6 million more than the final amended budgeted revenues. Actual investment income is more than the budgeted amount by \$2.7 million primarily due to the market value change not being budgeted (\$2.0 million) and interest rates being higher than anticipated on the 3rd quarter of 2024 (\$613 thousand). Intergovernmental revenue is more than budgeted by \$708 thousand primarily due to Federal Administrative Aid (\$371 thousand) and Police State Aid (\$283 thousand) being higher than anticipated due to this funding being less predictable. The remaining change is made of various smaller items.

The actual expenditures are \$3.2 million less than the final amended budgeted expenditures. Actual general government expenditures are \$1.3 million less than the final amended budget primarily due to staff positions being vacant. Actual public safety expenditures are \$1.3 million less than the final amended budget. The sheriff expenditures are \$286 thousand less than final budget primarily due to not spending \$462 thousand of the available E911 appropriation and various other smaller items offset by personnel costs being more than the final amended budget by \$715 thousand due to contract salary increases, lower than anticipated turnover, and events that required staff to work overtime. Community corrections expenditures are \$385 thousand less than final budget primarily due to contributions to the Dodge Olmsted Community Corrections joint powers board being \$311 thousand less than the amended budget. The remaining change is made of various small items.

Capital Assets and Debt Administration

Capital Assets. At the end of 2024, the county had invested \$466.9 million in a range of capital assets. The majority of that amount is in infrastructure (which includes roads and bridges), buildings, and equipment.

Table 6: Olmsted County Capital Assets, Net of Depreciation
Olmsted County Capital Assets, Net of Depreciation, as of December 31
(in thousands of dollars)

	Governmental activities		Business-type activities		Total			%
	2023	2024	2023	2024	2023	2024	Change	Change
Land	\$ 24,398	\$ 24,373	\$ 5,105	\$ 6,326	\$ 29,503	\$ 30,699	\$ 1,196	4%
Infrastructure land	41,061	41,712	-	-	41,061	41,712	651	2%
Infrastructure	138,235	152,501	1,502	1,475	139,737	153,976	14,239	10%
Buildings	64,546	102,016	18,529	22,912	83,075	124,928	41,853	50%
Other improvements	5,026	5,308	2,518	3,238	7,544	8,546	1,002	13%
Equipment	9,139	15,605	69,461	67,654	78,600	83,259	4,659	6%
Intangible right-to-use - lease equipment	963	722	-	-	963	722	(241)	0%
Software	2,859	1,809	-	-	2,859	1,809	(1,050)	-37%
Intangible right-to-use - subscription software	1,213	5,149	158	76	1,371	5,225	3,854	0%
Construction in progress	46,456	14,288	843	1,764	47,299	16,052	(31,247)	-66%
Total	<u>\$ 333,896</u>	<u>\$ 363,483</u>	<u>\$ 98,116</u>	<u>\$103,445</u>	<u>\$ 432,012</u>	<u>\$ 466,928</u>	<u>\$ 34,916</u>	<u>8%</u>

Governmental activities, net capital assets increased \$29.6 million (9%). Major capital asset events during 2024 included:

- Infrastructure land increased by \$651 thousand due to the acquisition of right-of-way for current and future road projects.
- Infrastructure increased by \$14.2 million due to additions for road projects totaling \$20.9 million offset by depreciation of \$6.7 million. The county disposed of fully depreciated sections of road.
- Buildings increased by \$37.5 million. Projects totaling \$41.8 million were completed during 2024, including a new Public Works Service Center, Chester Woods amphitheater, phase 2 of the Oxbow Nature Center, Government Center upgrades, and the 2118 building north wing remodel, offset by depreciation of \$4.3 million. The county disposed of building 17 grandstands which were fully depreciated.
- Other improvements increased by \$282 thousand. Additions of \$672 thousand include a mill and overlay project and the public works service center project, offset by depreciation of \$390 thousand. The county disposed of grandstand blacktop which was fully depreciated.
- Equipment increased by \$6.5 million. Additions of \$9.0 million include public safety, parks, and motor pool vehicles, survey and grounds maintenance equipment, audio/visual equipment, furniture for the Government Center judicial space, and a generator for the 2100 building offset by depreciation of \$2.5 million. Disposals netted to \$57 thousand which included public safety, public works, and parks vehicles and public safety sirens. Intangible right-to-use lease equipment with a depreciated value of \$75 thousand was transferred to equipment after exercising the purchase option.
- Intangible right-to-use lease – equipment decreased \$241 thousand. There were no additions or disposals. Amortization expense totaled \$166 thousand. Intangible right-to-use lease equipment with a depreciated value of \$75 thousand was transferred to equipment after exercising the purchase option.
- Software decreased by \$1.1 million. There were no additions or disposals. Depreciation was \$1.1 million.
- Intangible right-to-use – subscription software increased by \$3.9 million. Additions were \$5.5 million, and amortization expense totaled \$1.5 million. Disposals with an amortized value of \$87 thousand included adjustments to existing software subscriptions.
- Construction in progress decreased \$32.2 million. Increases of \$27.2 million include roads, exhibition center, public safety training center, public works service center, DNR state trail, Oxbow Park playground equipment, 2118 building north wing remodel, and 2117 building roof replacement projects. Decreases totaled \$59.4 million as projects were finished and placed into service.

Business-type activities, net capital assets increased by \$5.3 million in 2024. Waste Management Fund additions of \$5.9 million included Recycling Center administrative office space, Waste-to-Energy cold storage building, ASH discharger, turbine generator, boiler 1 furnace tile, and other smaller upgrades, and Kalmar Landfill dozer, generator, and solar project. Housing and Redevelopment Authority (HRA) fund additions of \$7.9 million include purchase of three properties and two vehicles, roof replacement on 16 buildings, building remodel, parking lot replacement, and other smaller upgrades. Construction in progress decreased \$1.4 million as projects were completed and put into service. Depreciation was \$7.1 million.

For additional detail on capital asset activity, refer to Note 4 of this report.

Long-term Debt. As shown in the table below, Olmsted County had total debt outstanding of \$192.6 million at the end of 2024, a \$11.3 million increase from 2023. All outstanding bonds at year end are general obligation bonds which are backed by the full faith and credit of the county including the general obligation revenues bonds, although payable from pledged net revenues.

Table 7: Olmsted County Outstanding Debt

Olmsted County Outstanding Debt as of December 31
(in thousands of dollars)

	Governmental activities		Business-type activities		Total		Change	% Change
	2023	2024	2023	2024	2023	2024		
General obligation revenue bonds	\$ -	\$ -	\$ 39,630	\$ 36,060	\$ 39,630	\$ 36,060	\$ (3,570)	-9%
General obligation bonds	127,750	137,625	-	-	127,750	137,625	9,875	8%
Mortgages payable	-	-	479	467	479	467	(12)	-3%
Deferred repayment mortgages	-	-	3,225	3,225	3,225	3,225	-	0%
Deferred forgivable mortgages	-	-	8,329	9,329	8,329	9,329	1,000	12%
Financed purchase	-	920	-	-	-	920	920	n/a
Lease payable	740	472	-	-	740	472	(268)	-36%
Subscription payable	1,104	4,527	82	-	1,186	4,527	3,341	100%
Total	\$ 129,594	\$ 143,544	\$ 51,745	\$ 49,081	\$ 181,339	\$ 192,625	\$ 11,286	6%

The county's total debt outstanding increased by \$11.3 million (6%) during the current year. Major debt events during 2024 included:

- Issuance of bonds totaling \$19.9 million.
- Bond payments of \$13.6 million.
- Issuance of deferred forgivable mortgages totaling \$1.0 million.
- Issuance of financed purchase payable of \$965 thousand.
- Lease payments of \$268 thousand.
- Issuance of subscription payable of \$5.3 million.
- Subscription payments of \$2.0 million.

The county maintains an "AAA" rating from Standard & Poor's and an "Aaa" rating from Moody's Investors Service for general obligation debt. Olmsted County's AAA rating was first awarded December 18, 2001.

The amount of general obligation debt that the county may issue is limited by state statute and is calculated at 3% of total estimated market value of properties in the county. The current debt limit for the county for general obligation debt is \$805.0 million, greatly exceeding the current amount outstanding.

More detailed information about the county's long-term liabilities is presented in Note 6 of the financial statements.

Economic Factors and Next Year's Budgets and Rates

- Olmsted County's 2024 unemployment rate is 2.3%, a 0.2% increase from 2023. The county's unemployment rate continues to be lower than the State of Minnesota and the national unemployment rate of 3.0% (0.2% increase from 2023) and 4.0% (0.4% increase from 2023), respectively. Refer to Schedule 14 of this report.
- The 2024 \$26.8 billion taxable market value of property increased from \$24.6 billion in 2023 and includes \$395.8 million of new construction. The estimated 2025 taxable market value of \$27.7 billion includes \$458.0 million in new construction. Our community's continued investment in new construction is an indicator of a solid tax base. As the home of the world-famous Mayo Clinic whose business of health care is relatively stable, Olmsted County has been labeled "recession resistant". Olmsted County is projected to remain one of Minnesota's fastest-growing counties over the next two decades, while Rochester will be part of one of the fastest-growing metropolitan areas in the state. Please see the additional information in the Local Economy section of the Transmittal Letter.
- The Olmsted County Board of Commissioners adopted the county's 2025 governmental funds budget on December 17, 2024, in the amount of \$354.9 million. This is a \$44.9 million (14.5%) increase from the 2024 budget. The Olmsted County 2025 levy was adopted at \$132.7 million, a \$7.0 million (5.6%) increase from 2024. The 2025 budget was balanced using \$15.5 million of reserves. The 2025 Olmsted County HRA levy was adopted at \$5.2 million, a \$300 thousand (5.3%) increase from 2024.
- The overall county tax rate is calculated by comparing the total tax levy to total market value. For 2025, the rate is \$4.17 per \$1,000 of market value, which is 0.9% higher than the 2024 rate of \$4.13 per \$1,000. This stable trend indicates the board has done a good job of managing resources, balancing the need for property tax increases with the need of investing in a growing community.
- [Destination Medical Center](#) (DMC) is a 20-year and over \$5 billion economic development plan for a premier destination medical center in Rochester, Minnesota. The DMC economic development plan consists of private development by Mayo Clinic and other developers. It also includes public funding from the City of Rochester, Olmsted County, and the State of Minnesota. The Minnesota legislature approved drawing down State of Minnesota funds for the Destination Medical Center (DMC) economic development initiative when Mayo Clinic met a \$200.0 million spending threshold. The Destination Medical Center Corporation (DMCC) Executive Committee announced in March 2017 that the initiative had exceeded the \$200.0 million private development investment threshold. The county's maximum local funding match is \$3.0 million per year. In 2016, the County made a half-year payment to the City of Rochester, followed by seven annual payments of \$3.0 million per year in 2017, 2018, 2019, 2021, 2022, 2023, and 2024. The county and city agreed that no payment was to take place in 2020. Olmsted County payments to the City of Rochester are funded with [sales tax](#) revenues.
- Waste generation in Olmsted County is influenced by economic conditions; when the economy slows down, less waste is produced. In addition, local haulers have adopted single stream recycling, which has increased the amount of recycling material collected per household. This shift has reduced the total waste handled at County facilities. To help maintain capacity at the Waste-to-Energy facility and generate additional revenue, the County is also working to attract more waste from outside Olmsted County. In 2024, The County budgeted for 115.5 thousand tons of waste, 1.5 thousand tons less than 2023, anticipating a drop in waste from external sources. However, the actual waste received in 2024 totaled 118.2 thousand tons, exceeding the budget by 2.7 thousand tons. Compared to 2023, total waste decreased by about 2.8 thousand fewer tons from outside Olmsted County. This was partially offset by an increase of 1.3 thousand tons in waste generated within the County.

- The 2025-2029 Capital Improvement Plan totals \$500.2 million. Capital assets are funded by many types of revenue: intergovernmental (state and federal) at 31%, [sales tax](#) and [wheelage tax](#) at 22%, bonded debt at 33%, reserves 3%, and operating and other revenues funding 11%. Of the total 2025-2029 capital improvement program, 53% is for transportation construction, 14% is for Graham Park, 14% is for solid waste, 10% for buildings and other improvements, and 9% is for other capital improvement. The plan includes \$165.2 million funding by bonded debt, the largest projects being \$31.4 million to for building improvements, \$27.2 million for Graham Park improvements other than buildings, \$12.6 million for a recycling center community drop off and reuse center, \$6.9 million for transportation equipment, \$4.7 million for Graham Park building improvements, \$3.8 million for Kalmar Landfill equipment and improvements, \$3.5 million for law enforcement squads, \$3.2 million for Chesterwoods Park improvements, \$3.1 million for Waste-to-Energy Facility improvements, \$2.0 for buildings and facilities maintenance, \$2.0 million for solid waste building improvements, \$1.9 million for solid waste compost, and \$1.3 million for Oxbow Park Improvements.
- Olmsted County continues to stay on top of managing services related to employee health care costs. Unlike many other organizations, the county has a very limited obligation for other post-retirement benefits (OPEB). Retirees under age 65 who choose to remain on the county's plan are required to pay 100% of the premium. Therefore, the county's only obligation is for the "implicit" rate subsidy of health benefits for early retirees whose premiums are at the group rate even though older people, in general, have higher medical claims than their younger counterparts. The independent actuarial consultant that prepares Olmsted County's valuation reports calculated Olmsted County's OPEB liability at the end of 2024 at \$9.1 million. The county plans to fully fund its liability with Self-Insured Health Fund cash and investments designated for this purpose. For additional information, refer to Note 11 of this report.
- For more highlights, please read the Transmittal Letter in the Introductory Section starting page 6.

Requests for Additional Information

This financial report is designed to provide our citizens, taxpayers, other customers, investors, and creditors with a general overview of the county's finances. If you have questions about this report, or need additional financial information, contact the Olmsted County Finance Department, 151 4th Street S.E., Rochester, Minnesota, 55904.



Basic Financial Statements

OLMSTED COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash, cash equivalents, deposits and investments	\$ 191,032,801	\$ 32,111,512	\$ 223,144,313
Cash and cash equivalents on deposit:			
OPEB	9,399,580	-	9,399,580
Accounts receivable, net	1,662,291	3,785,151	5,447,442
Delinquent taxes receivable	1,430,694	123,484	1,554,178
Accrued interest	2,063,012	146,237	2,209,249
Internal balances	339,240	(339,240)	-
Notes, loans, and mortgages	90,790	59,181	149,971
Due from other governments	21,530,941	1,164,284	22,695,225
Lease receivable	319,470	150,598	470,068
Inventories	637,614	2,487,663	3,125,277
Prepaid items	2,948,788	907,437	3,856,225
Assets held for resale	-	2,674,103	2,674,103
Restricted assets:			
Cash and investments restricted for:			
Debt service	10,669,165	5,984,500	16,653,665
HRA	-	2,174,634	2,174,634
Construction	9,656,199	1,789,770	11,445,969
Dedicated long-term environmental care trust	-	5,824,837	5,824,837
Opioid settlement	1,857,050	-	1,857,050
Law library - held by trustee	290,573	-	290,573
Refinancing escrow - held by trustee	25,848,788	-	25,848,788
Other assets:			
Long-term loans	13,741	2,134,140	2,147,881
Capital assets not being depreciated:			
Land	66,084,649	6,326,577	72,411,226
Construction in progress	14,287,975	1,763,907	16,051,882
Capital assets, net of depreciation:			
Infrastructure	152,500,705	1,475,172	153,975,877
Buildings	102,015,733	22,911,992	124,927,725
Improvements other than buildings	5,308,488	3,237,876	8,546,364
Equipment	15,605,370	67,654,193	83,259,563
Intangible right-to-use lease equipment	721,984	-	721,984
Software	1,809,311	-	1,809,311
Intangible right-to-use subscription software	5,148,729	75,728	5,224,457
Total capital assets	363,482,944	103,445,445	466,928,389
Total Assets	643,273,681	164,623,736	807,897,417
DEFERRED OUTFLOWS OF RESOURCES			
OPEB	1,223,044	-	1,223,044
Pension	21,952,430	537,174	22,489,604
Deferred charge on bonds	-	9,519	9,519
Total Deferred Outflows of Resources	23,175,474	546,693	23,722,167
LIABILITIES			
Accounts payable	3,767,183	1,153,254	4,920,437
Salaries payable	5,962,357	399,866	6,362,223
Contracts payable	3,452,753	855,088	4,307,841
Accrued interest payable	1,755,165	550,084	2,305,249
Other accrued liabilities	79,634	21,289	100,923
Due to other governments	3,778,446	282,091	4,060,537
Unearned revenue	1,877,576	361,571	2,239,147
Long-term liabilities:			
Due within one year	49,175,977	7,356,300	56,532,277
Due in more than one year	177,923,440	48,785,640	226,709,080
Total Liabilities	247,772,531	59,765,183	307,537,714
DEFERRED INFLOWS OF RESOURCES			
OPEB	2,211,065	-	2,211,065
Pension	46,142,455	1,816,139	47,958,594
Taxes collected for subsequent year	139,686	-	139,686
Lease	302,318	140,642	442,960
Deferred gain on refunding	315,488	1,053,250	1,368,738
Total Deferred Inflows of Resources	49,111,012	3,010,031	52,121,043
NET POSITION			
Net investment in capital assets	245,414,700	54,004,905	299,419,605
Restricted for:			
General government	2,179,545	-	2,179,545
Highways and streets	5,612,321	-	5,612,321
Public safety	3,532,474	-	3,532,474
Culture and recreation	672,565	-	672,565
Human services	283,287	-	283,287
Health	1,857,050	-	1,857,050
Debt service	9,221,627	7,685,465	16,907,092
Landfill closure	-	3,348,504	3,348,504
Unrestricted	100,792,043	37,356,341	138,148,384
Total Net Position	\$ 369,565,612	\$ 102,395,215	\$ 471,960,827

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

OLMSTED COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 15,687,958	\$ 3,647,032	\$ 2,195,527	\$ -	\$ (9,845,399)		\$ (9,845,399)
Public safety	70,801,688	12,674,527	2,190,683	58,555	(55,877,923)		(55,877,923)
Conservation of natural resources	1,817,676	764,734	52,477	-	(1,000,465)		(1,000,465)
Economic development	80,000	-	-	-	(80,000)		(80,000)
Highways and streets	31,714,948	1,559,413	12,042,922	1,576,589	(16,536,024)		(16,536,024)
Health	15,555,650	3,333,626	5,644,405	-	(6,577,619)		(6,577,619)
Human services	100,862,209	10,747,498	43,327,910	-	(46,786,801)		(46,786,801)
Culture and recreation	8,267,103	1,280,198	239,264	924,512	(5,823,129)		(5,823,129)
Interest	3,484,401	-	-	-	(3,484,401)		(3,484,401)
Total governmental activities	<u>248,271,633</u>	<u>34,007,028</u>	<u>65,693,188</u>	<u>2,559,656</u>	<u>(146,011,761)</u>		<u>(146,011,761)</u>
Business-type activities:							
Waste Management Enterprise Fund	23,626,623	28,205,079	762,374	-		\$ 5,340,830	5,340,830
Olmsted County HRA	16,549,980	3,773,627	10,195,744	794,867		(1,785,742)	(1,785,742)
Sanitary Sewer Enterprise Fund	220,221	111,273	-	-		(108,948)	(108,948)
Total business-type activities:	<u>40,396,824</u>	<u>32,089,979</u>	<u>10,958,118</u>	<u>794,867</u>		<u>3,446,140</u>	<u>3,446,140</u>
Total	<u>\$ 288,668,457</u>	<u>\$ 66,097,007</u>	<u>\$ 76,651,306</u>	<u>\$ 3,354,523</u>	<u>(146,011,761)</u>	<u>3,446,140</u>	<u>(142,565,621)</u>
General Revenues							
Property taxes					125,094,238	4,877,708	129,971,946
Sales taxes					17,990,612	-	17,990,612
Wheelage taxes					1,465,240	-	1,465,240
Unrestricted state aids and grants					12,968,897	-	12,968,897
Payments in lieu of tax					145,030	-	145,030
Investment income					11,131,381	1,806,255	12,937,636
Miscellaneous					181,921	117,815	299,736
Transfers					<u>(5,793,232)</u>	<u>5,793,232</u>	<u>-</u>
Total General Revenues and Transfers					<u>163,184,087</u>	<u>12,595,010</u>	<u>175,779,097</u>
Extraordinary gain caused by storm damage					<u>-</u>	<u>112,862</u>	<u>112,862</u>
Change in Net Position					17,172,326	16,154,012	33,326,338
Net Position Beginning of Year, as previously reported					353,097,445	86,241,203	439,338,648
Change in Accounting Principle					<u>(704,159)</u>	<u>-</u>	<u>(704,159)</u>
Net Position Beginning of Year, as restated					<u>352,393,286</u>	<u>86,241,203</u>	<u>438,634,489</u>
Net Position End of Year					<u>\$ 369,565,612</u>	<u>\$ 102,395,215</u>	<u>\$ 471,960,827</u>

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

OLMSTED COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

		Special Revenue Funds						Total
		Infrastructure	Health and	Opioid		Capital Projects		Governmental
	General Fund	Fund	Human Services	Settlement	Debt Service	Fund		Funds
			Fund	Fund	Fund			
ASSETS								
Cash, deposits and investments	\$ 107,802,139	\$ 2,869,716	\$ 11,916,273	\$ 1,857,050	\$ 8,773,763	\$ 10,482,079	\$	143,701,020
Cash and investments held by trustee	290,573	-	-	-	17,273,643	-		17,564,216
Accounts receivable, net	60,507	115	869,164	-	-	128,338		1,058,124
Delinquent taxes	636,659	102,725	641,446	-	49,864	-		1,430,694
Accrued interest	1,916,576	-	-	-	97,857	-		2,014,433
Advances/loans	90,790	-	-	-	-	-		90,790
Due from other funds	11,000	-	-	-	-	-		11,000
Advances to other funds	447,400	-	-	-	-	-		447,400
Due from other governments	2,111,289	9,782,580	9,481,773	-	-	136,986		21,512,628
Inventories	-	637,614	-	-	-	-		637,614
Prepaid items	2,390,590	57,190	998	-	-	-		2,448,778
Total Assets	<u>\$ 115,757,523</u>	<u>\$ 13,449,940</u>	<u>\$ 22,909,654</u>	<u>\$ 1,857,050</u>	<u>\$ 26,195,127</u>	<u>\$ 10,747,403</u>	<u>\$</u>	<u>190,916,697</u>
LIABILITIES								
Accounts payable	\$ 1,058,957	\$ 162,216	\$ 1,527,465	\$ -	\$ -	\$ -	\$	2,748,638
Salaries payable	1,991,449	308,157	2,547,695	-	-	-		4,847,301
Contracts payable	-	1,500,692	-	-	-	1,608,377		3,109,069
Accrued liabilities	79,634	-	-	-	-	-		79,634
Due to other funds	-	-	119,160	-	-	-		119,160
Due to other governments	543,206	1,468,920	1,677,877	-	-	-		3,690,003
Unearned revenue	511,898	415,702	663,967	-	-	-		1,591,567
Total Liabilities	<u>4,185,144</u>	<u>3,855,687</u>	<u>6,536,164</u>	<u>-</u>	<u>-</u>	<u>1,608,377</u>		<u>16,185,372</u>
DEFERRED INFLOWS OF RESOURCES								
Taxes collected for subsequent year	62,162	10,029	62,627	-	4,868	-		139,686
Unavailable revenue - taxes	524,316	84,599	528,259	-	41,065	-		1,178,239
Unavailable revenue - other	418,543	6,760,732	3,097,983	-	-	13,488		10,290,746
Total Deferred Inflows of Resources	<u>1,005,021</u>	<u>6,855,360</u>	<u>3,688,869</u>	<u>-</u>	<u>45,933</u>	<u>13,488</u>		<u>11,608,671</u>
FUND BALANCES								
Nonspendable	2,837,990	694,804	998	-	-	-		3,533,792
Restricted	6,384,584	2,548,853	283,287	1,857,050	23,391,766	6,345,866		40,811,406
Assigned	13,968,011	-	12,400,336	-	2,757,428	2,779,672		31,905,447
Unassigned (Deficit)	87,376,773	(504,764)	-	-	-	-		86,872,009
Total Fund Balances	<u>110,567,358</u>	<u>2,738,893</u>	<u>12,684,621</u>	<u>1,857,050</u>	<u>26,149,194</u>	<u>9,125,538</u>		<u>163,122,654</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 115,757,523</u>	<u>\$ 13,449,940</u>	<u>\$ 22,909,654</u>	<u>\$ 1,857,050</u>	<u>\$ 26,195,127</u>	<u>\$ 10,747,403</u>	<u>\$</u>	<u>190,916,697</u>

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

OLMSTED COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO GOVERNMENTAL
ACTIVITIES STATEMENT OF NET POSITION
DECEMBER 31, 2024

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

Fund balances - total governmental funds		\$ 163,122,654
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.		
Governmental funds capital assets	511,123,972	
Accumulated depreciation/amortization on governmental funds capital assets	<u>(220,832,213)</u>	290,291,759
Deferred outflows of resources resulting from pension obligations are not reported in governmental funds		20,198,411
Revenue earned for receivables that are not currently available and reported as deferred inflows of resources in governmental funds		11,468,985
Internal service funds are used by management to charge the costs of insurance, building occupancy, and centralized services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		55,299,456
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds.		
General obligation bonds	(83,881,971)	
Debt issuance premiums	(3,942,807)	
Deferred gain on refunding	(141,963)	
Financed purchase	(919,982)	
Information technology subscription payable	(1,400,640)	
Net pension liability	(39,298,997)	
Accrued interest payable	<u>(1,017,028)</u>	(130,603,388)
Deferred inflows resulting from pension obligations are not due in the current period and, therefore not reported in governmental funds.		<u>(40,212,265)</u>
Net Position of governmental activities		<u>\$ 369,565,612</u>

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

OLMSTED COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Special Revenue Funds						Total Governmental Funds
	General Fund	Infrastructure Fund	Health and Human Services Fund	Opioid Settlement Fund	Debt Service Fund	Capital Projects Fund	
Revenues:							
Property taxes	\$ 55,654,052	\$ 8,976,838	\$ 56,052,813	\$ -	\$ 4,357,314	\$ -	\$ 125,041,017
Sales taxes	-	16,348,432	-	-	-	-	16,348,432
Wheelage taxes	-	1,465,240	-	-	-	-	1,465,240
Licenses and permits	1,409,515	-	936,583	-	-	-	2,346,098
Intergovernmental revenue	15,977,474	10,499,961	48,326,364	120,000	-	1,393,292	76,317,091
Charges for services	15,430,304	581,372	11,155,055	-	-	-	27,166,731
Fines and forfeits	14,886	-	-	-	-	-	14,886
Gifts and contributions	149,910	-	500	-	-	200,000	350,410
Investment income	8,760,858	-	-	55,147	450,572	271,372	9,537,949
Other	1,433,356	1,185,793	337,376	1,261,989	-	183,596	4,402,110
Total Revenues	98,830,355	39,057,636	116,808,691	1,437,136	4,807,886	2,048,260	262,989,964
Expenditures:							
Current							
General government	12,467,727	1,276,793	-	-	-	-	13,744,520
Public safety	73,795,321	-	-	-	-	-	73,795,321
Conservation of natural resources	1,839,594	-	-	-	-	-	1,839,594
Economic development	80,000	-	-	-	-	-	80,000
Highways and streets	-	40,515,733	-	-	-	-	40,515,733
Health	-	-	16,162,950	84,587	-	-	16,247,537
Human services	-	-	103,320,352	-	-	-	103,320,352
Culture and recreation	6,151,931	-	-	-	-	-	6,151,931
Other	2,188,413	-	-	-	-	-	2,188,413
Capital Outlay							
Public safety	-	-	-	-	-	12,488,913	12,488,913
Highway and streets	-	-	-	-	-	3,319,398	3,319,398
Culture and recreation	-	-	-	-	-	3,286,226	3,286,226
Debt service							
Principal	187,568	135,810	-	-	4,083,351	-	4,406,729
Interest and fiscal charges	1,771	11,515	-	-	2,130,297	-	2,143,583
Total Expenditures	96,712,325	41,939,851	119,483,302	84,587	6,213,648	19,094,537	283,528,250
Excess (Deficiency) of Revenues Over Expenditures	2,118,030	(2,882,215)	(2,674,611)	1,352,549	(1,405,762)	(17,046,277)	(20,538,286)
Other Financing Sources (Uses)							
Transfers in	80,000	-	3,216,192	-	3,815,961	6,108,975	13,221,128
Transfers out	(9,436,489)	(3,626,344)	(1,146,714)	(548,071)	-	-	(14,757,618)
Issuance of debt	-	-	-	-	-	14,026,444	14,026,444
Premium on bonds	-	-	-	-	-	1,018,801	1,018,801
Inception of subscription	1,189,360	418,736	-	-	-	-	1,608,096
Inception of financed purchase	965,066	-	-	-	-	-	965,066
Sale of capital assets	-	-	-	-	-	210,492	210,492
Total Other Financing Sources (Uses)	(7,202,063)	(3,207,608)	2,069,478	(548,071)	3,815,961	21,364,712	16,292,409
Net change in fund balances	(5,084,033)	(6,089,823)	(605,133)	804,478	2,410,199	4,318,435	(4,245,877)
Fund balances - beginning, as previously reported	115,796,709	8,898,594	13,594,898	1,052,572	23,738,995	4,807,103	167,888,871
Change in accounting principle	(145,318)	(69,878)	(305,144)	-	-	-	(520,340)
Fund balance - beginning, as restated	115,651,391	8,828,716	13,289,754	1,052,572	23,738,995	4,807,103	167,368,531
Fund balances - ending	\$ 110,567,358	\$ 2,738,893	\$ 12,684,621	\$ 1,857,050	\$ 26,149,194	\$ 9,125,538	\$ 163,122,654

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

OLMSTED COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO GOVERNMENTAL ACTIVITIES STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

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

Net Change in fund balances - total governmental funds		\$ (4,245,877)
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Internal service funds are used by management to charge the cost of insurance, building occupancy and centralized services to individual funds. The net revenue (loss) of certain activities of internal service funds is reported with governmental activities.		1,273,754
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Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements.	19,094,537	
Some items reported as current expenditures in the fund financial statements are capitalized in the government-wide financial statements.	17,758,548	
Capital assets transferred from internal service funds not reported in the funds	6,827,737	
Disposal of capital outlays reported as revenues in the funds	(56,862)	
Depreciation/amortization expense related to the capital outlays reported as expenditures in the funds	<u>(11,107,470)</u>	32,516,490

Bond proceeds provide current financial resources to governmental funds, while issuing debt increases long-term liabilities in the statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds; however, the repayment reduces long-term liabilities in the statement of Net Position.

Proceeds from the issuance of bonds reported as other financing sources	(14,026,444)	
Proceeds from premium on bonds reported as other financing sources	(1,018,801)	
Inception of subscription software reported as other financing sources	(1,608,096)	
Inception of financed purchase reported as other financing sources	(965,066)	
Bonds transferred from internal service funds not reported in the funds	(8,303,943)	
Premium on bonds transferred from internal service funds not reported in the funds	(460,967)	
Repayment of bond principal reported as expenditures	4,083,351	
Payment on information technology subscriptions reported as expenditure	278,294	
Payment on financed purchase reported as expenditure	<u>45,084</u>	(21,976,588)

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.

Change in net pension liability	18,143,670	
Change in deferred outflows	(13,528,204)	
Change in deferred inflows	(1,108,653)	
Change in bond premiums	278,310	
Change in accrued interest payable	<u>(238,746)</u>	3,546,377

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Revenues not reported in the governmental funds for the year ended December 31, 2023	(5,410,815)	
Revenues not reported in the governmental funds for the year ended December 31, 2024	<u>11,468,985</u>	<u>6,058,170</u>

Change in Net Position of governmental activities		<u><u>\$ 17,172,326</u></u>
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The notes to the financial statements are an integral part of this statement.

OLMSTED COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024

	Business-type Activities Enterprise Funds				Governmental Activities
	Major Waste Management Fund	Major Olmsted County HRA Fund	Nonmajor Sanitary Sewer Fund	Total Enterprise Funds	Internal Service Funds
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 24,558,305	\$ 7,463,567	\$ 89,640	\$ 32,111,512	\$ 62,926,150
Cash and cash equivalents on deposit:					
Restricted for debt service	5,745,812	238,688	-	5,984,500	4,652,830
HRA restricted cash	-	2,174,634	-	2,174,634	-
Restricted for construction	1,789,770	-	-	1,789,770	1,935,215
Designated for OPEB	-	-	-	-	9,399,580
Restricted investments held by trustee	-	-	-	-	8,575,145
Accounts receivable, net	2,099,158	1,669,932	16,061	3,785,151	604,167
Delinquent taxes	-	123,484	-	123,484	-
Notes, loans, and mortgages	-	59,181	-	59,181	-
Due from other funds	-	119,160	-	119,160	-
Due from other governments	470,663	693,621	-	1,164,284	18,313
Lease receivable	10,747	-	-	10,747	205,786
Inventories	2,487,663	-	-	2,487,663	-
Prepaid items	729,524	177,904	9	907,437	500,010
Assets held for sale	-	2,674,103	-	2,674,103	-
Total Current Assets	<u>37,891,642</u>	<u>15,394,274</u>	<u>105,710</u>	<u>53,391,626</u>	<u>88,817,196</u>
Noncurrent Assets:					
Restricted Assets:					
Dedicated long-term environmental care trust	5,824,837	-	-	5,824,837	-
Other Assets:					
Accrued interest	-	146,237	-	146,237	48,579
Long-term loans	-	2,134,140	-	2,134,140	13,741
Lease receivable	139,851	-	-	139,851	113,684
Total Other Assets	<u>139,851</u>	<u>2,280,377</u>	<u>-</u>	<u>2,420,228</u>	<u>176,004</u>
Capital Assets, net:					
Land	1,725,708	4,600,869	-	6,326,577	8,988,829
Building and structures	5,250,315	17,661,677	-	22,911,992	50,430,907
Improvements other than buildings	1,983,813	1,254,063	-	3,237,876	696,201
Equipment	66,965,114	689,079	-	67,654,193	4,430,469
Software	-	-	-	-	1,149,422
Infrastructure	-	-	1,475,172	1,475,172	1,165,848
Intangible right-to-use lease equipment	-	-	-	-	721,983
Intangible right-to-use subscription software	-	75,728	-	75,728	3,644,654
Construction in progress	1,763,777	130	-	1,763,907	1,962,872
Total capital assets, net	<u>77,688,727</u>	<u>24,281,546</u>	<u>1,475,172</u>	<u>103,445,445</u>	<u>73,191,185</u>
Total Noncurrent Assets	<u>83,653,415</u>	<u>26,561,923</u>	<u>1,475,172</u>	<u>111,690,510</u>	<u>73,367,189</u>
Total Assets	<u>121,545,057</u>	<u>41,956,197</u>	<u>1,580,882</u>	<u>165,082,136</u>	<u>162,184,385</u>
DEFERRED OUTFLOWS OF RESOURCES					
OPEB	-	-	-	-	1,223,044
Pension	537,174	-	-	537,174	1,754,019
Deferred charges on bonds	-	9,519	-	9,519	-
Total Deferred Outflows of Resources	<u>537,174</u>	<u>9,519</u>	<u>-</u>	<u>546,693</u>	<u>2,977,063</u>
LIABILITIES					
Current Liabilities:					
Accounts payable and other current liabilities	318,592	826,969	7,693	1,153,254	1,018,545
Salaries payable	318,268	81,598	-	399,866	1,115,056
Contracts payable	855,088	-	-	855,088	343,684
Accrued interest payable	265,448	4,636	-	270,084	738,137
Due to other funds	-	-	11,000	11,000	-
Due to other governments	128,817	153,241	33	282,091	88,443
Unearned revenue	40,183	321,388	-	361,571	286,009
Total OPEB liability	-	-	-	-	482,880
Compensated absences	593,747	-	-	593,747	10,922,463
Outstanding claims	-	-	-	-	1,558,314
Lease payable	-	-	-	-	233,135
Information technology subscription payable	-	-	-	-	1,376,639
Mortgages payable	-	82,553	-	82,553	-
Bonds payable	6,570,000	110,000	-	6,680,000	12,188,917
Total Current Liabilities	<u>9,090,143</u>	<u>1,580,385</u>	<u>18,726</u>	<u>10,689,254</u>	<u>30,352,222</u>
Noncurrent Liabilities:					
Accrued interest payable	-	280,000	-	280,000	-
Tenant escrow	-	21,289	-	21,289	-
Total OPEB liability	-	-	-	-	8,916,700
Net pension liability	2,577,514	-	-	2,577,514	8,416,288
Compensated absences	432,153	-	-	432,153	6,823,964
Outstanding claims	-	-	-	-	852,402
Advances from other funds	-	123,900	323,500	447,400	-
Lease payable	-	-	-	-	238,461
Information technology subscription payable	-	-	-	-	1,749,931
Accrued closure and postclosure payable	2,476,333	-	-	2,476,333	-
Mortgages payable	-	12,938,248	-	12,938,248	-
Bonds payable	30,245,300	116,092	-	30,361,392	43,894,926
Total Noncurrent Liabilities	<u>35,731,300</u>	<u>13,479,529</u>	<u>323,500</u>	<u>49,534,329</u>	<u>70,892,672</u>
Total Liabilities	<u>44,821,443</u>	<u>15,059,914</u>	<u>342,226</u>	<u>60,223,583</u>	<u>101,244,894</u>
DEFERRED INFLOWS OF RESOURCES					
OPEB	-	-	-	-	2,211,065
Pension	1,816,139	-	-	1,816,139	5,930,190
Lease	140,642	-	-	140,642	302,318
Deferred gain on refunding	1,053,250	-	-	1,053,250	173,525
Total Deferred Inflows of Resources	<u>3,010,031</u>	<u>-</u>	<u>-</u>	<u>3,010,031</u>	<u>8,617,098</u>
NET POSITION					
Net investment in capital assets	40,754,859	11,774,874	1,475,172	54,004,905	23,781,265
Restricted for:					
Debt service	5,480,364	2,205,101	-	7,685,465	4,046,786
Landfill closure	3,348,504	-	-	3,348,504	-
Unrestricted	24,667,030	12,925,827	(236,516)	37,356,341	27,471,405
Total Net Position	<u>\$ 74,250,757</u>	<u>\$ 26,905,802</u>	<u>\$ 1,238,656</u>	<u>\$ 102,395,215</u>	<u>\$ 55,299,456</u>

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

OLMSTED COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	FOR THE YEAR ENDED DECEMBER 31, 2024				Governmental Activities
	Business-type Activities Enterprise Funds				
	Major Waste Management Fund	Major Olmsted County HRA Fund	Nonmajor Sanitary Sewer Fund	Total Enterprise Funds	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 27,797,588	\$ 3,773,627	\$ 111,273	\$ 31,682,488	\$ 80,653,780
Intergovernmental operating grants	-	10,195,744	-	10,195,744	-
Other	267,908	-	-	267,908	1,103,433
Total Operating Revenues	28,065,496	13,969,371	111,273	42,146,140	81,757,213
Operating Expenses:					
Personnel services	8,023,456	2,232,808	-	10,256,264	28,890,283
Consultants and professional services	1,336,231	-	-	1,336,231	33,608,150
Repairs and maintenance	1,607,726	1,121,041	104,070	2,832,837	4,270,688
Other services and charges	3,510,609	3,080,320	11,584	6,602,513	4,433,324
Supplies	2,213,326	-	-	2,213,326	503,390
Utilities	440,914	291,919	63,464	796,297	1,591,023
Depreciation	6,371,925	730,611	26,440	7,128,976	5,586,819
Housing assistance payments	-	9,039,905	-	9,039,905	-
Landfill closure and postclosure expense	95,081	-	-	95,081	-
Total Operating Expenses	23,599,268	16,496,604	205,558	40,301,430	78,883,677
Operating Income (Loss)	4,466,228	(2,527,233)	(94,285)	1,844,710	2,873,536
Nonoperating Revenues (Expenses):					
Property taxes	-	4,877,708	-	4,877,708	-
Intergovernmental revenue	745,689	794,867	-	1,540,556	568,394
Gifts and contributions	16,685	-	-	16,685	-
Investment income	1,205,055	597,248	3,952	1,806,255	1,593,432
Gain (Loss) on disposal of capital assets	117,815	-	-	117,815	28,291
Lease revenue	47,837	-	-	47,837	281,034
Miscellaneous revenue	91,746	-	-	91,746	2,030,565
Miscellaneous expense	-	-	-	-	(320,619)
Interest expense	5,014	(53,376)	(14,663)	(63,025)	(1,490,372)
Bond issuance costs and fiscal charges	(32,369)	-	-	(32,369)	(33,765)
Total Nonoperating Revenues (Expenses)	2,197,472	6,216,447	(10,711)	8,403,208	2,656,960
Income (Loss) Before Transfers and Extraordinary Item	6,663,700	3,689,214	(104,996)	10,247,918	5,530,496
Extraordinary gain caused by storm damage	-	112,862	-	112,862	-
Transfers					
Transfers in	-	5,696,714	96,518	5,793,232	855,660
Transfers out	-	-	-	-	(5,112,402)
Total Transfers	-	5,696,714	96,518	5,793,232	(4,256,742)
Change in net position	6,663,700	9,498,790	(8,478)	16,154,012	1,273,754
Net position - beginning, as previously reported	67,587,057	17,407,012	1,247,134	86,241,203	54,209,521
Change in accounting principle	-	-	-	-	(183,819)
Net position - beginning, as restated	67,587,057	17,407,012	1,247,134	86,241,203	54,025,702
Net position - ending	\$ 74,250,757	\$ 26,905,802	\$ 1,238,656	\$ 102,395,215	\$ 55,299,456

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

OLMSTED COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Business-type Activities Enterprise Funds				Governmental Activities
	Major Waste Management Fund	Major Olmsted County HRA Fund	Nonmajor Sanitary Sewer Fund	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:					
Receipts from customers and users	\$ 27,105,650	\$ 2,129,927	\$ 110,108	\$ 29,345,685	\$ 3,028,650
Receipts from transactions with other funds	699,235	-	-	699,235	77,431,313
Payments to suppliers	(9,356,994)	(15,798,142)	(165,196)	(25,320,332)	(42,415,740)
Payments to employees	(6,346,687)	(2,151,212)	-	(8,497,899)	(27,914,835)
Payments to other funds for services provided	(2,246,404)	-	(11,297)	(2,257,701)	(2,555,259)
Other receipts	267,908	9,956,825	-	10,224,733	1,103,433
Net cash flows from operating activities	10,122,708	(5,862,602)	(66,385)	4,193,721	8,677,562
Cash flows from noncapital financing activities:					
Property taxes	-	4,855,767	-	4,855,767	-
Payments on rehab loans	-	13,748	-	13,748	-
Non-operating lease receipts	45,046	-	-	45,046	281,197
Gifts and contributions	16,685	-	-	16,685	-
Transfers in	-	5,696,714	96,518	5,793,232	855,660
Intergovernmental grants received	745,689	-	-	745,689	568,394
Transfers out	-	-	-	-	(5,112,402)
Net cash flows from noncapital financing activities	807,420	10,566,229	96,518	11,470,167	(3,407,151)
Cash flows from capital and related financing activities:					
Intergovernmental capital grants received	-	794,867	-	794,867	-
Acquisitions of capital assets	(4,682,347)	(7,846,148)	-	(12,528,495)	(10,810,284)
Proceeds from sale of capital assets	117,815	-	-	117,815	41,902
Capital lease payments	-	-	-	-	(268,369)
Bond proceeds	3,061,058	-	-	3,061,058	3,279,237
Payments on bond issue costs and fiscal charges	(32,369)	-	-	(32,369)	(33,765)
Principal paid	(6,320,000)	(116,852)	(10,500)	(6,447,352)	(3,131,649)
Proceeds from mortgages payable	-	1,000,000	-	1,000,000	-
Extraordinary gain caused by storm damage	-	112,862	-	112,862	-
Interest paid	(601,590)	(39,322)	(14,663)	(655,575)	(1,626,613)
Net cash flows from capital and related financing activities	(8,457,433)	(6,094,593)	(25,163)	(14,577,189)	(12,549,541)
Cash flows from investing activities:					
Interest on investments	1,205,055	597,248	3,952	1,806,255	1,593,819
Withdrawals of restricted assets	-	-	-	-	87,950
Net cash flows from investing activities	1,205,055	597,248	3,952	1,806,255	1,681,769
Net increase (decrease) in cash and cash equivalents	3,677,750	(793,718)	8,922	2,892,954	(5,597,361)
Cash and cash equivalents - January 1	34,240,974	10,670,607	80,718	44,992,299	84,511,136
Cash and cash equivalents - December 31	\$ 37,918,724	\$ 9,876,889	\$ 89,640	\$ 47,885,253	\$ 78,913,775
Displayed on Proprietary Funds Statement of Net Position as:					
Cash and cash equivalents	\$ 24,558,305	\$ 7,463,567	\$ 89,640	\$ 32,111,512	\$ 62,926,150
Cash and cash equivalents on deposit:					
Restricted for debt service	5,745,812	238,688	-	5,984,500	4,652,830
HRA restricted cash	-	2,174,634	-	2,174,634	-
Restricted for construction	1,789,770	-	-	1,789,770	1,935,215
Designated for OPEB	-	-	-	-	9,399,580
Restricted - dedicated long-term environmental care trust	5,824,837	-	-	5,824,837	-
Total cash and cash equivalents	\$ 37,918,724	\$ 9,876,889	\$ 89,640	\$ 47,885,253	\$ 78,913,775
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income (loss)	\$ 4,466,228	\$ (2,527,233)	\$ (94,285)	\$ 1,844,710	\$ 2,873,536
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation	6,371,925	730,611	26,440	7,128,976	5,586,819
Changes in pension amounts	(669,527)	-	-	(669,527)	(844,959)
Changes in OPEB amounts	-	-	-	-	405,254
Landfill closure and postclosure expense	95,081	-	-	95,081	-
(Increase) decrease in assets					
Accounts receivable	108,417	(1,497,507)	(1,165)	(1,390,255)	(233,328)
Due from other governments	(121,887)	(238,919)	-	(360,806)	27
Long-term loans receivable	-	(257,688)	-	(257,688)	-
Inventories	(345,675)	-	-	(345,675)	-
Prepaid items	(16,412)	(37,067)	2	(53,477)	(106,568)
Assets held for sale	-	(2,674,103)	-	(2,674,103)	-
Increase (decrease) in liabilities					
Accounts payable and other current liabilities	23,311	420,478	6,869	450,658	6,065
Salaries payable	48,709	81,598	-	130,307	230,213
Contracts payable	-	-	-	-	(65,865)
Due to other governments	90,588	25,733	(4,246)	112,075	28,194
Outstanding claims	-	-	-	-	(426,250)
Total OPEB liability	-	-	-	-	(27,432)
Compensated absences	51,183	-	-	51,183	1,212,372
Unearned revenue	20,767	111,495	-	132,262	39,484
Total adjustments	5,656,480	(3,335,369)	27,900	2,349,011	5,804,026
Net cash flows from operating activities	\$ 10,122,708	\$ (5,862,602)	\$ (66,385)	\$ 4,193,721	\$ 8,677,562
Non-cash transaction information:					
The interest expense includes amounts for amortization of bond discounts and premiums and deferred amounts	\$ 617,122	\$ (5,947)	\$ -	\$ 611,175	\$ 233,940
Contracts/accounts payable included in capital assets	(11,940)	-	-	(11,940)	3,404,382
Acquisition of capital assets by subscription payable	-	-	-	-	2,104,621
GASB 101 change in accounting principal - compensated absences	-	-	-	-	(183,819)

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

OLMSTED COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024

	Representative Payee Private- Purpose Trust Fund	Custodial Funds
ASSETS		
Cash, deposits, and investments	\$ 309,378	\$ 12,016,376
Taxes receivable for other governments	-	3,315,535
Special assessments receivable	-	481,381
Accounts receivable, net	-	177,367
Due from other governments	-	1,516,688
Prepaid items	-	20,690
Total Assets	<u>309,378</u>	<u>17,528,037</u>
LIABILITIES		
Accounts payable	-	4,219,097
Due to other governments	-	4,640,184
Unearned revenue	-	281,744
Total Liabilities	<u>-</u>	<u>9,141,025</u>
DEFERRED INFLOWS OF RESOURCES		
Advanced contributions	<u>-</u>	<u>2,362,047</u>
NET POSITION		
Restricted for:		
Individuals, organizations, and governments	<u>\$ 309,378</u>	<u>\$ 6,024,965</u>

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

OLMSTED COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Representative Payee Private- Purpose Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
Individuals	\$ 2,022,692	\$ 427,099
Members	-	9,161,563
Others	-	1,410,762
Interest, dividends, other	1,107	172,249
Property tax collections for other governments	-	257,820,070
Other tax collections for other governments	-	7,940,457
Grant collections for other governments and organizations	-	8,932,255
Fee collections for other governments and organizations	-	2,363,732
Fines and forfeits collections for other governments and organizations	-	173,887
Miscellaneous	-	3,315,723
Total additions	<u>2,023,799</u>	<u>291,717,797</u>
DEDUCTIONS		
Beneficiary payments to individuals	1,963,743	109,407
Payments of property tax to other governments	-	255,151,661
Payments to state	-	11,076,664
Administrative expenses	80,690	744,686
Payments to other entities	-	23,965,328
Total deductions	<u>2,044,433</u>	<u>291,047,746</u>
Net increase (decrease) in fiduciary net position	(20,634)	670,051
Net Position - beginning	<u>330,012</u>	<u>5,354,914</u>
Net Position - ending	<u>\$ 309,378</u>	<u>\$ 6,024,965</u>

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



Notes to the Financial Statements

**OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Olmsted County, Minnesota, (the County) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

A. Financial Reporting Entity

This financial report provides information in accordance with GAAP. The component units are included in the County's reporting entity because of its relationship with the County, as described below.

Discretely Presented Component Unit

The County does not have any component units that require a discrete presentation.

Blended Component Units

Olmsted County Regional Rail Authority - A board consisting of the seven members of the County Board of Commissioners governs the Olmsted County Regional Rail Authority (OCRRA). The OCRRA was organized in 2009 pursuant to Minnesota Statute Chapter 398A. The Olmsted County Administrator serves as Administrator of the OCRRA. The OCRRA was created to support initial planning and analysis of Olmsted County's freight and passenger rail options. In 2016, the County Board voted to suspend the project. The resolution of the Board to continue the corporation and the amendment to the Articles of Incorporation have been filed with the Secretary of State. At present the OCRRA has no operations and no financial transactions.

The Olmsted County Housing and Redevelopment Authority (OCHRA) – an eight-member board governs the OCHRA. The OCHRA was created by the 1994 Minnesota Law Chapter 493 on January 1, 1995. The 2015 Minnesota Legislature amended the specific laws establishing the OCHRA and gave permission to the Olmsted County Board to also become the HRA Board and provided for additional members needed to comply with Code of Federal Regulations, title 24, part 964. In January of 2016, the seven-member Olmsted County Board, elected by district, acted to become the Olmsted County Housing and Redevelopment Authority (HRA) Board and thereby assumed operational responsibility, which resulted in reporting the Olmsted County HRA as a blended component unit of the County as an enterprise fund. As required, the new OCHRA Board then selected a United States Department of Housing and Urban Development resident commissioner to also sit on the OCHRA Board, making it an eight-member board. The OCHRA's primary operations are the development and management of housing units, which are rented to low-income residents, and the administration of housing assistance programs for low-income residents. The U.S. Department of Housing and Urban Development (HUD) finances these programs. Other activities include rehabilitation of commercial and residential property, which is financed by city, state, and federal resources. The separately issued Olmsted County Housing and Redevelopment Authority financial statements can be obtained by contacting Karla Strain, karla.strain@olmstedcounty.gov, (507) 328-6369.

Olmsted County Building Authority - A board consisting of the seven members of the County Board of Commissioners governs the Olmsted County Building Authority (Building Authority). The Building Authority was created by Olmsted County as a financing vehicle for a debt issue that was completely paid off in 2002. In 2003, the County Board voted to retain the corporation for future County uses as authorized by Minnesota Statute 465.719. In 2023, the County Board voted to use the Building Authority to hold title to some of the Olmsted County Housing and Redevelopment Authority housing assets. The Building Authority will remain available to Olmsted County as needed in connection with its need for alternative funding arrangements for capital improvements. The resolution of the Board to continue the corporation and the amendment to the Articles of Incorporation have been filed with the Secretary of State.

OLMSTED COUNTY
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B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the primary government, Olmsted County, and excludes fiduciary activities. Using the accrual basis of accounting, revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The effect of interfund activity has been eliminated from these statements; the exception being the interfund charges of our proprietary funds services so as not to distort the reporting of direct costs and program revenues.

These statements distinguish between 1) *governmental activities*, which normally are supported by taxes and intergovernmental revenues, and 2) *business-type activities*, which, to a significant extent, rely on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Direct expenses of interfund services provided and used are not eliminated from the various functional categories. The County does not allocate indirect expenses to functions within the financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds.

Governmental funds use the modified accrual basis of accounting in which revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities, not to exceed 45 days. Unavailable revenues are reported in the governmental fund balance sheet and recognized as inflows of resources in the period that the amounts become available.

Property tax collections through 45 days after year-end are recognized as revenue and the remainder is a deferred inflow in the fund financial statements.

There are essentially two types of intergovernmental revenues. In one, money must be expended on the specific purpose or project before any amounts will be paid to the County. Therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and nearly irrevocable, i.e., revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability. Intergovernmental revenues received but not earned are recorded as unearned revenue in the fund statements. Shared revenues are reported as program revenue in the year of allotment. The County has discretion over when the money is spent. Other revenues susceptible to accrual are investment earnings and charges for services.

Licenses and permits, fines and forfeits, penalties, gifts and contributions, and miscellaneous other revenues are recorded as revenues when received in cash because they are generally not measurable until received.

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Expenditure recognition for governmental funds includes only amounts represented by current liabilities and deferred inflows. Since noncurrent liabilities and deferred inflows do not affect net current assets, they are not recognized as expenditures, fund liabilities or deferred inflows in governmental funds. Governmental fund financial statements record expenditures when related fund liability is incurred, except for principal and interest on long-term debt, compensated absences, pension expenditures, and claims and judgments, which are recognized as expenditures to the extent that they have matured.

Proprietary funds use the accrual basis of accounting, the same basis as is used in the government-wide statements. This measurement focus is based upon determination of net income, financial position, and cash flows. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering the service in connection with the proprietary fund's principal on-going operations. The principal operating revenues of proprietary funds are charges to customers for sales and services and, for the HRA, operating grants. All other proprietary fund grants, including those restricted for capital purposes, are considered non-operating. Operating expenses for the proprietary funds include the cost of sales and services, administrative expense, depreciation on capital assets, and, for the HRA, housing assistance payments. All revenues and expenses not meeting the above definition of operating are reported as non-operating revenues and expenses.

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Olmsted County's reporting entity contains one nonmajor enterprise fund and does not include any nonmajor governmental funds.

The County reports the following major governmental funds:

- General Fund – Used to account for all financial resources except those accounted for in another fund.
- Infrastructure Special Revenue Fund – Used to account for revenues from the federal and state government, as well as property, sales, and wheelage tax revenues restricted, committed, or assigned for infrastructure, including highways and bridges construction and maintenance.
- Health and Human Services Special Revenue Fund – Used to account for revenues from the federal, state, and other oversight agencies, as well as property tax revenues restricted, committed, or assigned for income maintenance, social services, and public health.
- Opioid Settlement Special Revenue Fund – Used to account for revenues from the National Opioid Settlement Fund for forward-looking strategies, programming, and services to abate the opioid epidemic.
- Debt Service Fund – Used to account for the servicing of general long-term debt not being financed by proprietary funds.
- Capital Projects Fund – Used to account for the acquisition and construction of major capital assets not being financed by federal, state, sales tax, and wheelage tax revenues restricted for highways and bridges or by proprietary funds.

The County reports the following major enterprise funds:

- Waste Management – Used to account for financial activities related to the waste to energy facility, landfill, and resource recovery.
- Olmsted County HRA – A blended component unit used to account for the development and management of housing units, which are rented to low-income residents, and the administration of housing assistance programs for low-income residents.

The County reports the following nonmajor enterprise fund:

- Sanitary Sewer – Used to account for the financial activities related to the sewage collection and treatment system serving the Chester Heights area.

OLMSTED COUNTY
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Additionally, the County reports the following fund types:

- Internal Service Funds – Used to account for various employee insurances and benefits, centralized office services, computer services, and building functions.
- Private Purpose Trust Fiduciary Fund – Used to account for representative payee collections and beneficiary payments.
- Custodial Fiduciary Funds – Used to account for assets controlled by the county that are for the benefit of individuals, private organizations, and/or other governments, including service bureau activities; tax, fee, other miscellaneous collections for the State of Minnesota; fee, writ of execution, mortgage foreclosure and redemption, inmate, and bail collections for individuals, organizations, or other governments; and property taxes collections for school districts, towns, and cities.

Reconciliations from fund statements to government-wide statements. The governmental funds' Balance Sheet is followed by a reconciliation of the *Total Fund Balances* to the *Total Net Position, Governmental Activities* as reported on the government-wide Statement of Net Position. Likewise, the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances is followed by a reconciliation of the *Net Changes in Fund Balances, Total Governmental Funds* to the *Change in Net Position, Governmental Activities* as reported on the government-wide Statement of Activities.

On the proprietary funds' Statement of Net Position and proprietary funds' Statement of Revenues, Expenses, and Changes in Fund Net Position, the totals for enterprise funds are the same as those on the government-wide statements and, therefore, no reconciliation is required. The totals for internal service funds are included in the reconciliations described above.

C. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Net Position, and Fund Balances

Cash and Cash Equivalents, Investments. The cash balances of all funds, except for those specifically required to be segregated, are pooled, and invested for the purpose of increasing earnings through investments.

Investments are stated at fair value at December 31, 2024, based upon quoted market prices or at amortized cost for money market and participating interest-earning investment contracts with a remaining maturity at the time of purchase of one year or less. A market approach is used to value all investments.

Pooled investment earnings credited to the General Fund were \$10,452,355 for 2024, \$6,680,660 of which was not allocated to other funds. For 2024, a \$2,028,188 unrealized gain due to the change in fair value of cash and investments was reported in the operating statements in the General Fund. The calculation of realized gains and losses is independent of the calculation of the change in fair value of investments and realized gains and losses of the current period include unrealized amounts from prior periods.

For the purpose of the statement of cash flows, the proprietary funds consider all equity held in the County's cash management pool to be cash equivalents because this pool is used essentially as a demand deposit account. Short-term investments, identifiable to proprietary funds, with a maturity date within three months of the date acquired by the County are also considered cash and cash equivalents. The proprietary funds statement of cash flows includes all cash and cash equivalent asset balances regardless of any restrictions or designations on the accounts.

Taxes Receivables. Property tax levies are set by the County Board on or before December 31 each year and become a lien on January 1 of the following year. The total levy is spread on all assessable property, other than mobile homes, personal property, and properties that pay in-lieu-of tax. Taxes are considered receivable as of the lien date. Taxes that remain unpaid at December 31 of the lien year are delinquent. Collections through 45 days after year-end are recognized as revenue and the remainder is a deferred inflow in the fund financial statements. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material.

OLMSTED COUNTY
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Real estate and personal property taxes are payable in two equal installments, the first half on May 15 and the second half on October 15. Second half real estate taxes on agricultural property may be paid until November 15 without penalty. The County levies and collects property taxes and special assessments for all governmental units within the County. The County is required by statute to distribute the collections to the various governmental units several times each year.

Contractual Allowances. Olmsted County Public Health Services provides services to certain patients covered by various third-party reimbursement programs at contractual rates, which generally differ from the County's established rates. Normal billing rates to these patients are included in patient service revenue. Patient accounts receivable are adjusted for contractual allowances, which are recorded based on estimates of the amounts to be received from third parties. Final adjustments are made in the period such amounts are finally determined.

Lease Receivables (lessor). A lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The asset underlying the lease is not derecognized. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

Due from Other Funds, Advances to Other Funds. On the government-wide statements, inter-fund loans are reported in assets as internal balances which net to zero in total. In the fund financial statements, these inter-fund loans are reported as follows:

- Current portions in "Due from" asset accounts which are considered available spendable resources
- Noncurrent portions in "Advances to" asset accounts which do not constitute available spendable resources and are reported as non-spendable fund balance.

See Note 5 for fund statement details.

Inventories and Prepaid Items. Inventories consist of supplies and repair parts and are valued at cost, which approximates fair value (first-in, first-out method). The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

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 expenditures/expenses when consumed rather than when purchased.

Assets Held for Sale. Assets held for sale represent property purchased and developed by the OCHRA with the intent to sell to facilitate the development of affordable homes in Olmsted County. These assets are valued at cost.

Restricted Assets. Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

Certain proceeds of proprietary fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by bond covenants.

The Dedicated Long-term Environmental Care Trust was established in the County's treasury for the purpose of financial assurance on the Kalmar Township landfill. The Minnesota Pollution Control Agency Commissioner reviews evidence of expenditures for closure, post-closure, or corrective action and authorizes the transfer of funds from the Dedicated Long-term Environmental Care Trust to the County's operating cash account.

When both restricted and unrestricted net position are available, restricted resources are used first. The County's Chief Financial Officer is consulted for any exceptions. This policy excludes endowments and restricted donations.

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Capital Assets. Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, dams, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are valued at historical cost, except for infrastructure acquired before 2003 and assets of the Building Facilities internal service fund that were transferred from the State, which are valued at estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

In the government-wide Statement of Net Position and Statement of Activities, capital assets in governmental activities are depreciated and public domain infrastructure is capitalized. In the fund financial statements, no depreciation has been provided for the capital assets purchased by governmental funds and no public domain infrastructure is capitalized.

Depreciation of all exhaustible capital assets used by government-wide financial statements and proprietary funds is charged as an expense against operations. Capital assets are reported net of accumulated depreciation. Depreciation has been provided over the assets' estimated useful lives using the straight-line method.

The capitalization threshold, excluding the OCHRA, is \$250,000 for roads, bridges, traffic signals and dams; \$100,000 for buildings; \$50,000 for improvements non-building and software; and \$25,000 for all other capital assets. The estimated useful lives are for the following number of years:

Buildings	20 to 35
Improvements	10 to 40
Equipment	4 to 20
Software	2 to 5
Roads	25 to 50
Bridges	50
Traffic Signals	25
Dams	100
Sewer Systems	75

The OCHRA capitalization threshold is \$5,000 for all capital assets. The estimated useful lives are for the following number of years:

Buildings	25 to 50
Improvements	4 to 25
Equipment	2 to 20

See Note 4 for governmental funds and proprietary funds capital assets.

Other Assets. "Long-term loans" are in the Building Facilities internal service fund for the amount loaned out to homeowners in the area of the Building Facilities property as instituted by the Board of Commissioners to stabilize property values in the immediate neighborhood.

Deferred Outflows and Inflows of Resources. In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expenditure/expense) until then.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until then.

OLMSTED COUNTY
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Long-Term Obligations. In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond payables are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period they are incurred. The face amount of debt issued is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources (uses). Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Both long- and short-term liabilities are recorded in the government-wide statements and proprietary fund statements. Governmental fund statements record only short-term liabilities of the funds. Also see Note 6.

Government-wide statements and proprietary fund statements identify the other post-employment benefit (OPEB) liability and pension liability. Pension benefits are funded from member and employer contributions by each fund and income from the investment of fund assets as administered by PERA. Each fund liquidates the OPEB liability based on employee/employer paid health insurance premiums. Governmental funds contribute to the OPEB liability in the proprietary Self-Insurance Fund by way of inclusion in employee health insurance premiums charged by the Self-Insurance Fund.

Lease Liabilities (Lessee). A lease liability and a lease asset are recognized at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Information Technology Subscription Liabilities. An information technology subscription liability and an information technology subscription asset are recognized at the commencement of the subscription term, unless the subscription is a short-term subscription. The information technology subscription liability is measured at the present value of payments expected to be made during the subscription term (less any subscription incentives). The information technology subscription asset is measured at the amount of the initial measurement of the information technology subscription liability, plus any payments made to the vendor at or before the commencement of the lease term and initial implementation costs.

Closure and Post-closure Care Costs. State and federal laws and regulations require the County to place a final cover on its Kalmar landfill site when it stops accepting waste in each cell and to perform certain maintenance and monitoring functions at the site for thirty years after closure. When a cell reaches capacity, final cover, including vegetative cover, will be put in place. Although final cell closure and post-closure 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 post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$2,476,333 reported as landfill closure and post-closure care liability at December 31, 2024, represents the cumulative amount reported to date based on the use of 41 percent of the estimated capacity of the landfill. The County will recognize the remaining \$3,555,399 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2024. The County estimates the remaining life at 25 - 100 years. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a dedicated long-term trust to finance closure and post-closure care. At December 31, 2024, the County has investments of \$5,824,837 for these purposes. These are reported as restricted assets on the balance sheet. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

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Compensated Absences. The liability for compensated absences reported in the government-wide statements and proprietary fund statements consists of earned, but unpaid balances for a variety of paid leave time. Employees working half time or more earn leave based on full-time equivalent.

County policy allows employees to accumulate earned but unused paid time off (PTO) to a maximum of 740 hours (prorated for part-time employees). Some union contracts authorized employees to accumulate earned but unused compensatory time. Employees no longer accrue sick leave, but some employees have a sick leave bank. Sick leave bank time can be used by employees for illness-related absences. Employees are paid fifty percent of the remaining sick leave bank hours, up to a maximum of 384 hours, at termination of employment. The entire balance of PTO and compensatory time are recognized as a liability at year end. Sick leave bank balances are recognized as a liability if it is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability for compensated absences includes salary-related benefits.

The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. The liability for governmental funds compensated absences is accounted for in the Self-Insurance Compensated Absences internal service fund. The related current year expenses are recognized in the governmental funds when earned.

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. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

Fund Balance. In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are legally segregated for specific purposes or are not available for general expenditures. Assignments of fund balance indicate the portion of fund balance that the County has set aside for planned future expenditures.

Nonspendable fund balance amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The not in spendable form criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned fund balance amounts are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Net Position. In the government-wide and proprietary fund financial statements, net position represents the difference between all other elements in a statement of financial position and should be displayed in three components: net investment in capital assets; restricted (distinguishing between major categories of restrictions); and unrestricted.

Restricted net position is the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or law or regulations of the governments and restrictions imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$23,358,869 of restricted net position, of which \$14,956,131 is restricted by enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Net investment in capital assets as shown on the Statement of Net Position is calculated as follows:

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Capital Assets, net	\$ 363,482,944	\$ 103,445,445	\$ 466,928,389
Less: debt			
Total bonds payable	(137,625,000)	(36,060,000)	(173,685,000)
Total bond premiums	(6,283,621)	(981,392)	(7,265,013)
Total mortgages payable	-	(13,020,801)	(13,020,801)
Total financed purchase payable	(919,982)	-	(919,982)
Total contracts payable - capital related	(4,054,159)	(855,088)	(4,909,247)
Total lease payable - capital related	(471,596)	-	(471,596)
Total Subscription payable - capital related	(4,527,210)	-	(4,527,210)
Total deferred gain on refunding	(315,488)	(1,053,250)	(1,368,738)
Total deferred charge on refunding (net)	-	9,519	9,519
Add back: non-capital related debt			
Various mortgages in HRA Enterprise Fund	-	730,702	730,702
Unused 2022B Bond proceeds	545,714	-	545,714
Unused 2023A Bond proceeds	458,527	-	458,527
Unused 2024A Bond proceeds	8,435,062	1,789,770	10,224,832
2022A Bonds Crossover refunding portion, not yet capital related	26,520,000	-	26,520,000
2022A Refunding Bond premiums - not yet capital related	169,509	-	169,509
Net investment in capital assets	<u>\$ 245,414,700</u>	<u>\$ 54,004,905</u>	<u>\$ 299,419,605</u>

OLMSTED COUNTY
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Change in Accounting Principles. In June 2022, the Governmental Accounting Standards Board (GASB) issued statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*. This statement enhances requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information. This standard was implemented January 1, 2024.

In June 2022, the Governmental Accounting Standards Board (GASB) issued statement No. 101, *Compensated Absences*. This statement requires liabilities for compensated absences to be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributed to services rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024.

During fiscal year 2024, implementation of GASB 101 resulted in adjustments to and restatements of beginning net position and fund balance as follows:

	12/31/2023 As Previously Reported	Change for Implementation of GASB No. 101	12/31/2023 As Restated
Governmental Funds			
General Fund	\$ 115,796,709	\$ (145,318)	\$ 115,651,391
Infrastructure Special Revenue Fund	8,898,594	(69,878)	8,828,716
Health and Human Services Special Revenue Fund	13,594,898	(305,144)	13,289,754
Total Governmental Funds	<u>\$ 138,290,201</u>	<u>\$ (520,340)</u>	<u>\$ 137,769,861</u>
Proprietary Funds			
Internal Service Funds	<u>\$ 54,209,521</u>	<u>\$ (183,819)</u>	<u>\$ 54,025,702</u>
Government-wide			
Governmental Activities	<u>\$ 353,097,445</u>	<u>\$ (704,159)</u>	<u>\$ 352,393,286</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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2. CASH, DEPOSITS, AND INVESTMENTS

Deposits

The following is a reconciliation of the County's total cash and investments in the basic financial statements.

Government-wide statement of net position

Governmental activities

Cash and pooled investments	\$ 200,306,770
Cash and pooled investments - restricted	22,182,414
Cash and investments held by trustee - restricted	26,139,361
Petty cash and change funds	125,611

Business-type activities

Cash and pooled investments	32,106,612
Cash and pooled investments - restricted	15,773,741
Petty cash and change funds	4,900

Statement of fiduciary net position

Cash and pooled investments	12,267,962
Petty cash and change funds - custodial funds	57,792
	<u>\$ 308,965,163</u>

Deposits and Non-Negotiable Certificates of Deposit	\$ 674,480
Petty Cash	188,303
Investments	308,102,380
	<u>\$ 308,965,163</u>

Minnesota Statutes Chapter 118A authorizes the County to deposit its cash and to invest in certificates of deposit in financial institutions designated by the County Board.

Minnesota Statutes Chapter 118A.03 requires all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better, revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. County policy requires all deposits to be insured or collateralized in accordance with Minnesota Statutes Chapter 118A. At December 31, 2024, none of the County's deposits were subject to custodial credit risk.

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Investments

Minnesota Statutes Section 118A.04 and .05 generally authorize the following types of investments available to the County:

- securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high-risk" by Minnesota Statute 118A.04, subd. 6
- mutual funds through shares of registered investment companies provided the mutual fund received certain ratings depending on its investments
- general and revenue obligations of any state or local government with taxing powers and obligations of the Minnesota finance housing agency provided such obligations have certain specified bond ratings by a national bond rating service
- time deposits that are fully insured by the Federal Deposit Insurance Corporation or bankers' acceptances of U.S. banks
- commercial paper issued by U.S. 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
- with certain restrictions:
 - repurchase agreements
 - securities lending agreements
 - joint powers investment trusts
 - guaranteed investment contracts (GIC)
 - temporary general obligation bonds

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that addresses interest rate risk. The County minimizes their exposure to interest rate risk by investing in both shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. It is the County's policy to diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

County policy, in accordance with Minnesota statutes, requires collateral coverage for all deposit balances exceeding the FDIC insured levels. Federal Home Loan Bank letters of credit may be substituted for qualifying government securities at some institutions. As of December 31, 2024, the County's deposits were not exposed to custodial credit risk, being fully covered through collateral agreements with designated depositories.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. County policy requires all investments to be delivered to the institutions designated by the County for safekeeping. At December 31, 2024, none of the County's investments were subject to custodial credit risk.

The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. It is the County's policy that U.S. Treasury Securities, U. S. Agency Securities, and obligations backed by U. S. Treasury and/or U.S. Agency securities, may be held without limit.

The County adopted the segmented time distribution method for disclosing potential interest rate risk in 2008 as the portfolio composition changed.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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The following table presents the County's investment balances at December 31, 2024, and information relating to potential Custodial Credit Risk and Concentration Risk:

Instrument Type	Credit Risk		Concentration Risk	Carrying (Fair) Value
	Credit Rating	Rating Agency	Over 5 Percent of Portfolio	
U.S. Government and Gov't Agency Securities				
US Treasury Bonds & Notes			58.9%	\$ 143,239,208
Fannie Mae	Aaa	Moody's	7.7%	18,759,653
Federal Farm Credit Bank	Aaa	Moody's	16.2%	39,476,720
Federal Home Loan Bank	Aaa	Moody's	12.7%	30,939,226
Freddie Mac	Aaa	Moody's	1.1%	<u>2,569,116</u>
Total U.S. Government Securities				234,983,923
Municipal Bonds				
Maryland State	Aaa	Moody's	1.0%	2,487,070
New York NY	Aaa	Moody's	1.4%	3,384,851
Wisconsin St Gen Fund	Aaa	Moody's	1.0%	<u>2,492,071</u>
Total Municipal Bonds				8,363,992
Mutual Funds				
Allsprings Government Money Market	Aaa-mf	Moody's	NA	<u>64,754,465</u>
Total Investments				<u>308,102,380</u>
Deposits				674,480
Petty Cash				<u>188,303</u>
Total Cash, Investments, and Agreements				<u>\$ 308,965,163</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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The following table represents the potential interest rate risk related to the County's investments using the segmented time distribution method. Mutual Funds are not included as Olmsted County has daily availability to the funds.

Investment or Deposit Type	Fair Value	Investment Maturities (in Years)		
		Less Than 2 Years	2-3 Years	3-5 Years
U. S. Government Securities				
Fannie Mae	\$ 18,759,653	\$ 16,944,758	\$ 1,814,895	\$ -
Federal Farm Credit Bank	39,476,720	13,697,081	3,033,504	22,746,135
Federal Home Loan Bank	30,939,226	10,757,350	11,262,027	8,919,849
Freddie Mac	2,569,116	-	-	2,569,116
US Treasury Bonds & Notes	143,239,208	88,406,003	18,673,353	36,159,852
Total U.S. Government Securities	234,983,923	129,805,192	34,783,779	70,394,952
Municipal Bonds				
Maryland State	2,487,070	2,487,070	-	-
New York NY	3,384,851	-	-	3,384,851
Wisconsin State General Fund	2,492,071	-	2,492,071	-
Total Municipal Bonds	8,363,992	2,487,070	2,492,071	3,384,851
Total Investments	<u>\$ 243,347,915</u>	<u>\$ 132,292,262</u>	<u>\$ 37,275,850</u>	<u>\$ 73,779,803</u>
Reconciliation to Schedule of Deposits and Investments				
Amount from above	\$ 243,347,915			
Mutual Funds	64,754,465			
Total Investments	<u>\$ 308,102,380</u>			

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Cash, Deposits, and Investments

Olmsted County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and
- *Level 3:* Unobservable inputs.

At December 31, 2024, Olmsted County had the following recurring fair value measurements.

	December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by fair value			
Debt Securities			
U.S. Government and Gov't Agency Securities			
US Treasury Bonds & Notes	\$ 143,239,208	\$ -	\$ 143,239,208
Fannie Mae	18,759,653	-	18,759,653
Federal Farm Credit Bank	39,476,720	-	39,476,720
Federal Home Loan Bank	30,939,226	-	30,939,226
Freddie Mac	2,569,116	-	2,569,116
Municipal Bonds	8,363,992	-	8,363,992
Allsprings Government Money Market	64,754,465	64,754,465	-
Total Investments included in the Fair Value Hierarchy	<u>\$ 308,102,380</u>	<u>\$ 64,754,465</u>	<u>\$ 243,347,915</u>
Cash and Cash Equivalents			
Deposits	674,480		
Petty Cash	188,303		
Total Cash and Cash Equivalents	<u>862,783</u>		
Total Cash , Cash Equivalents, and Investments	<u>\$ 308,965,163</u>		

Mutual funds in Level 1 are valued using a market approach quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using a market approach by utilizing quoted prices for identical securities in markets that are not active.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

3. RECEIVABLES, UNEARNED AND UNAVAILABLE REVENUE

Receivables

Receivables as of December 31, 2024, including the applicable allowances for uncollectible accounts are as follows:

	Governmental Activities	Business-type Activities	Total
Receivables:			
Accounts Receivable, gross	\$ 2,917,217	\$ 3,785,151	\$ 6,702,368
Less:			
Allowance for doubtful accounts	<u>(1,254,926)</u>	<u>-</u>	<u>(1,254,926)</u>
Net total receivables	<u>\$ 1,662,291</u>	<u>\$ 3,785,151</u>	<u>\$ 5,447,442</u>

Net receivables for Governmental Activities are collectible within the year.

Unearned and Unavailable Revenue

On the fund financial statements, governmental funds report unearned and unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. These types of unavailable revenue are not reported on the government-wide financial statements, provided such revenues were earned. Governmental funds and government-wide financial statements postpone revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unrecognized revenue, which are *unavailable* and *unearned* revenue reported in the governmental funds and business type activities, were as follows:

	Government-wide Statements - Unearned	Fund Statements	
		Unearned Revenue	Unavailable Revenue
Governmental Funds:			
Taxes	\$ 139,686	\$ 139,686	\$ 1,178,239
Sales Tax	-	-	1,742,180
Licenses and permits	-	-	14,861
Intergovernmental	1,163,394	1,163,394	7,574,514
Charges for services	230,847	230,847	868,400
Other	197,326	197,326	90,791
Sub-total, governmental funds	<u>1,731,253</u>	<u>1,731,253</u>	<u>11,468,985</u>
Internal Service Funds:			
Charges for services	286,009	286,009	-
Sub-total, internal service funds	<u>286,009</u>	<u>286,009</u>	<u>-</u>
Sub-total, governmental activities	<u>2,017,262</u>	<u>2,017,262</u>	<u>11,468,985</u>
Business-Type Activities			
Waste Management other	40,183	40,183	-
OCHRA other	321,388	321,388	-
Sub-total, business-type activities	<u>361,571</u>	<u>361,571</u>	<u>-</u>
Total	<u>\$ 2,378,833</u>	<u>\$ 2,378,833</u>	<u>\$ 11,468,985</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Lease Receivables

The Minnesota Department of Public Safety Bureau of Criminal Apprehension (BCA) entered into an agreement with the County to lease 678 square feet of building space for 5 years ending December 31, 2023. On June 1, 2023, this agreement was modified to extend the lease for an additional 5 years to December 31, 2028. Under the terms of the lease, the BCA will make monthly payments of \$1,089-\$1,379, increasing annually. The BCA can terminate this agreement with 30 days' notice. Termination is not considered likely. During the fiscal year, the county recorded \$13,113 in lease revenue and \$1,586 in interest revenue for giving the BCA the right to use County owned building space. The County used an incremental discount rate of 2.350% (.56% prior to the lease modification), based on the County's borrowing rate for the same time periods.

The Minnesota Department of Administration entered into an agreement with the County to lease 8,501 square feet of building space for 5 1/2 years. Under the terms of the lease, the Minnesota Department of Administration will make 66 monthly payments of \$10,695-\$15,854 increasing annually. The Minnesota Department of Administration can terminate this agreement with 30 days' notice. Termination is not considered likely. During the fiscal year, the county recorded \$181,678 in lease revenue and \$2,114 in interest revenue for giving the Minnesota Department of Administration the right to use County owned building space. The County used an incremental discount rate of .73%, based on the County's borrowing rate for the same time periods.

Cenergy Power entered into an agreement with the County to lease 6 acres of land for 25 years. Per the agreement Cenergy Power has the option to exercise 2 five-year optional renewal term. These optional terms were not included in the contract value due to it being unlikely Cenergy Power will exercise these optional terms. Under the terms of the lease, Cenergy Power will make 25 annual payments of \$4,000-\$5,360 (increasing 5% every 5 years). During the fiscal year, the County recorded \$2,164 in lease revenue and \$1,836 in interest revenue for giving Cenergy Power the right to use County owned land. The County used an incremental discount rate of 2.56%, based on the County's borrowing rate for the same time periods.

UCI Tower, LLC entered into an agreement with the County to lease .23 acres of land for 10 years. Per the agreement UCI Tower, LLC has the option to exercise 2 five-year optional terms. These optional terms were included in the contract value due to it being likely UCI Tower, LLC will exercise these optional terms. There are 2 additional five-year optional terms. Either party can opt out of these optional terms with 6-months' notice. Therefore, these additional optional terms are cancellable and are not included in the contract value. Under the terms of the lease, UCI Towers, LLC will make 166 monthly fixed payments of \$835-\$1,464 (increasing 3% every year). UCI Towers, LLC will make additional payments of \$835-\$1,464 (increasing 3% every year) for a 2nd subtenant and \$350-\$825 (increasing 3% every year) for each subtenant over 2. These payments are not fixed and therefore were not included in the contract value. Only fixed payments were made during 2024. During the fiscal year, the county recorded \$10,192 in lease revenue and \$2,564 in interest revenue for giving UCI Tower, LLC the right to use County owned land. The County used an incremental discount rate of 1.64%, based on the County's borrowing rate for the same time periods.

Lease Receivables are as follows:

	Contract Start Date	Discount Rates	Contract Value	Contract End Date	Balance
Governmental Activities					
Building space 678 square feet	1/1/2019	2.35%	138,846	12/31/2028	\$ 60,344
Building space 8,501 square feet	7/1/2020	0.73%	948,529	12/31/2025	189,498
Land 6 acres	8/21/2020	2.56%	81,965	8/20/2045	69,628
Total Governmental Activities					<u>\$ 319,470</u>
Business Activities					
Land .23 acres	11/1/2015	1.64%	226,016	10/31/2045	<u>\$ 150,598</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024, was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Transfers (1)	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 24,398,243	\$ -	\$ (25,165)	\$ -	\$ 24,373,078
Infrastructure land	41,060,587	650,984	-	-	41,711,571
Construction in progress	46,455,828	27,249,661	(59,417,514)	-	14,287,975
Total capital assets not being depreciated	111,914,658	27,900,645	(59,442,679)	-	80,372,624
Capital assets, being depreciated/amortized:					
Infrastructure	307,010,915	20,939,968	(10,800)	-	327,940,083
Building	143,474,965	41,806,829	(87,674)	-	185,194,120
Improvements other than building	10,485,530	672,720	(5,420)	-	11,152,830
Equipment	33,596,918	8,981,866	(2,408,726)	121,303	40,291,361
Intangible right-to-use lease - equipment	1,287,584	-	-	(121,303)	1,166,281
Software	11,455,214	-	(1,495,717)	-	9,959,497
Intangible right-to-use subscription software	1,697,481	5,566,164	(87,070)	-	7,176,575
Total capital assets being depreciated/amortized	509,008,607	77,967,547	(4,095,407)	-	582,880,747
Less accumulated depreciation/amortization for:					
Infrastructure	(168,776,250)	(6,673,928)	10,800	-	(175,439,378)
Building	(78,928,708)	(4,337,353)	87,674	-	(83,178,387)
Improvements other than building	(5,459,424)	(390,338)	5,420	-	(5,844,342)
Equipment	(24,458,139)	(2,533,217)	2,351,864	(46,499)	(24,685,991)
Intangible right-to-use lease - equipment	(324,185)	(166,611)	-	46,499	(444,297)
Software	(8,596,687)	(1,049,216)	1,495,717	-	(8,150,186)
Intangible right-to-use subscription software	(484,219)	(1,543,627)	-	-	(2,027,846)
Total accumulated depreciation and amortization	(287,027,612)	(16,694,290)	3,951,475	-	(299,770,427)
Total capital assets, being depreciated and amortized, net	221,980,995	61,273,257	(143,932)	-	283,110,320
Governmental activities capital assets, net	<u>\$ 333,895,653</u>	<u>\$ 89,173,902</u>	<u>\$ (59,586,611)</u>	<u>\$ -</u>	<u>\$ 363,482,944</u>

(1) The County exercised a purchase option on an equipment lease.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Business-type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 5,105,520	\$ 1,221,057	\$ -	\$ 6,326,577
Construction in progress	843,257	2,327,577	(1,406,927)	1,763,907
Total capital assets not being depreciated	<u>5,948,777</u>	<u>3,548,634</u>	<u>(1,406,927)</u>	<u>8,090,484</u>
Capital assets, being depreciated:				
Infrastructure	1,984,227	-	-	1,984,227
Building	52,357,594	5,357,523	(44,848)	57,670,269
Improvements other than building	14,383,616	1,051,757	(32,253)	15,403,120
Equipment	152,613,630	3,907,007	(974,460)	155,546,177
Software	52,034	-	-	52,034
Intangible right-to-use subscription software	240,952	-	-	240,952
Total capital assets being depreciated	<u>221,632,053</u>	<u>10,316,287</u>	<u>(1,051,561)</u>	<u>230,896,779</u>
Less accumulated depreciation for:				
Infrastructure	(482,615)	(26,440)	-	(509,055)
Building	(33,828,250)	(974,875)	44,848	(34,758,277)
Improvements other than building	(11,865,916)	(331,581)	32,253	(12,165,244)
Equipment	(83,152,976)	(5,713,468)	974,460	(87,891,984)
Software	(52,034)	-	-	(52,034)
Intangible right-to-use subscription software	(82,612)	(82,612)	-	(165,224)
Total accumulated depreciation	<u>(129,464,403)</u>	<u>(7,128,976)</u>	<u>1,051,561</u>	<u>(135,541,818)</u>
Total capital assets, being depreciated, net	<u>92,167,650</u>	<u>3,187,311</u>	<u>-</u>	<u>95,354,961</u>
Business-type activities capital assets, net	<u>\$ 98,116,427</u>	<u>\$ 6,735,945</u>	<u>\$ (1,406,927)</u>	<u>\$ 103,445,445</u>

Depreciation/amortization expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	\$ 980,669
Public safety	3,414,724
Conservation of natural resources	16,707
Highways and streets	8,696,492
Health	409,525
Human Services	1,922,763
Culture and recreation	1,253,410
Total depreciation/amortization expense - governmental activities	<u>\$ 16,694,290</u>
Business-type activities:	
Waste Management	\$ 6,371,925
Olmsted County HRA	730,611
Sanitary Sewer	26,440
Total depreciation/amortization expense - business type activities	<u>\$ 7,128,976</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Construction and Other Commitments

Olmsted County has active projects as of December 31, 2024. At the end of the year, the commitments are as follows:

	Total Contract	Spent-to-date	Remaining Commitment	Funding Source
Governmental Funds:				
Infrastructure Fund				
P438 - Bridge 93513	\$ 911,926	\$ 863,460	\$ 48,466	Local Sales Tax, Grant
P434 - 14/44 Reconstruction	5,061,389	2,347,245	2,714,144	Local Sales Tax, State Aid, State Bonds
P452 - TH 63 and CR 112 Roundabout	528,735	428,012	100,723	Local Sales Tax, State Bonds
P456 - CSAH 21 & TH 63	496,205	440,018	56,187	Local Sales Tax
P461 - CSAH 44 Reconstruction Consulting	371,631	130,103	241,528	Local Sales Tax
P440 - CSAH 5 & 25 Reconstruction	10,333,817	4,715,869	5,617,948	Local Sales Tax
P421 - CSAH 4/CSAH 44	19,686,415	18,928,757	757,658	Local Sales, Tax, State Aid, Grant
P469 - CR 121 Bridge Relocation Consulting	127,740	14,001	113,739	State Bonds
Public Works Service Center	7,037,568	6,842,726	194,842	Local Sales Tax
TGEN 1 - Eyota Brine Shop	188,149	162,435	25,714	Local Sales Tax
Total Infrastructure Fund	44,743,575	34,872,626	9,870,949	
Capital Projects Fund				
Oxbow Campground Relocation	360,500	161,936	198,564	Debt, Grant
Exhibition Center	2,204,550	333,709	1,870,841	Reserves
Graham Arena Upgrades	1,876,288	54,100	1,822,188	Reserves
Historic Highway Shop Restoration	2,154,941	223,953	1,930,988	Debt
Public Safety Training Center	273,494	93,790	179,704	Debt
Public Works Service Center Fiber Project	228,178	16,590	211,588	Debt
Motor grader	447,340	0	447,340	Debt, Sale of Assets
Dozer	169,620	0	169,620	Debt, Sale of Assets
Tandems	551,313	0	551,313	Debt, Sale of Assets
Total Capital Projects Fund	8,266,224	884,078	7,382,146	
Total Governmental Funds	53,009,799	35,756,704	17,253,095	
Internal Service Funds:				
Building Facilities				
Conference Room Technology	39,420	0	39,420	Debt
Adult Detention Center Updates	268,100	0	268,100	Debt
Deferred Maintenance-Interior Surfaces	50,004	0	50,004	Debt
Furniture	77,025	0	77,025	Operations
Pit Grinder	99,091	0	99,091	Debt
Campus Tunnel Air Mover	75,500	28,879	46,621	Debt
Total Internal Service Funds	609,140	28,879	580,261	
Enterprise Funds:				
Waste Management Fund				
Landfill Tarping Machine	66,560	0	66,560	Revenues
Landfill Solar Project	105,100	70,508	34,592	Debt
OCRC Forklift	89,897	0	89,897	Revenues
Materials Recovery Facility/Admin office space	1,797,440	813,082	984,358	Debt
OWEF Cold Storage Building	740,717	472,787	267,930	Debt
OWEF 13.8 Bus 1 Metering/Upgrade	368,505	70,856	297,649	Revenues
OWEF Replace 2.4KV Switchgear & 2400/480 Transformer	174,393	22,500	151,893	Debt
OWEF Drag Conveyor Belt Overhaul	99,410	0	99,410	Revenues
Environmental Resource Solid Waste Campus Planning	243,476	0	243,476	Revenues
Total Enterprise Fund	3,685,498	1,449,733	2,235,765	
Total Commitments	\$ 57,304,437	\$ 37,235,316	\$ 20,069,121	

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The following interfund receivables and payables are reported on the fund financial statements at December 31, 2024. The short-term and long-term portions of the loans are due to the General Fund from the Sanitary Sewer Fund for the construction of the Chester Heights area sewer system and the Olmsted County HRA for The Francis building. The amounts due to the Olmsted County HRA from the Health and Human Service Fund are for housing.

	Due From Other Funds	Due to Other Funds
Governmental Funds:		
General Fund	\$ 11,000	\$ -
Health and Human Services	-	119,160
Total Governmental Funds	<u>11,000</u>	<u>119,160</u>
Enterprise Funds:		
Sanitary Sewer	-	11,000
Olmsted County HRA	119,160	-
Total Enterprise Funds	<u>119,160</u>	<u>11,000</u>
Total Due From and Due To Other Funds	<u>\$ 130,160</u>	<u>\$ 130,160</u>
	Advances To Other Funds	Advances From Other Funds
General Fund	\$ 447,400	\$ -
Enterprise Funds		
Sanitary Sewer	-	323,500
Olmsted County HRA	-	123,900
Total Enterprise Funds	<u>-</u>	<u>447,400</u>
Total Advances To and From Other Funds	<u>\$ 447,400</u>	<u>\$ 447,400</u>

Interfund transfers reported on the fund financial statements at December 31, 2024 were:

	Transfers in:						
	Governmental Funds				Proprietary Funds		
	General	Human Services	Debt Service	Capital Projects	Enterprise Funds	Internal Service Funds	Transfers out
Governmental funds:							
General	\$ -	\$ 2,752,121	\$ 189,617	\$ 1,076,573	\$ 4,996,518	\$ 421,660	\$ 9,436,489
Infrastructure	-	-	3,626,344	-	-	-	3,626,344
Health and Human Services	-	-	-	-	796,714	350,000	1,146,714
Opioid Settlement	-	464,071	-	-	-	84,000	548,071
Governmental funds transfers in	<u>-</u>	<u>3,216,192</u>	<u>3,815,961</u>	<u>1,076,573</u>	<u>5,793,232</u>	<u>855,660</u>	<u>14,757,618</u>
Proprietary funds:							
Internal Service funds	80,000	-	-	5,032,402	-	-	5,112,402
Proprietary funds transfers in	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>5,032,402</u>	<u>-</u>	<u>-</u>	<u>5,112,402</u>
Total transfers in	<u>\$ 80,000</u>	<u>\$ 3,216,192</u>	<u>\$ 3,815,961</u>	<u>\$ 6,108,975</u>	<u>\$ 5,793,232</u>	<u>\$ 855,660</u>	<u>\$ 19,870,020</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

	Transfers in:							Transfers out
	Governmental Funds				Proprietary Funds			
	General	Health and Human Services	Debt Service	Capital Projects	Enterprise Funds	Internal Service Funds		
Reasons for interfund transfers:								
General Fund Contribution to Health and Human Services Fund for affordable housing units	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000
General Fund Contribution to Health and Human Services Fund for collaborative intensive bridging services	-	56,941	-	-	-	-	-	56,941
General Fund Contribution to Health and Human Services Fund for social worker	-	195,180	-	-	-	-	-	195,180
General Fund Contribution to Debt Service Fund for debt service	-	-	189,617	-	-	-	-	189,617
General Fund Contribution to Capital Project Fund for law enforcement equipment	-	-	-	578,400	-	-	-	578,400
General Fund Contribution to Capital Projects Fund for highway equipment	-	-	-	66,600	-	-	-	66,600
General Fund Contribution to Capital Projects Fund for parks equipment and improvements	-	-	-	191,100	-	-	-	191,100
General Fund Contribution to Capital Projects Fund for graham park equipment and improvements	-	-	-	240,473	-	-	-	240,473
General Fund Contribution to HRA Enterprise Fund for Growing Affordable Inclusive Neighborhoods	-	-	-	-	4,900,000	-	-	4,900,000
General Fund Contribution to Sanitary Sewer Enterprise Fund for Chester Heights Sewer	-	-	-	-	96,518	-	-	96,518
General Fund Contribution to Internal Service Fund for self-insurance dental	-	-	-	-	-	200,000	-	200,000
General Fund Contribution to Internal Service Fund for provisional accountant	-	-	-	-	-	43,500	-	43,500
General Fund contributions to Internal Service Fund for justice tower	-	-	-	-	-	110,160	-	110,160
General Fund contributions to Internal Service Fund for administration	-	-	-	-	-	68,000	-	68,000
Infrastructure Fund Contributions to Debt Service Fund for debt service	-	-	3,626,344	-	-	-	-	3,626,344
Health and Human Service Fund Contribution to HRA Enterprise Fund for housing	-	-	-	-	796,714	-	-	796,714
Health and Human Service Fund Contribution to Internal Service Fund for generator	-	-	-	-	-	350,000	-	350,000
Opioid Settlement Fund Contribution to Health and Service Fund for Diversity, Equity, and Community Outreach salaries and benefits	-	344,491	-	-	-	-	-	344,491
Opioid Settlement Fund Contribution to Health and Service Fund for Doc's Recovery House	-	16,440	-	-	-	-	-	16,440
Opioid Settlement Fund Contribution to Health and Service Fund for Diversity, Equity, and Community Outreach equipment	-	103,140	-	-	-	-	-	103,140
Opioid Settlement Fund Contributions to Internal Service Fund for Drug and Alcohol Response Team (DART) motor pool vehicles	-	-	-	-	-	84,000	-	84,000
Internal Service Fund contributions to Capital Projects Fund for Public Safety Training Center project	-	-	-	5,032,402	-	-	-	5,032,402
Internal Service Fund Contributions to General Fund for banking fees	80,000	-	-	-	-	-	-	80,000
Total transfers in	\$ 80,000	\$ 3,216,192	\$ 3,815,961	\$ 6,108,975	\$ 5,793,232	\$ 855,660		\$19,870,020

OLMSTED COUNTY
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6. LONG-TERM LIABILITIES

Bonds Payable

	General Obligation Revenue Bonds	General Obligation Bonds	Total
January 1, 2024			
Governmental activities	\$ -	\$ 127,750,000	\$ 127,750,000
Business-type activities	39,630,000	-	39,630,000
	<u>39,630,000</u>	<u>127,750,000</u>	<u>167,380,000</u>
Issued:			
Governmental activities	-	17,090,000	17,090,000
Business-type activities	2,855,000	-	2,855,000
Retired:			
Governmental activities	-	(7,215,000)	(7,215,000)
Business-type activities	(6,425,000)	-	(6,425,000)
December 31, 2024	<u>\$ 36,060,000</u>	<u>\$ 137,625,000</u>	<u>\$ 173,685,000</u>

Balance by fund type

Governmental activities:			
Governmental funds	\$ -	\$ 83,881,971	\$ 83,881,971
Internal Service	-	53,743,029	53,743,029
	-	137,625,000	137,625,000
Business-type activities:			
Enterprise funds	36,060,000	-	36,060,000
Total	<u>\$ 36,060,000</u>	<u>\$ 137,625,000</u>	<u>\$ 173,685,000</u>

Annual debt service requirements to maturity for all bonds are as follows:

Year ending	Principal	Interest	Total
2025	\$ 40,805,000	\$ 4,364,680	\$ 45,169,680
2026	16,890,000	3,675,468	20,565,468
2027	16,980,000	3,266,839	20,246,839
2028	10,965,000	2,895,043	13,860,043
2029	10,795,000	2,568,942	13,363,942
2030 to 2034	38,150,000	8,986,261	47,136,261
2035 to 2039	25,280,000	4,087,380	29,367,380
2040 to 2044	13,045,000	1,131,503	14,176,503
2045	775,000	15,016	790,016
Total	<u>\$ 173,685,000</u>	<u>\$ 30,991,132</u>	<u>\$ 204,676,132</u>

General Obligation Revenue Bonds

General Obligation Governmental Housing Refunding Bonds, Series 2010A, were issued to refund general obligation housing bonds. Remaining annual installments of \$110,000 to \$115,000 are due annually on January 1. These bonds are payable from the pledged net revenues of the Olmsted County HRA Enterprise Fund and backed by the full faith credit and taxing powers of the County.

OLMSTED COUNTY
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A portion of the General Obligation Crossover Refunding Bonds, Series 2016A, were issued to crossover refund the General Obligation Taxable Resource Recovery Revenue Bonds, Series 2009B. Remaining annual installments of \$920,000 to \$1,085,000 are due annually on February 1. The 2009B refunded portion of the 2016A Bonds is payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

A portion of the General Obligation Bonds, Series 2020A, were issued to provide certain improvements to the County's waste to energy system. Remaining annual installments of \$350,000 to \$490,000 are due annually on February 1. These bonds are payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

A portion of the General Obligation Bonds, Series 2020A, were issued to current refund the General Obligation Resource Recovery Revenue Bonds, Series 2011A. Remaining annual installments of \$220,000 to \$245,000 are due annually on February 1. These bonds are payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

A portion of the Taxable General Obligation Crossover Refunding Bonds, Series 2021A, were issued to crossover refund the remaining unpaid principal of the general obligation revenue bond portion of the General Obligation Crossover Refunding Bonds, Series 2012A. Remaining annual installments of \$4,815,000 to \$4,890,000 are due annually on February 1. These bonds are payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

A portion of the General Obligation Bonds, Series 2022B, were issued to provide certain resource recovery improvements to the County's solid waste facility. Remaining annual installments of \$110,000 to \$190,000 are due annually on February 1. These bonds are payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

A portion of the General Obligation Bonds, Series 2023A, were issued to provide certain improvements to the County's solid waste facility. Remaining annual installments of \$70,000 to \$155,000 are due annually on February 1. These bonds are payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

A portion of the General Obligation Bonds, Series 2024A, were issued to provide certain improvements to the County's solid waste facility. Remaining annual installments of \$110,000 to \$165,000 are due annually on February 1. These bonds are payable from the pledged net revenues of the Waste Management Enterprise Fund and backed by the full faith credit and taxing powers of the County.

The general obligation revenue bonds outstanding are as follows:

	Date Issued	Interest Rates	Original Issue	Final Maturity	Balance
Business Type Activities					
G.O. Governmental Housing Ref. Bonds, 2010A	6/10/2010	3.00 - 3.70%	\$ 1,475,000	1/1/2026	\$ 225,000
G.O. Crossover Refunding Bonds, 2016A	8/1/2016	1.50 - 5.00%	10,020,000	2/1/2029	4,995,000
G.O. Bonds 2020A - Construction Portion	11/17/2020	1.00 - 3.00%	8,080,000	2/1/2041	7,125,000
G.O. Bonds 2020A - Refunding Portion	11/17/2020	1.00 - 3.00%	2,260,000	2/1/2031	1,645,000
Taxable G.O. Crossover Refunding Bonds 2021A	4/7/2021	0.25 - 1.05%	24,145,000	2/1/2027	14,555,000
G.O. Bonds 2022B	3/16/2022	2.13 - 4.00%	2,935,000	2/1/2043	2,830,000
G.O. Bonds 2023A	10/18/2023	4.00 - 5.00%	1,830,000	2/1/2039	1,830,000
G.O. Bonds 2024A	10/16/2024	3.50 - 5.00%	2,855,000	2/1/2045	2,855,000
Total Business Type Activities					<u>\$ 36,060,000</u>

OLMSTED COUNTY
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Annual debt service requirements to maturity for general obligation revenue bonds are as follows:

Year ending	Business-type Activities	
	Principal	Interest
2025	\$ 6,680,000	\$ 648,208
2026	6,945,000	586,041
2027	6,920,000	481,754
2028	2,080,000	403,331
2029	2,140,000	349,406
2030 to 2034	4,750,000	1,234,975
2035 to 2039	4,150,000	625,913
2040 to 2044	2,285,000	138,566
2045	110,000	2,131
Total	<u>\$ 36,060,000</u>	<u>\$ 4,470,325</u>

General Obligation Bonds

The County issued general obligation bonds to provide financing for construction and reconstruction of streets, bridges, and other related infrastructure and buildings. These bonds supported primarily from revenues derived from property taxes are backed by the full faith credit and taxing powers of the County.

The General Obligation Bonds, Series 2015A, were issued to provide financing for construction of facility, bridge and infrastructure improvements. A remaining annual installment of \$1,835,000 is due February 1, 2025, at which time the proceeds held in escrow from the 2022A Taxable General Obligation Crossover Refunding Bonds will refund the remaining general obligation bond balance of the 2015A bonds totaling \$25,715,000 on February 1, 2025.

A portion of the General Obligation Crossover Refunding Bonds, Series 2016A, were issued to crossover refund the General Obligation Taxable Capital Improvement Plan Bonds, Series 2009A, and the General Obligation Capital Improvement Plan Bonds, Series 2011B. Remaining annual installments of \$555,000 to \$1,625,000 are due annually on February 1.

The General Obligation Bonds, Series 2019A, were issued to provide financing for facility and transit improvements and purchase equipment. Remaining annual installments of \$800,000 to \$1,100,000 are due annually on February 1.

A portion of the General Obligation Bonds, Series 2020A, were issued to provide financing for certain facility improvements. Remaining annual installments of \$245,000 to \$615,000 are due annually on February 1.

A portion of the Taxable General Obligation Crossover Refunding Bonds, Series 2021A, were issued to crossover refund the remaining unpaid principal of the general obligation bond portion of the General Obligation Crossover Refunding Bonds, Series 2012A. Remaining annual installments of the general obligation bond portion of the bonds are \$1,375,000 to \$1,395,000 and are due annually on February 1.

A portion of the Taxable General Obligation Crossover Refunding Bonds, Series 2022A, were issued to crossover refund the remaining unpaid principal of the General Obligation Bonds, Series 2015A. The proceeds were placed with an escrow agent to purchase U.S. Treasury Notes. The securities and earnings in the escrow account will provide sufficient funds to pay all interest that becomes due on the 2015A bonds to and including the crossover date, and to pay and redeem the outstanding maturities of the 2015A bonds on the crossover date of February 1, 2025. The refunded principal of the general obligation bond portion at the crossover date is \$25,715,000. The cumulative savings in debt service on the 2022A bonds is \$1,955,646 and will return a present value savings of \$1,620,470 over the life of the new bonds. Remaining annual installments of the bonds are \$2,135,000 to \$2,690,000 and are due annually beginning February 1, 2026.

A portion of the General Obligation Bonds, Series 2022B, were issued to provide financing for certain capital improvements described in the County's capital improvement plan. Remaining annual installments of \$470,000 to \$1,285,000 are due annually on February 1.

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A portion of the General Obligation Bonds, Series 2023A, were issued to provide financing for certain capital improvements described in the County's capital improvement plan. Remaining annual installments of \$730,000 to \$1,065,000 are due annually on February 1.

A portion of the General Obligation Bonds, Series 2024A, were issued to provide financing for certain capital improvements and equipment described in the County's capital improvement plan. Remaining annual installments of \$665,000 to \$1,080,000 are due annually on February 1.

The general obligation bonds outstanding are as follows:

	Date Issued	Interest Rates	Original Issue	Final Maturity	Balance
Governmental Activities					
G.O. Bonds, 2015A	8/1/2015	4.00%	\$ 39,150,000	2/1/2025	\$ 27,550,000
G.O. Crossover Refunding Bonds, 2016A	8/1/2016	1.50 - 5.00%	15,550,000	2/1/2031	8,740,000
G.O. Bonds, 2019A	11/12/2019	2.25 - 3.00%	19,175,000	2/1/2040	15,170,000
G.O. Bonds, 2020A	11/17/2020	1.00 - 3.00%	8,315,000	2/1/2041	6,675,000
Taxable G.O. Crossover Refunding Bonds 2021A	4/7/2021	0.25 - 1.05%	6,880,000	2/1/2027	4,155,000
Taxable G.O. Crossover Refunding Bonds 2022A	3/3/2022	2.00 - 3.00%	26,520,000	2/1/2036	26,520,000
G.O. Bonds, 2022B	3/16/2022	2.13 - 4.00%	15,970,000	2/1/2043	14,865,000
G.O. Bonds 2023A	10/18/2023	4.00 - 5.00%	16,860,000	2/1/2044	16,860,000
G.O. Bonds 2024A	10/16/2024	3.50 - 5.00%	17,090,000	2/1/2045	17,090,000
Total Governmental Activities					<u>\$ 137,625,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year ending	Governmental Activities	
	Principal	Interest
2025	\$ 34,125,000	\$ 3,716,472
2026	9,945,000	3,089,427
2027	10,060,000	2,785,085
2028	8,885,000	2,491,712
2029	8,655,000	2,219,536
2030 to 2034	33,400,000	7,751,286
2035 to 2039	21,130,000	3,461,467
2040 to 2044	10,760,000	992,937
2045	665,000	12,885
Total	<u>\$ 137,625,000</u>	<u>\$ 26,520,807</u>

In-substance Defeasance

The Taxable General Obligation Tax Abatement Bonds, Series 2020B, were issued to provide financing for Graham Park and Graham Arena deferred maintenance projects. Funds on hand totaling \$2,073,019 were placed with an irrevocable trust with an escrow agent to purchase essentially risk-free U.S. Treasury Notes resulting in a defeasance of the 2020B Bonds, thus, are no longer recorded as outstanding on the County's financial statements. The securities and earnings in the escrow account will provide sufficient funds to pay all principal and interest that becomes due on the 2020B bonds to and including the call date and to pay and redeem the outstanding maturities of the 2020B bonds on the call date of February 1, 2028. The defeasance was done to save \$541,787 in future interest costs. As of December 31, 2024, the outstanding principal balance of the 2020B defeased bonds is \$1,955,000.

OLMSTED COUNTY
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Annual cash flow requirements to service the defeased 2020B bonds from the funds in the escrow account are as follows:

Year ending	Principal	Interest	Total
2025	\$ 120,000	\$ 40,133	\$ 160,133
2026	120,000	37,732	157,732
2027	125,000	35,283	160,283
2028	1,590,000	17,016	1,607,016
Total	<u>\$ 1,955,000</u>	<u>\$ 130,164</u>	<u>\$ 2,085,164</u>

Mortgages Payable

The Olmsted County HRA Enterprise Fund (Authority) entered into mortgage agreements with these mortgagors. The payments are due in monthly installments.

The mortgages payable outstanding are as follows:

Business-type Activities	<u>Date Issued</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Final Maturity</u>	<u>Balance</u>	<u>Authority Program</u>
U.S. Department of Agriculture - Rural Development	3/22/2005	5.75%	\$ 197,498	3/1/2045	\$ 150,976	Rolling Heights
U.S. Department of Agriculture - Rural Development	3/22/2005	5.75%	412,502	3/1/2045	315,740	Rolling Heights
Total Mortgages Payable					<u>\$ 466,716</u>	

OLMSTED COUNTY
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Deferred Repayment Mortgages

The Authority entered into deferred repayment mortgage agreements with these mortgagors. If there is no default or transfer of the property, the full amount is due upon the earliest of the satisfaction of the properties first mortgage or the final maturity.

The deferred repayment mortgages outstanding are as follows:

Business-type Activities	Date Issued	Interest Rates	Original Issue	Final Maturity	Balance	Authority Program
First Homes Properties	5/16/2002	0.00%	\$ 585,000	5/16/2032	\$ 225,000	River's Edge
Greater Minnesota Housing Fund	5/15/2002	0.00%	221,450	5/16/2032	221,450	River's Edge
Minnesota Housing Finance Agency - Economic Development and Housing Challenge Program	5/16/2002	0.00%	635,000	5/16/2032	635,000	River's Edge
Minnesota Housing Finance Agency - Preservation Affordable Rental Investment Fund Program	3/22/2005	0.00%	200,000	3/22/2035	200,000	Rolling Heights
Minnesota Housing Finance Agency - HOME Rental Rehabilitation Program	8/25/2006	0.00%	196,000	3/22/2035	196,000	Rolling Heights
Minnesota Housing Finance Agency - Ending Long-Term Homelessness Initiative Fund Program	9/15/2006	0.00%	170,197	9/15/2026	170,197	The Francis
Greater Minnesota Housing Fund	9/15/2006	0.00%	255,000	5/15/2036	255,000	The Francis
Minnesota Housing Finance Agency - HOME Rental Rehabilitation Program	9/15/2006	0.00%	252,000	9/15/2026	252,000	The Francis
Minnesota Housing Finance Agency - Preservation Affordable Rental Investment Fund Program	5/3/1996	1.00%	770,799	5/3/2026	770,799	Bandel Hills
Minnesota Housing Finance Agency - HOME Targeted Program	5/3/1996	1.00%	229,201	5/3/2026	229,201	Bandel Hills
Minnesota Housing Finance Agency - Rental Rehabilitation Deferred Loan Pilot Program	7/29/2015	0.00%	35,000	7/29/2025	35,000	Rental Property
Minnesota Housing Finance Agency - Rental Rehabilitation Deferred Loan Pilot Program	8/26/2015	0.00%	35,000	8/26/2025	35,000	Rental Property
Total Deferred Repayment Mortgages Payable					<u>\$ 3,224,647</u>	

OLMSTED COUNTY
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Deferred Forgivable Mortgages

The Authority entered into deferred forgivable mortgage agreements with these mortgagors. If there is no default or transfer of the property and all program requirements are met the debt will be forgiven on the final maturity date.

The deferred forgivable mortgages outstanding are as follows:

Business-type Activities	Date Issued	Interest Rates	Original Issue	Final Maturity	Balance	Authority Program
Minnesota Housing Finance Agency - Publicly Owned Permanent Supportive Housing Program	9/15/2006	0.00%	\$ 1,469,805	9/15/2026	\$ 1,469,805	The Francis
Minnesota Housing Finance Agency - Housing Trust Fund Long-Term Homelessness Initiative Fund Program	12/9/2010	0.00%	888,945	12/9/2040	888,945	Silver Creek Corner
Minnesota Housing Finance Agency - Publicly Owned Housing Program	12/9/2010	0.00%	4,703,305	12/10/2030	4,703,305	Silver Creek Corner
Minnesota Housing Finance Agency - Publicly Owned Housing Program	6/27/2013	0.00%	52,000	6/27/2033	45,275	Rental Property
Minnesota Housing Finance Agency - POHP Loan	11/7/2019	0.00%	1,170,459	12/9/2040	1,222,108	Public Housing
Rochester Area Foundation	7/15/2024	0.00%	1,000,000	7/15/2054	1,000,000	The Roth
Total Deferred Forgivable Mortgages Payable					<u>\$ 9,329,438</u>	

Annual debt service requirements to maturity for mortgages are as follows:

Year ending	Business-type Activities			
	Mortgage Payable		Deferred Repayment Mortgages	Deferred Mortgages Forgivable
	Principal	Interest	Principal	Principal
2025	\$ 12,553	\$ 26,509	\$ 70,000	\$ -
2026	13,295	25,767	1,422,197	1,469,805
2027	14,080	24,983	-	-
2028	14,910	24,152	-	-
2029	15,791	23,271	-	-
2030 to 2034	94,090	101,221	1,081,450	4,748,580
2035 to 2039	125,343	69,966	651,000	-
2040 to 2044	166,979	28,330	-	2,111,053
2045 to 2049	9,675	93	-	-
2050 to 2054	-	-	-	1,000,000
Total	<u>\$ 466,716</u>	<u>\$ 324,292</u>	<u>\$ 3,224,647</u>	<u>\$ 9,329,438</u>

Conduit Debt

The Olmsted County HRA has approved the issuance of Lease Revenue Refunding Bonds, Series 2021A to acquire, construct, repair, maintain, and/or operate buildings, equipment and/or other facilities necessary to provide mental health services for the citizens of Olmsted County. The Lease Revenue Refunding Bonds are secured by the lease to make debt service payments and the facility is pledged as collateral, and do not constitute indebtedness of the Olmsted County HRA. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The amount of Lease Revenue Refunding Bonds outstanding at the end of the year is \$2,845,000.

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Legal Debt Limit

The Olmsted County debt limit is \$805,029,450 based on the MN Statute 475.53 debt limit rate set at 3%. Net debt applicable to the debt limit is \$107,415,179. See Statistical Section Schedule 13.

Financed Purchase

The County entered into a 5 year financed purchase agreement with Axon Enterprise Inc for the purchase of law enforcement equipment and supplies. Under the terms of the agreement, the County made a payment in 2024 of \$45,084 and remaining annual payments of \$153,707-\$204,715 are due annually on January 31.

The financed purchase outstanding is as follows:

	<u>Contract Start Date</u>	<u>Discount Rates</u>	<u>Contract Value</u>	<u>Contract End Date</u>	<u>Balance</u>
Governmental Activities					
Sheriff Equipment	12/1/2024	2.50%	\$ 965,066	11/30/2029	\$ 919,982

Annual payments to maturity for the financed purchase are as follows:

Year ending	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 149,863	\$ 3,844
2026	185,461	19,253
2027	190,098	14,616
2028	194,851	9,864
2029	199,709	5,006
Total	<u>\$ 919,982</u>	<u>\$ 52,583</u>

OLMSTED COUNTY
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Lease Payable

The County entered into an agreement with Dell Financial Services to lease information technology equipment for 5 years. Under the terms of the lease, the County will make 5 annual payments of \$243,899. Upon maturity of the lease term, the County has the option of purchasing the equipment for \$1. The County will exercise this purchase option. On May 1, 2022, the County recognized a right to use asset and a lease payable of \$1,166,281 related to this agreement. During the fiscal year, the County recorded \$166,612 in amortization expense and \$12,496 in interest expense for the right to use the information technology equipment. The County used an incremental discount rate of 2.28%, based on the County's borrowing rate for the same time periods.

The Lease Payables outstanding are as follows:

	<u>Contract Start Date</u>	<u>Discount Rates</u>	<u>Contract Value</u>	<u>Contract End Date</u>	<u>Balance</u>
Governmental Activities					
Information Technology Equipment	5/1/2022	2.28%	\$ 1,166,281	4/30/2027	\$ 471,596

Annual lease payments to maturity for lease payables are as follows:

	<u>Governmental Activities</u>	
Year ending	<u>Principal</u>	<u>Interest</u>
2025	\$ 233,135	\$ 10,762
2026	238,460	5,442
2027	1	-
Total	<u>\$ 471,596</u>	<u>\$ 16,204</u>

Information Technology Subscription Payable

The County entered into an agreement for law enforcement data management subscription-based software. Under the terms of the subscription, the County will make annual variable payments. On December 1, 2024, the County recognized a right to use asset and an information technology subscription payable of \$1,090,860 related to this agreement. During the fiscal year, the County recorded \$18,181 in amortization expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.50%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for attorney data management subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$20,685. On November 15, 2024, the County recognized a right to use asset and an information technology subscription payable of \$98,500 related to this agreement. During the fiscal year, the County recorded \$3,283 in amortization expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.50%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for Human Resource management subscription-based software. Under the terms of the subscription, the County will make annual variable payments. On August 28, 2024, the County recognized a right to use asset and an information technology subscription payable of \$458,923 related to this agreement. During the fiscal year, the County recorded \$51,629 in amortization expense and \$4,742 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 3.10%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for virtualization subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$77,952. On July 6, 2024, the County recognized a right to use asset and an information technology subscription payable of \$226,895 related to this agreement. During the fiscal year, the County recorded \$37,816 in amortization expense for the right to use the subscription-based software. The County used an incremental discount rate of 3.10%, based on the County's borrowing rate for the same time periods.

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The County entered into an agreement for asset management subscription-based software. Under the terms of the subscription, the County will make annual variable payments. On July 1, 2024, the County recognized a right to use asset and an information technology subscription payable of \$119,457 related to this agreement. During the fiscal year, the County recorded \$10,860 in amortization expense for the right to use the subscription-based software. The County used an incremental discount rate of 3.05%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for geographic management subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$147,325. On March 30, 2024, the County recognized a right to use asset and an information technology subscription payable of \$418,736 related to this agreement. During the fiscal year, the County recorded \$110,500 in amortization expense and \$11,515 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.75%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for website management subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$69,032. On March 1, 2024, the County recognized a right to use asset and an information technology subscription payable of \$327,482 related to this agreement. During the fiscal year, the County recorded \$54,580 in amortization expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.70%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for productivity subscription-based software. Under the terms of the subscription, the County will make annual variable payments. On March 1, 2024, the County recognized a right to use asset and an information technology subscription payable of \$2,502,301 related to this agreement. During the fiscal year, the County recorded \$695,084 in amortization expense and \$39,729 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.75%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for strategy management subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$25,000. On January 1, 2024, the County recognized a right to use asset and an information technology subscription payable of \$71,057 related to this agreement. During the fiscal year, the County recorded \$23,686 in amortization expense and \$1,954 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.75%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for workload automation subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$28,046. On April 5, 2023, the County recognized a right to use asset and an information technology subscription payable of \$82,142 related to this agreement. During the fiscal year, the County recorded \$27,381 in amortization expense and \$1,325 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.45%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for document and records management subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$58,080. On September 16, 2023, the County recognized a right to use asset and an information technology subscription payable of \$274,486 related to this agreement. During the fiscal year, the County recorded \$54,897 in amortization expense and \$6,276 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.90%, based on the County's borrowing rate for the same time periods.

The County entered into an agreement for communication subscription-based software. Under the terms of the subscription, the County will make annual fixed payments of \$137,700 for the minimum 1,350 standard licenses and annual fixed payments of \$53,757 for the minimum 28 contact center licenses. During the fiscal year, the county made variable payments of \$23,724 for additional unlimited standard and basic standard licenses. On January 1, 2023, the County recognized a right to use asset and an information technology subscription payable of \$585,490 related to this agreement. During the fiscal year, the County recorded \$156,131 in amortization expense and \$9,572 in interest expense for the right to use the subscription-based software. The County used an incremental discount rate of 2.50%, based on the County's borrowing rate for the same time periods.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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The Information Technology Subscription Payables outstanding are as follows:

	Contract Start Date	Discount Rates	Contract Value	Contract End Date	Balance
Governmental Activities					
Sheriff Data Management	12/1/2024	2.50%	\$ 1,090,860	11/30/2029	\$ 1,039,899
Attorney Data Management	11/15/2024	2.50%	98,500	11/14/2029	77,815
Human Resource Management	8/28/2024	3.10%	458,923	12/31/2027	442,800
Virtualization	7/6/2024	3.10%	226,895	7/5/2027	148,943
Asset Management	7/1/2024	3.05%	119,457	6/19/2025	119,457
Geographic Management	3/30/2024	2.75%	418,736	3/19/2027	282,926
Website Management	3/1/2024	2.70%	327,482	2/28/2029	258,450
Productivity	3/1/2024	2.75%	2,502,301	2/28/2027	1,733,643
Strategy Management	1/1/2024	2.75%	71,057	12/31/2026	48,011
Workload Automation	4/5/2023	2.45%	82,142	4/4/2026	27,375
Document and Records Management	9/16/2023	2.90%	274,486	9/15/2028	164,602
Communication	9/17/2021	2.50%	655,723	9/16/2026	183,289
Total Governmental Activities					<u>\$ 4,527,210</u>

Annual subscription payments to maturity for information technology subscription payables are as follows:

Year ending	Governmental Activities	
	Principal	Interest
2025	\$ 1,704,322	\$ 104,116
2026	1,691,957	77,041
2027	545,296	30,173
2028	332,981	15,063
2029	252,654	6,480
Total	<u>\$ 4,527,210</u>	<u>\$ 232,873</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Changes in Long-Term Liabilities

Changes in long-term liabilities are summarized as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year	Long Term
Governmental Activities:						
Bonds Payable						
GO Bonds	\$127,750,000	\$ 17,090,000	\$ (7,215,000)	\$137,625,000	\$ 34,125,000	\$ 103,500,000
Premium on Bonds	5,478,097	1,234,482	(428,958)	6,283,621	-	6,283,621
Total Bonds Payable	133,228,097	18,324,482	(7,643,958)	143,908,621	34,125,000	109,783,621
Self-Insurance Claims						
Dental Insurance	35,140	1,478,718	(1,476,044)	37,814	37,814	-
Liability Insurance	1,311,826	277,990	(940,316)	649,500	10,500	639,000
Health Insurance	1,000,000	24,994,720	(24,484,720)	1,510,000	1,510,000	-
Worker's Compensation	490,000	83,887	(360,485)	213,402	-	213,402
Total Self-Insurance Claims	2,836,966	26,835,315	(27,261,565)	2,410,716	1,558,314	852,402
Total OPEB Liability	9,427,012	1,465,205	(1,492,637)	9,399,580	482,880	8,916,700
Net Pension Liability (1)	68,957,373	14,478,642	(35,720,730)	47,715,285	-	47,715,285
Compensated Absences (4) (5)	16,960,025	786,402	-	17,746,427	10,922,463	6,823,964
Financed Purchase (3)	-	965,066	(45,084)	919,982	149,863	770,119
Lease Payable	739,965	-	(268,369)	471,596	233,135	238,461
Subscription Payable	1,104,342	5,314,211	(1,891,343)	4,527,210	1,704,322	2,822,888
Total Governmental Activities	<u>\$233,253,780</u>	<u>\$ 68,169,323</u>	<u>\$ (74,323,686)</u>	<u>\$227,099,417</u>	<u>\$ 49,175,977</u>	<u>\$ 177,923,440</u>
Business-type Activities:						
Bonds Payable						
GO Revenue Bonds	\$ 39,630,000	\$ 2,855,000	\$ (6,425,000)	\$ 36,060,000	\$ 6,680,000	\$ 29,380,000
Premium on Bonds	887,666	206,058	(112,332)	981,392	-	981,392
Total Bonds Payable	40,517,666	3,061,058	(6,537,332)	37,041,392	6,680,000	30,361,392
Mortgages Payable (2)	478,569	-	(11,853)	466,716	12,553	454,163
Deferred Repayment Mortgages (2)	3,224,647	-	-	3,224,647	70,000	3,154,647
Deferred Forgivable Mortgages (2)	8,329,438	1,000,000	-	9,329,438	-	9,329,438
Net Pension Liability (1)	4,190,958	856,692	(2,470,136)	2,577,514	-	2,577,514
Compensated Absences (4)	1,012,480	13,420	-	1,025,900	593,747	432,153
Subscription Payable	82,441	-	(82,441)	-	-	-
Closure and Postclosure Care	2,381,252	95,081	-	2,476,333	-	2,476,333
Total Business-type Activities	<u>\$ 60,217,451</u>	<u>\$ 5,026,251</u>	<u>\$ (9,101,762)</u>	<u>\$ 56,141,940</u>	<u>\$ 7,356,300</u>	<u>\$ 48,785,640</u>

- (1) Pension benefits are funded from member and employer contributions by each fund and income from the investment of fund assets as administered by PERA.
- (2) Mortgages are direct borrowings. Direct borrowing terms are negotiated directly with the lender and are not offered for public sale. Default would occur if mortgage program guidelines are not met. If default occurs the mortgage must be paid within 30 days.
- (3) The financed purchase is direct borrowing. Direct borrowing terms are negotiated directly with the lender and are not offered for public sale. Default would occur if there were a material breach of any term or condition of the contract. If default occurs the non-defaulting party may exercise any remedy provided by law or terminate any portion of the contract with 30 days' written notice. If the contract is terminated due to Olmsted County breach, the county remains responsible for all fees incurred before the effective date of termination and will be invoiced the difference between negotiated price and manufacturer's suggested retail price (MSRP) for any device received below MSRP.
- (4) The change in the compensated absences liability is presented as a net change.
- (5) Beginning balance adjusted due to implementation of Government Accounting Standard Board (GASB), Statement No. 101, *Compensated Absences*.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

7. SEGMENT INFORMATION

The OCHRA has two segments to report. The first is Rolling Heights project for which mortgages were issued to finance the purchase of a 16-unit senior housing project for low income residents. The second is River's Edge for which general obligation government housing bonds were issued to finance the construction of a 39-unit apartment complex for moderate to low income residents.

Condensed Statement of Net Position

	Rolling Heights	River's Edge
Assets		
Current assets	\$ 280,574	\$ 1,047,704
Capital assets	664,113	2,330,958
Total assets	<u>944,687</u>	<u>3,378,662</u>
Deferred outflows of resources	-	9,519
Liabilities		
Current liabilities	61,266	138,293
Current liabilities payable from restricted assets	8,058	25,673
Noncurrent liabilities	850,163	1,197,542
Total liabilities	<u>919,487</u>	<u>1,361,508</u>
Net position		
Net investment in capital assets	(198,603)	1,032,935
Restricted	-	367,047
Unrestricted	223,803	626,691
Total net position	<u>\$ 25,200</u>	<u>\$ 2,026,673</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Rolling Heights	River's Edge
Charges for services	\$ 75,710	\$ 447,603
Operating grants	46,577	-
Depreciation expenses	(17,025)	(90,608)
Other operating expense	(75,148)	(247,671)
Operating income	30,114	109,324
Nonoperating revenues (expenses)		
Investment income	325	45,553
Operating transfers in	50,561	-
Interest expense	(27,152)	(14,163)
Changes in net position	53,848	140,714
Beginning net position	(28,648)	1,885,959
Ending net position	<u>\$ 25,200</u>	<u>\$ 2,026,673</u>

Condensed Statement of Cash Flows

	Rolling Heights	River's Edge
Net cash flows from:		
Operating activities	\$ 48,479	\$ 206,637
Capital and related financing activities	(59,108)	(177,918)
Non-capital financial activities	19,225	-
Investing activities	325	45,553
Net increases (decreases)	8,921	74,272
Cash and cash equivalents	270,085	967,659
Ending cash and cash equivalents	<u>\$ 279,006</u>	<u>\$ 1,041,931</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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8. FUND BALANCES

Minimum Fund Balance Policy:

The Minnesota State Auditor's Office recommends that local governments determine, establish, and maintain a desired minimum level of unrestricted fund balance in their governmental funds that is sufficient to provide cash flow until the first tax collections are received, to support self-insurance activities and to fund legal obligations that will be paid out of cash at a later date. Also, local governments need to maintain a prudent level of financial resources to protect against a forced service level reduction or having to raise taxes or fees because of unpredicted one-time expenditures. It is the policy of Olmsted County that we will follow the State Auditor's Recommendation as stated above. The Board will be notified if fund balance levels do not meet this stated level.

Fund balance measures the net financial resources available to carry forward to finance expenditures of future periods.

Policy on Unassigned Fund Balance Process

The County's Unassigned General Fund Balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The Unassigned General Fund Balance may only be appropriated by the County Board or through its Administrative Committee and its budget change policy.

Policy on Assigned Fund Balance Process

Olmsted County's Assigned Fund Balance consists of internally imposed constraints established by the Olmsted County Commissioners that reflect the specific purpose for which it is Olmsted County's intended use. Pursuant to this Olmsted County Resolution, the County Board and the County's Administrative (Budget) Committee are authorized to establish assignments of fund balance.

Assigned Fund Balance should fall under one of these categories:

1. Adopted Budget reserves for use in the next year
2. Mid-year Board approval of reserves for use in the next year
3. Mid-year Administrative Committee approval of reserves for use in the next year
4. Unspent budget previously approved by the Board or Administrative Committee for use in the next year

Policy on Committed Fund Balance Process

Fund Balance of the County for a specific source may be committed by formal action of the Olmsted County Board. Formal action consists of internally imposed constraints established by Resolution of the Olmsted County Board. Amendments or modifications of the committed fund balance must also be approved by formal action of the Olmsted County Board. Examples include contractual commitments and funds that the issuer's government authority authorized for a specific purpose.

Policy on Priority of Fund Balance Used

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

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

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

The above would be superseded by a legal obligation to do otherwise.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

Fund Balances

	General Fund	Infrastructure Fund	Health and Human Services Fund	Opioid Settlement Fund	Debt Service Fund	Capital Projects Fund	Total
Nonspendable:							
Non-current Advances to Other Funds	\$ 447,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 447,400
Inventories	-	637,614	-	-	-	-	637,614
Prepays	2,390,590	57,190	998	-	-	-	2,448,778
Total Nonspendable	2,837,990	694,804	998	-	-	-	3,533,792
Restricted for:							
Attorney Prosecution	54,118	-	-	-	-	-	54,118
Attorney Child Support Enforcement	13,447	-	-	-	-	-	13,447
Attorney Sexual Exploitation Education	4,749	-	-	-	-	-	4,749
Law Library	299,727	-	-	-	-	-	299,727
Sheriff Contingency	5,000	-	-	-	-	-	5,000
Sheriff DUI Enforcement, Training, & Education	30,018	-	-	-	-	-	30,018
Public Safety	1,892,431	-	-	-	-	-	1,892,431
E911	1,185,096	-	-	-	-	-	1,185,096
D.A.R.E. Drug Education	12,769	-	-	-	-	-	12,769
Adult Detention Center Commissary	35,119	-	-	-	-	-	35,119
Recording Process Enhancements	2,056,710	-	-	-	-	-	2,056,710
Voting Operations, Technology, and Elections	122,835	-	-	-	-	-	122,835
Parks	672,565	-	-	-	-	-	672,565
Debt Service	-	-	-	-	6,020,266	-	6,020,266
Refinancing Debt Service	-	-	-	-	17,371,500	-	17,371,500
Capital Projects	-	-	-	-	-	6,345,866	6,345,866
Opioid Abatement	-	-	-	1,857,050	-	-	1,857,050
Aggregate Remediation	-	69,079	-	-	-	-	69,079
Transit and Transportation	-	2,479,774	-	-	-	-	2,479,774
Medical Assistance Eligibility Renewals	-	-	283,287	-	-	-	283,287
Total Restricted	6,384,584	2,548,853	283,287	1,857,050	23,391,766	6,345,866	40,811,406
Assigned to:							
Chester Heights Sewer	358,926	-	-	-	-	-	358,926
Groundwater Protection Programs	3,601,260	-	-	-	-	-	3,601,260
Affordable Housing Programs	2,500,000	-	-	-	-	-	2,500,000
Graham Park Exhibition Center	4,329,205	-	-	-	-	-	4,329,205
Highway Equipment	185,000	-	-	-	-	41,397	226,397
Parks Equipment and Improvements	252,052	-	-	-	-	104,670	356,722
Graham Park Improvements	1,100,000	-	-	-	-	2,046,193	3,146,193
Law Enforcement Equipment and Improvements	223,230	-	-	-	-	587,412	810,642
Adult Detention Equipment and Improvements	55,962	-	-	-	-	-	55,962
Information Technology Equipment and Improvements	505,000	-	-	-	-	-	505,000
Boardroom Audio Visual Media Improvements	250,000	-	-	-	-	-	250,000
Elections	273,660	-	-	-	-	-	273,660
Courts	210,000	-	-	-	-	-	210,000
Social Worker	63,716	-	-	-	-	-	63,716
Fair Bleachers	60,000	-	-	-	-	-	60,000
Available for Debt Service Fund	-	-	-	-	2,757,428	-	2,757,428
Available for Human Services	-	-	12,400,336	-	-	-	12,400,336
Total Assigned	13,968,011	-	12,400,336	-	2,757,428	2,779,672	31,905,447
Unassigned (Deficit)	87,376,773	(504,764)	-	-	-	-	86,872,009
Total Fund Balance	\$ 110,567,358	\$ 2,738,893	\$ 12,684,621	\$ 1,857,050	\$ 26,149,194	\$ 9,125,538	\$ 163,122,654

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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9. JOINTLY GOVERNED ORGANIZATIONS

The County, in conjunction with other local governments, appoints at least one member to the boards of the following organizations. The County's annual financial contribution is also noted.

- | | |
|---|--|
| <ul style="list-style-type: none">• South East MN Violent Crime Enforcement Team (\$182,144 in-kind services)• Southeastern Minnesota Emergency Medical Services (\$0)• Southeastern Minnesota Regional Emergency Communication Board and State of Minnesota (\$0)• Homeland Safety Emergency Managers Region 1 (\$0)• State of Minnesota, Bureau of Criminal Apprehension and Sheriff's Office (\$0)• Southeast Minnesota Workforce Development, Inc. (\$926,781)• South Zumbro Watershed Joint Powers Board (\$0)• Whitewater Joint Powers Board (\$8,112)• Lake Zumbro Joint Powers Board (\$0)• Three Rivers Community Action Program (\$0)• Metropolitan Counties for Cooperative Purchasing (\$0) | <ul style="list-style-type: none">• Minnesota Counties Computer Cooperative (\$0)• Southeastern Minnesota Recycling Exchange (\$2,875)• Southeastern Libraries Cooperating (\$0)• Residential Survey in Dakota, Olmsted, St. Louis, and Washington Counties (\$0)• MN Department of Pollution Control Household Hazardous Waste Paint Care Program (\$0)• One Watershed, One Plan for the Root River Watershed (\$0)• Bureau of Criminal Apprehension (\$0)• Dodge & Olmsted Community Corrections (See additional information below.)• WinLaC Partnership (Mississippi River Winona La Crescent Comprehensive Watershed Management) (\$0) |
|---|--|

The Jointly Governed Organizations have been excluded from the County's reporting entity because the County has no operational or financial control over the organizations. More information can be obtained regarding the operational results of the Jointly Governed Organizations by contacting the Olmsted County Finance office.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Dodge & Olmsted Community Corrections (D&OCC)

D&OCC is a fiscally independent entity presented as a Fiduciary Fund in Olmsted County's Basic Financial Statements section. Olmsted County's financial contribution to D&OCC is reported as an expenditure of the General Fund.

D&OCC is governed by a four-member board composed of County commissioners appointed as representatives by their respective county boards for terms of at least two years in length as follows: two commissioners from Olmsted County and two commissioners from Dodge County. An alternate will be selected from each county, who may vote only in the instance of the absence of one of the voting members. The books and records of the Board shall be maintained at the Corrections Department of Olmsted County.

D&OCC is financed through state grants and contributions from the participating counties. During 2024, county contributions were assessed in the following proportion:

Dodge County	10.775%
Olmsted County	<u>89.225%</u>
Total	100.000%

Actual amounts contributed are adjusted by the County for specific revenues and expenses identified in the joint powers agreement.

Olmsted County provided \$7,865,346 in funding during 2024.

Olmsted County received a credit of \$311,096 from D&O Community Corrections in 2024 for its share of 2024 net revenue. The payback was a result of favorable spending for personal services.

Separate financial information can be obtained from:

Olmsted County Finance Department
2117 Campus Drive, Suite 200
Rochester, MN 55904

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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10. POST-EMPLOYMENT BENEFITS – PERA

Public Employees Retirement Association Plan

A. Plan Description

Olmsted County participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

Public Employees Police and Fire Plan

Membership in the Police & Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police & Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

Local Government Correctional Plan

Membership in the Correctional Plan includes correctional officers serving in county and regional adult and juvenile corrections facilities. Participants must be responsible for the security, custody, and control of the facilities and their inmates.

B. 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 receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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General Employees Plan Benefits

General Employees Plan requires three years of service to vest. 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 General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement 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. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the 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 the June 30 before the effective date of the increase will receive a prorated increase.

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increase by 10 percent each full year of service until members are 100 percent vested after ten years. Police and Fire Plan members receive 3 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a prorated increase.

Correctional Plan Benefits

Benefits for Correctional Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increase by 10 percent each full year of service until members are 100 percent vested after ten years. Correctional Plan members receive 1.9 percent of highest average salary for each year of service. Correctional Plan members receive a full retirement benefit when they are age 55 and vested or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement begins at age 50 with an actuarial reduction applied to the benefit.

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Benefit increases are provided to benefit recipients each January. The postretirement increase will be equal to 100 percent of the COLA announced by SSA, with a minimum increase of 1 percent and a maximum of 2.5 percent. The 2024 annual increase was 2.5 percent. If the plan's funding status declines to 85 percent or below for two consecutive years or 80 percent for one year, the maximum will be lowered from 2.5 percent to 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the 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 the June 30 before the effective date of the increase will receive a prorated increase.

C. Contributions

Minnesota Statutes chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and Olmsted County was required to contribute 7.50 percent for General Plan members. Olmsted County's contributions to the General Employees Fund for the year ended December 31, 2024, were \$7,444,968. Olmsted County's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 and Olmsted County was required to contribute 17.70 percent for Police and Fire Plan members. Olmsted County's contributions to the Police and Fire Fund for the year ended December 31, 2024, were \$1,526,667. Olmsted 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 2024 and Olmsted County was required to contribute 8.75 percent for Correctional Plan members. Olmsted County's contributions to the Correctional Fund for the year ended December 31, 2024, were \$632,119. Olmsted County's contributions were equal to the required contributions as set by state statute.

D. Pensions Costs

General Employees Fund Pension Costs

At December 31, 2024, Olmsted County reported a liability of \$41,439,136 for its proportionate share of the General Employees Fund's net pension liability. Olmsted 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 Olmsted County totaled \$1,071,531.

Olmsted County's proportionate share of the net pension liability	\$ 41,439,136
State of Minnesota's proportionate share of the net pension liability associated with Olmsted County	<u>1,071,531</u>
Total	<u>\$ 42,510,667</u>

OLMSTED COUNTY
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The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Olmsted County's proportionate share of the net pension liability was based on Olmsted County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. Olmsted County's proportionate share was 1.1209 percent at the end of the measurement period and 1.1014 percent for the beginning of the period.

For the year ended December 31, 2024, Olmsted County recognized pension expense of \$4,243,777 for its proportionate share of the General Employees Plan's pension expense. In addition, Olmsted County recognized an additional \$28,727 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.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. Olmsted County recognized \$1,906,584 for the year ended December 31, 2024 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 General Employees Fund.

At December 31, 2024, Olmsted 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	\$ 3,877,663	\$ -
Changes in actuarial assumptions	201,868	15,484,709
Net difference between projected and actual investment earnings	-	12,491,710
Change in proportion	818,107	1,221,955
Contributions paid to PERA subsequent to the measurement date	3,738,593	-
Total	<u>\$ 8,636,231</u>	<u>\$ 29,198,374</u>

The \$3,738,593 reported as deferred outflows of resources related to pensions resulting from Olmsted County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. 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
2025	\$ (14,122,191)
2026	(2,221,643)
2027	(4,780,840)
2028	(3,176,062)

OLMSTED COUNTY
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Police and Fire Fund Pension Costs

At December 31, 2024, Olmsted County reported a liability of \$7,987,532 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Olmsted County's proportionate share of the net pension liability was based on Olmsted County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. Olmsted County's proportionate share was 0.6071 percent at the end of the measurement period and 0.5954 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. 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 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 Olmsted County totaled \$304,482.

County's proportionate share of the net pension liability	\$ 7,987,532
State of Minnesota's proportionate share of the net pension liability associated with the County	<u>304,482</u>
Total	<u><u>\$ 8,292,014</u></u>

For the year ended December 31, 2024, Olmsted County recognized pension expense of \$1,503,630 for its proportionate share of the Police and Fire Plan's pension expense. Olmsted County recognized \$34,056 as grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund special funding situation.

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 \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. Olmsted County recognized \$172,408 for the year ended December 31, 2024 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.

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At December 31, 2024, Olmsted 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	\$ 3,090,353	\$ -
Changes in actuarial assumptions	8,818,397	11,534,729
Net difference between projected and actual investment earnings	-	2,630,072
Change in proportion	243,577	380,296
Contributions paid to PERA subsequent to the measurement date	768,947	-
	<u>\$ 12,921,274</u>	<u>\$ 14,545,097</u>
Total		

The \$768,947 reported as deferred outflows of resources related to pensions resulting from Olmsted County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2025	\$ (404,726)
2026	2,099,450
2027	(1,209,154)
2028	(3,096,180)
2029	217,840

Correctional Fund Pension Costs

At December 31, 2024, Olmsted County reported a liability of \$866,131 for its proportionate share of the Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Olmsted County's proportionate share of the net pension liability was based on Olmsted County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. Olmsted County's proportionate share was 2.8418 percent at the end of the measurement period and 2.8260 percent for the beginning of the period.

For the year ended December 31, 2024, Olmsted County recognized pension expense of \$1,286,036 for its proportionate share of the Correctional Plan's pension expense.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$5.3 million to the Correctional Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the Correctional Plan pension allocation schedules for the \$5.3 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. Olmsted County recognized \$149,366 for the year ended December 31, 2024 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 Correctional Employees Fund.

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At December 31, 2024, Olmsted County reported its proportionate share of the Correctional Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 612,584	\$ -
Changes in actuarial assumptions	-	2,914,044
Net difference between projected and actual investment earnings	-	1,183,520
Change in proportion	4,769	117,559
Contributions paid to PERA subsequent to the measurement date	314,746	-
Total	<u>\$ 932,099</u>	<u>\$ 4,215,123</u>

The \$314,746 reported as deferred outflows of resources related to pensions resulting from Olmsted County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. 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
2025	\$ (3,325,609)
2026	510,106
2027	(458,541)
2028	(323,726)

The total pension expense for all plans recognized by Olmsted County for the year ended December 31, 2024, was \$7,096,226.

E. 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>	

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F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7%. The 7% 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 considered reasonable by the actuary. An investment return of 7% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan, Police & Fire Plan, and the Correctional Plan.

Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan, 1% for the Police & Fire Plan, and 2% for the Correctional Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3% after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3% after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11% at age 20 to 3% 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 & Fire Plan and the Correctional Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police & Fire Plan and Correctional Plan were reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

General Employees Fund

Changes in Actuarial Assumptions

Rates of merit and seniority were adjusted, resulting in slightly higher rates.

Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.

Minor increase in assumed withdrawals for males and females.

Lower rates of disability.

Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.

Minor changes to form of payment assumptions for male and female retirees.

Minor changes to assumptions made with respect to missing participant data.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
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Changes in Plan Provisions

The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

Police and Fire Fund

Changes in Plan Provisions

The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.

The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

Correctional Fund

Changes in Plan Provisions

Employee contribution rates will increase from 5.83% of pay to 6.83% of pay, effective July 1, 2025.

Employer contribution rates will increase from 8.75% of pay to 10.25% of pay, effective July 1, 2025.

The benefit multiplier changed from 1.9% to 2.2% for service earned after June 30, 2025.

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees, Police and Fire, and Correctional Plans were projected to be available to make all projected future benefit payments of 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.

H. Pension Liability Sensitivity

The following presents Olmsted County's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in a preceding paragraph, as well as what Olmsted County's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

Sensitivity Analysis						
Net Pension Liability (Asset) at Different Discount Rates						
	General Employees Fund		Police and Fire Fund		Correctional Fund	
	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability (Asset)	Discount Rate	Net Pension Liability (Asset)
1% Lower	6.00%	\$ 90,509,743	6.00%	\$ 18,876,097	6.00%	\$ 7,038,374
Current	7.00	41,439,136	7.00	7,987,532	7.00	866,131
1% Higher	8.00	1,074,087	8.00	(954,259)	8.00	(4,051,020)

I. 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.

OLMSTED COUNTY
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J. Public Employee Defined Contribution Plan

Seven Olmsted County Commissioners and the County Attorney 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 time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D and 356, 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 salary which is matched by the elected official's employer. 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 Olmsted County during fiscal year 2024 were:

	<u>Employee</u>	<u>Employer</u>
Contribution Amount	\$ 30,548	\$ 30,548
Percentage of covered payroll	5%	5%
Required rate	5%	5%

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11. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

Olmsted County provides health insurance benefits for certain retired employees under a single-employer defined benefit self-insured plan. The County provides benefits for retirees as required by Minnesota Statute §471.61 subdivision 2b.

B. Benefits Provided

Active employees, who retire from the County when eligible to receive a retirement benefit from the Public Employees Retirement Association (PERA) of Minnesota (or similar plan) and do not participate in any other health benefits program providing coverage similar to that herein described, will be eligible to continue coverage with respect to both them and their eligible dependent(s) under the County's health benefits program indefinitely. Retirees are required to pay 100% of the total group rate. Since the premium is a blended rate determined on the entire active and retiree population, the retirees, whose costs are statistically higher than the group average, are receiving an implicit rate "subsidy." No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

C. Employees Covered by Benefit Terms

All of the active employees who have access to health insurance and all retirees who have elected to continue coverage on the employer's medical plan after retirement are included. The actuarial assumptions used at January 1, 2024, included 1,283 active plan participants. As of December 31, 2024, there were 38 enrollees: 25 retirees and 13 COBRA enrollees, receiving health benefits from the County's health plan.

D. Total OPEB Liability

Olmsted County's total OPEB liability of \$9,399,580 was measured as of January 1, 2024, rolled forward to December 31, 2024, by an actuarial valuation as of January 1, 2024.

The total OPEB liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50 percent
Salary Increases	rates are based on most recent four-year experience study
Medical Trend Rate	6.50 percent in 2024 decreasing to 5.00% over 6 years and then to 4.00% over the next 48 years

The discount rate was based on the estimated yield of 20-year AA-rated municipal bonds as of the measurement date.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale.

The actuarial assumption valuations were based on the results of an actuarial experience study for the period January 1, 2019 to January 1, 2020.

OLMSTED COUNTY
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E. Changes in the Total OPEB Liability

Balance at December 31, 2023	\$ 9,427,012
Changes for the year:	
Service cost	641,347
Interest cost	393,434
Assumption changes	430,424
Difference between expected and actual experience	(1,023,022)
Benefit payments	<u>(469,615)</u>
Net change	<u>(27,432)</u>
Balance at December 31, 2024	<u><u>\$ 9,399,580</u></u>

Assumption changes:

Discount rate was changed from 4.00% to 3.70%.

Health care trend rates were updated.

F. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.70%) or 1-percentage point higher (4.70%) than the current discount rate:

	<u>Total OPEB</u>
Selected 3.70% discount rate	\$ 9,399,580
1% decrease in discount rate	10,195,274
1% increase in discount rate	8,667,287

G. Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current health care cost trend rates:

	<u>Total OPEB</u>
Selected 6.50% health care cost trend rate	\$ 9,399,580
1% decrease in health care cost trend rate	8,395,572
1% increase in health care cost trend rate	10,579,557

H. OPEB Expense and Deferred Outflow of Resources Related to OPEB

For the year ended December 31, 2024, Olmsted County recognized expense of \$807,409. At December 31, 2024, Olmsted County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Liability losses and gains	\$ 100,017	\$ 1,191,140
Changes in assumptions	693,440	1,019,925
Employer contributions subsequent to the measurement date	<u>429,587</u>	<u>-</u>
	<u><u>\$ 1,223,044</u></u>	<u><u>\$ 2,211,065</u></u>

OLMSTED COUNTY
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The \$429,587 reported as deferred outflows of resources related to employer contributions made after the measurement date and before the reporting date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2025.

Other amounts reported as deferred outflows and deferred inflows related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31</u>	<u>OPEB Expense Amount</u>
2025	\$ (227,367)
2026	(189,664)
2027	(289,530)
2028	(364,458)
2029	(261,927)
Thereafter	(84,662)

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12. CONTINGENCIES

Claims and Litigation

Minnesota Statutes Section 466.04 limits the liability of a county to \$500,000 for a single claim arising on or after July 1, 2009. In addition, the limit is up to \$1,500,000 for multiple claimants for damages arising out of a single occurrence for claims on or after July 1, 2009. However, for multiple claims involving a nonprofit engaged in outdoor recreational activities, the limit is \$1,000,000 if the activity is funded in whole or in part by the county or pursuant to a permit issued by the county. The limits double when the claim relates to the release of a hazardous substance. Punitive damages are prohibited.

Minnesota Statutes Section 466.06 raises the limit of liability of a county to the extent that insurance coverage is carried but does not waive immunity or affect the statutory limit of liability beyond the coverage. The County has commercial insurance for automobile liabilities but self-insures for other liability issues through an internal service fund. See the discussion in Note 13.

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. Included in the threatened or pending litigation are several suits against the County for significant amounts. The County is vigorously defending against the claims and/or suits mentioned above.

Management has no reasonable expectation, given our current knowledge of the status of these cases, that the potential claims against the County not covered by insurance resulting from the litigation will materially affect the financial statements of the County or exceed available reserves.

Capital Grants received from the Office of Environmental Assistance

The Office of Environmental Assistance provided the County with several capital grants over the years. In 1999 a grant was provided for the air pollution control upgrade, in 2006 a grant was provided for the OWEF 3rd Unit expansion, and in 2009 a grant was provided for the Green Pipes project. We received \$2,969,400 for the air pollution control upgrade, \$3,200,000 for the OWEF 3rd Unit expansion, and \$4,231,359 for the Green Pipes project. In the event the County ceases to operate the Olmsted Waste-to-Energy facility the entire \$2,969,400, \$3,200,000, and \$4,231,359 grants must be refunded back to the State.

Debt Service on Bond Issue

Olmsted County Housing and Redevelopment Authority (HRA) issued \$3,650,000 Lease Revenue Refunding Bonds, Series 2021A, on November 23, 2021, to current refund the remaining unpaid principal of Lease Revenue Bonds, Series 2013A. These bonds were issued to assist in refinancing the debt of Zumbro Valley Health Center, Inc. (ZVHC). ZVHC is a not-for-profit from which the County has purchased mental health services for our clients since 1966. The bond call date is April 1, 2031. The final debt service payment is due April 1, 2033.

The HRA issued the debt, acquired the buildings from ZVHC and assigned all rights, title, and interest to a trustee. Though the terms of the agreement call for the County to make rental payments to the HRA, the County sublets the property to ZVHC and monthly rental payments are paid by ZVHC directly to a trustee from whom the debt service payments are made.

If ZVHC does not make the lease payments, the County is obligated to appropriate no more than one year's debt service. The County can terminate the lease at the end of any year by not appropriating the funds. If the lease terminates, the facilities return to the HRA. The HRA is not obligated to pay the debt service, thus, the responsibility for the debt falls to the trustee to generate income on the facilities.

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13. RISK MANAGEMENT

The Self-Insurance Internal Service Fund is used to account for worker compensation, liability, health, and dental insurance for all County funds.

Interfund premiums are charged to user funds as interfund services provided and used. For workers' compensation and general liability, claims history provides the basis for allocating the premium charges. Health and dental premiums are charged based on the number of employees in user funds. The premiums pay for claims, claim reserves, and administrative costs of the programs. Historical studies of the self-insured areas show that after all costs have been covered; fund balances can be accumulated for unforeseen circumstances.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that are estimated to have been incurred but not yet reported (IBNR). A total of \$2,410,716 was recorded for IBNR for all self-insurance activities reported at December 31, 2024. This calculation was based on a review of claims history.

The County assumes financial responsibility for all claim payments. A stop-loss policy was purchased for health coverage that limits the County's losses to \$1,000,000 per member per year. The plan, as a whole carries, 125% aggregate claim coverage. On any given month, total paid claims in excess of 125% of forecasted claims would be reimbursed to the County by the insurer. The County collected on the \$1,000,000 stop loss for one member in 2024. Dental benefits are capped at \$1,500 per member per year, therefore there is no need for dental stop-loss coverage. The County employs a risk manager to minimize workers' compensation claims and carries reinsurance for any workers' compensation claim that exceeds \$500,000 for the life of the claim. In the future, should insurance carriers' rates for stop-loss coverage for general liability become economical, such coverage will be considered. The amount of settlements did not exceed insurance coverage in each of the past three years.

Should claims be asserted in excess of available reserves, it is management's belief that sufficient time will elapse between assertion of a claim and settlement that the County will be able to levy taxes sufficient to pay the claim without requiring the use of other funds' fund balances.

Olmsted County pays independent third-party plan administrators to process claims and to calculate IBNR for worker compensation, health and dental insurance. The liability insurance IBNR is calculated in collaboration with the County Attorney's Office.

There were no significant reductions in insurance coverage from prior years.

Changes in the balances of claims liabilities during the past two years are as follows:

	Self Insurance Claims				Year ended December 31, 2024	Year ended December 31, 2023
	Dental	Liability	Health	Worker Compensation		
Unpaid claims, beginning of fiscal year	\$ 35,140	\$ 1,311,826	\$ 1,000,000	\$ 490,000	\$ 2,836,966	\$ 2,509,867
Incurred, claims, including IBNR	1,478,718	277,990	24,994,720	83,887	\$ 26,835,315	23,814,647
Claim payments	(1,476,044)	(940,316)	(24,484,720)	(360,485)	\$ (27,261,565)	(23,487,548)
Unpaid claims, end of fiscal year	<u>\$ 37,814</u>	<u>\$ 649,500</u>	<u>\$ 1,510,000</u>	<u>\$ 213,402</u>	<u>\$ 2,410,716</u>	<u>\$ 2,836,966</u>

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

14. TAX ABATEMENT AGREEMENT

The County levies and collects property taxes for all governmental units within the County. The City of Rochester provides tax abatements through Pay-As-You-Go (PAYG) Tax Increment Financing (TIF) District agreements under Minnesota Statutes Sections 469.174 through 469.179. The PAYG TIF Districts in the City pay a developer up to 95 percent of the previous six months tax increment collected in order to assist with funding development projects. As of December 31, 2024, the city had thirty-seven such districts in which \$7,979,231 of tax revenue was paid out to developers under these agreements. The County's share of all governmental units' 2024 property tax collections is 33 percent. Thirty-three percent of the amount paid to developers is \$2,633,146.

**OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

15. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

Statement No. 102, *Certain Risk Disclosures*

Statement No. 103, *Financial Reporting Model Improvements*

Statement No. 104, *Disclosure of Certain Capital Assets*

When they become effective, application of these standards may restate portions of these financial statements.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

16. SUBSEQUENT EVENTS

Approval of Construction Loan

In April 2025, the Olmsted County Housing and Rehabilitation Authority (HRA) board approved a \$1.7 million loan to construct 8 additional affordable single-family homes. The construction and sale of these homes is expected to be completed in 2025, at which time the loans will be repaid.

OLMSTED COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

17. OTHER

National Opioid Settlement

Olmsted County is a participating government in the opioid settlement with pharmaceutical manufacturers, distributors, and pharmacy chains. The county is expected to receive \$5,161,828 over the next 14 years (2025-2038). The majority of the funds are intended for opioid abatement. The Minnesota Opioids State-Subdivision Memorandum of Agreement (MOA) identifies the requirements for Minnesota governments participating in the settlement. Pursuant to the terms of MOA the county created a special revenue fund. Funds are restricted until expended. The MOA requires that the county recognize the settlement revenues when the annual distribution is made to the participating governments. Therefore, the county does not record a receivable for the settlement. Olmsted County received \$835,284 in 2022, \$207,317 in 2023, and \$1,261,989 in 2024 as part of the settlement.



Required Supplementary Information

OLMSTED COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property taxes	\$ 55,931,155	\$ 55,931,155	\$ 55,654,052	\$ (277,103)
Licenses and permits	1,324,000	1,324,000	1,409,515	85,515
Intergovernmental revenue	13,572,528	15,268,633	15,977,474	708,841
Charges for services	15,949,418	15,851,094	15,430,304	(420,790)
Fines and forfeits	22,000	24,524	14,886	(9,638)
Gifts and contributions	150,500	151,500	149,910	(1,590)
Investment income	5,584,500	6,091,958	8,760,858	2,668,900
Other	1,578,635	1,631,355	1,433,356	(197,999)
Total Revenues	94,112,736	96,274,219	98,830,355	2,556,136
Expenditures:				
Current				
General government				
Property records and licensing	10,078,194	10,088,690	9,378,138	710,552
Planning, code enforcement	3,688,941	3,680,741	3,089,589	591,152
Total general government	13,767,135	13,769,431	12,467,727	1,301,704
Public safety				
Sheriff	21,071,507	24,763,204	24,476,812	286,392
Adult detention center	18,783,840	19,005,126	18,733,661	271,465
Community corrections	18,287,852	18,302,852	17,918,289	384,563
Coroner	535,589	558,589	558,512	77
District courts	2,882,018	3,032,018	2,833,039	198,979
Attorney	9,039,007	9,197,316	9,092,862	104,454
Law library	180,000	200,000	182,146	17,854
Total public safety	70,779,813	75,059,105	73,795,321	1,263,784
Conservation of natural resources				
Cooperative extension	296,790	296,790	269,086	27,704
Soil conservation	1,489,224	1,570,900	1,570,508	392
Total conservation of natural resources	1,786,014	1,867,690	1,839,594	28,096
Economic development	80,000	80,000	80,000	-
Culture and recreation				
Parks	4,429,848	4,529,662	4,477,831	51,831
Historical society	239,515	239,515	239,515	-
Diversity and youth programs	33,500	33,500	12,817	20,683
Library	1,421,768	1,421,768	1,421,768	-
Total culture and recreation	6,124,631	6,224,445	6,151,931	72,514
Other	1,743,827	2,677,806	2,188,413	489,393
Debt service				
Principal	-	187,568	187,568	-
Interest and fiscal charges	-	1,771	1,771	-
Total debt service	-	189,339	189,339	-
Total Expenditures	94,281,420	99,867,816	96,712,325	3,155,491
Excess (Deficiency) of Revenues Over Expenditures	(168,684)	(3,593,597)	2,118,030	5,711,627
Other Financing Sources (Uses):				
Transfers in	-	80,000	80,000	-
Transfers out	(4,830,000)	(9,584,568)	(9,436,489)	148,079
Inception of subscription	-	1,189,360	1,189,360	-
Inception of financed purchase	-	965,066	965,066	-
Total Other Financing Sources (Uses)	(4,830,000)	(7,350,142)	(7,202,063)	148,079
Net changes in fund balances	(4,998,684)	(10,943,739)	(5,084,033)	5,859,706
Fund Balances - beginning	115,796,709	115,796,709	115,796,709	-
Change in accounting principle	(145,318)	(145,318)	(145,318)	-
Fund balance - beginning, as restated	115,651,391	115,651,391	115,651,391	-
Fund Balances - ending	\$ 110,652,707	\$ 104,707,652	\$ 110,567,358	\$ 5,859,706

OLMSTED COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INFRASTRUCTURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 9,024,523	\$ 9,024,523	\$ 8,976,838	\$ (47,685)
Sales taxes	19,907,602	19,298,993	16,348,432	(2,950,561)
Wheelage taxes	1,400,000	1,400,000	1,465,240	65,240
Intergovernmental revenue	26,658,016	13,094,483	10,499,961	(2,594,522)
Charges for services	629,700	660,075	581,372	(78,703)
Other	328,050	138,099	1,185,793	1,047,694
Total Revenues	<u>57,947,891</u>	<u>43,616,173</u>	<u>39,057,636</u>	<u>(4,558,537)</u>
Expenditures:				
Current				
General government				
Geographic information systems	<u>920,417</u>	<u>1,292,416</u>	<u>1,276,793</u>	<u>15,623</u>
Highways and streets				
Administration	615,545	704,610	613,180	91,430
Surveying	707,041	718,512	708,301	10,211
Maintenance	4,356,703	5,056,825	4,532,956	523,869
Construction	47,837,568	35,565,275	31,617,037	3,948,238
Equipment maintenance and shops	<u>3,284,273</u>	<u>3,370,187</u>	<u>3,044,259</u>	<u>325,928</u>
Total highways and streets	<u>56,801,130</u>	<u>45,415,409</u>	<u>40,515,733</u>	<u>4,899,676</u>
Debt service				
Principal	-	135,810	135,810	-
Interest and fiscal charges	-	11,515	11,515	-
Total debt service	<u>-</u>	<u>147,325</u>	<u>147,325</u>	<u>-</u>
Total Expenditures	<u>57,721,547</u>	<u>46,855,150</u>	<u>41,939,851</u>	<u>4,915,299</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>226,344</u>	<u>(3,238,977)</u>	<u>(2,882,215)</u>	<u>356,762</u>
Other Financing Sources (Uses):				
Transfers out	(3,626,344)	(3,626,344)	(3,626,344)	-
Inception of subscription	-	418,736	418,736	-
Total Other Financing Sources (Uses)	<u>(3,626,344)</u>	<u>(3,207,608)</u>	<u>(3,207,608)</u>	<u>-</u>
Net changes in fund balances	(3,400,000)	(6,446,585)	(6,089,823)	356,762
Fund Balances - beginning	8,898,594	8,898,594	8,898,594	-
Change in accounting principle	(69,878)	(69,878)	(69,878)	-
Fund balance - beginning, as restated	<u>8,828,716</u>	<u>8,828,716</u>	<u>8,828,716</u>	<u>-</u>
Fund Balances - ending	<u>\$ 5,428,716</u>	<u>\$ 2,382,131</u>	<u>\$ 2,738,893</u>	<u>\$ 356,762</u>

OLMSTED COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 56,351,725	\$ 56,351,725	\$ 56,052,813	\$ (298,912)
Licenses and permits	823,500	823,500	936,583	113,083
Intergovernmental revenue	44,929,710	49,772,259	48,326,364	(1,445,895)
Charges for services	10,798,174	11,181,954	11,155,055	(26,899)
Gifts and contributions	500	500	500	-
Other	172,046	232,183	337,376	105,193
Total Revenues	<u>113,075,655</u>	<u>118,362,121</u>	<u>116,808,691</u>	<u>(1,553,430)</u>
Expenditures:				
Current				
Health				
Health	<u>15,710,751</u>	<u>16,332,108</u>	<u>16,162,950</u>	<u>169,158</u>
Human services				
Income maintenance	19,517,675	19,497,822	19,301,715	196,107
Social services	77,251,010	82,698,045	82,628,727	69,318
Support services	400,000	739,375	739,375	-
Veterans services	701,091	701,091	650,535	50,556
Total human services	<u>97,869,776</u>	<u>103,636,333</u>	<u>103,320,352</u>	<u>315,981</u>
Total Expenditures	<u>113,580,527</u>	<u>119,968,441</u>	<u>119,483,302</u>	<u>485,139</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(504,872)</u>	<u>(1,606,320)</u>	<u>(2,674,611)</u>	<u>(1,068,291)</u>
Other Financing Sources (Uses):				
Transfers in	824,276	3,317,501	3,216,192	(101,309)
Transfers out	<u>(319,404)</u>	<u>(1,152,712)</u>	<u>(1,146,714)</u>	<u>5,998</u>
Total Other Financing Sources (Uses)	<u>504,872</u>	<u>2,164,789</u>	<u>2,069,478</u>	<u>(95,311)</u>
Net changes in fund balances	-	558,469	(605,133)	(1,163,602)
Fund Balances - beginning	13,594,898	13,594,898	13,594,898	-
Change in accounting principle	<u>(305,144)</u>	<u>(305,144)</u>	<u>(305,144)</u>	<u>-</u>
Fund balance - beginning, as restated	<u>13,289,754</u>	<u>13,289,754</u>	<u>13,289,754</u>	<u>-</u>
Fund Balances - ending	<u>\$ 13,289,754</u>	<u>\$ 13,848,223</u>	<u>\$ 12,684,621</u>	<u>\$ (1,163,602)</u>

OLMSTED COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OPIOID SETTLEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 120,000	\$ 120,000	\$ 120,000	\$ -
Investment income	-	29,024	55,147	26,123
Other	286,690	351,690	1,261,989	910,299
Total Revenues	<u>406,690</u>	<u>500,714</u>	<u>1,437,136</u>	<u>936,422</u>
Expenditures:				
Current				
Health	<u>21,158</u>	<u>86,158</u>	<u>84,587</u>	<u>1,571</u>
Total Expenditures	<u>21,158</u>	<u>86,158</u>	<u>84,587</u>	<u>1,571</u>
Excess of Revenues Over Expenditures	<u>385,532</u>	<u>414,556</u>	<u>1,352,549</u>	<u>937,993</u>
Other Financing Sources (Uses):				
Transfers out	<u>(604,276)</u>	<u>(604,276)</u>	<u>(548,071)</u>	<u>56,205</u>
Total Other Financing Sources (Uses)	<u>(604,276)</u>	<u>(604,276)</u>	<u>(548,071)</u>	<u>56,205</u>
Net changes in fund balances	(218,744)	(189,720)	804,478	994,198
Fund Balances - beginning	<u>1,052,572</u>	<u>1,052,572</u>	<u>1,052,572</u>	<u>-</u>
Fund Balances - ending	<u>\$ 833,828</u>	<u>\$ 862,852</u>	<u>\$ 1,857,050</u>	<u>\$ 994,198</u>

OLMSTED COUNTY
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>Year</u>	<u>Service Costs</u>	<u>Interest</u>	<u>Difference between Expected and Actual Experience</u>	<u>Change of Assumption</u>	<u>Benefit Payments</u>	<u>Net Change in Total OPEB Liability</u>	<u>Total OPEB Liability - Beginning</u>	<u>Total OPEB Liability - Ending</u>	<u>Covered Employee Payroll</u>	<u>Total OPEB Liability as a Percentage of Covered Employee Payroll</u>
2024	\$ 641,347	\$ 393,434	\$ (1,023,022)	\$ 430,424	\$ (469,615)	\$ (27,432)	\$ 9,427,012	\$ 9,399,580	\$ 110,050,995	8.54%
2023	598,400	213,250	-	(1,240,909)	(413,633)	(842,892)	10,269,904	9,427,012	99,726,581	9.45%
2022	801,962	220,310	(549,963)	(167,747)	(493,947)	(189,385)	10,459,289	10,269,904	96,821,923	10.61%
2021	767,345	286,333	-	524,527	(447,050)	1,131,155	9,328,134	10,459,289	94,460,968	11.07%
2020	645,067	321,992	350,067	348,991	(329,723)	1,336,394	7,991,740	9,328,134	91,487,620	10.20%
2019	520,432	267,819	-	(263,979)	(253,609)	270,663	7,721,077	7,991,740	84,419,002	9.47%
2018	549,460	251,295	-	-	(288,102)	512,653	7,208,424	7,721,077	85,235,794	9.06%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

OLMSTED COUNTY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Measurement Date	Employer's Proportionate Share (Percentage) of the Net Pension Liability	Employer's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with Olmsted County (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with Olmsted County (a + b)	Employer's Covered Payroll (c)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	1.121%	\$ 41,439,136	\$ 1,071,531	\$ 42,510,667	\$ 94,868,360	43.68%	89.10%
2023	1.101	61,589,054	1,697,854	63,286,908	87,587,853	70.32	83.10
2022	1.118	88,577,649	2,596,633	91,174,282	83,767,080	105.74	76.70
2021	1.170	49,955,701	1,525,514	51,481,215	84,213,320	59.32	87.00
2020	1.087	65,140,640	2,008,699	67,149,339	77,481,240	84.07	79.10
2019	1.040	57,471,627	1,786,256	59,257,883	73,569,293	78.12	80.23
2018	1.055	58,521,527	1,919,606	60,441,133	70,900,720	82.54	79.53
2017	1.048	66,882,069	841,730	67,723,799	67,492,227	99.10	75.90
2016	1.024	83,130,648	1,087,276	84,217,924	63,529,840	130.85	68.91
2015	1.019	52,792,259	N/A	52,792,259	59,961,542	88.04	78.20

The measurement date for each year is June 30.
N/A - Not Applicable

OLMSTED COUNTY
SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT
FUND FOR THE YEAR ENDED DECEMBER 31, 2024

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b - a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2024	\$ 7,444,968	\$ 7,444,968	\$ -	\$ 99,266,240	7.50%
2023	6,755,481	6,755,481	-	90,081,965	7.50
2022	6,425,022	6,425,022	-	85,674,576	7.50
2021	6,161,118	6,161,118	-	82,148,240	7.50
2020	5,988,746	5,988,746	-	79,849,947	7.50
2019	5,864,415	5,864,415	-	78,192,200	7.50
2018	5,414,747	5,414,747	-	72,196,627	7.50
2017	5,193,191	5,193,191	-	69,242,547	7.50
2016	4,945,994	4,945,994	-	65,946,587	7.50
2015	4,601,312	4,601,312	-	61,350,806	7.50

The County's year-end is December 31.

OLMSTED COUNTY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES POLICE AND FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Measurement Date	Employer's Proportionate Share (Percentage) of the Net Pension Liability	Employer's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with Olmsted County (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with Olmsted County (a + b)	Employer's Covered Payroll (c)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.607%	\$ 7,987,532	\$ 304,482	\$ 8,292,014	\$ 8,407,249	95.01%	90.20%
2023	0.595	10,281,784	414,169	10,695,953	7,818,514	131.51	86.50
2022	0.606	26,370,726	1,152,068	27,522,794	7,361,655	358.22	70.50
2021	0.618	4,770,305	214,465	4,984,770	7,303,757	65.31	93.70
2020	0.601	7,921,823	186,606	8,108,429	6,638,390	119.33	87.20
2019	0.616	6,556,878	N/A	6,556,878	6,353,221	103.21	89.26
2018	0.570	6,079,876	N/A	6,079,876	6,012,056	101.13	88.84
2017	0.551	7,439,156	N/A	7,439,156	5,659,370	131.45	85.43
2016	0.572	22,955,355	N/A	22,955,355	5,514,951	416.24	63.88
2015	0.578	6,567,433	N/A	6,567,433	5,305,805	123.78	86.60

The measurement date for each year is June 30.

N/A - Not Applicable

OLMSTED COUNTY
SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES POLICE AND FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b - a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2024	\$ 1,526,677	\$ 1,526,677	\$ -	\$ 8,625,294	17.70%
2023	1,437,074	1,437,074	-	8,119,059	17.70
2022	1,330,808	1,330,808	-	7,518,689	17.70
2021	1,286,201	1,286,201	-	7,266,672	17.70
2020	1,225,543	1,225,543	-	6,923,972	17.70
2019	1,168,180	1,168,180	-	6,891,917	16.95
2018	1,007,772	1,007,772	-	6,220,815	16.20
2017	941,551	941,551	-	5,812,043	16.20
2016	913,108	913,108	-	5,636,469	16.20
2015	871,680	871,680	-	5,380,741	16.20

The County's year-end is December 31.

OLMSTED COUNTY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
PERA PUBLIC EMPLOYEES CORRECTIONAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Measurement Date	Employer's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	2.842%	\$ 866,131	\$ 7,214,240	12.01%	97.50%
2023	2.826	1,277,493	6,626,331	19.28	95.90
2022	2.932	9,746,300	6,441,143	151.31	74.60
2021	2.929	(481,209)	6,476,754	7.43	101.60
2020	2.987	810,547	6,500,069	12.47	96.70
2019	3.036	420,334	6,475,783	6.49	98.17
2018	3.047	501,140	6,223,063	8.05	97.64
2017	3.040	8,664,030	6,077,063	142.57	67.89
2016	3.040	11,105,546	5,733,246	193.70	58.16
2015	2.990	462,254	5,363,086	8.62	96.90

The measurement date for each year is June 30.

OLMSTED COUNTY
SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES CORRECTIONAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b - a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2024	\$ 632,119	\$ 632,119	\$ -	\$ 7,224,217	8.75%
2023	608,198	608,198	-	6,950,834	8.75
2022	572,368	572,368	-	6,541,349	8.75
2021	555,305	555,305	-	6,346,343	8.75
2020	556,605	556,605	-	6,361,200	8.75
2019	585,298	585,298	-	6,689,051	8.75
2018	558,955	558,955	-	6,388,057	8.75
2017	535,829	535,829	-	6,123,760	8.75
2016	523,804	523,804	-	5,986,331	8.75
2015	481,889	481,889	-	5,507,290	8.75

The County's year-end is December 31.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Basis of Budgeting

Annual budgets are adopted on a basis consistent with GAAP for all Governmental Funds. The County also adopts budgets for Enterprise Funds for administrative purposes only. These are not legally mandated budgets; therefore, budgetary comparisons for Enterprise Funds have been omitted from the report.

Amounts encumbered under the budgetary system for purchases to be made in the following year lapse at year-end and are adjusted into the following year's budget if expended. Unencumbered budgets also lapse at year-end. There were no carryovers to the following year.

The County Board has adopted a budget system that does not allow expenditures in excess of the approved budget within the smallest organizational unit of the County, the department. As a result, in the budget-to-actual comparisons, there are no negative variances for expenditure items. It is possible for a negative variance to occur in revenue items. Department managers are obligated to report instances where negative variances are occurring in revenues without corresponding reductions in expenditures.

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheets of the Governmental Funds included within restricted, committed or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements.

In accordance with State law, the County adopts a proposed property tax levy by September 30 and the County Administrator presents the recommended budget to the County Board. In early December, on a date prescribed by State law, the Board holds a formal public hearing. The Board must then adopt the final budget and property tax levy on or before December 31.

The amount of the County's tax levy cannot be amended after adoption. Revenue and expense/expenditure budgets can be amended during the year. Prior approval by the Administrative Committee of the Board, or by Controllers, under the supervision of the Chief Financial Officer, is required to amend the budget for all changes.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Other Postemployment Benefits

Assets have not been accumulated in a trust that meets the criteria in paragraph four of the GASB Statement 75 to pay related benefits.

The following changes in significant plan provisions, actuarial methods, and assumptions were reflected in the OPEB actuarial valuation:

2024

Change in Actuarial Assumptions

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

The health care trend rates were updated to better anticipate short term and long term medical increases.

Change in Plan Provisions

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

2023

Change in Actuarial Assumptions

The discount rate was changed from 2.00% to 4.00%.

The inflation rate was changed from 2.00% to 2.50%.

Change in Plan Provisions

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

2022

Change in Actuarial Assumptions

The inflation rate was changed from 2.50% to 2.00%.

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 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.

Change in Plan Provisions

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

2021

Change in Actuarial Assumptions

The discount rate was changed from 2.90% to 2.00%.

Change in Plan Provisions

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

2020

Change in Actuarial Assumptions

The health care trend rates were changed to better anticipate short-term and long-term medical increases.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

The mortality tables were updated from the RP-2014 Mortality Tables (Blue Collar for Public Safety, White Collar for Others) with MP-2017 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.

The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and employee classification.

The discount rate was changed from 3.80% to 2.90%.

Change in Plan Provisions

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

2019

Change in Actuarial Assumptions

The discount rate was changed from 3.30% to 3.80%.

Change in Plan Provisions

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

2018

Change in Actuarial Assumptions

The health care trend rates were changed to better anticipate short-term and long-term medical increases.

The mortality table was updated from RP-2014 White Collar Mortality Table MP-2015 Generational Improvement Scale (with Blue Collar adjustments for Police and Fire Personnel) to the RP-2014 White Collar Mortality Table with MP-2017 Correctional Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).

The retirement and withdrawal tables for all employees were updated.

The discount rate was changed from 3.50% to 3.3%

Change in Plan Provisions

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

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Defined Benefit Pension Plans

The following changes in significant plan provisions, actuarial methods, and assumptions were reflected in the valuation performed on behalf of the Public Employees Retirement Association for fiscal year ended June 30:

General Employees Retirement Plan

2024

Change in Actuarial Assumptions

The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023):

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Change in Plan Provisions

The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023

Change in Actuarial Assumptions

The investment return assumption and single discount rate were changed from 6.5 percent to 7.00 percent.

Change in Plan Provisions

An additional one-time direct state aid contribution of \$170.1 million will be 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

Change in Actuarial Assumptions

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

Change in Plan Provisions

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

2021

Change in Actuarial Assumptions

The investment return and single discount rates were changed from 7.5% to 6.5%, for financial reporting purposes.

The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Change in Plan Provisions

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

2020

Change in Actuarial Assumptions

The price inflation assumption was decreased from 2.50% to 2.25%.

The payroll growth assumption was 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 result 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.

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.

Change 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

Change in Actuarial Assumptions

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

Change in Plan Provisions

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

2018

Change in Actuarial Assumptions

The morality projection scale was changed from MP-2015 to MP-2017.

The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Change 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.

Contribution stabilizer provisions were repealed.

Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 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; 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 in Actuarial Assumptions

The combined service annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA load are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.

The assumed postretirement benefit increase rate was changed for 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

Changes in Plan Provisions

The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.

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

2016

Change in Actuarial Assumptions

The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.

The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.

Other assumptions were changed pursuant to the experience study June 30, 2015. 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.

Change in Plan Provisions

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

2015

Change in Actuarial Assumptions

The assumed postretirement 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.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Change 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 increase 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 September 2015.

Public Employees Police and Fire Plan

2024

Change in Actuarial Assumptions

There were no changes in actuarial assumptions since the previous valuation.

Change in Plan Provisions

The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.

The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048, if earlier).

2023

Change in Actuarial Assumptions

The investment return assumption was changed from 6.5 percent to 7.00 percent.

The single discount rate changed from 5.40% to 7.00%.

Change in Plan Provisions

Additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.

Vesting requirements for new hires after June 30, 2014, was changed from graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years, increasing incrementally to 100% 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 related to the member's occupation.

The total and permanent duty disability benefit was increased, effective July 1, 2023

2022

Change 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%.

Change in Plan Provisions

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

2021

Change in Actuarial Assumptions

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

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

The inflation assumption was changed from 2.50% to 2.25%.

The payroll growth assumption was changed from 3.25% to 3.00%.

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 MN-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 increase 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 result 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 result in more assumed terminations.

Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.

Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

Change in Plan Provisions

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

2020

Change in Actuarial Assumptions

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

Change in Plan Provisions

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

2019

Change in Actuarial Assumptions

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

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

2018

Change in Actuarial Assumptions

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

Change in Plan Provisions

Postretirement benefit increases were 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 equal \$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.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 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 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.

Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Change in Actuarial Assumptions

Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.

Assumed rates of retirement were changed, resulting in fewer retirements.

The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 percent 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 decreased 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 was decreased from 65.00 percent to 60.00 percent.

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 postretirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.

The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

Change in Actuarial Plan Provisions

There were no changes in plan provisions since the prior valuation.

2016

Change in Actuarial Assumptions

The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter to 1.00 percent per year for all future years.

The assumed investment return was changed from 7.90 percent to 7.50 percent.

The single discount rate changed from 7.90 percent to 5.60 percent.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

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.

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation

2015

Change in Actuarial Assumptions

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

Change in Plan Provisions

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

Public Employees Correctional Plan

2024

Change in Actuarial Assumptions

There were no changes in actuarial assumptions since the prior valuation.

Change in Plan Provisions

Employee contribution rates will increase from 5.83% of pay to 6.83% of pay, effective July 1, 2025.

Employer contribution rates will increase from 8.75% of pay to 10.25% of pay, effective July 1, 2025.

The benefit multiplier changed from 1.9% to 2.2% for service earned after June 30, 2025.

2023

Change 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% to 7.00%.

Change in Plan Provisions

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 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.

2022

Change in Actuarial Assumptions

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

The single 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 1.50% per annum thereafter.

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

2021

Change in Actuarial Assumptions

The investment return and single discount rates were changed from 7.50% to 6.50%, for financial purposes.

The inflation assumption was changed from 2.50% to 2.25%.

The payroll growth assumption was changed from 3.25% to 3.00%.

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 MN-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 increase 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 result 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 lowered.

Assumed percent married for active members was lowered from 85% to 75%.

Minor changes to form of payment assumptions were applied.

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

2020

Change in Actuarial Assumptions

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

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

2019

Change in Actuarial Assumptions

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

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

2018

Change in Actuarial Assumptions

The single discount rate was changed from 5.96 percent per annum to 7.50 percent per annum.

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

The assumed post-retirement benefit increase was changed from 2.50 percent per year to 2.00 percent per year.

OLMSTED COUNTY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Change 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.

Postretirement 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, beginning January 1, 2019. If the funding status declines to 85.00 percent for two consecutive years or 80.00 percent for one year, the maximum increase will be lowered to 1.50 percent.

Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Change in Actuarial Assumptions

The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016 and is applied to healthy and disabled members. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to MP-2016).

The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 35.00 percent for vested members and 1.00 percent for non-vested members.

The single discount rate was changed from 5.31 percent per annum to 5.96 percent per annum.

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

2016

Change in Actuarial Assumptions

The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 5.31 percent.

The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.

2015

Change in Actuarial Assumptions

There have been no changes since the prior valuation.

Change in Plan Provisions

There were no changes in plan provisions since the prior valuation.



Supplementary Information

GOVERNMENTAL FUNDS

OLMSTED COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 4,380,600	\$ 4,380,600	\$ 4,357,314	\$ (23,286)
Investment income	238,294	326,357	450,572	124,215
Total Revenues	<u>4,618,894</u>	<u>4,706,957</u>	<u>4,807,886</u>	<u>100,929</u>
Expenditures:				
Debt service				
Principal	3,915,258	4,083,351	4,083,351	-
Interest and fiscal charges	<u>1,851,132</u>	<u>2,130,297</u>	<u>2,130,297</u>	<u>-</u>
Total Expenditures	<u>5,766,390</u>	<u>6,213,648</u>	<u>6,213,648</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,147,496)</u>	<u>(1,506,691)</u>	<u>(1,405,762)</u>	<u>100,929</u>
Other Financing Sources:				
Transfers in	<u>3,626,344</u>	<u>3,815,961</u>	<u>3,815,961</u>	<u>-</u>
Net changes in fund balances	2,478,848	2,309,270	2,410,199	100,929
Fund Balances - beginning	<u>23,738,995</u>	<u>23,738,995</u>	<u>23,738,995</u>	<u>-</u>
Fund Balances - ending	<u>\$ 26,217,843</u>	<u>\$ 26,048,265</u>	<u>\$ 26,149,194</u>	<u>\$ 100,929</u>

OLMSTED COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 4,337,000	\$ 1,070,411	\$ 1,393,292	\$ 322,881
Gifts and contributions	125,000	230,907	200,000	(30,907)
Investment income	-	129,045	271,372	142,327
Other	3,720,000	180,583	183,596	3,013
Total Revenues	<u>8,182,000</u>	<u>1,610,946</u>	<u>2,048,260</u>	<u>437,314</u>
Expenditures:				
Capital Outlay				
Public safety	2,645,335	12,685,135	12,488,913	196,222
Highways and streets	1,516,000	3,319,398	3,319,398	-
Culture and recreation	24,937,100	3,286,226	3,286,226	-
Total Expenditures	<u>29,098,435</u>	<u>19,290,759</u>	<u>19,094,537</u>	<u>196,222</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(20,916,435)</u>	<u>(17,679,813)</u>	<u>(17,046,277)</u>	<u>633,536</u>
Other Financing Sources (Uses):				
Transfers in	4,610,000	6,295,950	6,108,975	(186,975)
Issuance of debt	16,090,435	14,209,949	14,026,444	(183,505)
Premium on bonds	-	1,018,801	1,018,801	-
Sale of capital assets	216,000	201,283	210,492	9,209
Total Other Financing Sources (Uses)	<u>20,916,435</u>	<u>21,725,983</u>	<u>21,364,712</u>	<u>(361,271)</u>
Net changes in fund balances	-	4,046,170	4,318,435	272,265
Fund Balances - beginning	<u>4,807,103</u>	<u>4,807,103</u>	<u>4,807,103</u>	<u>-</u>
Fund Balances - ending	<u>\$ 4,807,103</u>	<u>\$ 8,853,273</u>	<u>\$ 9,125,538</u>	<u>\$ 272,265</u>

Internal Service Funds

Internal Service Funds are used to report activities that support other County departments and that are funded by user charges to those departments.

The **Self-Insurance Fund** accounts for self-insurance activities and compensated absences.

The **Administrative Services Fund** accounts for various organizational operations such as the motor pool, purchasing, copy and mail services, computer services, human resources, board of commissioners, administration, and policy, analysis, and communication and finance.

The **Building Facilities Fund** accounts for the activities related to the construction and maintenance of buildings and the related property.

OLMSTED COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2024

	Governmental Activities			
	Self Insurance	Administrative Services	Building Facilities	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 31,356,676	\$ 19,136,087	\$ 12,433,387	\$ 62,926,150
Cash and cash equivalents on deposit:				
Restricted for debt service	-	-	4,652,830	4,652,830
Restricted for construction	-	-	1,935,215	1,935,215
Designated for OPEB liability	9,399,580	-	-	9,399,580
Restricted investments held by trustee	-	-	8,575,145	8,575,145
Accounts receivable, net	600,000	-	4,167	604,167
Due from other governments	-	-	18,313	18,313
Lease receivable	-	-	205,786	205,786
Prepaid items	-	310,209	189,801	500,010
Total Current Assets	<u>41,356,256</u>	<u>19,446,296</u>	<u>28,014,644</u>	<u>88,817,196</u>
Noncurrent Assets:				
Accrued interest	-	-	48,579	48,579
Long-term loans	-	-	13,741	13,741
Lease receivable	-	-	113,684	113,684
Total Other Assets	<u>-</u>	<u>-</u>	<u>176,004</u>	<u>176,004</u>
Capital assets, net:				
Land	-	-	8,988,829	8,988,829
Building and structures	-	-	50,430,907	50,430,907
Improvements other than buildings	-	-	696,201	696,201
Equipment	-	1,017,118	3,413,351	4,430,469
Software	-	1,149,422	-	1,149,422
Infrastructure	-	-	1,165,848	1,165,848
Intangible right-to-use lease equipment	-	721,983	-	721,983
Intangible right-to-use subscription software	21,540	3,514,517	108,597	3,644,654
Construction in progress	-	-	1,962,872	1,962,872
Total capital assets, net	<u>21,540</u>	<u>6,403,040</u>	<u>66,766,605</u>	<u>73,191,185</u>
Total Noncurrent Assets	<u>21,540</u>	<u>6,403,040</u>	<u>66,942,609</u>	<u>73,367,189</u>
Total Assets	<u>41,377,796</u>	<u>25,849,336</u>	<u>94,957,253</u>	<u>162,184,385</u>
DEFERRED OUTFLOWS OF RESOURCES				
OPEB	1,223,044	-	-	1,223,044
Pension	-	1,551,430	202,589	1,754,019
Total Deferred Outflows of Resources	<u>1,223,044</u>	<u>1,551,430</u>	<u>202,589</u>	<u>2,977,063</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	765,355	175,208	77,982	1,018,545
Salaries payable	-	986,127	128,929	1,115,056
Contracts payable	-	-	343,684	343,684
Accrued interest payable	-	46,904	691,233	738,137
Due to other governments	36,859	13,207	38,377	88,443
Unearned revenue	173,509	-	112,500	286,009
Total OPEB liability	482,880	-	-	482,880
Compensated absences	8,865,546	1,793,972	262,945	10,922,463
Outstanding claims	1,558,314	-	-	1,558,314
Lease payable	-	233,135	-	233,135
Information technology subscription payable	-	1,355,638	21,001	1,376,639
Bonds payable	-	-	12,188,917	12,188,917
Total Current Liabilities	<u>11,882,463</u>	<u>4,604,191</u>	<u>13,865,568</u>	<u>30,352,222</u>
Noncurrent Liabilities:				
Total OPEB liability	8,916,700	-	-	8,916,700
Net pension liability	-	7,444,207	972,081	8,416,288
Compensated absences	5,217,034	1,543,153	63,777	6,823,964
Outstanding claims	852,402	-	-	852,402
Lease payable	-	238,461	-	238,461
Information technology subscription payable	-	1,651,475	98,456	1,749,931
Bonds payable	-	-	43,894,926	43,894,926
Total Noncurrent Liabilities	<u>14,986,136</u>	<u>10,877,296</u>	<u>45,029,240</u>	<u>70,892,672</u>
Total Liabilities	<u>26,868,599</u>	<u>15,481,487</u>	<u>58,894,808</u>	<u>101,244,894</u>
DEFERRED INFLOWS OF RESOURCES				
OPEB	2,211,065	-	-	2,211,065
Pension	-	5,245,253	684,937	5,930,190
Lease	-	-	302,318	302,318
Deferred gain on refunding	-	-	173,525	173,525
Total Deferred Inflows of Resources	<u>2,211,065</u>	<u>5,245,253</u>	<u>1,160,780</u>	<u>8,617,098</u>
NET POSITION				
Net Investment in capital assets	21,540	2,924,331	20,835,394	23,781,265
Restricted for debt service	-	-	4,046,786	4,046,786
Unrestricted	13,499,636	3,749,695	10,222,074	27,471,405
Total Net Position	<u>\$ 13,521,176</u>	<u>\$ 6,674,026</u>	<u>\$ 35,104,254</u>	<u>\$ 55,299,456</u>

OLMSTED COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Governmental Activities			
	Self Insurance	Administrative Services	Building Facilities	Total
Operating Revenues:				
Charges for services	\$ 33,962,900	\$ 33,817,179	\$ 12,873,701	\$ 80,653,780
Other	630,941	419,556	52,936	1,103,433
Total Operating Revenues	<u>34,593,841</u>	<u>34,236,735</u>	<u>12,926,637</u>	<u>81,757,213</u>
Operating Expenses:				
Personnel services	613,945	25,429,611	2,846,727	28,890,283
Consultants and professional services	33,205,963	397,075	5,112	33,608,150
Repairs and maintenance	-	2,826,907	1,443,781	4,270,688
Other services and charges	2,042,553	1,947,681	443,090	4,433,324
Supplies	79	250,661	252,650	503,390
Utilities	-	214,679	1,376,344	1,591,023
Depreciation	43,081	2,436,466	3,107,272	5,586,819
Total Operating Expenses	<u>35,905,621</u>	<u>33,503,080</u>	<u>9,474,976</u>	<u>78,883,677</u>
Operating Income (Loss)	<u>(1,311,780)</u>	<u>733,655</u>	<u>3,451,661</u>	<u>2,873,536</u>
Nonoperating Revenues (Expenses)				
Intergovernmental revenue	-	521,128	47,266	568,394
Investment income	662,420	207,923	723,089	1,593,432
Gain (loss) on disposal of capital assets	-	18,406	9,885	28,291
Lease revenue	-	-	281,034	281,034
Miscellaneous revenue	-	-	2,030,565	2,030,565
Miscellaneous expense	-	(230,172)	(90,447)	(320,619)
Interest expense	(682)	(83,242)	(1,406,448)	(1,490,372)
Bond issuance costs and fiscal charges	-	-	(33,765)	(33,765)
Total Nonoperating Revenues (Expenses)	<u>661,738</u>	<u>434,043</u>	<u>1,561,179</u>	<u>2,656,960</u>
Income (Loss) Before Transfers	(650,042)	1,167,698	5,012,840	5,530,496
Transfers in	200,000	305,660	350,000	855,660
Transfers out	-	(80,000)	(5,032,402)	(5,112,402)
Total Transfers	<u>200,000</u>	<u>225,660</u>	<u>(4,682,402)</u>	<u>(4,256,742)</u>
Change in net position	(450,042)	1,393,358	330,438	1,273,754
Net position - beginning, as previously reported	13,971,218	5,448,950	34,789,353	54,209,521
Change in accounting principle	-	(168,282)	(15,537)	(183,819)
Net position - beginning, as restated	<u>13,971,218</u>	<u>5,280,668</u>	<u>34,773,816</u>	<u>54,025,702</u>
Net position - ending	<u>\$ 13,521,176</u>	<u>\$ 6,674,026</u>	<u>\$ 35,104,254</u>	<u>\$ 55,299,456</u>

OLMSTED COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Governmental Activities			
	Self Insurance	Administrative Services	Building Facilities	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,133,749	\$ 1,837,764	\$ 57,137	\$ 3,028,650
Receipts from transactions with other funds	32,623,372	31,996,158	12,811,783	77,431,313
Payments to suppliers	(34,654,248)	(5,092,425)	(2,669,067)	(42,415,740)
Payments to employees	898,162	(25,412,079)	(3,400,918)	(27,914,835)
Payments to other funds for services provided	(791,935)	(742,195)	(1,021,129)	(2,555,259)
Other receipts	630,941	419,556	52,936	1,103,433
Net cash flows from operating activities	<u>(159,959)</u>	<u>3,006,779</u>	<u>5,830,742</u>	<u>8,677,562</u>
Cash flows from noncapital financing activities:				
Non-operating lease receipts	-	-	281,197	281,197
Transfers in	200,000	305,660	350,000	855,660
Intergovernmental grants received	-	521,128	47,266	568,394
Transfers out	-	(80,000)	(5,032,402)	(5,112,402)
Net cash flows from noncapital financing activities	<u>200,000</u>	<u>746,788</u>	<u>(4,353,939)</u>	<u>(3,407,151)</u>
Cash flows from capital and related financing activities:				
Acquisitions of capital assets	(54,196)	(2,321,645)	(8,434,443)	(10,810,284)
Proceeds from sale of capital assets	-	6,851	35,051	41,902
Capital Lease Payments	-	(268,369)	-	(268,369)
Bond proceeds	-	-	3,279,237	3,279,237
Payments on bond issue costs and fiscal charges	-	-	(33,765)	(33,765)
Principal paid	-	-	(3,131,649)	(3,131,649)
Interest paid	(682)	(46,980)	(1,578,951)	(1,626,613)
Net cash flows from capital and related financing activities	<u>(54,878)</u>	<u>(2,630,143)</u>	<u>(9,864,520)</u>	<u>(12,549,541)</u>
Cash flows from investing activities:				
Interest on investments	662,420	207,923	723,476	1,593,819
Withdrawals of restricted assets	-	-	87,950	87,950
Net cash flows from investing activities	<u>662,420</u>	<u>207,923</u>	<u>811,426</u>	<u>1,681,769</u>
Net increase (decrease) in cash and cash equivalents	647,583	1,331,347	(7,576,291)	(5,597,361)
Cash and cash equivalents - January 1	40,108,673	17,804,740	26,597,723	84,511,136
Cash and cash equivalents - December 31	<u>\$ 40,756,256</u>	<u>\$ 19,136,087</u>	<u>\$ 19,021,432</u>	<u>\$ 78,913,775</u>
Displayed on Proprietary Funds Statement of Net Position as:				
Cash and cash equivalents	\$ 31,356,676	\$ 19,136,087	\$ 12,433,387	\$ 62,926,150
Cash and cash equivalents on deposit:				
Restricted for debt service	-	-	4,652,830	4,652,830
Restricted for construction	-	-	1,935,215	1,935,215
Designated for OPEB	9,399,580	-	-	9,399,580
Total cash and cash equivalents	<u>\$ 40,756,256</u>	<u>\$ 19,136,087</u>	<u>\$ 19,021,432</u>	<u>\$ 78,913,775</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ (1,311,780)	\$ 733,655	\$ 3,451,661	\$ 2,873,536
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	43,081	2,436,466	3,107,272	5,586,819
Changes in pension amounts	-	(267,241)	(577,718)	(844,959)
Changes in OPEB amounts	405,254	-	-	405,254
(Increase) decrease in assets				
Accounts receivable	(248,923)	16,743	(1,148)	(233,328)
Due from other governments	-	-	27	27
Prepaid items	1,119	(119,198)	11,511	(106,568)
Increase (decrease) in Liabilities				
Accounts payable and other current liabilities	203,630	(79,664)	(117,901)	6,065
Salaries payable	-	200,984	29,229	230,213
Contracts payable	-	-	(65,865)	(65,865)
Due to other governments	23,913	1,245	3,036	28,194
Outstanding claims	(426,250)	-	-	(426,250)
Total OPEB liability	(27,432)	-	-	(27,432)
Compensated absences	1,134,285	83,789	(5,702)	1,212,372
Unearned revenue	43,144	-	(3,660)	39,484
Total adjustments	<u>1,151,821</u>	<u>2,273,124</u>	<u>2,379,081</u>	<u>5,804,026</u>
Net cash flows from operating activities	<u>\$ (159,959)</u>	<u>\$ 3,006,779</u>	<u>\$ 5,830,742</u>	<u>\$ 8,677,562</u>
Non-cash transaction information:				
The interest expense includes amounts for				
amortization of bond discounts and premiums and deferred amounts	\$ -	\$ -	\$ 233,940	\$ 233,940
Contracts/accounts payable included in capital assets	-	-	3,404,382	3,404,382
Acquisition of capital assets by subscription payable	(54,196)	2,039,360	119,457	2,104,621
GASB 101 change in accounting principal - compensated absences	-	(168,282)	(15,537)	(183,819)

Custodial Funds

Custodial Funds are used to account for resources held by the County as a custodian on behalf of other outside parties.

The **Service Bureau Activities Fund** accounts for the funds of the following:

- Dodge Olmsted Community Corrections
- Family Collaborative Services
- Lake Zumbro Restoration Project
- Olmsted County Soil and Water Conservation District
- Regional Family Group Decision Making
- Regional Mental Health Initiative
- Regional Mobile Crisis
- Southeastern Minnesota Recyclers Exchange
- Southeast Minnesota Violent Crime Enforcement Team
- Southeastern Minnesota Regional Emergency Communication Board and State of Minnesota

The **State Revenue Fund** accounts for collections received and due to the State.

The **Individuals, Organizations, and Other Governments Revenue Fund** accounts for collections received and due to individuals, organization, or other governments.

The **Taxes and Penalties Fund** accounts for the collection and distribution of property taxes (current and delinquent) to school districts, towns and cities.

OLMSTED COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2024

	Service Bureau Activities	State Revenue	Individuals, Organizations, and Other Local Governments Revenue	Tax and Penalties	Total
ASSETS					
Cash, deposits, and investments	\$ 3,936,283	\$ 1,822,680	\$ 281,272	\$ 5,976,141	\$ 12,016,376
Taxes receivable for other governments	-	-	-	3,315,535	3,315,535
Special assessments receivable	481,381	-	-	-	481,381
Accounts receivable, net	160,744	1,055	15,568	-	177,367
Due from other governments	1,516,583	105	-	-	1,516,688
Prepaid items	20,690	-	-	-	20,690
Total Assets	<u>6,115,681</u>	<u>1,823,840</u>	<u>296,840</u>	<u>9,291,676</u>	<u>17,528,037</u>
LIABILITIES					
Accounts payable	205,237	78	31,026	3,982,756	4,219,097
Due to other governments	1,102,060	1,823,656	4,683	1,709,785	4,640,184
Unearned revenue	281,744	-	-	-	281,744
Total Liabilities	<u>1,589,041</u>	<u>1,823,734</u>	<u>35,709</u>	<u>5,692,541</u>	<u>9,141,025</u>
DEFERRED INFLOWS OF RESOURCES					
Advanced contributions	<u>2,078,446</u>	<u>-</u>	<u>-</u>	<u>283,601</u>	<u>2,362,047</u>
NET POSITION					
Restricted for:					
Individuals, organizations, and governments	<u>\$ 2,448,194</u>	<u>\$ 106</u>	<u>\$ 261,131</u>	<u>\$ 3,315,534</u>	<u>\$ 6,024,965</u>

OLMSTED COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Service Bureau Activities	State Revenue	Individuals, Organizations, and Other Local Governments Revenue	Tax and Penalties	Total
ADDITIONS					
Contributions:					
Individuals	\$ -	\$ -	\$ 427,099	\$ -	\$ 427,099
Members	9,161,563	-	-	-	9,161,563
Others	1,410,762	-	-	-	1,410,762
Interest, dividends, other	172,249	-	-	-	172,249
Property tax collections for other governments	-	22,620,054	-	235,200,016	257,820,070
Other tax collections for other governments	-	7,940,457	-	-	7,940,457
Grant collections for other governments and organizations	8,932,255	-	-	-	8,932,255
Fee collections for other governments and organizations	1,105,380	995,583	262,769	-	2,363,732
Fines and forfeits collections for other governments and organizations	173,887	-	-	-	173,887
Miscellaneous	29,695	2,591,149	694,879	-	3,315,723
Total additions	<u>20,985,791</u>	<u>34,147,243</u>	<u>1,384,747</u>	<u>235,200,016</u>	<u>291,717,797</u>
DEDUCTIONS					
Beneficiary payments to individuals	-	-	109,407	-	109,407
Payments of property tax to other governments	-	22,620,054	-	232,531,607	255,151,661
Payments to state	-	11,076,664	-	-	11,076,664
Administrative expenses	744,686	-	-	-	744,686
Payments to other entities	19,976,602	450,540	1,292,457	2,245,729	23,965,328
Total deductions	<u>20,721,288</u>	<u>34,147,258</u>	<u>1,401,864</u>	<u>234,777,336</u>	<u>291,047,746</u>
Net increase (decrease) in fiduciary net position	264,503	(15)	(17,117)	422,680	670,051
Net Position - beginning	2,183,691	121	278,248	2,892,854	5,354,914
Net Position - ending	<u>\$ 2,448,194</u>	<u>\$ 106</u>	<u>\$ 261,131</u>	<u>\$ 3,315,534</u>	<u>\$ 6,024,965</u>

Capital Assets Used in the Operation of Governmental Funds

OLMSTED COUNTY
CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2024

	Land	Infrastructure Land	Infrastructure	Buildings	Improvements other than Buildings	Equipment and Vehicles	Software	Subscription Right-To-Use Software	Construction in Progress	Total
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,192,462	\$ 2,704,318	\$ 139,715	\$ -	\$ 4,036,495
Public safety	1,805,537	-	54,352	15,591,254	1,960,910	7,698,219	1,154,108	1,189,360	-	29,453,740
Conservation of natural resources	640,000	130,859	365,055	-	-	182,171	-	-	-	1,318,085
Highways and streets	9,421,489	41,580,712	326,298,471	28,719,889	1,164,041	15,312,406	33,691	418,736	10,470,949	433,420,384
Health	-	-	-	-	-	221,478	522,808	-	-	744,286
Human services	-	-	-	-	-	72,723	1,159,696	-	-	1,232,419
Culture and recreation	3,517,223	-	-	26,315,759	5,744,239	3,487,188	-	-	1,854,154	40,918,563
Total Capital Assets	15,384,249	41,711,571	326,717,878	70,626,902	8,869,190	28,166,647	5,574,621	1,747,811	12,325,103	511,123,972
Less Accumulated Depreciation	-	-	(175,383,021)	(19,042,076)	(4,256,903)	(16,991,746)	(4,914,731)	(243,736)	-	(220,832,213)
Capital Assets, net	<u>\$ 15,384,249</u>	<u>\$ 41,711,571</u>	<u>\$ 151,334,857</u>	<u>\$ 51,584,826</u>	<u>\$ 4,612,287</u>	<u>\$ 11,174,901</u>	<u>\$ 659,890</u>	<u>\$ 1,504,075</u>	<u>\$ 12,325,103</u>	<u>\$ 290,291,759</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

OLMSTED COUNTY
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Governmental Funds Capital Assets January 1	Additions	Deductions	Transfers	Governmental Funds Capital Assets December 31
General government	\$ 3,904,745	\$ 247,350	\$ (115,600)		\$ 4,036,495
Public safety	7,723,827	19,889,649	(7,411,195)	9,251,459	29,453,740
Conservation of natural resources	1,318,085	-	-		1,318,085
Highways and streets	413,716,434	53,154,604	(33,450,654)		433,420,384
Health	744,286	-	-		744,286
Human services	1,232,419	-	-		1,232,419
Culture and recreation	38,736,116	3,612,672	(1,430,225)		40,918,563
Total	<u>\$ 467,375,912</u>	<u>\$ 76,904,275</u>	<u>\$ (42,407,674)</u>	<u>\$ 9,251,459</u>	<u>\$ 511,123,972</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

OLMSTED COUNTY
CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
FOR THE YEAR ENDED DECEMBER 31, 2024

Governmental funds capital assets:

Land	\$ 15,384,249
Infrastructure land	41,711,571
Infrastructure	326,717,878
Buildings	70,626,902
Improvements other than buildings	8,869,190
Equipment and vehicles	28,166,647
Software	5,574,621
Subscription right-to-use software	1,747,811
Construction in progress	12,325,103
Total governmental funds capital assets	<u>\$ 511,123,972</u>

Investment in governmental funds capital assets by source:

General government	\$ 4,036,495
Public safety	29,453,740
Conservation of natural resources	1,318,085
Highways and streets	433,420,384
Health	744,286
Human services	1,232,419
Culture and recreation	40,918,563
Total governmental funds capital assets	<u>\$ 511,123,972</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

Schedule does not include assets held by the Proprietary Funds.

Schedules

OLMSTED COUNTY
SCHEDULE OF DEPOSITS AND INVESTMENTS
DECEMBER 31, 2024

Investments	Interest Rates (Percent)	December 31, 2024
Pooled Investments		
Municipal Bonds	3 - 3.99	\$ 5,871,921
	4 - 4.99	2,492,071
Total Municipal Bonds		<u>8,363,992</u>
U.S. Government Securities	0 - 0.99	23,239,586
	1 - 1.99	21,515,562
	2 - 2.99	43,013,715
	3 - 3.99	44,172,060
	4 - 4.99	74,084,993
	5 - 5.99	3,109,219
Total U.S. Government Securities		<u>209,135,135</u>
Mutual Funds	Variable	56,382,728
Total Pooled Investments		<u>273,881,855</u>
Investments Held at Trust		
U.S. Government Securities	0 - 0.99	25,848,788
Mutual Funds	Variable	8,371,737
Total Investments		<u>308,102,380</u>
Total Deposits and Petty Cash		<u>\$ 862,783</u>
Total Deposits and Investments		<u>\$ 308,965,163</u>

OLMSTED COUNTY
TAX CAPACITY, TAX RATES, LEVIES, AND PERCENTAGE OF COLLECTIONS
FOR FISCAL YEAR 2024

	2024	
	Net Tax Capacity	Tax Capacity Rate Percent
Tax Capacity:		
Real property	\$ 302,995,534	
Personal property	4,631,754	
Tax increment financing	(10,016,331)	
Net Tax Capacity (1)	<u>\$ 297,610,957</u>	
Taxes Levied for		
County Purposes:		
General	\$ 133,020,541	42.689
Library (2)	1,421,768	1.733
Total Levy for County Purposes (3)	<u>\$ 134,442,309</u>	<u>44.422</u>
Less:		
State paid Credits & Aids	8,749,953	
Net Levy for County Purposes	<u>\$ 125,692,356</u>	
Taxable Valuations -		
Light and Power:		
Transmission	\$ 44,848	
Distribution	296,312	
Total Taxable Valuation - Light and Power	<u>\$ 341,160</u>	
Light and Power Tax Levied (4)		
Tax Capacity Rate %		102.410
Market Value Rate %		0.1800
Transmission - County share (5)	\$ 24,967	
Distribution - County share (5)	164,808	
Total Light and Power Tax Levied	<u>\$ 189,775</u>	
Percentage of tax collections, for all purposes (6)	99.1%	

- (1) Source: Payable year Abstract of Tax Lists and Certification of State Paid Property Tax Cre
the beginning of the payable year
- (2) Levy applicable to selected areas only
- (3) Source: Certified Levy amounts approved by the County Board
- (4) Distributed pursuant to Minn. Stat. 273.42, as amended
- (5) Source: MN Dept of Revenue ATL Summary Report
- (6) % collected is the payable year total current real estate & personal property taxes without
penalty divided by total current real estate and personal property + transmission due as of
beginning of payable year

OLMSTED COUNTY
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED 12/31/2024

	General	Infrastructure	Health & Human Services	Opioid Settlement	Capital Projects Fund	Fund Type Total	Waste Management Enterprise Fund	Olmsted County HRA Enterprise Fund	Internal Service Funds	Grand Total
APPROPRIATIONS AND SHARED REVENUE										
Aquatic Invasive Species Program Aid	\$ 11,067	\$ -	\$ -	\$ -	\$ -	\$ 11,067	\$ -	\$ -	\$ -	\$ 11,067
Certified Program Aid	10,368,476	-	-	-	-	10,368,476	-	-	-	10,368,476
Disparity Aid	4,892	-	-	-	-	4,892	-	-	-	4,892
Local Government Cannabis Aid	-	-	2,114	-	-	2,114	-	-	-	2,114
Local Homeless Prevention Aid	-	-	674,436	-	-	674,436	-	-	-	674,436
Local Performance Aid	-	-	-	-	-	-	-	-	23,070	23,070
Market Value	399,827	-	-	-	-	399,827	-	15,458	-	415,285
Out of Home Placement Aid	-	-	12,757	-	-	12,757	-	-	-	12,757
PERA Aid	796,610	99,531	881,562	-	-	1,777,703	120,376	-	393,062	2,291,141
Police State Aid	1,007,895	-	-	-	-	1,007,895	-	-	-	1,007,895
Statewide Affordable Housing Aid	-	-	483,308	-	-	483,308	-	-	-	483,308
E911 Distribution	539,732	-	-	-	-	539,732	-	-	-	539,732
MPCA Score Reimbursement	-	-	-	-	-	-	574,625	-	-	574,625
Highway User Tax - State Aid	-	9,517,942	-	-	-	9,517,942	-	-	-	9,517,942
TOTAL APPROPRIATIONS AND SHARED REVENUE	13,128,499	9,617,473	2,054,177	-	-	24,800,149	695,001	15,458	416,132	25,926,740
REIMBURSEMENT FOR SERVICES										
	-	-	11,019,405	-	-	11,019,405	-	-	-	11,019,405
STATE GRANTS										
Corrections	-	-	90,000	-	-	90,000	-	-	-	90,000
Health	-	-	2,291,300	-	-	2,291,300	-	-	-	2,291,300
Housing Finance Agency	-	-	-	-	-	-	-	618,113	-	618,113
Human Services	5,912	-	11,047,657	-	-	11,053,569	-	656,383	-	11,709,952
Natural Resources	23,870	-	-	-	1,320,967	1,344,837	-	-	-	1,344,837
Peace Officer Standards and Training Board	87,173	-	-	-	-	87,173	-	-	-	87,173
Pollution Control	-	-	-	-	-	-	50,688	-	-	50,688
Public Safety	47,197	-	-	-	72,325	119,522	-	-	-	119,522
Secretary of State	309,178	-	-	-	-	309,178	-	-	-	309,178
Transportation	47,407	127,409	-	-	-	174,816	-	-	-	174,816
Trial Courts	167,418	-	-	-	-	167,418	-	-	-	167,418
Water and Soil Resources	73,640	-	-	-	-	73,640	-	-	-	73,640
TOTAL STATE GRANTS	761,795	127,409	13,428,957	-	1,393,292	15,711,453	50,688	1,274,496	-	17,036,637
FEDERAL GRANTS										
Executive Office of the President	60,000	-	-	-	-	60,000	-	-	-	60,000
US Department of Agriculture	103,481	-	2,746,352	-	-	2,849,833	-	46,577	-	2,896,410
US Department of Health and Human Services	1,064,969	-	19,066,468	-	-	20,131,437	-	-	-	20,131,437
US Department of Housing and Urban Development	-	-	11,005	-	-	11,005	-	9,114,080	-	9,125,085
US Department of Justice	96,670	-	-	-	-	96,670	-	-	-	96,670
US Department of the Treasury	1,143	-	-	-	-	1,143	-	-	-	1,143
US Department of Transportation	535,956	755,079	-	-	-	1,291,035	-	-	-	1,291,035
TOTAL FEDERAL GRANTS	1,862,219	755,079	21,823,825	-	-	24,441,123	-	9,160,657	-	33,601,780
GENERAL										
Non-SEFA Inflation Reduction Act Renewable Tax Credit	-	-	-	-	-	-	-	-	1,867	1,867
TOTAL GENERAL	-	-	-	-	-	-	-	-	1,867	1,867
LOCAL										
City of Rochester	41,325	-	-	120,000	-	161,325	-	540,000	-	701,325
Fillmore County	-	-	-	-	-	-	-	-	10,474	10,474
Freeborn County	-	-	-	-	-	-	-	-	15,024	15,024
Goodhue County	-	-	-	-	-	-	-	-	23,483	23,483
Houston County	-	-	-	-	-	-	-	-	9,195	9,195
Minnesota Prairie County Alliance	-	-	-	-	-	-	-	-	37,794	37,794
Mower County	-	-	-	-	-	-	-	-	19,632	19,632
Other Governmental	38,606	-	-	-	-	38,606	-	-	-	38,606
Wabasha County	-	-	-	-	-	-	-	-	10,593	10,593
Winona County	-	-	-	-	-	-	-	-	24,200	24,200
TOTAL LOCAL	79,931	-	-	120,000	-	199,931	-	540,000	150,395	890,326
PAYMENT IN LIEU OF TAXES	145,030	-	-	-	-	145,030	-	-	-	145,030
TOTAL INTERGOVERNMENTAL REVENUE	\$ 15,977,474	\$ 10,499,961	\$ 48,326,364	\$ 120,000	\$ 1,393,292	\$ 76,317,091	\$ 745,689	\$ 10,990,611	\$ 568,394	\$ 88,621,785

OLMSTED COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/ Grant Program Title	Federal Assistance Listing Number (ALN)	Pass-Through Agency	Pass-Through Agency Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	MN Dept. of Health	222MN004W1003	\$ 356,675	\$ -
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	MN Dept. of Health	242MN004W1003	574,313	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	MN Dept. of Health	222MN004W5003	91,419	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	MN Dept. of Health	242MN014W5003	86,646	-
Total WIC Special Supplemental Nutrition Program for Women, Infants and Children				1,109,053	-
SNAP Cluster					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	MN Dept. of Human Services	232MN101S2514	2,056,427	-
Total SNAP Cluster				2,056,427	-
WIC Farmers' Market Nutrition Program (FMNP)	10.572	MN Dept. of Agriculture	202322Y860442	2,496	-
Total U.S. Department of Agriculture				3,167,976	-
U.S. Department of Housing and Urban Development					
Continuum of Care Program	14.267	Institute for Community Alliances	MN0366L5K022207	9,214	-
Continuum of Care Program	14.267	Institute for Community Alliances	MN0366L5K02308	1,791	-
Total Continuum of Care Program				11,005	-
Total U.S. Department of Housing and Urban Development				11,005	-
U.S. Department of Justice					
Crime Victim Assistance	16.575	MN Dept. of Public Safety	A-CVS-2024-OLMSTEO-128	97,038	-
State Criminal Alien Assistance Program	16.606	N/A	N/A	16,673	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	City of Rochester	15PBJA-23-GG-03530-JAGX	1,854	-
Equitable Sharing Program	16.922	N/A	N/A	5,577	-
Total U.S. Department of Justice				121,142	-
U.S. Department of Transportation					
Highway Planning and Construction	20.205	MN Dept. of Transportation	BROS 5523 (191)	172,386	-
Highway Planning and Construction	20.205	MN Dept. of Transportation	RC21(127)	554,861	-
Total Highway Planning and Construction				727,247	-

See notes to schedule of expenditures of federal awards

(continued)

OLMSTED COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/ Grant Program Title	Federal Assistance Listing Number (ALN)	Pass-Through Agency	Pass-Through Agency Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation (cont.)					
Recreational Trails Program	20.219	MN Dept. of Natural Resources	0008-24-3C	\$ 75,000	\$ 75,000
Highway Safety Cluster					
State and Community Highway Safety	20.600	MN Dept. of Public Safety	A-ENFRC24-2024-OLMSTESD-037	17,744	7,755
Total Highway Safety Cluster				17,744	7,755
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	MN Dept. of Public Safety	A-ENFRC24-2024-OLMSTESD-037	21,894	13,433
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	MN Dept. of Public Safety	A-ENFRC25-2025-OLMSTESD-057	4,881	2,970
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated				26,775	16,403
Total U.S. Department of Transportation				846,766	99,158
U.S. Department of Treasury					
Equitable Sharing	21.016	N/A	N/A	1,143	-
Total U.S. Department of Treasury				1,143	-
U.S. Department of Health and Human Services					
Public Health Emergency Preparedness	93.069	MN Dept. of Health	NU90TP922026	38,692	-
Public Health Emergency Preparedness	93.069	MN Dept. of Health	NU90TU000040	39,134	-
Total Public Health Emergency Preparedness				77,826	-
Environmental Public Health and Emergency Response	93.070	N/A	N/A	65,828	-
Maternal and Child Health Federal Consolidated Programs	93.110	MN Dept. of Health	U7A46839	40,000	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	MN Dept. of Health	NU52PS910214	50,000	-
Immunization Cooperative Agreements	93.268	MN Dept. of Health	NH23IP922628	72,768	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	MN Dept. of Health	NU50CK000508	295,523	-
Activities to Support State, Tribal, Local and Territorial (STLT)					
Health Department Response to Public Health or Healthcare Crises	93.391	MN Dept. of Health	NH75OT000032	57,375	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556	MN Dept. of Human Services	2301MNFPS	107,936	-
Temporary Assistance for Needy Families	93.558	MN Dept. of Health	2501MNTANF	87,934	-
Temporary Assistance for Needy Families	93.558	MN Dept. of Human Services	2401MNTANF	1,657,810	-
Total Temporary Assistance for Needy Families				1,745,744	-
Child Support Services	93.563	MN Dept. of Human Services	2301MNCSES / 2301MNCEST	2,537,483	-
Child Support Services	93.563	MN Dept. of Human Services	2301MNCSES	1,101,525	-
Total Child Support Services				\$ 3,639,008	\$ -

See notes to schedule of expenditures of federal awards

OLMSTED COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/ Grant Program Title	Federal Assistance Listing Number (ALN)	Pass-Through Agency	Pass-Through Agency Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (cont.)					
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	MN Dept. of Human Services	2401MNRCA	\$ 11,354	\$ -
CCDF Cluster					
Child Care and Development Block Grant	93.575	MN Dept. of Human Services	2401MNCCDF	462,061	-
Total CCDF Cluster				462,061	-
Community-Based Child Abuse Prevention Grants	93.590	MN Dept. of Human Services	2302MNBCAP	266,477	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	MN Dept. of Human Services	2301MNCWSS	6,091	-
Foster Care Title IV-E	93.658	MN Dept. of Human Services	2401MNFOST	2,368,459	-
Social Services Block Grant	93.667	MN Dept. of Human Services	2401MNSOSR	681,784	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	MN Dept. of Human Services	2301MNCILP	14,882	-
Children's Health Insurance Program	93.767	MN Dept. of Human Services	2305MN5021	2,356	-
Medicaid Cluster					
Medical Assistance Program	93.778	MN Dept. of Human Services	2405MN5ADM	8,951,841	-
Medical Assistance Program	93.778	MN Dept. of Human Services	2405MN5MAP	45,996	-
Total Medical Assistance Program and Medicaid Cluster				8,997,837	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	MN Dept. of Health	X1043589	559,999	-
Block Grants for Prevention and Treatment of Substance Abuse	93.958	MN Dept. of Human Services	B09SM085364	75,123	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	MN Dept. of Health	NE11OE000048	155,624	-
Maternal and Child Health Services Block Grant to the States	93.994	MN Dept. of Health	BO4MC32551	137,100	-
Total U.S. Department of Health and Human Services				19,891,155	-
Executive Office of the President					
High Intensity Drug Trafficking Areas Program	95.001	NA	NA	53,526	-
Total Executive Office of the President				53,526	-
U.S. Department of Homeland Security					
Emergency Management Performance Grants	97.042	MN Dept. of Public Safety	EMC-2022-EP-00007	73,716	-
Total U.S. Department of Homeland Security				73,716	-
Total Federal Programs				\$ 24,166,429	\$ 99,158

OLMSTED COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

NOTE 1 – REPORTING ENTITY

The schedule of expenditures of federal awards (the schedule) presents the activities of federal award programs expended by Olmsted County (the County). Olmsted County's financial statements include the operations of the Olmsted County Housing and Redevelopment Authority (HRA), a blended component unit of Olmsted County, which expended \$10,883,755 in federal awards during the year ended December 31, 2024. The HRA's federal awards are not included in the schedule of expenditures of federal awards, since the HRA has been audited by other auditors and those amounts are reported in a separate report. The County's reporting entity is defined in Note 1 to the financial statements.

NOTE 2 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Olmsted County under programs of the federal government for the year ended December 31, 2024. 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). Because the schedule presents only a selected portion of the operations of Olmsted County, it is not intended to and does not present the financial position, changes in net position or cash flows of Olmsted County.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 4 – INDIRECT COST RATE

Olmsted County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

OLMSTED COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

NOTE 5 – RECONCILIATION TO SCHEDULE OF INTERGOVERNMENTAL REVENUE

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 33,601,780
Grants received more than 45 days after year-end, unavailable revenue in 2024:	
High Intensity Drug Trafficking Areas Program	53,526
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	351,523
Temporary Assistance for Needy Families	391,632
Emergency Management Performance Grants	73,716
Foster Care Title IV-E	307,584
Crime Victim Assistance	24,473
Highway Planning and Construction	196,001
Unavailable in 2023; recognized as revenue in 2024:	
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	(33,380)
Temporary Assistance for Needy Families	(534,235)
Community-Based Child Abuse Prevention Grants	(47,186)
Foster Care Title IV-E	(9,320)
Medical Assistance Program	(348,758)
High Intensity Drug Trafficking Areas Program	(60,000)
Highway Planning and Construction	(640,270)
The Olmsted County HRA component unit is not included in Olmsted County's Schedule of Expenditures of Federal Awards. That information is included in the separately issued financial statements of the HRA.	(10,883,755)
Olmsted County HRA reconciling items between the Schedule of Expenditures of Federal Awards and the Schedule of Intergovernmental Revenue	<u>1,723,098</u>
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 24,166,429</u>



SECTION III STATISTICAL SECTION

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.

- Net Position by Component
- Changes in Net Position
- Fund Balance, Governmental Funds
- Changes in Fund Balance, Governmental Funds

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

- Net Tax Capacity and Taxable Market Value of Taxable Property
- Economic Market Value
- Direct and Overlapping Property Tax Rates
- Principal Property Taxpayers
- Property Tax Levies and Collections

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.

- Ratios of Outstanding Debt by Type
- Ratios of Net General Bonded Debt Outstanding
- Direct and Overlapping General Obligation Bonded Debt
- Legal Debt Margin Information

Demographic and Economic - These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

- Demographic and Economic Statistics
- Principal Employers

Operating - 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.

- Full-time Equivalent Employees by Function/Program
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function/Program

SCHEDULE 1 (Unaudited)

OLMSTED COUNTY
Net Position by Component
(in thousands of dollars)
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016 (2)	2017 (3)	2018	2019	2020	2021	2022	2023	2024 (1)
Governmental activities										
Net investment in capital assets	\$ 176,290	\$ 179,278	\$ 176,362	\$ 178,260	\$ 181,076	\$ 192,229	\$ 204,900	\$ 218,053	\$ 230,797	\$ 245,415
Restricted	15,067	11,162	11,579	13,210	15,913	15,867	17,320	19,717	23,490	23,359
Unrestricted	61,308	57,055	53,045	60,872	67,646	88,696	97,977	91,982	98,810	100,792
Total Governmental activities net position	<u>\$ 252,665</u>	<u>\$ 247,495</u>	<u>\$ 240,986</u>	<u>\$ 252,342</u>	<u>\$ 264,635</u>	<u>\$ 296,792</u>	<u>\$ 320,197</u>	<u>\$ 329,752</u>	<u>\$ 353,097</u>	<u>\$ 369,566</u>
Business-type activities										
Net investment in capital assets	\$ 33,966	\$ 32,080	\$ 31,812	\$ 33,397	\$ 34,929	\$ 37,236	\$ 37,420	\$ 39,981	\$ 44,297	\$ 54,005
Restricted	6,832	7,228	7,329	7,475	7,872	9,079	8,718	9,342	9,323	11,034
Unrestricted	5,251	8,266	11,692	15,328	15,941	18,375	21,839	27,394	32,620	37,356
Total Business-type activities net position	<u>\$ 46,049</u>	<u>\$ 47,574</u>	<u>\$ 50,833</u>	<u>\$ 56,200</u>	<u>\$ 58,742</u>	<u>\$ 64,690</u>	<u>\$ 67,977</u>	<u>\$ 76,717</u>	<u>\$ 86,240</u>	<u>\$ 102,395</u>
Primary government										
Net investment in capital assets	\$ 210,256	\$ 211,358	\$ 208,174	\$ 211,657	\$ 216,005	\$ 229,465	\$ 242,320	\$ 258,034	\$ 275,094	\$ 299,420
Restricted	21,899	18,390	18,908	20,685	23,785	24,946	26,038	29,059	32,813	34,393
Unrestricted	66,559	65,321	64,737	76,200	83,587	107,071	119,816	119,376	131,430	138,148
Total primary government net position	<u>\$ 298,714</u>	<u>\$ 295,069</u>	<u>\$ 291,819</u>	<u>\$ 308,542</u>	<u>\$ 323,377</u>	<u>\$ 361,482</u>	<u>\$ 388,174</u>	<u>\$ 406,469</u>	<u>\$ 439,337</u>	<u>\$ 471,961</u>

(1) Governmental activities net position has been adjusted according to GASB 101.

(2) In January of 2016, the seven-member Olmsted County Board, elected by district, acted to become the Olmsted County HRA Board (OCHRA), which resulted in reporting the OCHRA as a blended component unit of Olmsted County.

(3) Governmental activities net position has been adjusted according to GASB 75.

Business-type activities net position has not been adjusted for the \$354,000 component unit addition to the Olmsted County HRA.

Note: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the county.

Data Source: Yearly Financial Statements

SCHEDULE 2 (Unaudited)

OLMSTED COUNTY
Changes in Net Position
(in thousands of dollars)
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General Government	\$ 15,357	\$ 22,791	\$ 25,905	\$ 19,732	\$ 19,850	\$ 26,536	\$ 20,291	\$ 31,055	\$ 14,817	\$ 15,688
Public Safety	38,759	53,829	51,468	50,865	54,051	55,038	57,451	64,164	68,881	70,802
Highway and Streets	35,650	25,439	27,206	25,686	28,303	27,821	28,584	29,752	30,728	31,715
Health	13,210	13,786	13,578	13,810	13,535	13,689	13,560	13,212	15,272	15,555
Human Services	61,196	66,978	68,391	69,583	76,135	78,533	77,292	90,015	95,579	100,862
Culture and Recreation	4,519	5,370	7,216	4,801	5,464	5,894	5,942	6,879	7,309	8,267
Interest on long-term debt	2,554	3,292	2,716	2,482	2,517	2,494	2,374	3,074	3,033	3,484
Other	1,130	1,771	1,688	2,621	4,173	1,376	1,403	1,565	2,023	1,898
Total governmental activities expenses	172,375	193,256	198,168	189,580	204,028	211,381	206,897	239,716	237,642	248,271
Business-type activities:										
Waste Management	21,771	26,007	22,393	22,783	25,368	23,597	23,910	22,986	23,434	23,627
Sanitary Sewer	104	91	120	104	119	124	132	152	134	220
Communications	1,100	1,087	1,260	1,106	1,266	1,322	1,801	193	-	-
Olmsted County HRA	n/a	6,443	7,351	7,320	8,382	10,789	11,806	12,871	14,161	16,550
Total business-type activities expenses	22,975	33,628	31,124	31,313	35,135	35,832	37,649	36,202	37,729	40,397
Total primary government expenses	\$ 195,350	\$ 226,884	\$ 229,292	\$ 220,893	\$ 239,163	\$ 247,213	\$ 244,546	\$ 275,918	\$ 275,371	\$ 288,668
Program Revenues										
Governmental activities:										
Charges for services, Fines, Licenses and Permits										
General Government	\$ 4,325	\$ 6,258	\$ 5,831	\$ 6,031	\$ 5,754	\$ 5,371	\$ 4,888	\$ 9,351	\$ 3,587	\$ 3,647
Public Safety	3,080	9,543	9,668	10,018	10,469	10,659	11,391	11,424	12,394	12,675
Highway and Streets	2,551	3,389	964	995	1,500	1,170	1,326	888	1,577	1,559
Health	2,202	2,026	2,692	2,709	1,588	1,478	1,587	2,666	2,169	3,334
Human Services	4,636	6,258	6,690	6,602	8,715	8,718	8,804	9,707	9,780	10,747
Culture and Recreation	394	592	593	740	1,172	1,152	1,045	1,117	1,211	1,280
Other	117	205	200	192	132	572	599	669	636	765
Operating grants and contributions	46,174	42,533	45,133	48,401	55,195	55,051	55,866	55,370	59,540	65,693
Capital grants and contributions	5,479	10,373	6,436	215	173	4,540	4,367	4,881	6,139	2,560
Total governmental activities program revenue	68,958	81,177	78,207	75,903	84,698	88,711	89,873	96,073	97,033	102,260

**SCHEDULE 2 (Unaudited)
(concluded)**

**OLMSTED COUNTY
Changes in Net Position
(in thousands of dollars)
Last Ten Fiscal Years
(accrual basis of accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services:										
Waste Management	22,199	22,617	23,763	25,650	25,519	25,326	26,881	28,083	28,266	28,205
Communication	1,194	1,205	1,260	1,262	1,281	1,251	983	-	-	-
Sanitary Sewer	93	90	91	92	94	98	103	106	106	111
Olmsted County HRA	n/a	1,356	1,673	2,233	2,219	2,498	2,611	2,555	2,771	3,774
Operating grants and contributions	698	5,538	5,616	4,997	5,685	8,579	6,468	8,388	9,501	10,958
Capital grants and contributions	-	-	-	-	-	-	-	-	97	795
Total business-type activities program revenues	24,184	30,806	32,403	34,234	34,798	37,752	37,046	39,132	40,741	43,843
Total primary government program revenue	\$ 93,142	\$ 111,983	\$ 110,610	\$ 110,137	\$ 119,496	\$ 126,463	\$ 126,919	\$ 135,205	\$ 137,774	\$ 146,103
Net (Expense)/Revenue (a)										
Governmental activities	\$ (103,417)	\$ (112,079)	\$ (119,961)	\$ (113,677)	\$ (119,330)	\$ (122,670)	\$ (117,024)	\$ (143,643)	\$ (140,609)	\$ (146,011)
Business-type activities	1,209	(2,822)	1,279	2,921	(337)	1,920	(604)	2,930	3,012	3,446
Total primary government net expense	\$ (102,208)	\$ (114,901)	\$ (118,682)	\$ (110,756)	\$ (119,667)	\$ (120,750)	\$ (117,628)	\$ (140,713)	\$ (137,597)	\$ (142,565)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 86,336	\$ 90,003	\$ 91,961	\$ 98,149	\$ 102,517	\$ 106,792	\$ 106,960	\$ 112,714	\$ 119,236	\$ 125,094
Sales taxes	6,411	6,649	10,027	13,925	14,619	14,378	16,283	18,265	18,557	17,991
Wheelage taxes	1,333	1,328	1,333	1,402	1,412	1,398	1,450	1,408	1,426	1,465
Unrestricted grants	7,128	7,043	7,307	8,119	7,783	27,915	16,317	26,154	13,517	12,969
Investment income	726	1,378	1,397	3,027	5,161	3,985	(1,018)	(4,183)	11,782	11,131
Other	478	508	387	411	131	126	149	249	303	327
Transfers	-	-	-	-	-	233	288	(1,409)	(867)	(5,793)
Total governmental activities	102,412	106,909	112,412	125,033	131,623	154,827	140,429	153,198	163,954	163,184
Business-type activities										
Property Taxes	-	1,344	1,348	1,744	2,484	3,516	3,752	3,916	4,541	4,878
Investment income	100	147	260	349	411	295	223	418	1,010	1,806
Other	(2)	6	-	-	(16)	449	204	-	93	231
Transfers and special items	-	-	372	-	-	(233)	(288)	1,476	867	5,793
Total business-type activities	98	1,497	1,980	2,093	2,879	4,027	3,891	5,810	6,511	12,708
Total primary government	\$ 102,510	\$ 108,406	\$ 114,392	\$ 127,126	\$ 134,502	\$ 158,854	\$ 144,320	\$ 159,008	\$ 170,465	\$ 175,892
Changes in Net Position										
Governmental activities	\$ (1,005)	\$ (5,170)	\$ (7,549)	\$ 11,356	\$ 12,293	\$ 32,157	\$ 23,405	\$ 9,555	\$ 23,345	\$ 17,173
Business-Type activities	1,307	(1,325)	3,259	5,014	2,542	5,947	3,287	8,740	9,523	16,154
Total primary government	\$ 302	\$ (6,495)	\$ (4,290)	\$ 16,370	\$ 14,835	\$ 38,104	\$ 26,692	\$ 18,295	\$ 32,868	\$ 33,327

(a) Net revenue (expense) is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other government revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

Data Source: Yearly Financial Statements

SCHEDULE 3 (Unaudited)

OLMSTED COUNTY
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 (1)
General Fund										
Nonspendable	\$ 3,067,174	\$ 2,823,341	\$ 2,349,030	\$ 2,468,216	\$ 2,518,975	\$ 2,678,223	\$ 2,653,758	\$ 2,940,186	\$ 2,786,643	\$ 2,837,990
Restricted	723,378	671,530	709,686	609,003	496,222	1,871,176	2,997,897	3,495,613	6,272,158	6,384,584
Assigned	35,916,408	44,113,523	42,040,278	40,630,982	41,920,030	39,401,349	43,315,853	42,899,496	22,044,721	13,968,011
Unassigned	38,800,363	37,009,185	35,902,897	37,738,307	42,322,289	47,210,756	50,947,825	64,681,107	84,693,187	87,376,773
Total general fund	<u>\$ 78,507,323</u>	<u>\$ 84,617,579</u>	<u>\$ 81,001,891</u>	<u>\$ 81,446,508</u>	<u>\$ 87,257,516</u>	<u>\$ 91,161,504</u>	<u>\$ 99,915,333</u>	<u>\$ 114,016,402</u>	<u>\$ 115,796,709</u>	<u>\$ 110,567,358</u>
All Other Governmental Funds										
Nonspendable	\$ 480,663	\$ 326,851	\$ 424,118	\$ 703,773	\$ 799,919	\$ 735,998	\$ 785,261	\$ 532,895	\$ 518,439	\$ 695,802
Restricted	41,189,220	38,937,029	18,368,841	16,008,394	20,703,135	17,519,346	15,769,232	33,217,082	33,971,129	34,426,822
Assigned	2,695,448	3,867,076	4,961,830	11,216,254	16,677,241	11,066,106	11,368,292	14,614,847	17,602,594	17,937,436
Unassigned	(1,974,827)	-	-	-	-	-	(899,000)	-	-	(504,764)
Total all other governmental funds	<u>\$ 42,390,504</u>	<u>\$ 43,130,956</u>	<u>\$ 23,754,789</u>	<u>\$ 27,928,421</u>	<u>\$ 38,180,295</u>	<u>\$ 29,321,450</u>	<u>\$ 27,023,785</u>	<u>\$ 48,364,824</u>	<u>\$ 52,092,162</u>	<u>\$ 52,555,296</u>
Total governmental funds	<u>\$ 120,897,827</u>	<u>\$ 127,748,535</u>	<u>\$ 104,756,680</u>	<u>\$ 109,374,929</u>	<u>\$ 125,437,811</u>	<u>\$ 120,482,954</u>	<u>\$ 126,939,118</u>	<u>\$ 162,381,226</u>	<u>\$ 167,888,871</u>	<u>\$ 163,122,654</u>

(1) Fund balance has been adjusted according to GASB 101.

Data Source: Yearly Financial Statements

SCHEDULE 4 (Unaudited)

OLMSTED COUNTY
Changes in Fund Balances, Governmental Funds
(in thousands of dollars)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Property taxes	\$ 86,342	\$ 90,776	\$ 91,484	\$ 98,987	\$ 102,429	\$ 105,146	\$ 107,152	\$ 113,026	\$ 119,480	\$ 125,041
Sales taxes	6,411	6,649	10,027	13,925	14,575	14,259	16,342	18,269	18,557	16,349
Wheelage taxes	1,333	1,328	1,333	1,402	1,412	1,398	1,450	1,408	1,426	1,465
Licenses and permits	2,372	2,335	2,425	2,417	2,263	1,915	2,136	2,434	2,246	2,346
Intergovernmental	60,741	64,690	58,882	56,337	62,118	79,060	72,206	85,107	81,674	76,317
Charges for services	14,361	24,953	22,763	24,006	25,053	24,647	25,330	39,702	27,327	27,167
Fines and forfeits	19	20	23	24	24	19	14	14	18	15
Gifts and contributions	454	508	353	411	403	702	1,784	260	1,153	350
Investment income (loss)	571	1,014	842	2,184	4,377	3,389	(1,399)	(4,789)	10,522	9,538
Other	891	498	701	809	923	842	1,104	2,319	4,790	4,402
Total revenues	173,495	192,771	188,833	200,502	213,577	231,377	226,119	257,750	267,193	262,990
Expenditures:										
General government	13,194	14,245	14,192	15,520	14,003	15,036	14,111	36,410	11,722	13,744
Public safety	37,601	48,019	48,908	52,745	54,376	59,418	61,394	59,277	66,377	73,795
Conservation of natural resources	1,107	1,638	1,607	3,185	4,149	1,322	1,363	1,413	1,940	1,840
Economic development	56	58	58	58	47	60	60	120	80	80
Highways and streets	48,008	44,681	46,815	30,147	34,410	37,744	30,429	35,611	44,130	40,516
Health	12,699	12,829	13,291	13,583	12,341	14,168	13,740	12,274	14,762	16,248
Human services	59,937	63,790	67,423	69,162	74,383	80,403	77,756	86,999	93,100	103,320
Culture and recreation	3,938	4,688	6,730	5,125	8,064	10,488	5,018	5,293	5,749	6,152
Other	376	582	363	363	1,652	5,584	4,128	1,019	1,557	2,188
Capital Outlay										
Highway and streets	-	-	-	-	-	-	3,126	1,178	745	3,319
Public safety	-	-	-	-	-	-	-	-	783	12,489
Culture and recreation	-	-	-	-	-	-	4,048	5,114	2,762	3,286
Debt service										
Principal retirement	2,097	2,139	2,595	3,486	3,199	3,318	5,252	6,328	4,462	4,407
Interest and fiscal charges	1,466	2,277	2,225	1,940	1,900	1,904	1,840	1,804	2,129	2,144
Total expenditures	180,479	194,946	204,207	195,314	208,524	229,445	222,265	252,840	250,298	283,528
Excess (deficiency) of revenues over expenditures	(6,984)	(2,175)	(15,374)	5,188	5,053	1,932	3,854	4,910	16,895	(20,538)
Other Financing Sources (Uses):										
Transfers in	243	774	2,919	1,270	4,244	2,704	28,136	49,474	25,315	13,221
Transfers out	(793)	(3,981)	(3,230)	(1,922)	(3,133)	(14,064)	(28,532)	(38,027)	(39,339)	(14,757)
Insurance recoveries	-	-	-	-	67	115	-	-	-	-
Payment on refunding bonds	(6,176)	-	(7,381)	-	-	(4,210)	-	(2,805)	-	-
Issuance of debt	26,160	11,225	-	-	9,334	8,116	2,834	21,244	2,357	14,026
Premium (discount) on bonds	2,256	896	-	-	365	330	-	375	117	1,019
Inception of subscription	-	-	-	-	-	-	-	-	-	1,608
Inception of financed purchase	-	-	-	-	-	-	-	-	-	965
Sale of capital assets	9	112	74	82	133	122	164	271	163	210
Total other financing sources (uses)	21,699	9,026	(7,618)	(570)	11,010	(6,887)	2,602	30,532	(11,387)	16,292
Net change in fund balances	\$ 14,715	\$ 6,851	\$ (22,992)	\$ 4,618	\$ 16,063	\$ (4,955)	\$ 6,456	\$ 35,442	\$ 5,508	\$ (4,246)
Ratio of debt service to noncapital expenditures	2.23%	2.64%	2.73%	3.00%	2.66%	2.54%	3.46%	3.51%	2.93%	2.66%

Data Source: Yearly Financial Statements

SCHEDULE 5 (Unaudited)

OLMSTED COUNTY
Net Tax Capacity and Taxable Market Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal / Payable Year	Real Property			Personal Property			Total			Net Tax Capacity to Taxable Market Value	County Tax Extension Rate (b)
	Estimated Market Value (a)	Taxable Market Value	Net Tax Capacity	Estimated Market Value (a)	Taxable Market Value	Net Tax Capacity	Estimated Market Value (a)	Taxable Market Value	Net Tax Capacity		
2016	\$ 14,756,146	\$ 13,797,083	\$ 159,367	\$ 123,669	\$ 182,708	\$ 2,381	\$ 14,879,815	\$ 13,979,791	\$ 161,748	1.1	\$ 57.7960
2017	15,909,331	14,978,624	172,788	138,532	211,203	2,680	16,047,863	15,189,827	175,468	1.1	54.3460
2018	19,555,115	15,894,586	182,199	172,220	166,520	3,256	19,727,335	16,061,106	185,455	0.9	54.8370
2019	20,850,776	17,147,546	195,817	161,292	158,007	3,088	21,012,068	17,305,553	198,905	0.9	53.5620
2020	22,295,311	18,557,040	210,846	163,608	160,043	3,128	22,458,919	18,717,083	213,974	1.0	52.0170
2021	23,656,319	19,812,844	225,231	209,359	205,892	3,835	23,865,678	20,018,736	229,066	1.0	46.9610
2022	24,651,990	20,815,241	234,406	220,185	216,719	4,075	24,872,175	21,031,960	238,481	1.0	49.0080
2023	28,123,152	24,341,960	271,622	252,955	252,223	4,745	28,376,107	24,594,183	276,367	1.0	44.6710
2024	30,404,190	26,582,478	295,369	252,560	251,837	4,695	30,656,750	26,834,315	300,064	1.0	43.1522
2025	31,801,159	27,454,211	303,130	252,400	250,385	4,645	32,053,559	27,704,596	307,775	1.0	44.4217

(a) The source report for the Estimated Market Value is the assessment year Spring Market Value (Mini) Abstract, which is before the Board of Appeals. The source report for the Estimated Market Value of locally assessed real property on Schedule 6 is the assessment year Fall Market Value (Mini) Abstract.

(b) County Tax Extension Rate includes the County rates for the Libraries levy and the Emergency Management levy which are not applied uniformly between properties in Olmsted County. In addition, not all overlapping rates apply to all County property owners. For example, the rates for school districts apply only to the proportion of the County's property owners whose property is located within the geographic boundaries of the school district. Due to the large number of variations within the County the total direct and overlapping rates have not been presented.

TAX CAPACITY

In 1989 the Minnesota State Legislature replaced the assessed valuation system with a system that estimates a local government's tax capacity. The tax capacity is obtained by applying the statutory classification percentage, varying with the type of property, to the market value.

CALCULATION PROCESS FOR DETERMINING TAX CAPACITY TAX

TAXABLE MARKET VALUE	X	CLASS RATE	=	NET TAX CAPACITY	X	TAX EXTENSION RATE	=	NET TAX
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Amounts are shown for the year in which taxes are payable.

Data Source: Property Records and Licensing

SCHEDULE 6 (Unaudited)
**OLMSTED COUNTY
Economic Market Value
Last ten payable years**

Assessment Year	Payable Year		Estimated Market Value of locally assessed real property (a)	Calculated sales ratio (b)		Economic Market value of locally assessed real property (c)=(a)/(b)		Estimated Market value of personal property (d)		Estimated Market value of utility, railroads and minerals (e)		Total Economic Market Value (f)=(c)+(d)+(e)
2014	2015	\$	14,250,056,997	93.28	\$	15,276,647,724	\$	102,549,200	\$	27,843,831	\$	15,407,040,755
2015	2016		14,732,091,000	91.31		16,133,665,954		123,669,600		27,577,533		16,284,913,087
2016	2017		15,884,153,000	93.06		17,067,971,222		158,609,600		29,572,267		17,256,153,089
2017	2018		16,821,797,800	90.38		18,611,513,735		166,546,300		25,746,600		18,803,806,635
2018	2019		18,044,559,900	92.55		19,496,478,065		158,398,800		26,127,200		19,681,004,065
2019	2020		19,404,788,600	91.72		21,156,577,445		157,789,100		30,516,800		21,344,883,345
2020	2021		20,623,926,400	93.87		21,969,565,445		213,894,200		29,337,600		22,212,797,245
2021	2022		21,547,406,100	87.38		24,659,057,073		239,391,300		39,279,100		24,937,727,473
2022	2023		24,954,675,200	89.81		27,785,923,572		220,985,600		89,463,300		28,096,372,472
2023	2024		27,151,972,900	92.50		29,354,212,333		215,128,100		82,890,900		29,652,231,333

Data Source: Minnesota Department of Revenue

(a) The source report for the Estimated Market Value of locally assessed real property is the assessment year Fall Market Value (Mini) Abstract. The source report for Estimated Market on Schedule 5 is the assessment year Spring Market Value (Mini) Abstract, which is before the Board of Appeals.

(b) Sales ratios come from the assessment year sales ratio study

(c) Estimated market values of personal property, public utility, railroads and minerals come from the assessment abstract

(d) Economic market values were produced at the property type level within each summed to the county level

(e) Sales ratio is (EMV of locally assessed real property/Ecmv of locally assessed real property)

(f) Economic market is (EMV of locally assessed real property + EMV personal+ EMV utility + EMV railroads + EMV minerals)

SCHEDULE 7 (Unaudited)

OLMSTED COUNTY
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Unit of Government *	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Olmsted County										
Public Safety	\$16.8040	\$16.3300	\$17.5670	\$17.7890	\$17.0670	\$15.3210	\$15.1250	\$12.0353	\$15.6850	\$16.3103
General	9.3890	8.0860	5.7270	6.3700	6.5680	7.0560	12.1150	12.9742	3.2339	3.4058
Human Services	18.3430	17.4970	18.6810	17.5550	15.7800	14.4050	13.1290	12.1174	15.4322	15.8873
Infrastructure	6.9090	6.3140	5.9750	5.0250	6.2670	4.3520	3.7960	3.2949	4.0042	3.9072
Public Health	4.0480	3.9000	4.5080	4.5190	4.0110	3.6210	2.5840	2.3160	3.0645	3.1213
Emergency Management	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Library	2.3030	2.2190	2.3790	2.3040	2.3240	2.2060	2.2590	1.9332	1.7324	1.7898
Olmsted County Total	\$57.7960	\$54.3460	\$54.8370	\$53.5620	\$52.0170	\$46.9610	\$49.0080	\$44.6710	\$43.1522	\$44.4217
* Estimated market value based rate shown when applicable, all other rates shown are tax capacity based rates.										
 Olmsted County Housing & Redevelopment Authority	 \$0.8650	 \$0.7930	 \$0.9660	 \$1.2860	 \$1.6920	 \$1.6870	 \$1.6880	 \$1.6930	 \$1.6765	 \$1.7218
Townships:										
Cascade	\$20.9550	\$21.8400	\$20.9690	\$20.3470	\$23.8880	\$22.3510	\$22.0180	\$19.8780	\$20.5391	\$21.8997
Dover	10.5110	10.1660	10.1640	9.9470	9.9220	9.8230	10.0340	8.3360	7.2568	8.1737
Elmira	11.4550	11.0420	11.4630	11.6810	11.4660	11.6100	11.8240	9.6390	8.1609	8.3636
Eyota	14.0840	13.7340	13.9910	13.6530	14.1640	14.2200	12.9410	11.7250	9.9592	10.2374
Farmington	12.5990	11.1180	11.2350	11.2870	11.4270	11.1470	11.0970	9.3560	7.7322	7.8705
Haverhill (W1/2)	13.5020	12.4290	14.2470	12.9740	12.6310	13.5130	12.0880	10.5730	9.5861	9.3255
Haverhill (NE 1/4)	10.9170	9.7830	11.7470	10.9100	10.5960	11.9800	10.4430	9.1940	9.4565	7.8682
Haverhill (SE 1/4)	12.4730	11.3320	13.7030	12.7710	12.3500	13.3540	11.9440	10.3170	11.6624	8.6787
High Forest	7.9740	7.6790	10.4300	10.1170	10.4410	13.4090	13.4010	11.7370	10.7738	11.4306
Kalmar	15.0660	15.9080	18.9710	18.0660	17.0100	13.3320	11.9280	5.1190	8.1966	8.8076
Marion	10.9990	10.9640	11.7290	11.9490	11.3070	12.9860	12.6880	11.1160	10.3346	11.0915
New Haven	6.1410	5.7390	6.1530	6.1910	5.9100	6.2380	7.6420	6.6110	5.7521	6.1167
Orion	9.3540	9.1100	9.3060	9.1150	9.1070	9.6430	9.2950	7.3120	6.7546	6.7846
Oronoco	16.7800	15.6150	16.0960	17.0560	17.9070	20.7620	18.5960	16.1210	14.0444	14.8466
Pleasant Grove	14.5350	12.7090	12.9330	12.6210	12.2930	12.6390	12.3360	10.5920	9.7656	10.3649
Quincy	8.4810	8.3680	8.6470	10.0510	9.2150	10.1220	9.3230	7.7200	6.1273	6.1242
Rochester	17.5280	18.8190	18.7540	16.6640	20.4290	19.8460	20.0660	19.3220	17.8414	16.7240
Rock Dell	10.6460	10.3290	10.5730	10.1030	9.8340	8.9400	8.4880	7.1350	6.0981	6.5945
Salem	13.3960	12.9900	14.0410	14.9280	16.2780	15.4380	15.5270	14.0880	12.0745	11.3505
Viola	11.8450	11.3880	11.8450	11.3530	11.0810	11.2300	10.9370	7.4370	7.4144	7.7942

SCHEDULE 7 (Unaudited)
(concluded)

OLMSTED COUNTY
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Unit of Government *	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cities:										
Byron	\$67.8020	\$64.3750	\$66.0960	\$66.1660	\$69.6280	\$68.4460	\$67.4090	\$67.1020	\$60.6024	\$60.7760
Chatfield	92.0430	95.5670	98.5640	112.0700	105.6490	104.8470	101.6920	90.0850	86.5104	89.0616
Dover	64.2060	53.5180	55.8180	61.3970	56.3670	60.0100	56.9090	49.1090	42.6149	44.7637
Eyota	59.5380	51.7920	50.8860	57.8810	59.9510	57.6020	56.6960	49.9840	45.5431	48.4100
Oronoco	44.7720	40.5870	40.3830	40.9320	36.8920	37.2130	37.5740	37.4400	41.5928	44.7750
Pine Island	78.6180	79.4290	84.7410	81.3250	84.1160	84.9140	86.7310	81.3210	80.9720	81.7620
Rochester	51.3320	51.1090	52.1470	52.7230	51.8470	48.2420	49.6240	46.4060	47.8420	51.2305
Rochester Rural Service	8.7250	8.6890	8.8640	8.9650	8.8140	8.2020	8.4360	7.8890	8.1331	8.7092
Rochester EMV Based						0.0140	0.0140	0.0120	0.0112	0.0108
Stewartville	61.1150	64.0830	65.7270	66.0390	66.9160	67.2290	70.2860	62.0430	61.9398	65.2470
Stewartville EMV Based	0.0798	0.0720	0.0663	0.0628	0.0600	0.0580	0.0510	0.0430	0.0391	0.0378
School Districts:										
203 - Hayfield	\$11.5100	\$13.5230	\$25.5150	\$22.6400	\$20.9370	\$20.1250	\$20.0940	\$12.3760	\$13.9330	\$13.7270
203-EMV Based	0.1617	0.2207	0.2207	0.2149	0.2040	0.2010	0.1950	0.1870	0.1916	0.1745
204 - Kasson	48.3230	43.6160	41.3860	39.3380	37.5260	39.7330	38.2000	31.6580	31.1190	29.9110
204-EMV Based	0.1444	0.1395	0.1382	0.1431	0.1350	0.1440	0.1530	0.1390	0.1469	0.1240
227 - Chatfield	25.8510	29.8630	29.3880	28.6730	27.1780	27.3150	25.9590	23.1890	19.3763	20.5439
227-EMV Based	0.2304	0.2194	0.2353	0.2332	0.2140	0.2280	0.2070	0.1950	0.1977	0.1753
255 - Pine Island	42.8340	38.4740	38.0070	34.1320	33.6440	32.8770	36.2180	29.7860	25.2670	24.5620
255-EMV Based	0.1572	0.1514	0.1563	0.1757	0.1490	0.1450	0.1860	0.1510	0.1350	0.1499
531 - Byron	40.9160	43.4810	41.1000	39.1520	37.3310	38.0500	48.3000	41.8950	38.6804	40.1667
531-EMV Based	0.1298	0.1308	0.1683	0.1643	0.1630	0.1720	0.1710	0.1560	0.1400	0.1465
533 - Eyota	36.1610	34.6310	32.5520	32.4250	32.6410	31.8350	28.8930	30.3420	26.0110	31.5404
533-EMV Based	0.2365	0.1717	0.1966	0.1916	0.1960	0.1780	0.1670	0.1720	0.1674	0.1805
534 - Stewartville	30.1570	25.5300	27.7600	23.5020	24.8020	25.2840	25.0840	20.0530	17.4665	18.5402
534-EMV Based	0.1845	0.1803	0.1789	0.1634	0.2250	0.2100	0.1980	0.1890	0.1887	0.1856
535 - Rochester	20.0230	17.8620	15.7580	15.6840	19.7720	20.3750	20.3870	18.1040	17.2061	18.2370
535-EMV Based	0.2147	0.2395	0.2248	0.2195	0.2060	0.1900	0.1770	0.1670	0.1667	0.2491
858 - St. Charles	22.0920	21.4690	18.6220	19.5510	29.5640	23.6340	24.1000	20.2020	19.6430	20.5167
858-EMV Based	0.1399	0.1418	0.1332	0.1339	0.1300	0.1420	0.1550	0.1340	0.1284	0.1245
2805 - Zumbrota-Mazeppa	23.2170	22.5360	21.3780	20.1360	36.5760	34.5980	33.4270	30.0180	26.0600	25.4330
2805-EMV Based	0.2748	0.2389	0.3487	0.3237	0.3010	0.3120	0.2990	0.2890	0.3054	0.2915
2899 - PEM	12.4450	12.4370	12.2780	18.4160	17.2540	16.8080	15.8190	14.3290	12.3710	13.6420
2899-EMV Based	0.1140	0.1444	0.1353	0.1468	0.1480	0.1540	0.1360	0.1430	0.1286	0.1267

Data Source: Property Records and Licensing

SCHEDULE 8 (Unaudited)

OLMSTED COUNTY
Principal Property Taxpayers
Current Fiscal Payable Year and Nine Years Ago

2024				2015			
Taxpayer	Taxable Market Value	Net Tax Capacity	% of Total Net Tax Capacity	Taxpayer	Taxable Market Value	Net Tax Capacity	% of Total Net Tax Capacity
Mayo Foundation	\$ 372,875,300	\$ 7,410,320	2.4	Mayo Properties	\$ 528,558,200	\$ 10,352,146	6.6
Mayo Association	220,997,500	4,413,201	1.4	IRET Properties	85,174,700	1,064,685	0.7
Mayo Clinic	145,659,500	2,905,690	0.9	MEPC Apache Properties	67,744,600	1,351,892	0.9
Knickerbocker Berkman LLC	120,856,300	1,591,532	0.5	IBM	47,411,400	929,982	0.6
Minnesota Energy Resources	100,482,500	1,563,081	0.5	BGD5 Office	42,833,900	854,428	0.6
Mayo Clinic Rochester	97,030,500	1,916,308	0.6	Minnesota Energy Resources	40,202,500	804,024	0.5
Regency Consolidated Residential LLC	62,215,200	800,010	0.3	THF-G Rochester Joint Venture	27,367,900	545,108	0.4
Village Capital Corporation	49,452,100	384,515	0.1	KAH 20 2nd Avenue LLC	26,357,200	526,394	0.3
IRET Properties	48,691,800	608,648	0.2	Menards	24,737,600	488,240	0.3
Apache Mall LLC	47,730,100	953,852	0.3	Maine Land LLC	24,392,300	482,596	0.3
All Others	26,438,605,200	285,227,843	92.8	All Others	12,478,980,700	137,530,505	88.8
Total	<u>\$ 27,704,596,000</u>	<u>\$ 307,775,000</u>	<u>100.0</u>	Total	<u>\$ 13,393,761,000</u>	<u>\$ 154,930,000</u>	<u>100.0</u>

Note: The adopted levies of each taxing district are spread on all assessable property based on the net tax capacity of the taxing district.

Net Tax Capacity is determined by multiplying the property's taxable market value by the relevant class rate(s). Class Rates are set by statute.

% of Total Net Tax Capacity varies base on class rates on properties held.

TAX CAPACITY

In 1989 the Minnesota State Legislature replaced the assessed valuation system with a system that estimates a local government's tax capacity.

The tax capacity is obtained by applying the statutory classification percentage, varying with the type of property, to the market value.

Data Source: Property Records and Licensing

SCHEDULE 9 (Unaudited)

OLMSTED COUNTY
Property Tax Levies and Collections
Last Ten Fiscal Years
Olmsted County Portion Only

Fiscal / Payable Year	Total Tax Levied (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2015	\$ 85,408,583	\$ 84,330,959	98.74	\$ 567,118	\$ 84,898,077	99.40
2016	89,178,961	88,622,609	99.38	327,807	88,950,416	99.74
2017	91,460,537	90,596,247	99.06	428,722	91,024,969	99.52
2018	97,913,530	97,366,149	99.44	359,483	97,725,632	99.81
2019	102,596,254	101,818,170	99.24	752,402	102,570,572	99.97
2020	106,913,674	105,332,627	98.52	1,185,932	106,518,559	99.63
2021	106,921,767	106,078,734	99.21	843,033	106,921,767	100.00
2022	112,376,281	111,832,247	99.52	544,034	112,376,281	100.00
2023	119,090,709	118,351,190	99.38	347,711	118,698,901	99.67
2024	125,150,872	124,352,225	99.36	-	124,352,225	99.36

(1) Amounts represent the levy as of the end of year for which they are payable. Valuations are determined as of January 1 of the preceding year.

(2) Collections are net of refunds of overpayments.

Data Source: Property Records and Licensing

SCHEDULE 9 (Unaudited)
(continued)

OLMSTED COUNTY
Property Tax Levies and Collections
Last Ten Fiscal Years
All Overlapping Governments

Fiscal / Payable Year	Total Tax Levied (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy (3)
2015	\$ 231,117,698	\$ 229,389,940	99.25	\$ 1,316,251	\$ 230,706,191	99.82
2016	251,641,120	250,093,140	99.38	1,386,483	251,479,623	99.94
2017	265,815,861	263,341,227	99.07	1,104,838	264,446,065	99.48
2018	276,720,830	275,246,164	99.47	830,399	276,076,563	99.77
2019	290,149,153	287,987,490	99.25	1,965,623	289,953,113	99.93
2020	311,364,859	306,195,752	98.34	4,413,463	310,609,215	99.76
2021	320,021,119	317,359,209	99.17	2,259,999	319,619,208	99.87
2022	334,944,729	333,298,248	99.51	1,646,481	334,944,729	100.00
2023	367,438,308	365,170,485	99.38	709,130	365,879,615	99.58
2024	385,361,410	382,878,391	99.36	-	382,878,391	99.36

(1) Amounts represent the levy as of the end of year for which they are payable. Valuations are determined as of January 1 of the preceding year.

(2) Collections reflect the payments, net of refunds of overpayments.

Data Source: Property Records and Licensing

SCHEDULE 9 (Unaudited)
(continued)

OLMSTED COUNTY
Special Assessment Levies and Collections
Last Ten Fiscal Years
Olmsted County Portion Only

Fiscal / Payable Year	Total Tax Levied (1)		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
			Amount	% of Levy		Amount	% of Levy
2015	\$	97,854	\$ 90,539	\$ 92.52	\$ 6,955	\$ 97,494	99.63
2016		92,904	88,035	94.76	4,313	92,348	99.40
2017		91,046	84,858	93.20	6,028	90,886	99.82
2018		193,078	183,684	95.13	9,346	193,030	99.98
2019		205,814	197,829	96.12	7,985	205,814	100.00
2020		185,291	175,979	94.97	9,311	185,291	100.00
2021		180,106	179,674	99.76	432	180,106	100.00
2022		186,541	177,762	95.29	7,130	184,892	99.12
2023		184,766	172,249	93.23	8,826	181,075	98.00
2024		187,657	177,636	94.66	-	177,636	94.66

(1) Amounts represent fees and other special assessments assessed by Olmsted County payable with property taxes as the end of the payable year.

(2) Collections are net of refunds of overpayments.

Note: Ten years of data will be reported going forward as accurate information becomes available.

Data Source: Property Records and Licensing

SCHEDULE 9 (Unaudited)
(concluded)

OLMSTED COUNTY
Special Assessment Levies and Collections
Last Ten Fiscal Years
All Overlapping Governments

Fiscal / Payable Year	Total Tax Levied		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
	(1)		Amount	% of Levy		Amount	% of Levy
2015	\$	2,182,513	\$ 2,066,667	94.69	\$ 70,038	\$ 2,136,705	97.90
2016		2,079,323	1,948,477	93.71	130,846	2,079,323	100.00
2017		1,641,166	1,516,027	92.37	125,139	1,641,166	100.00
2018		1,873,223	1,837,984	98.12	35,239	1,873,223	100.00
2019		1,910,290	1,868,577	97.82	41,713	1,910,290	100.00
2020		2,366,031	2,245,786	94.92	111,158	2,356,944	99.62
2021		3,031,049	3,031,049	100.00	-	3,031,049	100.00
2022		2,899,200	2,853,484	98.42	35,498	2,888,982	99.65
2023		3,383,233	3,305,677	97.71	49,443	3,355,120	99.17
2024		3,646,454	3,581,576	98.22	-	3,581,576	98.22

(1) Amounts represent the levy as of the end of year for which they are payable. Valuations are determined as of January 1 of the preceding year.

(2) Collections are net of refunds of overpayments.

Data Source: Property Records and Licensing

SCHEDULE 10 (Unaudited)

OLMSTED COUNTY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year (3)	Governmental Activities					Business-Type Activities				Total Primary Government	Estimated Population (3)	Per Capita	Tax Capacity	% of Debt to Tax Capacity	% of Debt to Personal Income (2)
	General Obligation Revenue Bonds	General Obligation Bonds	Financed Purchase	Lease Payable	Information Technology Subscription Payable	General Obligation Revenue Bonds	Mortgages Payable (1)	Deferred Repayment & Forgivable Mortgages (1)	Information Technology Subscription Payable						
2015	\$ 3,308	\$ 89,277	\$ -	\$ -	\$ -	\$ 75,214	\$ -	\$ -	\$ -	\$ 167,799	152,250	\$ 1,102	\$ 154,960	108%	2%
2016	3,011	102,459	-	-	-	81,915	-	-	-	187,385	154,000	1,217	161,748	116%	2%
2017	2,708	87,573	-	-	-	65,876	537	10,745	-	167,439	155,900	1,074	185,455	90%	2%
2018	2,400	82,043	-	-	-	60,300	529	10,738	-	156,010	156,650	996	198,905	78%	2%
2019	2,082	96,625	-	-	-	54,570	520	10,692	-	164,489	161,625	1,018	213,974	77%	2%
2020	1,754	96,583	-	-	-	59,368	510	11,502	-	169,717	163,000	1,041	229,066	74%	2%
2021	-	96,867	-	-	-	74,909	500	11,502	-	183,778	163,750	1,122	238,481	77%	2%
2022	-	123,324	-	1,003	-	45,382	490	11,554	-	181,753	164,000	1,108	276,367	66%	2%
2023	-	133,228	-	740	1,104	40,518	479	11,554	82	187,705	164,785	1,139	300,064	63%	2%
2024	-	143,909	920	472	4,527	37,041	467	12,554	-	199,890	167,100	1,196	307,775	65%	n/a

(1) Beginning in 2017, the Olmsted County HRA became part of the Primary Government, thus prior year data not included.
(2) See Schedule 14 for personal income data. This ratio is calculated using personal income for the calendar year.
(3) Revised statistic for 2023

Data Source: Yearly Financial Statements

SCHEDULE 11 (Unaudited)

OLMSTED COUNTY
Ratios of Net General Obligation Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

FISCAL YEAR	(1) GENERAL OBLIGATION BONDED DEBT	RESOURCES RESTRICTED TO REPAYING PRINCIPAL OF GO BONDED DEBT	NET GENERAL OBLIGATION BONDED DEBT	(2) ESTIMATED POPULATION	NET GENERAL OBLIGATION DEBT PER CAPITA	ACTUAL TAXABLE PROPERTY	% OF NET GENERAL OBLIGATION DEBT TO ACTUAL TAXABLE PROPERTY
2015	\$ 92,585	\$ 3,430	\$ 89,155	152,250	\$ 586	\$ 13,393,761	0.7
2016	105,470	20,994	84,476	154,000	549	13,979,791	0.6
2017	90,281	11,587	78,694	155,900	505	15,189,827	0.5
2018	84,443	11,364	73,079	156,650	467	16,061,106	0.5
2019	98,707	11,561	87,146	161,625	539	17,305,553	0.5
2020	98,337	7,181	91,156	163,000	559	18,717,083	0.5
2021	96,867	14,642	82,225	163,750	502	20,018,736	0.4
2022	123,324	34,655	88,669	164,000	541	21,031,960	0.4
2023	133,228	33,998	99,230	164,785	602	24,594,183	0.4
2024	143,909	35,071 (3)	108,838	167,100	651	26,834,315	0.4

(1) The General Obligation Bonded Debt includes the General Obligation Revenue Work Release Center Bonds supported by Olmsted County lease payments.

(2) Data Source: State Demographer Updated revised statistic for 2023

(3) Restricted balances from Statement of Net Position

Restricted for Debt Service	\$ 9,222
Refinancing Escrow - held by trustee (a)	25,849
Total restricted for repaying principal	<u>\$ 35,071</u>

(a) - Refinancing escrow held by trustee is not part of Net Position, the cash held in escrow is restricted for debt repayment therefore included in the calculation, as principal on the related debt is included in General Obligation Bonded Debt.

SCHEDULE 12 (Unaudited)

OLMSTED COUNTY
Direct and Overlapping General Obligation Bonded Debt
as of December 31, 2024
(dollars in thousands)

GOVERNMENTAL UNIT	DEBT OUTSTANDING (1)	% OF TAX CAPACITY WITHIN OLMSTED COUNTY (2)	PORTION CHARGEABLE TO COUNTY (3)
DIRECT:			
Olmsted County	\$ 149,828	100.00%	\$ 149,828
OVERLAPPING:			
School District #227	26,000	46.61	12,119
School District #531	85,257	98.41	83,906
School District #533	31,195	100.00	31,195
School District #534	32,070	75.19	24,113
School District #535	294,020	99.74	293,255
School District #858	-	100.00	-
Total Overlapping	\$ 468,542		\$ 444,588
UNDERLYING:			
City of Rochester	\$ 250,535	100.00	\$ 250,535
City of Byron	8,646	100.00	8,646
City of Eyota	5,723	100.00	5,723
City of Oronoco	12,311	100.00	12,311
City of Dover	357	100.00	357
City of Stewartville	3,111	100.00	3,111
Cascade Township	240	100.00	240
Eyota Township	-	100.00	-
Oronoco Township	201	100.00	201
Salem Township	-	100.00	-
Olmsted County HRA	225	100.00	225
Total Underlying	\$ 281,349		\$ 281,349
TOTAL DEBT	\$ 899,719		\$ 875,765

Data Source: Olmsted County Auditors Report of Outstanding Indebtedness

- (1) Amounts are determined by deducting debt which is intended to be financed primarily by means other than a real estate tax levy.
- (2) The percentage in this column reflects the portion of the long-term debt which is secured by taxable real estate located within Olmsted County.
- (3) The dollars in this column reflects the portion of the long-term debt which is secured by taxable real estate located within Olmsted County.

All Olmsted County debt can be levied to pay back, if necessary.

SCHEDULE 13 (Unaudited)

OLMSTED COUNTY
Legal Debt Margin Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Taxable Market Value	\$ 13,393,761,000	\$ 13,979,791,000	\$ 15,189,827,000	\$ 16,061,106,000	\$ 17,305,553,000	\$ 18,717,083,000	\$ 20,018,736,000	\$ 21,031,960,000	\$ 24,594,183,000	\$ 26,834,315,000
Debt Limit	401,812,830	419,393,730	455,694,810	481,833,180	519,166,590	561,512,490	600,562,080	630,958,800	737,825,490	805,029,450
Debt applicable to limit:										
General obligation debt (1)	87,200,000	105,470,166	90,280,584	84,443,247	98,707,281	98,337,266	96,867,011	123,324,454	133,228,097	143,908,621
Less: Assets available for debt service	(4,830,019)	(22,874,124)	(13,076,407)	(12,673,160)	(12,695,196)	(8,383,142)	(15,525,353)	(36,001,488)	(35,213,443)	(36,493,442)
 Total Net Debt Applicable to Limit	 82,369,981	 82,596,042	 77,204,177	 71,770,087	 86,012,085	 89,954,124	 81,341,658	 87,322,966	 98,014,654	 107,415,179
Legal debt margin	\$ 319,442,849	\$ 336,797,688	\$ 378,490,633	\$ 410,063,093	\$ 433,154,505	\$ 471,558,366	\$ 519,220,422	\$ 543,635,834	\$ 639,810,836	\$ 697,614,271
Total debt applicable to the limit as a percentage of debt limit	20.50%	19.69%	16.94%	14.90%	16.57%	16.02%	13.54%	13.84%	13.28%	13.34%

(1) Beginning in 2002, the General Obligation Bonded Debt also includes the General Obligation Revenue Work Release Center Bonds supported by Olmsted County lease payments.

Data Source: Internally generated and comes from a variety of sources

SCHEDULE 14 (Unaudited)

OLMSTED COUNTY
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income in thousands of dollars (2)		Per Capita Personal Income (3)	Unemployment Rates (4)			
					Olmsted County	State of Minnesota	United States	
2015	153,450	\$	7,804,286	\$	50,860	3.0	3.8	5.3
2016	155,775		8,116,470		52,105	3.0	3.9	4.9
2017	157,600		8,518,498		54,059	2.7	3.5	4.4
2018	159,500		9,032,231		56,635	2.4	3.0	3.9
2019	161,625		9,380,597		58,038	2.6	3.3	3.7
2020	163,000		10,066,276		61,742	5.5	6.3	8.1
2021	163,750		10,838,312		66,191	3.1	3.7	5.3
2022	164,000		11,243,458		68,543	2.1	2.5	3.6
2023	164,785		11,848,675		71,904	2.1	2.8	3.6
2024	167,100		n/a		n/a	2.3	3.0	4.0

Data Sources:

- (1) State Demographer - revised statistic for 2023
- (2) Bureau of Economic Analysis as of February 20, 2025 - new estimate for 2023 and revised statistics for 2019-2022
- (3) Bureau of Economic Analysis as of February 20, 2025 - new estimate for 2023 and revised statistics for 2019-2022
- (4) Department of Employment and Economic Development

SCHEDULE 15 (Unaudited)

**OLMSTED COUNTY
Principal Employers
Current Year and Nine Years Ago**

<u>Employer</u>	2024			2015		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
MAYO MEDICAL CENTER	50,385	1	51.53%	32,271	1	42.68%
ROCHESTER PUBLIC SCHOOLS DIST #535	2,959	2	3.03%	2,657	3	3.51%
IBM*	2,791	3	2.85%	2,700	2	3.57%
OLMSTED COUNTY	1,426	4	1.46%	1,339	4	1.77%
OLMSTED MEDICAL CENTER	1,432	5	1.46%	1,217	5	1.61%
CITY OF ROCHESTER	1,312	6	1.34%	841	7	1.11%
BENCHMARK ELECTRONICS*	750	7	0.77%	0	**	0.00%
ROCHESTER COMMUNITY AND TECHNICAL COLLEGE	490	8	0.50%	1,061	6	1.40%
FEDERAL MEDICAL CENTER	456	9	0.47%	0	**	0.00%
CRENLO	442	10	0.45%	0	**	0.00%
TOTAL	<u>62,443</u>		<u>63.86%</u>	<u>42,086</u>		<u>55.65%</u>

* Estimated employees - RAEDI

**Rank falls below 10

Data Sources: Rochester Area Economic Development, Inc.

Olmsted County Human Resources

Minnesota Department of Employment and Economic Development

SCHEDULE 16 (Unaudited)

OLMSTED COUNTY
Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years

Function/program:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary government:										
Governmental activities:										
General government	244	237	260	265	263	268	269	276	283	319
Public safety	283	285	285	293	300	303	331	339	336	342
Conservation of natural resources	5	9	11	11	7	7	7	7	8	8
Highways and streets	66	62	62	63	63	64	64	65	67	70
Health	111	112	111	110	78	82	82	81	85	86
Human services	329	347	378	391	436	443	417	426	434	442
Culture and recreation	18	19	19	19	21	21	20	21	22	24
Total governmental activities	1,056	1,071	1,126	1,152	1,168	1,188	1,190	1,215	1,235	1,291
Business-type activities										
Waste management	64	66	67	68	69	70	68	68	69	71
Communications	1	1	1	1	1	1	1	-	-	-
Olmsted County HRA	10	10	-	-	-	-	-	-	-	-
Total business-type activities	75	77	68	69	70	71	69	68	69	71
Total primary government	1,131	1,148	1,194	1,221	1,238	1,259	1,259	1,283	1,304	1,362

Data Source: Olmsted County Adopted Budget (Finance Budget Manager)

SCHEDULE 17 (Unaudited)

OLMSTED COUNTY
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Estimated Population (1)	152,250	154,000	155,900	156,650	159,500	161,500	165,300	166,000	164,800	167,100
Public Safety										
Average Daily Detainee Population										
Adult Detention Center	152	161	143	135	108	86	76	91	109	121
Work Release Facility	29	27	44	16	21	10	8	8	9	11
Electronic Home Monitoring	38	35	50	33	***	***	***	***	***	***
Health										
Number of Client Contacts										
WIC	40,035	38,238	36,426	34,425	33,425	35,439	34,869	35,510	37,577	36,169
Newborn/Postpartum	680	778	856	844	561	165	659	744	610	461
Number of Licensed Business Assessments	1,073	1,010	1,049	1,179	1,195	357	563	1,046	1,366	1,249
Human Services										
Public Assistance Clients Enrolled at Year-End										
Health Care	24,631	24,755	25,381	25,044	24,365	29,745	31,646	35,018	34,733	30,005
Supplemental Nutrition Assistance Program	10,616	9,427	8,828	8,461	8,160	6,384	9,544	1,171	11,141	11,203
Cash Assistance	3,875	4,059	4,252	4,059	3,892	3,884	4,457	4,355	4,387	4,308
Number of Child Support Cases	5,665	5,497	5,460	5,421	5,342	5,090	4,819	4,625	4,468	4,397
Number of Social Services Client Intakes	10,175	10,248	10,711	11,227	10,973	10,184	11,150	12,592	13,935	14,217
Highways and Streets										
Street Resurfacing (miles)	54.47	8.40	6.90	5.80	16.66	17.88	22.29	5.96	9.68	8.77
Bridge Repairs	-	-	-	-	2	-	5	-	3	-
Waste Management										
Municipal Solid Waste										
Number of tons in total waste stream	237,317	183,230	167,290	165,248	165,074	163,868	172,046	178,554	161,777	176,040
Number of tons burned	103,863	109,228	114,248	117,247	116,498	113,446	111,612	118,129	120,019	117,809
Percentage recycled	59%	49%	44%	43%	41%	41%	44%	42%	39%	42%
Steam Produced in million pounds (MLBS).	754,742	802,191	824,124	851,202	851,861	867,212	848,646	877,255	887,692	886,570
Electricity Produced in kilowatt hours (KWH)	33,356,320	33,575,423	34,362,631	34,344,260	33,195,430	31,587,545	36,982,676	41,351,589	40,763,654	48,155,706

(1) Revised statistic for 2023

Sources: Various County Departments

SCHEDULE 17 (Unaudited)
(concluded)

OLMSTED COUNTY
Operating Indicators by Function/Program
BUILDING PERMITS AT MARKET VALUE
LAST TEN FISCAL YEARS

Fiscal Year	New Residential		New Multiple		New Commercial / Industrial		All Others		Total	
	No.	Value	Value		Value		Value		No.	Value
2015	411	\$ 97,417,046	\$ 142,500,263		\$ 56,799,858		\$ 211,258,433		2,636	\$ 507,975,600.00
2016	472	115,509,862	129,561,374		60,910,872		157,159,471		2,715	463,141,579
2017	541	130,781,191	84,791,339		167,075,157		162,882,610		2,993	545,530,297
2018	407	105,586,720	183,219,286		57,707,228		255,807,114		2,556	602,320,348
2019	317	86,841,337	63,273,537		67,920,807		288,014,783		2,544	506,050,464
2020	314	87,446,559	24,255,628		96,015,157		179,692,906		2,238	387,410,250
2021	369	112,243,628	47,184,489		78,341,461		210,208,966		2,430	447,978,544
2022	362	128,771,602	117,235,991		146,335,029		263,487,417		2,818	655,830,039
2023	286	106,533,264	87,553,594		68,476,327		307,775,669		2,954	570,338,854
2024	252	93,655,829	137,760,031		184,048,145		338,630,170		2,785	754,094,175

Sources: Rochester-Olmsted Planning Department; City of Rochester Building Safety

SCHEDULE 18 (Unaudited)

OLMSTED COUNTY
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Government Center Building Square footage	289,700	304,700	304,700	304,700	304,700	330,140	330,140	330,140	330,140	330,140
Public Safety										
# of Rated Beds										
Adult Detention Center	202	202	202	202	202	202	202	202	202	202
Work Release Facility	90	90	90	90	90	90	90	90	90	90
Government Center Annex Building Square Footage	96,322	96,322	96,322	96,322	96,322	69,728	69,728	69,728	69,728	69,728
Public Safety Training Center restrooms	-	-	-	-	-	-	-	900	900	900
Public Safety Training Center	-	-	-	-	-	-	-	-	-	17,625
Highways and Streets										
County State Aid Highways (CSAH)										
# of Miles-Hard Surfaced	314	313	305	304	307	314	309	307	310	310
# of Miles-Rock	-	1	1	1	1	1	1	1	-	-
County Roads (CR)										
# of Miles-Hard Surfaced	67	65	65	63	60	59	58	60	58	58
# of Miles-Rock	141	141	134	133	137	132	132	130	131	131
Total County Highway Miles	522	520	505	501	505	506	500	498	499	499
Bridges										
# greater than ten feet in length	342	342	219	219	219	216	216	216	216	217
Public Works Building's Square Footage	206,035	206,035	206,635	206,635	261,973	265,018	265,018	265,018	265,018	275,018
Health										
Health Department Building Square Footage	69,427	69,427	69,427	69,427	69,427	41,662	41,662	41,662	41,662	41,662
Human Services										
Human Services Building Square Footage	193,583	107,363	107,363	107,363	107,363	111,527	107,515	107,515	107,515	107,515
Culture and Recreation										
Park and Recreational Facilities										
Land Total Acreage (approximate)	2,216	2,216	2,216	2,216	2,218	2,247	2,247	2,247	2,247	2,247
Buildings Square Footage	251,016	251,016	251,016	251,016	298,735	283,832	283,382	283,832	312,221	312,221
Waste Management										
Landfill										
Estimated Capacity Percentage Used to Date	39%	39%	42%	44%	44%	38%	40%	40%	40%	41%
Waste-to-Energy										
Daily capacity available (in tons)	400	400	400	400	400	400	400	400	400	400
Building Square Footage	99,200	99,200	99,200	99,200	99,200	99,200	99,200	99,200	100,183	100,183
Recycling Center Building Square Footage	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Interest on long-term debt	\$ 5,679,263	\$ 5,569,562	\$ 5,766,175	\$ 5,087,071	\$ 4,739,571	\$ 4,645,271	\$ 4,561,301	\$ 3,802,878	\$ 4,452,518	\$ 4,315,119

Data Source: Internally generated and comes from a variety of sources