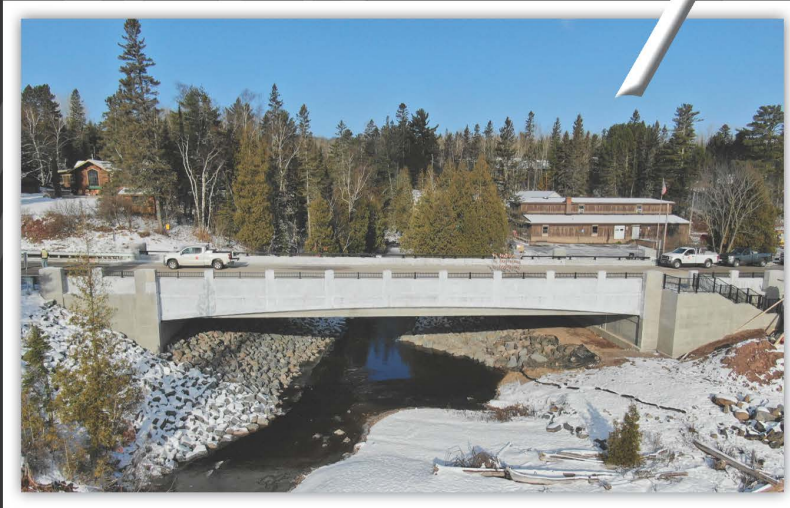


COMPREHENSIVE ANNUAL FINANCIAL *Report* '20



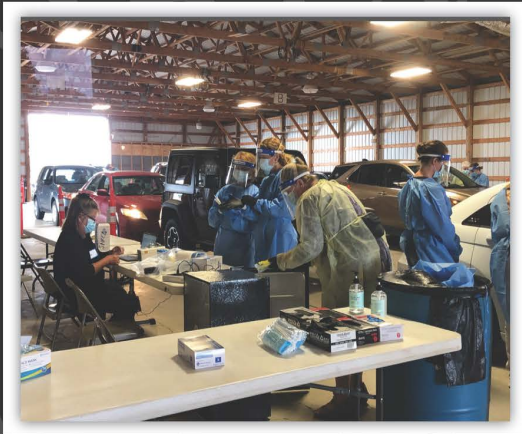
FRENCH RIVER BRIDGE

Photo by Chris Grahek



DOUBLE BOX CULVERT CR 547 BRIMSON ROAD

Photo by Chris Grahek



COVID TESTING SITE – CHISHOLM

Photo by Dana Kazel



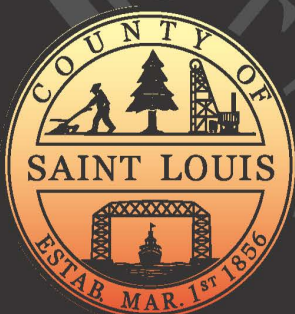
COVID TESTING SITE – ELY

Photo by Dana Kazel



**COVID MOBILE CLINIC FOR VACCINATION
AND TESTING**

Photos by Dana Kazel



FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

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

French River Bridge

In November of 2020, the French River Bridge project was completed. The project on County State Aid Highway 61 took five months to complete and included the completion of a new bridge, retaining wall and work on other amenities at a wayside rest. The cancellation of Grandma's Marathon and Northshore Inline Marathon, both of which pass over the bridge, allowed for the project to begin sooner and removed the need to have a temporary surface placed in September.

Double Box Culvert CR 547 Brimson Road

The County Bridge 910, located on Brimson Road, was constructed in 2020 by the County's internal Bridge Crew. The bridge was at the end of its serviceable life and was scheduled as part of the County's 5-year bridge replacement plan. The construction began on June 1, 2020 and was completed on July 17, 2020. The new bridge significantly improved the ability of the bridge to handle the flows of Berry Creek. The project also improved the stream crossing for fish passage.

COVID Testing & Vaccine Clinics

St. Louis County offered several COVID testing and vaccine distribution sites around the County. The County also purchased two trailers to be able to deploy mobile clinics to help residents that struggle with access to transportation.

St. Louis County Minnesota

Comprehensive Annual Financial Report
for the Fiscal Year Ending
December 31, 2020



Nancy Nilsen
County Auditor-Treasurer

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

ST. LOUIS COUNTY, MINNESOTA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS

	Page
Introductory Section	
Table of Contents	i
Letter of Transmittal	1
Map - Legislative & Commissioner Districts - Duluth	6
Map - Commissioner Districts	7
Elected and Appointed Officials	8
Organizational Summary	9
Certificate of Achievement	10
Financial Section	
Independent Auditors' Report	11
Management's Discussion and Analysis	14
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	25
Statement of Activities	26
Fund Financial Statements	
Governmental Funds	
Balance Sheet	28
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position-Governmental Activities	30
Statement of Revenues, Expenditures and Changes in Fund Balances	31
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities - Governmental Activities	32
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
General Fund	33
Road and Bridge Special Revenue Fund	39
Public Health and Human Services Special Revenue Fund	40
Forfeited Tax Sale Special Revenue Fund	41
Proprietary Funds	
Statement of Net Position	43
Statement of Revenues, Expenses and Changes in Fund Net Position	45
Statement of Cash Flows	46
Fiduciary Funds	
Statement of Fiduciary Net Position	49
Statement of Changes in Fiduciary Net Position	50
Notes to the Financial Statements	53
Required Supplementary Information	
Schedule of Employer Contributions PERA General Employees Retirement Plan	102
Schedule of Proportionate Share of Net Pension Liability PERA General Employees Retirement Plan	103
Schedule of Employer Contributions PERA Public Employees Police and Fire Retirement Plan	104
Schedule of Proportionate Share of Net Pension Liability PERA Public Employees Police and Fire Retirement Plan	105
Schedule of Employer Contributions PERA Correctional Employees Retirement Plan	106
Schedule of Proportionate Share of Net Pension Liability PERA Correctional Employees Retirement Plan	107
Schedule of Changes in the Total OPEB Liability and Related Ratios Other Post Employment Benefits	108
Notes to the Required Supplementary Information	108
Supplementary Data	
Nonmajor Governmental Funds:	
Combining Balance Sheet	114
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	117
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Housing and Redevelopment Authority Special Revenue Fund	120
Community Development Block Grant Special Revenue Fund	121
Northeast Minnesota Housing Consortium Special Revenue Fund	122
Septic Services Special Revenue Fund	123
Forest Resources Special Revenue Fund	124
Pandemic Response Fund	125
Debt Service Fund	126
Internal Service Funds	
Combining Statement of Net Position	128
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	130
Combining Statement of Cash Flows	132

ST. LOUIS COUNTY, MINNESOTA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS

Fiduciary Funds	
Combining Statement of Fiduciary Net Position - Custodial Funds	136
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	142
Miscellaneous Schedules	
Schedule of Investments and Interest Earning Deposits	148
Schedule of Intergovernmental Revenue	149
Schedule of Expenditures of Federal Awards	157
Notes to the Schedule of Expenditures of Federal Awards	160

	Schedule	Page
Statistical Section		
Financial Trends		
Net Position by Component	1	163
Changes in Net Position	2	165
Fund Balances - Governmental Funds	3	167
Changes in Fund Balances - Governmental Funds	4	169
Revenue Capacity		
Tax Capacity and Estimated Market Value of Property	5	171
Direct and Overlapping Property Tax Rates	6	173
Principal Property Tax Payers	7	175
Property Tax Levies and Collections	8	176
Debt Capacity		
Ratios of Outstanding Debt by Type	9	177
Ratios of Net General Bonded Debt Outstanding	10	178
Direct and Overlapping Governmental Activities Debt	11	179
Legal Debt Margin Information	12	180
Demographic and Economic Information		
Demographic and Economic Statistics	13	182
Principal Employers	14	183
Operating Information		
Full-time Equivalent County Government Employees by Function/Program	15	184
Operating Indicators by Function/Program	16	186
Capital Asset Statistics by Function/Program	17	188



Saint Louis County

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

Nancy Nilsen
St. Louis County Auditor-Treasurer

June 28, 2021

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

The Comprehensive Annual Financial Report of St. Louis County is hereby submitted for the fiscal year ended December 31, 2020. This report was prepared by the County Auditor-Treasurer's Accounting and Finance Division. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the County.

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

St. Louis County is audited annually, as required by Minnesota Statutes §6.481. This requirement has been complied with and CliftonLarsonAllen LLP has issued an unmodified ("clean") opinion on St. Louis County's financial statements for the year ended December 31, 2020. The Independent Auditors' Report is located in the front of the financial section of this report.

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

Profile of the Government

St. Louis County was established in 1856. Located in Northeastern Minnesota, St. Louis County is geographically the largest county east of the Mississippi River, covering 7,092 square miles, including water surface, from the Canadian border to Duluth. The County's 2020 census population was estimated at 198,455 residents, while the 2010 census population was 200,226. The County has an average of 28 people per square mile living in small mining towns, farm communities, and busy cities. St. Louis County is empowered to levy a property tax on both real and personal property located within its boundaries.

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

An Equal Opportunity Employer

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

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

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

Local economy

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

The mining industry continues to be a driving force of the region's economy. The taconite industry supports roughly 10,000 jobs with an economic impact of \$4 billion annually. Preliminary totals indicate that taconite plants produced 30.2 million metric tons in 2020, a decrease of 22.8% from 2019. All the taconite operations produced during 2020. Minorca and United Taconite had steady production throughout 2020, while the other operations either reduced or idled production for part of the year. The demand for iron ore decreased due to COVID-19, however, all operations were producing at normal levels by the end of 2020.

The Port of Duluth-Superior connects the heartland of the United States and Canada to the rest of the world, ranking among the top 20 ports in the U.S. in cargo tonnage. It is by far the largest cargo port on the Great Lakes, with the principal cargoes being iron ore (59%), coal (21%), grain (5%), and other (15%) in 2020. The Port of Duluth-Superior has averaged more than 35 million tons of cargo and nearly 900 vessel visits each year. The port reported 25.8 million tons of cargo with 617 ships that visited the port in 2020, compared to 33.5 million tons and 754 ships in 2019. The port is ideally situated for moving cargo and logistics experts now rank it in the top 10 in North America for transporting wind turbine components.

The Duluth Seaway Port Authority also purchased the Duluth Lake Port dock for \$950,000 in December of 2020. The purchase includes land, buildings, the slip and 3,000 feet of rail lines that connect the city's adjacent Clure Public Marine Terminal and the CN Duluth Intermodal Terminal. The goal is to revitalize the pier and bring it back to life in a way that contributes to our regional economy and further expands Duluth Cargo service to customers in our region and around the globe. The previous expansion of the Clure Terminal allowed for 525,000 freight tons of turbine blades and other energy cargo in 2020, which surpassed the previous high of 306,000 freight tons in 2019.

In April of 2021, Senator Klobuchar also requested \$207 million from the Federal infrastructure plan for a new lock at the Soo Locks, and vowed to continue to urge the Federal government to increase icebreaker capacity of the US Coast Guard on the Great Lakes. The port and its 21 terminals support nearly 8,000 jobs and \$1.4 billion in economic activity.

Essentia Health is building an \$800 million expansion for downtown Duluth called "Vision Northland". The building, resembling a ship, will be over 900,000 square feet and have two towers. The new hospital will also have a dining center, shops, conference rooms, classrooms, and outpatient pharmacy and a chapel. This project will be the most significant private investment in Duluth's history and is expected to be complete by the first quarter of 2023.

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

St. Luke's Hospital completed a \$37.5 million project in Duluth, which improves patient privacy, staff workflow and increases the space. The new 60,000 square-foot emergency department is triple the size of the old emergency department.

Plans for the construction of the 15-story mixed-use complex in downtown Duluth are back on track after several postponements due to the COVID-19 pandemic. The high rise will be constructed next to the Sheraton Hotel in place of the former Voyageur Lakewalk Inn, the former Hacienda Del Sol restaurant and the former First Oriental Grocery building that are all currently vacant. The new construction will have 200 apartments and three townhomes above the retail space on the first two floors. The project will most likely be complete around the same time as the Essential Vision Northland expansion, which is underway on the adjacent corner.

The City of Ely is developing a pocket park on a vacant lot previously occupied by Pamida. The project entails upgrading lighting, seating, landscaping, a small stage for music events, a playground climbing wall feature and public Wi-Fi. The park is part of a larger downtown beautification initiative that began in 2016 to complement ongoing storefront and building investments being made by Ely's business owners. Ely is a popular tourist destination best known for its popular entry point of the Boundary Waters Canoe Area, the International Wolf Center, and the North American Bear Center.

A new 32,000 square foot addition is being added to the Washington Elementary School in Hibbing. The expansion will house the Early Childhood and Head Start programs. The new Hibbing Early Learning Center is scheduled to be completed in March of 2022 and will serve 120 children and help meet the crucial need for childcare in the area.

Delta Airlines is hiring 50 full time customer experience specialist positions in Chisholm. Delta Airlines will also be donating 2.8 acres of land to the City of Chisholm to create a multi-use clinic in Chisholm.

Canelake's Candies, an iconic candy store in downtown Virginia, is expanding into an adjacent building and doubling the size of its retail space. The candy store was originally founded in 1905 and is famous for their signature hot air, turtles, toffee, fudge, brittle, and caramels. They fulfill in-person and online orders that are shipped locally and throughout the nation.

The City of Gilbert campground expansion will bring increased tourism revenue to the area. The City of Gilbert made improvements to the utilities, beach area parking and water access at its 57-unit Sherwood Forest Campground adjacent to Lake Ore-Be-Gone. The 140-acre lake is an artificial lake formed decades ago by the flooding of three open-pit iron ore mines formerly owned by LTV Mining/Erie Mining Co. The lake has earned national notoriety among divers because of its crystal blue clear waters where they can see a sunken school bus, cars, US army plane, rail cars, boats, platforms, a jeep, a Huey helicopter, and old mining equipment.

LSC Flats plans to construct student housing adjacent to Lake Superior College. The plans include two buildings that will be connected by a commons area in between them, and a rooftop deck will serve as an additional community space with views of Lake Superior. The project will provide 87 apartments with 200 beds to LSC students. The project is planned to start in 2022, with a completion date no later than the end of 2023.

The City of Duluth garnered more than \$30 million in state aid to help build a 52-unit apartment building and help rehabilitate 93 units of distressed housing in 2020. The new 52-unit Brewery Creek apartment building will be located at the corner of Sixth Avenue East and Fourth Street. The building will contain affordable housing for a range of incomes, with 26 of the units dedicated for youth who have been homeless, six for people with disabilities and 10 prioritized for members of the Fond du Lac Band of Lake Superior Chippewa.

The Lincoln Park neighborhood in Duluth is getting an influx of new housing following a microbrew business boom in that area. Enger Lofts, a \$6 million apartment project will remodel an old furniture store, most recently operated as Furniture and Mattresses 4 Less, and turn it into apartments and commercial space. Another 75-unit, four story, apartment building is going to be built where the former Roberts Furniture building stands. Also, the former Kemp's Dairy building was purchased with plans to build a \$15 million to \$25 million hotel or apartment building.

Lamppa Manufacturing in Tower, MN is continuing to grow faster than expected. The company produces wood-burning sauna stoves and cord wood-burning warm air furnaces. Lamppa is one of two furnace makers in the nation to have the certification for new emission standards, which was implemented into federal law in 2020. Their furnace now also qualifies for a 26-percent federal stimulus credit for efficient wood furnace, which is anticipated to continue to increase demand.

The Board of Trade Building in downtown Duluth was redeveloped into a mixed-use apartment complex in 2020. The developer created 84 residential housing units in the historic building, constructed in 1895. Of the apartments, 17 units are reserved as affordable housing for tenants earning 50 percent or less than the area median income.

In late 2020, the City of Duluth received notice it will receive a \$2.6 million grant from the U.S. Economic Development Administration to build a terminal facility, which would welcome waterborne travelers. The Duluth Seaway Port Authority and the Duluth Economic Development Authority also approved \$40,000 towards designing the terminal which

could be located behind the Duluth Entertainment Convention Center. Early estimates are that each ship could generate \$100,000 of economic impact. The city has eight cruise lines that have expressed interest in Lake Superior and Duluth specifically. Viking Expeditions has a plan to debut its 378-guest ship Octantis in Duluth in 2022 as part of an eight-day itinerary exploring Lake Superior and Lake Michigan.

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

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

BlueStone Commons, a mixed-use development just east of the University of Minnesota Duluth, plans to construct its third apartment building. The first building, called BlueStone Lofts, targeted college students. The second building, called BlueStone Flats, targets traditional multifamily market with studios and one and two-bedroom apartments with more amenities and fewer units. The third BlueStone apartment building, called BlueStone Vue, will feature 193 luxury units. The third building should be completed in 2021.

Costco is building a new store in Duluth at the corner of Arrowhead and Haines Road. The new store is expected to provide 150 full and part-time jobs. The store is forecasted to clear \$70 million in gross sales every year and attract customers from large regions, including Canada.

Long-term financial planning

At the end of each year, the County calculates the resources needed to pre-fund retiree health insurance premiums for all employees eligible for retirement at year-end and sets aside the value of sick leave balances those employees have accumulated. As of December 31, 2020, 100% of the estimated retiree obligation amount has been classified as committed fund balance in the General Fund and the Special Revenue Funds.

The County also calculates the resources needed to pre-fund health insurance premiums for those employees that are not eligible to retire immediately, but probably will retire from the County. As of December 31, 2020, 100% of the estimated retiree obligation amount has been classified as committed fund balance (vesting sick leave) in the General Fund and the Special Revenue Funds.

For many years, the County has recognized that it would be prudent to set aside funds to meet cash flow needs and assigns some of its fund balances for that purpose. The County Board's policy is to have the General Fund, the Road and Bridge Fund, and the Public Health and Human Services Fund assign a portion of their available fund balances equal to 5/12 of the certified levy for each fund, plus its share of program aid paid to the County by the State of Minnesota. As of December 31, 2020, the policy was 95.36% accomplished for the General Fund and 78.73% for the Public Health and Human Service Fund. The two funds had a combined fund balance allocated for cash flow of \$53.5 million at year-end, an increase of \$2.1 million from 2019. The Road and Bridge Fund did not have any cash flow reserve in 2020 due to the accounting treatment for State Aid advanced funds.

Starting in 2007, any County-owned buildings with operating revenues in excess of expenditures for the year had the remaining balance transferred into a Depreciation Reserve Fund in the Capital Projects Fund at year-end. At the end of 2020, the Depreciation Reserve Fund had a balance of \$1.6 million. Those monies will be used to fund future capital improvements at County facilities.

Other financial planning for 2021 and beyond includes the following:

- The County's commitment to core services and balancing the budget to position the County for future fiscal challenges.
- The County Board directs the County Administrator to hold all county departments accountable for making progress in each department's designated priority areas by the regular use of performance measures and outcomes.
- The County Board has committed and assigned monies for specific purposes. These commitments and assignments of fund balance represent the County's intended future use of the County's resources.

- In 2020, the County retained an AA+ credit rating from Standard and Poor (S&P). This rating is just one step below the highest possible rating of AAA. The rating makes the debt offerings of the County more attractive to investors and lowers the cost of borrowing. This rating was retained by the County due to sound financial policies, strong management, and a broad and diverse economy.

Major initiatives

The COVID-19 pandemic affected many areas of the County and the local economy. In response, all levels of government offered up funds to help individuals and businesses. The County had three phases where it offered assistance to businesses. St. Louis County also offered assistance to individuals and Community partners.

The County issued \$25.9 million in bonds in 2020 to continue to improve roads and bridges within the County. The bond payments will be paid for with the revenue from the transportation sales tax.

The St. Louis County Board assigned \$500,000 to create a film production incentive program aimed at luring moviemaking and television creators. The program will reimburse up to 25% on money spent locally. Several filmmakers are interested in using quaint, rural settings located throughout the County. The incentive will be available for feature films, television, commercials, and other forms of video with episodic content. Eligible productions must have at least a \$10,000 minimum budget.

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

Awards and Acknowledgments

The County received its fourth Government Finance Officers Association of the United States and Canada (GFOA) award for the 2019 Popular Annual Financial Report (PAFR), which serves as a simplified, condensed version of the Comprehensive Annual Financial Report. This report is designed to be readily available and easily understandable to the general public and other interested parties without a background in public finance.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Louis County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019.

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

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

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

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

Sincerely,



NANCY NILSEN
County Auditor-Treasurer



Legislative & Commissioner Districts - Duluth

2020

Legislative Districts

- District 3**
Sen. Thomas Bakke (DFL)
147 State Office Bldg
St. Paul MN 55155
(651) 296-8881
- District 6**
Rep. Mary Murphy (DFL)
443 State Office Building
St. Paul MN 55155
(651) 296-2676
- District 7**
Sen. Erik Simonson (DFL)
149 State Office Bldg
St. Paul MN 55155
(651) 296-4188
- District 9**
Rep. Jennifer Schultz (DFL)
351 State Office Bldg
St. Paul MN 55155
(651) 296-2228

Commissioner Districts

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

City of Duluth Precincts

- Commissioner
District 1: Prec. 10-12, 15-20, 22, 23
District 2: Prec. 1-9, 13, 14,
District 3: Prec. 21, 24-34

- Legislative
District 3B: Prec. 11, 23
District 7A: Prec. 1-10, 12-15, 17
District 7B: Prec. 16, 18-22, 24-34

www.stlouiscountymn.gov

Map Created: 12/9/2020

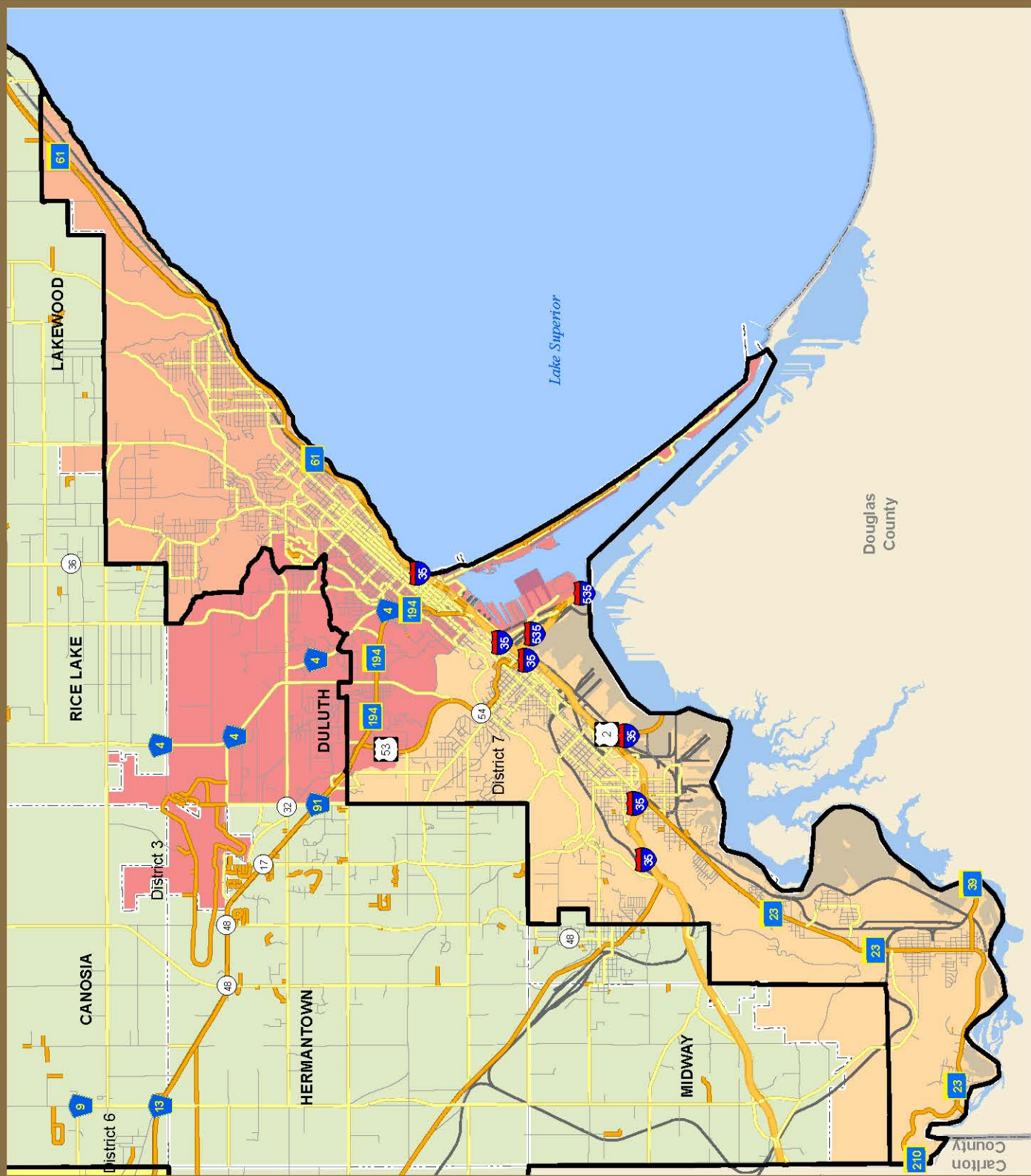
Auditor's Office
100 N 5th Ave W, Rm 214
(218) 726-2380
www.stlouiscountymn.gov

Source: St. Louis County
Map Created: 12/9/2020

Disclaimer

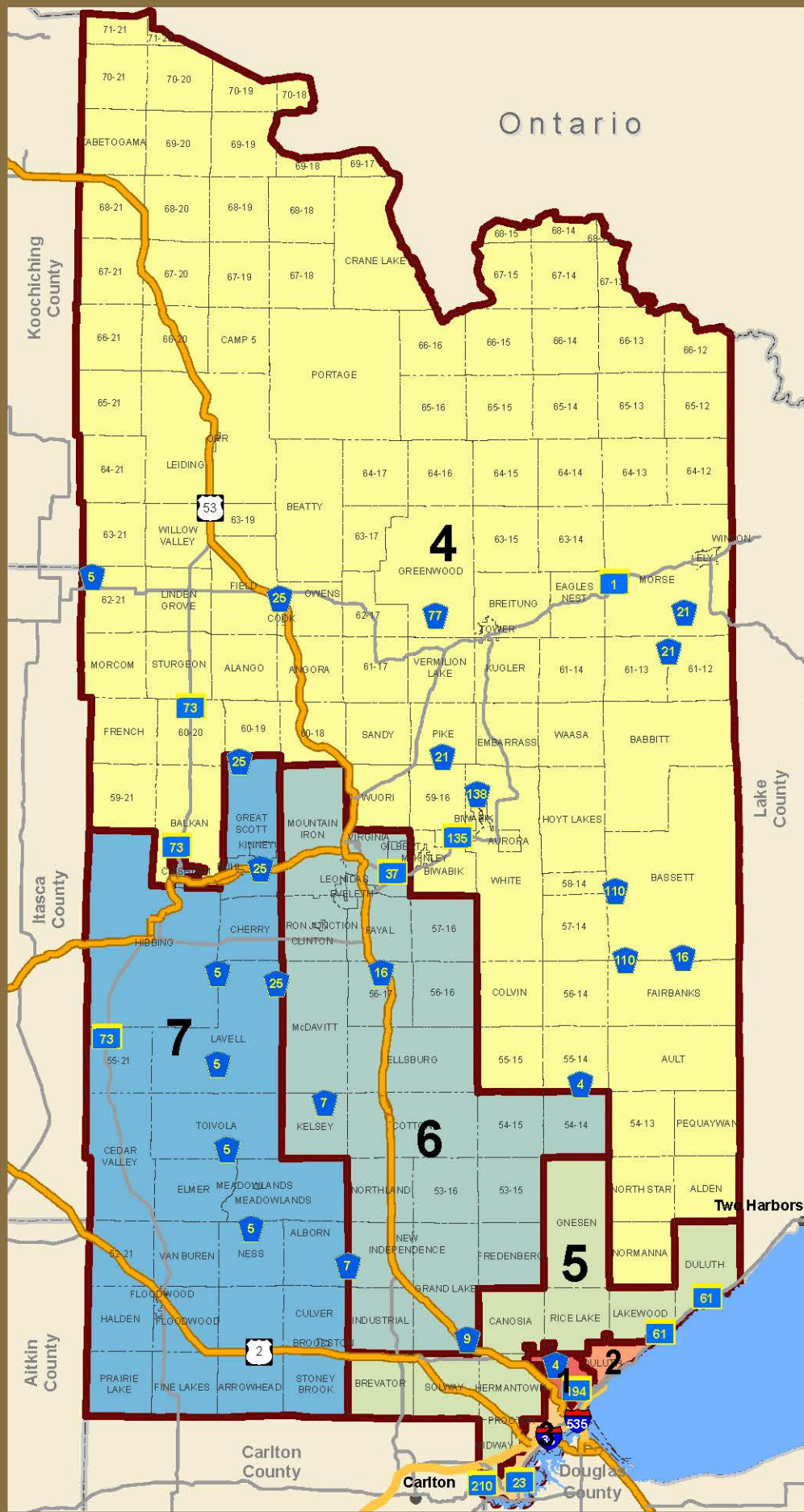
This is a compilation of records as they appear in the St. Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein contained.

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Commissioner Districts 2020



Commissioners

1

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



2

Patrick Boyle
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2359
Term Ends: 1/4/2021



3

Beth Olson
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2562
Term Ends: 1/4/2021



4

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



5

Keith Musolf
Room 202
100 N. 5th Ave. W.
Duluth MN 55802
(218) 726-2450
Term Ends: 1/4/2021



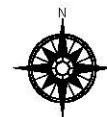
6

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



7

Mike Jugovich
Hibbing Courthouse
1810 12th Ave. E.
Hibbing MN 55746
(218) 262-0201
Term Ends: 1/4/2021



Prepared By:
Auditor's Office
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Source: St. Louis County

Map Created: 12/9/2020

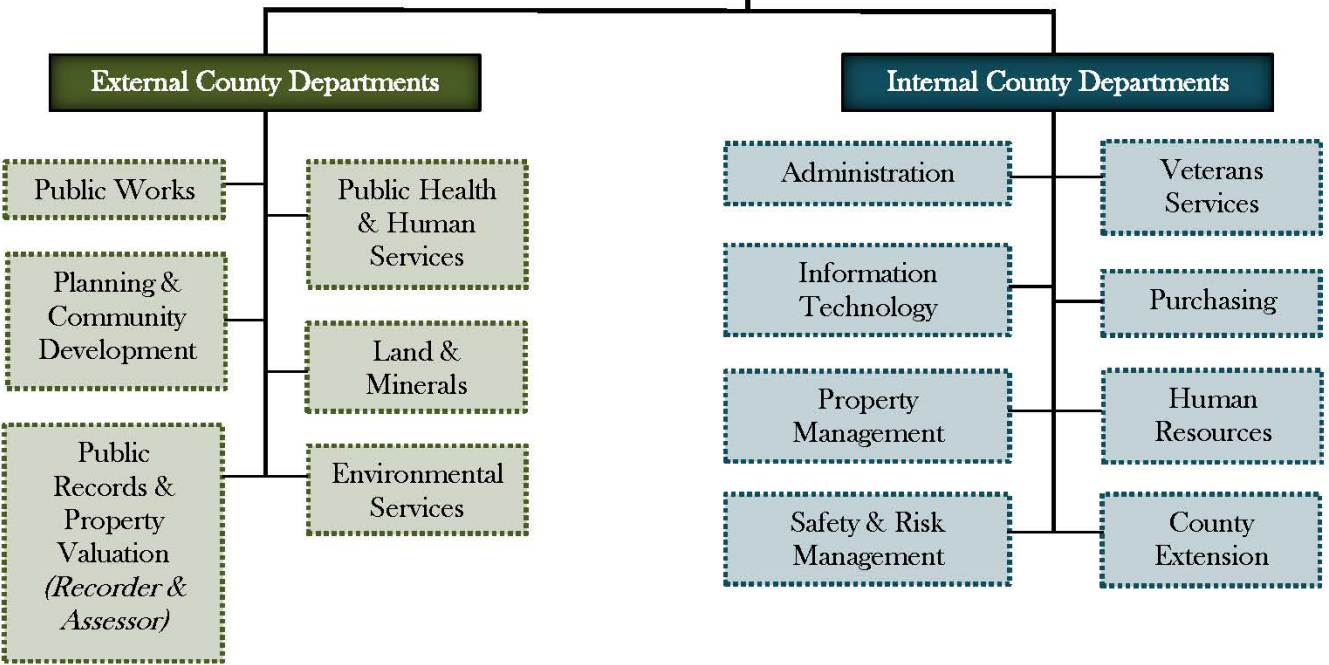
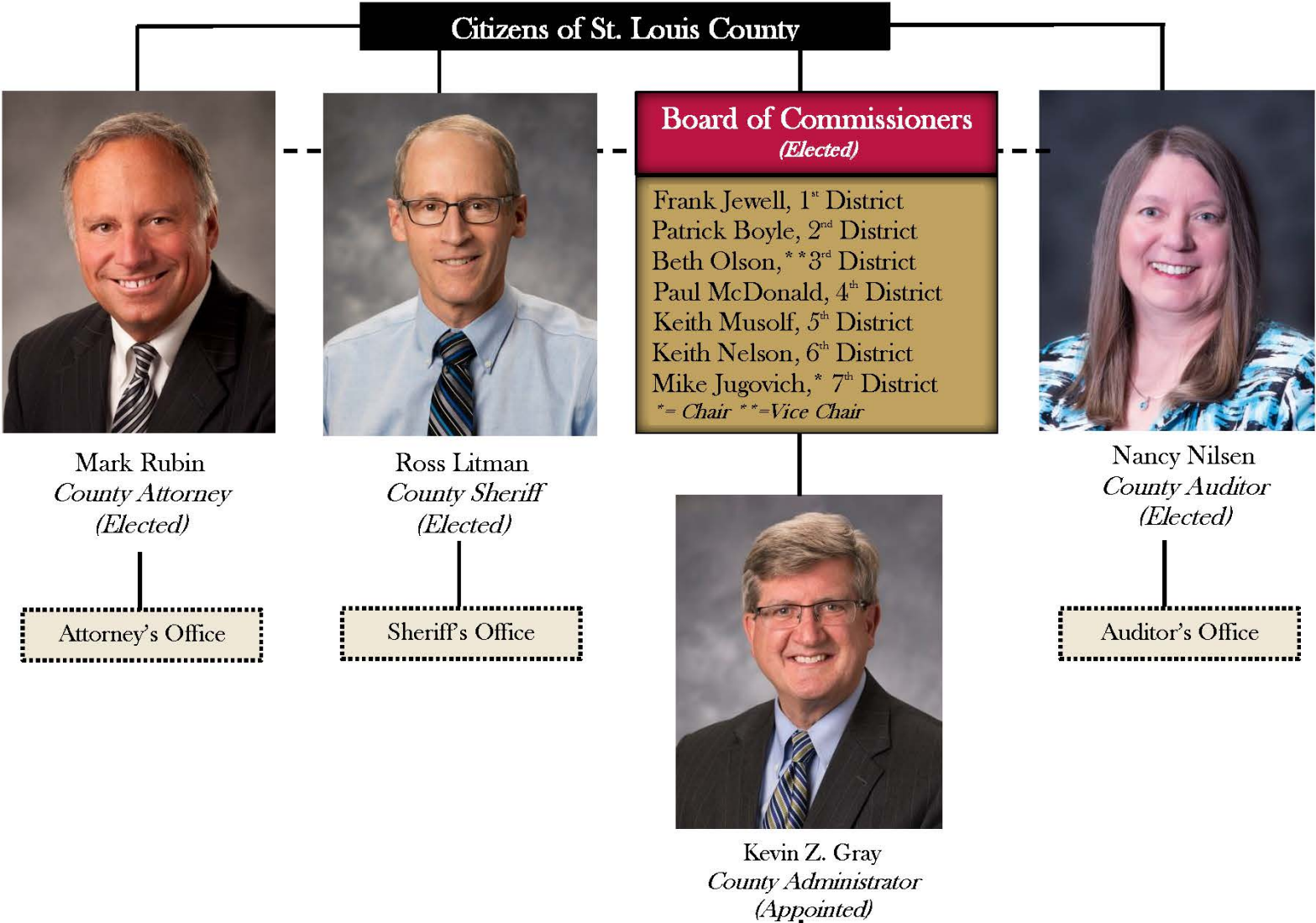
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Disclaimer

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

**St. Louis County
Elected and Appointed Officials
as of December 31, 2020**

Office	Name	Term
Commissioners:		
1st District	Frank Jewell	Jan. 2019 Jan. 2023
2nd District	Patrick Boyle	Jan. 2017 Jan. 2021
3rd District	Beth Olson	Jan. 2017 Jan. 2021
4th District	Paul McDonald	Jan. 2019 Jan. 2023
5th District	Keith Musolf	Aug. 2019 Jan. 2021
6th District	Keith Nelson	Jan. 2019 Jan. 2023
7th District	Mike Jugovich	Jan. 2017 Jan. 2021
Elected Officials:		
Attorney	Mark Rubin	Jan. 2019 Jan. 2023
Auditor-Treasurer	Nancy Nilsen	Jan. 2019 Jan. 2023
Sheriff	Ross Litman	Jan. 2019 Jan. 2023
Appointed Officers:		
Administrator	Kevin Gray	
Assessor	David Sipila	
Director, Human Resources and Administration	James Gottschald	
Director, Public Health and Human Services	Linnea Mirsch	
Director, Public Works	James Foldesi	
Examiner of Titles	Kimberly Brzezinski	
Land and Minerals Commissioner	Mark Weber	
Information Technology Director	Jeremy Craker	
Planning & Community Development Director	Matthew Johnson	
Property Management Director	Jerome Hall - Interim Director	
Public Records & Property Valuation Director	Mary Garness	
Environmental Services Director	Mark St. Lawrence	





Government Finance Officers Association

**Certificate of
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Reporting**

Presented to

**St. Louis County
Minnesota**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
St. Louis County
Duluth, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of St. Louis County, Minnesota (the County), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of St. Louis County as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison of the General Fund, Road and Bridge Fund Special Revenue Fund, Public Health and Human Services Special Revenue Fund, and Forfeited Tax Sale Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Louis County's basic financial statements. The introductory section, the supplementary data, and the statistical section as listed in the table of contents are presented for purposed of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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


Other Matters (continued)

Other Information (continued)

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021 on our consideration of St. Louis 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 St. Louis 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 St. Louis County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Brainerd, Minnesota
June 24, 2021

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Our discussion and analysis of St. Louis County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

St. Louis County's total net position increased by \$75.9 million to \$953.5 million, or 8.6%. Governmental activities increased by \$75.2 million to \$933.8 million, while the County's business-type activities increased by \$0.7 million to \$19.7 million.

The County's governmental funds reported a combined ending fund balance of \$249.3 million for 2020, an increase of \$44.4 million, including the change in inventory, compared to 2019. The nonspendable and restricted combined fund balances were \$101.2 million of total fund balance or 40.6%. These fund balances are not available for appropriation because of constraints placed on their use. The remaining fund balances of \$148.1 million or 59.4% are unrestricted and classified as either committed, assigned, or unassigned.

In 2020, the General Fund reported a total fund balance of \$80.9 million, an increase of \$7.7 million over 2019. The unassigned fund balance of the General Fund was equal to 41.8% of fund expenditures and 35.2% of fund revenues. The State Auditor's recommendations are for unrestricted fund balance to be at least 35-50% of revenues and at least five months of expenditures, or 41.7%.

St. Louis County's outstanding debt increased by \$21.4 million to \$165.6 million in 2020. The County paid down \$8.9 million of existing debt, amortized \$0.8 million of premium and issued \$25.9 million of new debt in 2020. The County also refinanced \$5.2 of existing debt to take advantage of low-interest rates. The 2020 issue is being used to improve roads and bridges within St. Louis County. The County has issued debt every year in the past ten years except 2011, 2012, 2017 and 2019.

All major governmental funds of the County reported actual expenditures less than the final 2020 expenditure budget. However, the Capital Projects Fund reported a \$7.7 million excess of actual expenditures over actual revenue for the year. The Capital Projects Fund spent \$1.3 million of bond proceeds during 2020. The majority of the spending was on the 2018A and 2018B bonds, which were issued to construct the new Government Service Center in Virginia and the Public Works facility in Cook. Public Works also used \$3.4 million of existing fund balance it had built up over time to do upgrades to their underground fuel storage tanks to be in compliance with Minnesota Pollution Control regulations.

The County's only major business-type activity, the Environmental Services Fund, had an operating loss of \$0.2 million in 2020. With nonoperating revenues from taxes, grants, earnings on investments and sale of capital assets totaling \$0.7 million, the Environmental Services Fund net position increased by \$0.5 million for the year.

Overview of the Financial Statements

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

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

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

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

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

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

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

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

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

The basic financial statements for governmental funds can be found on pages 28-41 of this report.

Proprietary funds: When the County charges customers for the services it provides, whether to outside customers or to other units of the County, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The County uses an enterprise fund (a component of proprietary funds) to report the activities of the Environmental Services Fund, the only major fund, as well as one nonmajor enterprise fund. The County uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services to the County's other programs and activities, such as the County Garage Fund. The proprietary fund basic financial statements can be found on pages 43-47 of this report.

Fiduciary funds: The County is the trustee, or fiduciary, of certain amounts held for others. The County uses a private purpose trust fund and numerous custodial funds to report its fiduciary activities. The County's fiduciary activities are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position and are excluded from the government-wide financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used in proprietary funds. The fiduciary basic financial statements can be found on pages 49-50 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 53-101 of this report.

Supplementary data. A combining balance sheet and combining statement of revenues, expenditures, and changes in fund balance for non-major governmental funds, a budgetary comparison schedule for the nonmajor governmental funds, internal service funds, fiduciary funds, and miscellaneous schedules are provided on pages 114-161.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Government-wide Financial Analysis

Net position may, over time, be a useful indicator of a government's financial condition. In the case of St. Louis County, assets and deferred outflows exceeded liabilities and deferred inflows for all activities by \$953.5 million.

By far, the most significant portion of the County's net position is the investment in capital assets 87.0%, which reflects St. Louis County's investment in capital assets less any related debt used to acquire those assets that is still outstanding. Because the County uses these capital assets to provide services to citizens, they are not available for future spending. Although investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and other assets	\$ 329.3	\$ 278.9	\$ 16.2	\$ 15.4	\$ 345.5	\$ 294.3
Capital assets	939.0	901.1	7.9	8.2	946.9	909.3
Total Assets	1,268.3	1,180.0	24.1	23.6	1,292.4	1,203.6
Deferred Outflows of Resources:						
Pension related items	13.8	15.3	0.1	0.1	13.9	15.4
Other postemployment benefits	4.4	0.6	0.2	-	4.6	0.6
Total Deferred Outflows	18.2	15.9	0.3	0.1	18.5	16.0
Liabilities:						
Long-term liabilities outstanding	309.4	272.8	3.9	3.8	313.3	276.6
Other liabilities	28.8	29.5	0.5	0.5	29.3	30.0
Total Liabilities	338.2	302.3	4.4	4.3	342.6	306.6
Deferred Inflows of Resources:						
Pension related items	13.7	31.2	0.2	0.4	13.9	31.6
Other postemployment benefits	0.2	0.3	-	-	0.2	0.3
Advanced allotment	0.6	3.5	-	-	0.6	3.5
Total Deferred Inflows	14.5	35.0	0.2	0.4	14.7	35.4
Net position:						
Net investment in capital assets	821.3	774.2	7.9	8.2	829.2	782.4
Restricted	48.5	44.2	4.4	3.8	52.9	48.0
Unrestricted	64.0	40.2	7.4	7.0	71.4	47.2
Total Net Position, as reported	\$ 933.8	\$ 858.6	\$ 19.7	\$ 19.0	\$ 953.5	\$ 877.6

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

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Governmental Activities:

In 2020, the total net position of governmental activities increased by \$75.2 million to \$933.8 million. The total net position for the years 2019 back through 2015 were \$858.6 million, \$803.5 million, \$760.2 million, \$715.8 million, and \$685.1 million, respectively. St. Louis County is again able to report positive balances in all categories of net position as it has since the government-wide financial statements were first prescribed in 2002.

Current and other assets increased by \$50.4 million in 2020 to \$329.3 million. The main reason for the significant increase was the \$25.9 million 2020A bond issuance that only had \$.1 million of spending at the end of 2020. Also, the 2020B refinancing bond issue added \$5.2 million to cash held with fiscal agent. The County also received \$3.9 million in State Relief Aid at the end of 2020 that was given out to businesses and non-profits in 2021.

Capital assets at year-end 2020 were \$939.0 million, compared with \$901.1 million in 2020, an increase of \$37.9 million. Significant capital outlays for infrastructure, such as roads, by the County each year are the driving force behind large annual increases in capital assets. A detailed analysis of this increase is presented in Table 3 on page 23, under the heading Capital Assets and Debt Administration.

Long-term liabilities outstanding increased by \$36.6 million in 2020 to \$309.4 million. The main reason for the increase is due to the County issuing \$25.9 million in new debt and refinancing \$5.2 million of existing debt. The pension liability also increased \$10.4 million in 2020 for St. Louis County's portion of PERA's unfunded liability.

Other liabilities decreased \$0.7 million in 2020 to \$28.8 million. Accounts payable decreased \$1.3 million in 2020, while unearned revenue increased by \$0.7 million. Both accounts payable and unearned revenue are mainly a result of timing differences.

Net Investment in Capital Assets increased by \$47.1 million to \$821.3 million. The increase was mainly the result of net capital assets increasing by \$37.9 million. The outstanding debt related to capital assets also increased by \$16.7 million in 2020, due to the 2020A bond issue.

Restricted net position of the governmental activities increased by \$4.3 million to \$48.5 million in 2020. This was mainly due to the \$3.9 million in restricted fund balance for the State Relief Aid that the County received from the State of Minnesota to give out as grants to individual businesses and nonprofits received in 2020, but paid out in 2021.

Business-type Activities:

Total net position of the County's business-type activities increased by \$0.7 million to \$19.7 million in 2020. At year-end, the County's business-type activities consisted of two funds, Environmental Services and Plat Books. Business-type activities were able to report positive balances in all categories of net position for 2020.

Capital assets decreased by \$0.3 million in 2020, to \$7.9 million. The depreciation expense in 2020 was \$0.5 million; there were no landfill cell closure or construction costs in 2020. A feasibility study for a landfill in Canyon was started in 2020. A vehicle and four new transfer station trailers were purchased and two transfer station trailers and two vehicles were sold.

Total liabilities for business-type activities increased by \$0.1 million in 2020. The majority of change was due to the GASB 75 OPEB Health liability, that increased \$0.1 million in 2020.

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

Unrestricted net position for business-type activities increased by \$0.4 million in 2020 to \$7.4 million. The majority of the increase to net position was the result of a large board approved rate increase and reductions in operating costs.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
<i>Program revenues:</i>						
Charges for services	\$ 53.9	\$ 54.3	\$ 7.7	\$ 6.6	\$ 61.6	\$ 60.9
Operating grants and contributions	98.8	66.9	0.3	0.5	99.1	67.4
Capital grants and contributions	26.9	25.2	-	-	26.9	25.2
<i>General revenues:</i>						
Taxes:						
Property taxes, levied for general purposes	150.5	141.3	-	-	150.5	141.3
Property taxes, levied for debt service	6.7	6.6	-	-	6.7	6.6
Transportation sales tax	16.2	16.2	-	-	16.2	16.2
State shared	19.7	19.5	-	-	19.7	19.5
Federal shared	3.3	3.5	-	-	3.3	3.5
Investment income	9.6	12.7	0.4	0.5	10.0	13.2
Special items	-	-	-	0.2	-	0.2
Total revenues	<u>385.6</u>	<u>346.2</u>	<u>8.4</u>	<u>7.8</u>	<u>394.0</u>	<u>354.0</u>
Expenses						
<i>Program expenses:</i>						
General government	52.2	50.9	-	-	52.2	50.9
Public safety	54.9	57.8	-	-	54.9	57.8
Highways and streets	59.4	55.2	-	-	59.4	55.2
Health and sanitation	13.0	7.4	-	-	13.0	7.4
Human services	103.3	99.0	-	-	103.3	99.0
Culture and recreation	4.3	4.0	-	-	4.3	4.0
Conservation of natural resources	8.7	8.7	-	-	8.7	8.7
Economic development	10.3	3.4	-	-	10.3	3.4
Interest and other charges	4.3	4.6	-	-	4.3	4.6
Environmental services	-	-	7.7	7.7	7.7	7.7
Total expenses	<u>310.4</u>	<u>291.0</u>	<u>7.7</u>	<u>7.7</u>	<u>318.1</u>	<u>298.7</u>
Increase in net position before transfers	75.2	55.2	0.7	0.1	75.9	55.3
Transfers	-	0.7	-	(0.7)	-	-
Increase (decrease) in net position	<u>75.2</u>	<u>55.9</u>	<u>0.7</u>	<u>(0.6)</u>	<u>75.9</u>	<u>55.3</u>
Net position January 1	858.6	802.7	19.0	19.6	877.6	822.3
Net position December 31	<u>\$ 933.8</u>	<u>\$ 858.6</u>	<u>\$ 19.7</u>	<u>\$ 19.0</u>	<u>\$ 953.5</u>	<u>\$ 877.6</u>

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

Governmental Activities:

Program revenues are revenues derived directly by a program from sources other than County taxpayers. In 2020, program revenue increased by \$33.2 million to \$179.6 million. Operating grants and contributions increased \$31.9 million in 2020, mainly due to the County receiving \$24.8 million of CARES funds and \$3.9 million of State Relief Aid funds, which were both related to the pandemic. Capital grants and contributions also increased \$1.7 million in 2020, mainly due to an increase in State and Federal Road Aid for Highways and Streets.

General revenues are all revenues that are not considered to be program revenues. In 2020, general revenues increased by \$6.2 million to \$206.0 million. Tax revenues in 2020 increased by \$9.3 million, mainly due to the 6.1% increase in the 2020 Property Tax Levy.

State shared revenues that are classified as general revenues, commonly referred to as local government aids, increased by \$0.2 million to \$19.7 million in 2020. The County received \$1.4 million more in County Program Aid, but \$.5 million less in PERA Aid and \$.7 million less in mineral royalties in 2020.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Investment income for governmental activities was \$9.6 million for 2020, a decrease of \$3.1 million compared to 2019. The decrease was mainly due to the drop in interest rates. The County also made fewer investments in the first half of 2020 due to the County Board delaying the property tax due dates in response to the pandemic.

Expenses for governmental activities increased \$19.4 million in 2020, or 6.3%, mainly due to the CARES funds the County received to help with the pandemic response. Economic development increased by \$6.9 million due to the CARES funds that were given out to businesses. Health and Human services also increased by 9.9 million due to the increased costs related to the Pandemic response.

Business-type Activities:

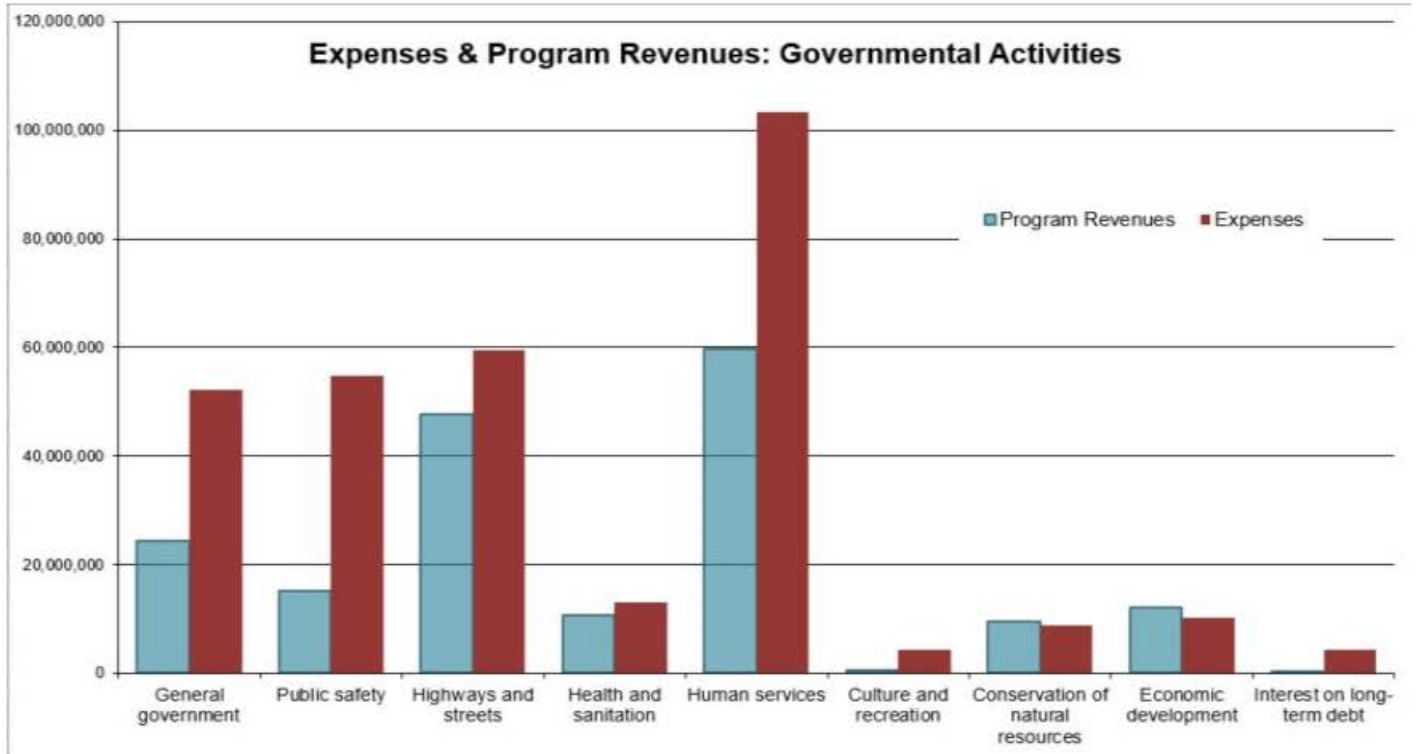
Program revenues for business-type activities increased by \$0.9 million in 2020 to \$8.0 million. Charges for services primarily increased due to a large board-approved rate increase. The remaining charges for services showed an overall slight increase due to volume increases in sales and tonnage. Licenses and permits resulted in a small increase, and other operating revenues slightly increased in 2020 primarily due to end market recycling which is market driven.

General revenues for the business-type activities decreased for the Environmental Services Fund in 2020 by \$0.3 million. Decreases occurred in investment income, grant funding and primarily a reduction in long-term expense for the transfer of funds from fund 616 to fund 289 (in 2019).

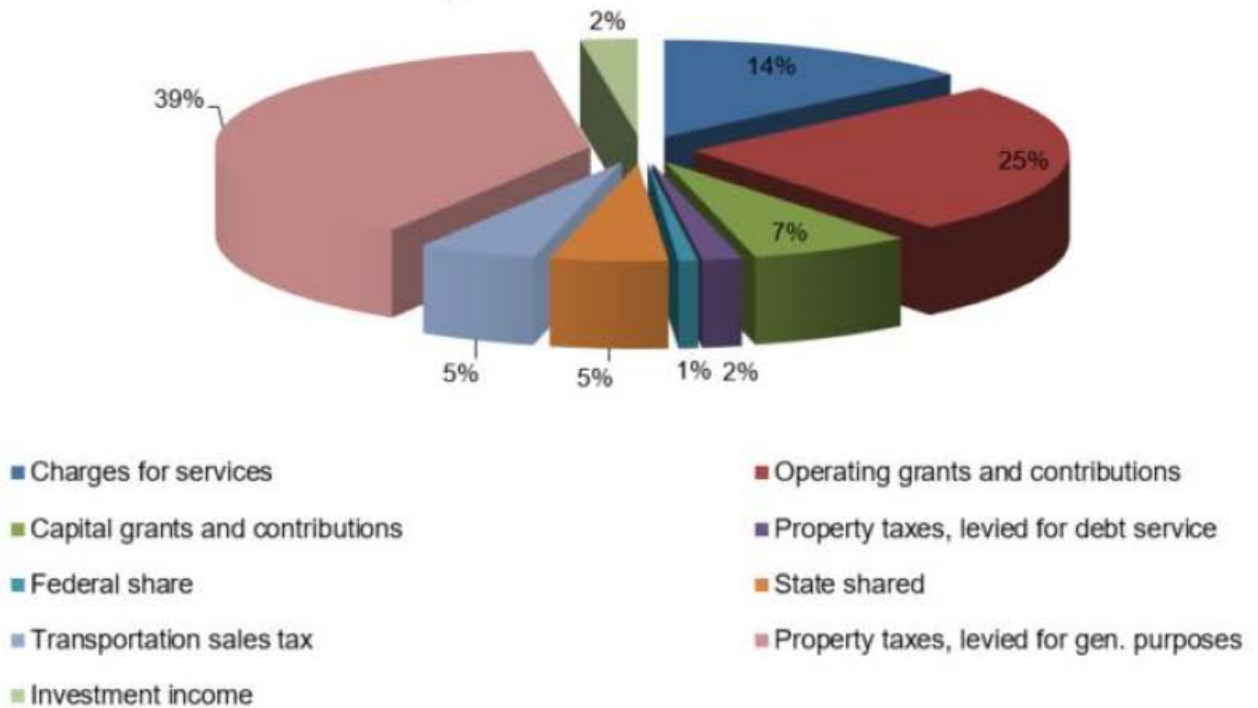
Expenses for business-type activities were \$7.7 million in 2020. In 2020, almost all expenses for business-type activities occurred in the Environmental Services Fund. Depreciation and Depletion expense decreased by \$0.1 million. There was no cell closure or construction for 2020. Depletion calculations decreased due to reduced MPCA inflation factors for post-closure current values. Operating expenses increased due to contract services, garbage collection, and intra-county charges for operating the landfill. Material expenses showed decreases in fuels, tires and tire repair for vehicles and transfer trailers. Personal Services increased in salaries and fringe (primarily medical) and retired health insurance. A transfer out of salaries to OSWW and special revenue grants reduced the salary increase in 2020. GASB 68 pension expense also decreased.

The Environmental Services Fund had net transfers out of \$875. The transfer in was for Environmental Enforcement Cleanup costs, and the transfer out was for Public Works road maintenance services at the transfer station sites.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

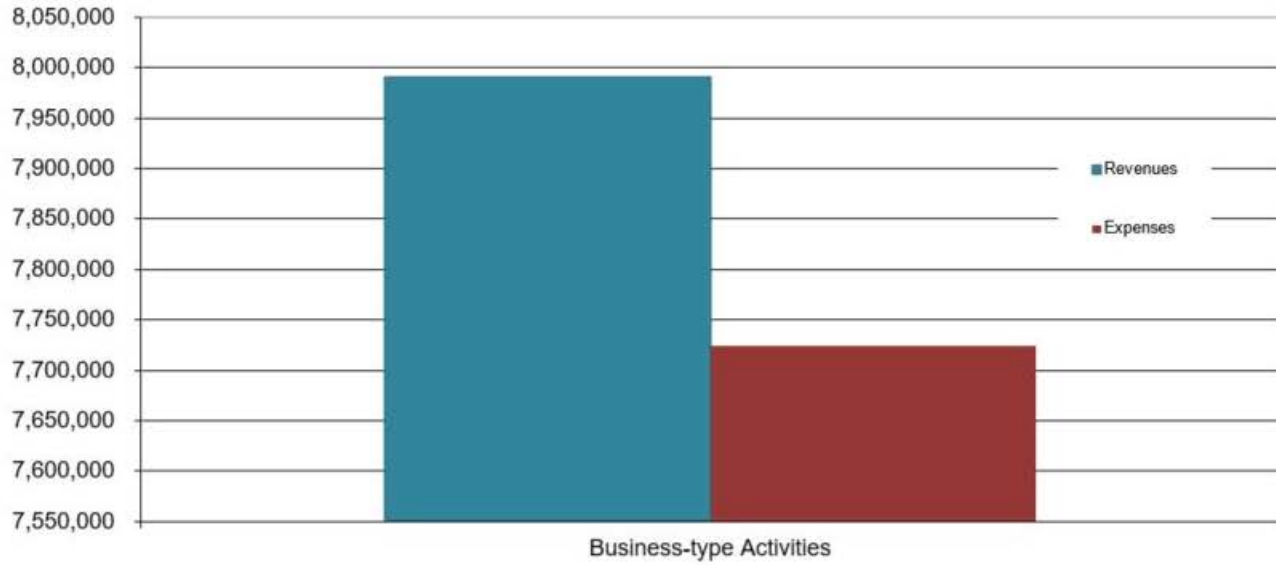


Revenues by Source: Governmental Activities

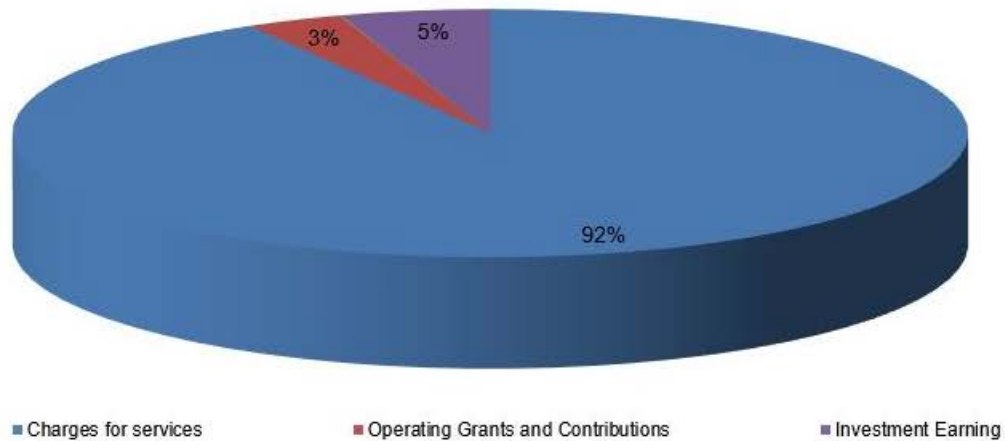


UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Expenses and Program Revenues: Business-type Activities



Revenues by Source: Business-type Activities



UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Financial Analysis of the Government's Funds

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

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

St. Louis County's governmental funds reported a combined fund balance of \$249.3 million in 2020, compared with \$204.9 million as previously reported in 2019, an increase of \$44.4 million. Fund balances that are classified as restricted are either nonspendable or restricted and have specific (usually external) constraints placed on their use. Fund balances that are classified as unrestricted are either committed, assigned, or unassigned fund balances. Committed and assigned fund balances are fund balances for which the County has identified a specific purpose. Unassigned fund balances do not have a specific use identified, but generally support cash flows of the County.

Governmental funds reported restricted fund balance for 2020 of \$101.2 million, or 40.6% of total fund balance and unrestricted fund balance of \$148.1 million or 59.4% of total fund balance. Unrestricted fund balance was \$33.6 million committed, \$71.4 million assigned, and \$43.1 million unassigned. Committed fund balances are approved by the County Board. For example, the Board has decided, by resolution, to set aside monies to pay for retiree obligations. Assigned fund balances are amounts that are to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance is fund balance that has not been reported in any other classification and is only used in the General Fund unless there are deficit fund balances in other funds.

The General Fund is the chief operating fund of the County and is used to account for all financial resources except those required to be accounted for in another fund. The unassigned fund balance of the General Fund was \$43.1 million in 2020, compared to \$41.5 million in 2019. Unassigned fund balance at the end of the year represented 35.2% of General Fund operating revenues and 41.8% of operating expenditures. The Office of the State Auditor recommends that counties maintain unrestricted fund balance in the General Fund of approximately 35 to 50 percent of operating revenues, or no less than five months of operating expenditures 41.7%.

In 2020, the fund balance of the County's General Fund increased by \$7.6 million to \$80.9 million. Revenues exceeded expenditures by \$19.4 million, but net other financing sources and uses totaled (\$11.7 million). The increase in fund balance was due to higher than anticipated revenues, employee travel savings, personnel budget savings due to position vacancies and COVID-19 reimbursements, and funds that were unspent but encumbered at year-end.

The Road and Bridge Fund had a \$3.1 million excess of revenue over expenditures in 2020. This was mainly due to the June 2012 Flood receiving/recognizing revenue from the State for Flood related expenditures of \$777K, Gas and Diesel purchases coming in \$610K under budget, a transfer from the General Fund of \$350K for Right-of-Way Clearing and Local Road and Bridge Construction expenditures coming in \$2.3M below budget due to timing and project mix. These increases were offset by Inventory spending coming in \$568K over budget, \$556K of expenditures that were incurred in 2020, but cannot be recognized as revenue since they were supported by a State Aid advance of \$556K that cannot be recognized until 2021.

The Public Health and Human Services Fund had revenue in excess of revenue of \$2.1 million in 2020. This was mainly due to lower Public Aid and travel expenditures than planned.

Pursuant to Minnesota Statutes, the Forfeited Tax Sale Fund distributed \$2.0 million in net proceeds to county funds, cities, towns and school districts in St. Louis County. The 2020 distribution was \$2.0 million higher than 2019 mainly due to a restatement in 2019. In 2019, the County began to record timber revenue as of the scaled date instead of as of the contract date.

The Capital Projects Fund's fund balance increased from \$21.9 million in 2019 to \$43.5 million in 2020. The increase is due to the County issuing \$25.9 million in new debt in 2020 to further invest in road and bridge improvements.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

General Fund Budgetary Highlights

Budgets can be amended during the year by the County Board. Supplemental appropriations or budget reductions are reviewed by the County Administrator and submitted to the County Board for its review and approval. Actual expenditures ended the year \$19.7 million under the final budget. Expenditure budgets for personnel services (\$9.7 million), operating (\$9.4 million), and capital outlay (\$.6 million) accounted for the unspent budget. The main reasons for the unspent personnel budget are savings realized when positions are vacant before they are refilled, positions intentionally held open per County Administration due to the uncertainty caused by the COVID-19 pandemic, and the reimbursement of Public Safety salaries by federal CARES funding. A large portion of the unspent operating and capital budgets was due to outstanding encumbrances at year-end.

Actual revenues in total for 2020 came in \$1.4 million over the final budget. Investment earnings were \$1.6 over budget due to unrealized gains as a result of changes in market values.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At year-end, the County's capital assets totaled \$947.0 million. Of that total, governmental activities accounted for \$939.1 million, and the remaining \$7.9 million belonged to business-type activities. These amounts represent a broad range of capital assets including land, buildings, machinery, roads, road maintenance equipment, and law enforcement equipment. Detail is presented immediately below in Table 3.

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

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 3.2	\$ 3.2	\$ 0.3	\$ 0.3	\$ 3.5	\$ 3.5
Buildings and structures	145.2	144.1	1.4	1.7	146.6	145.8
Improvements other than buildings	-	-	5.4	5.5	5.4	5.5
Machinery and equipment	3.0	2.7	0.2	0.3	3.2	3.0
Vehicles	33.7	30.3	0.6	0.4	34.3	30.7
Infrastructure	751.1	716.3	-	-	751.1	716.3
Intangibles	2.3	2.9	-	-	2.3	2.9
Work in progress	0.6	1.6	-	-	0.6	1.6
Totals	\$ 939.1	\$ 901.1	\$ 7.9	\$ 8.2	\$ 947.0	\$ 909.3

Capital assets for governmental activities increased (including additions, disposals, and depreciation expense) by \$38.0 million, or 4.2%, over 2019. Additions for 2020 totaled \$67.0 million, disposals were \$1.9 million, and depreciation expense was \$28.8 million.

Total vehicles in 2020 increased by \$3.4 million to \$33.7 million. In 2020, the County purchased 94 automobiles, 35 emergency and road maintenance vehicles, 23 unlicensed vehicles, five recreational vehicles, and five trailers.

Buildings and structures increased \$1.1 million to \$145.2 million in 2020. The main reasons for the change are \$5.8 million of work in progress projects that were completed in 2020, additions of \$2.1 million and depreciation expense of \$6.8 million.

Work in progress for governmental activities decreased by \$1.0 million in 2020 to \$0.6 million. The main reasons for the change are \$4.8 million of additions to work in progress projects in 2020 and \$5.8 million of work in progress projects were completed in 2020.

Business-type activities had total net capital assets decrease \$0.3 million from 2019. The primary reason for the decrease was depreciation expense. The Environmental Services Fund, the only enterprise fund with capital assets, had net capital assets at year-end of \$7.9 million. In 2020 they purchased a vehicle, 4 trailers, and began a feasibility study for a landfill in Canyon; and disposed of two trailers and two vehicles.

UNAUDITED
St. Louis County, Minnesota
Management's Discussion and Analysis
December 31, 2020

Additional information on St. Louis County's capital assets can be found in the notes on pages 72 and 73.

Debt Administration

At year-end, the County had \$165.6 million of outstanding bonded debt that is backed by the full faith and credit of the County. Some of the debt is also secured by specific revenue sources. There is no business-type activity bonded debt.

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

	Governmental Activities	
	2020	2019
	<u>\$ 165.6</u>	<u>\$ 144.2</u>
General obligation bonds		

The County debt increased by \$21.4 million to \$165.6 million in 2020, compared to a decrease of \$10 million in 2019. In 2020, the County paid \$8.9 million on existing debt, amortized \$0.8 in premium, issued \$25.9 million in new debt, and refinanced \$5.2 million of debt to take advantage of lower interest rates.

Standard and Poor's Rating Service assigned an "AA+" rating to the bonds that were issued in 2020.

Additional information on St. Louis County's long-term debt can be found in the notes on pages 74-76.

ECONOMIC FACTORS AND NEXT Years BUDGETS AND RATES

The average unemployment rate for St. Louis County was 5.7% in 2020; the average unemployment rate was 8.1% for the United States and 4.4% for the State of Minnesota, generally.

The County's 2021 budget was passed on December 15, 2020, at a meeting of the St. Louis County Board of Commissioners. The 2021 property tax levy was \$147.7 million, an increase of \$2.1 million compared to 2020.

In 2020, St. Louis County collected \$15.8 million due to implementing a half percent Transportation Sales Tax and \$0.4 million from the Motor Vehicle Excise Tax. The County uses the sales tax revenue to repair roads in the poorest condition, replace critical bridge infrastructure, and accelerate safety projects identified in the County Highway Safety Plan.

County Program Aid received from the State of Minnesota in 2020 was \$13.6 million. Due to the volatility of this revenue in the past, the County is working to reduce its reliance on this aid. In years where the aid is fully funded, the amount in excess of the adopted budget will be directed to critical capital investments, reducing future borrowing costs or levy impacts.

Employees are key to the quality services provided by St. Louis County. The 2021 budget included 1,876 full time equivalent employees. Of the total \$420.3 million 2021 budget, \$205.6 million or 48.9%, was designated for personnel related costs.

In May of 2021, the County received its first half of the \$54.5 million of American Rescue Plan funds that were allocated to St. Louis County.

All of these factors were considered in preparing the County's budget for the 2021 fiscal year.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and pooled investments	\$ 183,534,003	\$ 2,853,283	\$ 186,387,286
Cash with fiscal agent	20,110,696	-	20,110,696
Investments	69,897,452	8,175,595	78,073,047
Accounts receivable (net)	45,293,976	86,263	45,380,239
Internal balances	576,493	(576,493)	-
Inventories	9,834,855	28,475	9,863,330
Prepaid items	76,840	300	77,140
Restricted assets	-	5,681,561	5,681,561
Capital assets not being depreciated	4,925,669	277,966	5,203,635
Capital assets being depreciated, net	934,120,798	7,643,511	941,764,309
Total assets	<u>1,268,370,782</u>	<u>24,170,461</u>	<u>1,292,541,243</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	13,766,081	101,780	13,867,861
Other postemployment benefits	4,402,056	81,201	4,483,257
Total deferred outflows of resources	<u>18,168,137</u>	<u>182,981</u>	<u>18,351,118</u>
LIABILITIES			
Accounts payable	23,617,210	546,536	24,163,746
Unearned revenue	5,025,537	50	5,025,587
Advance from other governments	205,304	-	205,304
Noncurrent liabilities:			
Due within one year	22,856,450	199,115	23,055,565
Due in more than one year	186,025,414	1,954,139	187,979,553
Net pension liability	87,709,113	1,528,842	89,237,955
Other postemployment benefits liability	12,760,411	220,294	12,980,705
Total liabilities	<u>338,199,439</u>	<u>4,448,976</u>	<u>342,648,415</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related items	13,761,689	194,196	13,955,885
Other postemployment benefits	199,044	3,672	202,716
Advanced allotment	566,757	-	566,757
Total deferred inflows of resources	<u>14,527,490</u>	<u>197,868</u>	<u>14,725,358</u>
NET POSITION			
Net investment in capital assets	821,301,671	7,921,477	829,223,148
Restricted			
General government	1,230,770	-	1,230,770
Public safety	1,312,183	-	1,312,183
Highways and streets	10,780,831	-	10,780,831
Health and sanitation	731,540	-	731,540
Human services	558,541	-	558,541
Conservation of natural resources	334,810	-	334,810
Economic development	6,113,583	-	6,113,583
Debt service	841,936	-	841,936
Permanent Funds:			
Expendable	2,006,011	-	2,006,011
Nonexpendable	24,566,576	-	24,566,576
Financial assurance	-	4,395,237	4,395,237
Unrestricted	64,033,538	7,389,884	71,423,422
Total net position	<u>\$ 933,811,990</u>	<u>\$ 19,706,598</u>	<u>\$ 953,518,588</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 52,191,312	\$ 21,699,968	\$ 2,562,762	\$ -	\$ (27,928,582)	\$ -	\$ (27,928,582)
Public safety	54,891,977	3,586,252	11,496,001	-	(39,809,724)	-	(39,809,724)
Highways and streets	59,447,031	5,207,198	15,622,684	26,920,036	(11,697,113)	-	(11,697,113)
Health and sanitation	13,008,828	836,914	9,879,218	-	(2,292,696)	-	(2,292,696)
Human services	103,331,200	13,225,146	46,564,252	-	(43,541,802)	-	(43,541,802)
Culture and recreation	4,309,801	193,318	271,147	-	(3,845,336)	-	(3,845,336)
Conservation of natural resources	8,698,640	9,140,379	344,933	-	786,672	-	786,672
Economic development	10,262,738	250	12,069,917	-	1,807,429	-	1,807,429
Interest and other charges	4,305,394	-	51	-	(4,305,343)	-	(4,305,343)
Total governmental activities	310,446,921	53,889,425	98,810,965	26,920,036	(130,826,495)	-	(130,826,495)
Business-type Activities:							
Environmental Services	7,672,643	7,691,343	275,791	-	-	294,491	294,491
Plat Books	51,980	23,616	-	-	-	(28,364)	(28,364)
Total business-type activities	7,724,623	7,714,959	275,791	-	-	266,127	266,127
Total primary government	\$ 318,171,544	\$ 61,604,384	\$ 99,086,756	\$ 26,920,036	(130,826,495)	266,127	(130,560,368)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					150,526,521	-	150,526,521
Property taxes, levied for debt service					6,620,196	-	6,620,196
Transportation sales tax					16,192,112	-	16,192,112
State shared not restricted to specific programs					19,742,545	4,080	19,746,625
Federal shared not restricted to specific programs					3,288,678	-	3,288,678
Investment earnings					9,637,909	427,873	10,065,782
Transfers					875	(875)	-
Total general revenues and transfers					206,008,836	431,078	206,439,914
Changes in net position					75,182,341	697,205	75,879,546
Net position - January 1					858,629,649	19,009,393	877,639,042
Net position - December 31					\$ 933,811,990	\$ 19,706,598	\$ 953,518,588

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

GOVERNMENTAL FUNDS

General Fund

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

Special Revenue Funds

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

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

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

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

Capital Projects Fund

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

ST. LOUIS COUNTY, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General	Road and Bridge	Public Health and Human Services	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 83,161,713	\$ 20,697,528	\$ 29,424,276	\$ 1,696,091	\$ 16,738,881	\$ 16,091,079	\$ 167,809,568
Cash with fiscal agent	-	-	-	-	-	20,110,696	20,110,696
Investments	-	-	-	-	25,750,920	24,366,575	50,117,495
Delinquent taxes receivable	2,057,102	688,809	1,482,385	-	157,170	233,426	4,618,892
Accounts receivable (net)	167,485	347,758	602,752	12,612,759	24,539	37,882	13,793,175
Accrued interest receivable	669,356	-	-	249,148	4,061	-	922,565
Loans receivable	181,160	76,085	-	-	-	2,012,175	2,269,420
Interfund receivable	290,258	-	-	-	-	-	290,258
Due from other governments	1,586,142	7,104,674	8,644,641	-	14,275	4,905,286	22,255,018
Inventories	-	9,796,562	-	-	-	-	9,796,562
Prepaid items	67,589	9,251	-	-	-	-	76,840
Advances to other funds	-	-	-	-	1,649,860	-	1,649,860
Total Assets	<u>88,180,805</u>	<u>38,720,667</u>	<u>40,154,054</u>	<u>14,557,998</u>	<u>44,339,706</u>	<u>67,757,119</u>	<u>293,710,349</u>
LIABILITIES							
Accounts payable	1,145,948	1,067,306	2,814,760	59,514	468,650	608,853	6,165,031
Contracts payable	-	2,480,455	-	-	216,438	-	2,696,893
Accrued payroll	3,297,708	848,142	2,060,721	149,086	-	84,853	6,440,510
Interfund payable	-	-	-	-	-	290,258	290,258
Due to other governments	286,333	182,957	1,437,907	6,675	-	457,615	2,371,487
Unearned revenue	655,903	2,378,581	1,070,233	495,869	-	40,000	4,640,586
Advance from other governments	-	205,304	-	-	-	-	205,304
Total Liabilities	<u>5,385,892</u>	<u>7,162,745</u>	<u>7,383,621</u>	<u>711,144</u>	<u>685,088</u>	<u>1,481,579</u>	<u>22,810,069</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue							
Taxes	1,817,713	613,583	1,308,202	-	134,488	207,529	4,081,515
Grants	59,698	3,679,479	558,542	-	-	10,000	4,307,719
Advanced allotment	-	566,757	-	-	-	-	566,757
Long-term receivables	-	-	-	12,635,061	-	-	12,635,061
Total Deferred Inflows of Resources	<u>1,877,411</u>	<u>4,859,819</u>	<u>1,866,744</u>	<u>12,635,061</u>	<u>134,488</u>	<u>217,529</u>	<u>21,591,052</u>
FUND BALANCE							
Nonspendable							
Inventories	-	9,796,562	-	-	-	-	9,796,562
Prepaid items	67,589	9,251	-	-	-	-	76,840
Noncurrent loans	181,160	-	-	-	-	-	181,160
Environmental trust funds	-	-	-	-	-	24,366,575	24,366,575
Scholarships	-	-	-	-	-	200,000	200,000
Missing heirs	145,559	-	-	-	-	-	145,559
Restricted							
Unorganized town roads	-	10,601	-	-	-	-	10,601
Transportation sales tax	-	6,201,545	-	-	-	-	6,201,545
Health and sanitation	-	-	-	-	-	550,380	550,380
COVID pandemic	-	-	-	-	-	3,940,417	3,940,417
Debt service	-	-	-	-	-	22,252,441	22,252,441
Noncurrent loans	-	76,085	-	-	-	876,585	952,670
Improvement of natural resources	-	-	-	-	-	2,006,011	2,006,011
Economic development	1,296,581	-	-	-	-	-	1,296,581
Law library	152,502	-	-	-	-	-	152,502
Recorder's equipment	699,083	-	-	-	-	-	699,083
Communications	624,882	-	-	-	-	-	624,882
Extension service	334,810	-	-	-	-	-	334,810
Tax certificate assurance	198,153	-	-	-	-	-	198,153
Attorney forfeitures	88,053	-	-	-	-	-	88,053
Sheriff forfeitures	94,300	-	-	-	-	-	94,300
Sheriff fines	10,680	-	-	-	-	-	10,680
Data integration	113,276	-	-	-	-	-	113,276
Veterans' credit	-	-	-	15,000	-	-	15,000
Emergency contingency	5,942	-	-	23,969	-	-	29,911
Sheriff's contingency	4,741	-	-	-	-	-	4,741
Permit to carry	337,026	-	-	-	-	-	337,026
Restricted capital improvement	-	-	-	-	26,561,304	-	26,561,304
Committed							
Health and sanitation	-	-	-	-	-	1,801,685	1,801,685
Conservation of natural resources	-	-	-	-	-	6,096,855	6,096,855
Economic development	-	-	-	-	-	2,286,346	2,286,346
Retiree obligations	7,224,825	2,384,349	4,647,655	593,192	-	144,058	14,994,079
Vesting sick leave	4,442,027	1,086,244	2,200,441	450,671	-	-	8,179,383
National night out	1,499	-	-	-	-	-	1,499
Ditching	260,673	-	-	-	-	-	260,673
SLC explorer post	1,685	-	-	-	-	-	1,685

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

ST. LOUIS COUNTY, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General	Road and Bridge	Public Health and Human Services	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assigned							
Out of home placement	\$ -	\$ -	\$ 1,840,000	\$ -	\$ -	\$ -	\$ 1,840,000
Major emergency road and bridge repair	-	500,000	-	-	-	-	500,000
Local road & bridge construction projects	-	2,946,405	-	-	-	-	2,946,405
Gas and diesel variability	-	782,049	-	-	-	-	782,049
State aid engineering	-	429,883	-	-	-	-	429,883
Salt budget carryforward	-	144,681	-	-	-	-	144,681
Depreciation reserve	-	-	-	-	1,573,486	-	1,573,486
Capital improvements	-	-	-	-	15,385,340	-	15,385,340
Parking	613,766	-	-	-	-	-	613,766
Economic development	2,028,496	-	-	-	-	-	2,028,496
General government	1,954,598	-	-	-	-	-	1,954,598
Culture & recreation	134,747	-	-	-	-	-	134,747
Public safety	2,091,336	-	-	-	-	-	2,091,336
Public safety innovation	640,904	-	-	-	-	-	640,904
Highways and streets	-	2,330,448	-	-	-	-	2,330,448
Health and sanitation	75,390	-	165,403	-	-	-	240,793
Information technology	6,955,120	-	234,909	-	-	-	7,190,029
Periodic data match	-	-	208,838	-	-	-	208,838
Prevention and Innovation	-	-	2,514,150	-	-	-	2,514,150
Human services	-	-	18,074,935	-	-	-	18,074,935
Conservation of natural resources	4,169	-	-	128,961	-	119,948	253,078
Planning and zoning GIS	861,968	-	-	-	-	-	861,968
Mineral management program	80,000	-	-	-	-	-	80,000
Health initiatives	-	-	695,512	-	-	-	695,512
Economic development blight program	963,309	-	-	-	-	-	963,309
Elections	134,173	-	-	-	-	-	134,173
Camp esquagama	45,000	-	-	-	-	-	45,000
Other postemployment benefits	2,000,000	-	-	-	-	-	2,000,000
License center	207,301	-	-	-	-	-	207,301
COVID pandemic	1,700,000	-	-	-	-	1,416,710	3,116,710
Scholarships	150,000	-	-	-	-	-	150,000
Depot	260,879	-	-	-	-	-	260,879
Depot capital	65,000	-	-	-	-	-	65,000
Human service conference	-	-	321,846	-	-	-	321,846
Film production incentives	500,000	-	-	-	-	-	500,000
Forest management activities	51,668	-	-	-	-	-	51,668
Unassigned	43,114,632	-	-	-	-	-	43,114,632
Total Fund Balance	<u>80,917,502</u>	<u>26,698,103</u>	<u>30,903,689</u>	<u>1,211,793</u>	<u>43,520,130</u>	<u>66,058,011</u>	<u>249,309,228</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 88,180,805</u>	<u>\$ 38,720,667</u>	<u>\$ 40,154,054</u>	<u>\$ 14,557,998</u>	<u>\$ 44,339,706</u>	<u>\$ 67,757,119</u>	<u>\$ 293,710,349</u>

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

ST. LOUIS COUNTY, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020

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

Total Fund balance - governmental funds (from above)	\$ 249,309,228
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	935,523,177
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.	21,024,295
Other long-term assets reported as deferred inflows of resources.	(13,960,733)
Certain liabilities payable from other long term assets listed above are also not reported in the funds.	(5,054,024)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(300,471,233)
Other long-term liabilities reported as deferred outflows of resources.	18,168,137
Internal Service Funds are used by management to charge the costs of certain activities such as insurances to individual funds.	
The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Position.	<u>29,273,143</u>
Net position of governmental activities	<u>\$ 933,811,990</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Road and Bridge	Public Health and Human Services	Forfeited Tax Sale	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 70,208,101	\$ 43,780,819	\$ 45,996,233	\$ -	\$ 5,996,034	\$ 7,409,155	\$ 173,390,342
Licenses and permits	507,044	87,030	-	-	-	-	594,074
Intergovernmental	21,141,746	44,716,965	58,614,807	36,156	323,601	32,364,590	157,197,865
Charges for services	23,490,156	4,138,162	4,769,941	-	-	287,625	32,685,884
Fines and forfeits	61,989	-	-	-	-	-	61,989
Earnings on investments	5,351,050	53,856	-	-	21,165	3,634,752	9,060,823
Gifts and contributions	18,600	-	-	-	-	-	18,600
Land and timber sales	-	-	-	7,639,445	-	498,880	8,138,325
Miscellaneous	1,646,201	832,160	602,036	677,880	29,352	160,081	3,947,710
Total Revenues	122,424,887	93,608,992	109,983,017	8,353,481	6,370,152	44,355,083	385,095,612
EXPENDITURES							
Current:							
General government	50,082,138	-	-	-	576,107	1,382,638	52,040,883
Public safety	45,859,449	-	-	-	79,670	10,161,840	56,100,959
Highways and streets	-	40,076,004	-	-	349,353	206,038	40,631,395
Health and sanitation	750,872	-	6,529,296	-	-	5,914,641	13,194,809
Human services	245,095	-	101,363,002	-	-	4,782,038	106,390,135
Culture and recreation	2,424,239	-	-	-	65,531	185,312	2,675,082
Conservation of natural resources	1,423,447	-	-	6,780,553	8,000	826,431	9,038,431
Economic development	552,727	-	-	-	-	9,676,147	10,228,874
Debt service:							
Principal	-	-	-	-	-	8,918,362	8,918,362
Interest and other charges	-	-	-	-	129,847	4,950,618	5,080,465
Capital outlay:							
General government	245,622	-	-	-	1,833,844	-	2,079,466
Public safety	1,449,837	-	-	-	728,426	23,863	2,202,126
Highways and streets road construction	-	50,436,404	-	-	9,857,719	-	60,294,123
Health and sanitation	-	-	-	-	2,800	824,454	827,254
Conservation of natural resources	-	-	-	195,181	17,235	164,849	377,265
Culture and recreation	-	-	-	-	396,835	36,288	433,123
Total Expenditures	103,033,426	90,512,408	107,892,298	6,975,734	14,045,367	48,053,519	370,512,752
Excess (deficiency) of revenues over (under) expenditures	19,391,461	3,096,584	2,090,719	1,377,747	(7,675,215)	(3,698,436)	14,582,860
OTHER FINANCING SOURCES (USES)							
Transfers in	2,000,375	829,212	417,109	40,075	3,781,765	13,971,765	21,040,301
Transfers (out)	(13,815,320)	(5,374,518)	(1,100)	(1,813,768)	(481,620)	(1,479,111)	(22,965,437)
Bonds issued	-	-	-	-	25,395,000	4,960,000	30,355,000
Premium on bonds issued	-	-	-	-	512,941	220,000	732,941
Loan proceeds	-	-	-	-	-	36,616	36,616
Sale of capital assets	88,593	-	-	-	44,124	-	132,717
Total other financing sources and uses	(11,726,352)	(4,545,306)	416,009	(1,773,693)	29,252,210	17,709,270	29,332,138
Net change in fund balances	7,665,109	(1,448,722)	2,506,728	(395,946)	21,576,995	14,010,834	43,914,998
Fund balances - January 1	73,252,393	27,622,745	28,396,961	1,607,739	21,943,135	52,047,177	204,870,150
Increase (decrease) in inventories	-	524,080	-	-	-	-	524,080
Fund balances - December 31	\$ 80,917,502	\$ 26,698,103	\$ 30,903,689	\$ 1,211,793	\$ 43,520,130	\$ 66,058,011	\$ 249,309,228

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

ST. LOUIS COUNTY, MINNESOTA
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES**
GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Net change in fund balances--total governmental funds (from previous page)	\$ 44,439,078
Increase (Decrease) in inventories--total governmental funds (from previous page)	524,080
Amounts reported for governmental activities in the Statement of Activities are different because:	
Unavailable revenues reported in the governmental funds are considered revenues in the Statement of Activities.	(522,818)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Due to other governments	(112,933)
Compensated absences	(2,579,990)
Bond interest payable	(26,017)
Bond premium amortization	801,088
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	37,616,946
Internal service funds are used by management to charge the costs of certain activities, such as insurance and printing to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	11,841,711
Expenditures reported in the governmental funds are not considered expenses in the Statement of Activities	
Intra-general government function rent	251,341
Repayment of bond principal and redemption of refunding bonds is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position	8,918,362
The County's proportionate share of the Other Post Employment Benefits	(478,602)
The County's proportionate share of the of the Public Employees Retirement Association of Minnesota	5,598,036
The issuance of long term debt provides current financial resources, but has not effect on net position	(31,087,941)
Change in net position of governmental activities	<u>\$ 75,182,341</u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 69,714,690	\$ 69,648,023	\$ 70,208,101	\$ 560,078
Licenses and permits	296,774	601,164	507,044	(94,120)
Intergovernmental	21,039,845	21,154,568	21,141,746	(12,822)
Charges for services	24,265,436	24,100,686	23,490,156	(610,530)
Fines and forfeits	95,725	95,725	61,989	(33,736)
Earnings on investments	3,760,000	3,760,000	5,351,050	1,591,050
Gifts and contributions	15,300	18,700	18,600	(100)
Miscellaneous	1,653,098	1,634,472	1,646,201	11,729
Total revenues	120,840,868	121,013,338	122,424,887	1,411,549
EXPENDITURES				
General government				
Non-departmental				
Personnel services	-	276,578	276,578	-
Commissioners				
Personnel services	928,160	961,298	961,298	-
Other operating	272,071	239,583	236,530	3,053
Total commissioners	1,200,231	1,200,881	1,197,828	3,053
Port authority				
Other operating	12,000	12,000	12,000	-
County administrator				
Personnel services	2,254,021	1,928,760	1,124,354	804,406
Other operating	2,065,078	2,046,913	671,724	1,375,189
Total county administrator	4,319,099	3,975,673	1,796,078	2,179,595
Intergovernmental affairs				
Personnel services	159,130	161,709	161,709	-
Other operating	182,148	179,570	160,100	19,470
Total intergovernmental affairs	341,278	341,279	321,809	19,470
Labor relations				
Other operating	152,185	152,185	48,562	103,623
Planning and zoning				
Personnel services	1,704,412	1,766,754	1,722,754	44,000
Other operating	1,961,964	1,905,900	959,934	945,966
Total planning and zoning	3,666,376	3,672,654	2,682,688	989,966
Commitment representation				
Personnel services	2,500	2,500	-	2,500
Other operating	132,528	132,528	80,374	52,154
Total commitment representation	135,028	135,028	80,374	54,654
Court administrator				
Other operating	1,252,959	1,252,959	1,252,959	-
Examiner of titles				
Personnel services	137,486	138,663	138,663	-
Other operating	21,394	20,217	15,452	4,765
Total examiner of titles	158,880	158,880	154,115	4,765
County attorney				
Personnel services	7,991,804	7,965,662	7,709,083	256,579
Other operating	1,321,985	1,267,847	1,096,019	171,828
Total county attorney	9,313,789	9,233,509	8,805,102	428,407
Subtotal	20,551,825	20,411,626	16,628,093	3,783,533

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
General government (continued)				
County auditor				
Personnel services	4,626,816	4,621,968	4,446,244	175,724
Other operating	1,661,877	1,611,877	1,049,095	562,782
Capital outlay	100,718	100,718	56,175	44,543
Total county auditor	6,389,411	6,334,563	5,551,514	783,049
Information technology				
Personnel services	5,483,772	5,539,984	5,255,333	284,651
Other operating	4,216,752	5,023,917	3,659,584	1,364,333
Capital outlay	100,000	100,000	43,205	56,795
Total information technology	9,800,524	10,663,901	8,958,122	1,705,779
County assessor				
Personnel services	4,264,360	4,264,360	4,001,459	262,901
Other operating	1,247,241	1,247,241	692,235	555,006
Total county assessor	5,511,601	5,511,601	4,693,694	817,907
Purchasing				
Personnel services	511,308	511,308	508,486	2,822
Other operating	30,566	30,566	11,199	19,367
Total purchasing	541,874	541,874	519,685	22,189
Microfilming				
Other operating	45,459	37,580	32,121	5,459
Recorder				
Personnel services	2,047,425	2,046,235	1,859,765	186,470
Other operating	512,754	508,335	278,778	229,557
Capital outlay	25,000	37,298	37,297	1
Total recorder	2,585,179	2,591,868	2,175,840	416,028
Human resources				
Personnel services	1,575,492	1,575,492	1,518,916	56,576
Other operating	415,864	415,864	273,519	142,345
Total human resources	1,991,356	1,991,356	1,792,435	198,921
Veteran's service				
Personnel services	808,422	808,422	706,750	101,672
Other operating	150,743	159,527	114,145	45,382
Total veteran's service	959,165	967,949	820,895	147,054
Employee training				
Personnel services	336,719	342,420	341,437	983
Other operating	405,896	400,195	244,554	155,641
Total employee training	742,615	742,615	585,991	156,624
Elections				
Personnel services	47,900	47,535	2,023	45,512
Other operating	403,178	453,543	394,266	59,277
Total elections	451,078	501,078	396,289	104,789
Subtotal	29,018,262	29,884,385	25,526,586	4,357,799
				continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
General government (continued)				
Property management				
Personnel services	4,802,197	4,759,691	4,759,691	-
Other operating	3,374,944	3,318,634	3,211,242	107,392
Capital outlay	35,000	113,974	108,945	5,029
Total property management	8,212,141	8,192,299	8,079,878	112,421
Missing heirs				
Other operating	-	83,467	83,467	-
Health care reform				
Other operating	22,026	22,026	9,736	12,290
Total General government	57,804,254	58,593,803	50,327,760	8,266,043
Public safety				
Arrowhead regional corrections				
Other operating	16,568,785	16,551,185	16,549,353	1,832
Sheriff				
Personnel services	14,647,329	13,127,428	9,608,282	3,519,146
Other operating	4,096,528	4,494,868	3,135,533	1,359,335
Capital outlay	1,472,531	1,411,031	1,284,856	126,175
Total sheriff	20,216,388	19,033,327	14,028,671	5,004,656
Boat and water safety				
Personnel services	7,170	14,793	12,170	2,623
Other operating	69,482	85,254	81,117	4,137
Capital outlay	38,477	39,477	39,411	66
Total boat and water safety	115,129	139,524	132,698	6,826
Medical examiner				
Other operating	619,232	619,232	602,033	17,199
Emergency management				
Personnel services	167,493	190,982	181,645	9,337
Other operating	210,148	281,352	270,422	10,930
Total emergency management	377,641	472,334	452,067	20,267
Rescue squad				
Other operating	252,707	325,855	325,528	327
Capital outlay	10,000	8,100	8,089	11
Total rescue squad	262,707	333,955	333,617	338
Law enforcement service				
Personnel services	613,427	672,565	616,884	55,681
Other operating	42,568	47,138	25,887	21,251
Total law enforcement service	655,995	719,703	642,771	76,932
Emergency communication				
Personnel services	4,212,574	3,712,574	2,518,219	1,194,355
Other operating	395,585	351,759	339,573	12,186
Capital outlay	-	117,481	117,481	-
Total emergency communication	4,608,159	4,181,814	2,975,273	1,206,541
Ambulance service				
Other operating	107,000	107,000	98,039	8,961
Subtotal	43,531,036	42,158,074	35,814,522	6,343,552
				continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Public safety (continued)				
Radio maintenance				
Personnel services	501,449	501,449	484,782	16,667
Other operating	547,490	549,523	447,274	102,249
Capital outlay	89,800	50,400	-	50,400
Total radio maintenance	1,138,739	1,101,372	932,056	169,316
Jail prisoners				
Personnel services	7,602,077	6,605,300	3,970,297	2,635,003
Other operating	4,640,536	4,208,650	3,585,979	622,671
Capital outlay	13,000	170,000	-	170,000
Total jail prisoners	12,255,613	10,983,950	7,556,276	3,427,674
Jail building				
Personnel services	627,577	716,567	716,567	-
Other operating	505,649	444,121	442,346	1,775
Capital outlay	5,000	5,000	-	5,000
Total jail building	1,138,226	1,165,688	1,158,913	6,775
Mine inspector				
Personnel services	206,449	241,163	241,163	-
Other operating	46,431	46,431	38,997	7,434
Total mine inspector	252,880	287,594	280,160	7,434
Volunteer fire department				
Other operating	643,767	643,767	603,228	40,539
Sheriff's NEMESIS system				
Personnel services	81,299	-	-	-
Other operating	315,417	-	-	-
Total sheriff's NEMESIS system	396,716	-	-	-
Sheriff fines				
Other operating	13,000	13,000	4,522	8,478
Attorneys forfeitures				
Personnel services	19,245	19,245	19,109	136
Other operating	141,006	141,006	102,531	38,475
Total Attorneys forfeitures	160,251	160,251	121,640	38,611
Sheriff's forfeitures				
Other operating	30,000	44,974	27,286	17,688
Enhanced 9-1-1				
Other operating	178,449	210,874	200,369	10,505
Capital outlay	143,761	142,761	-	142,761
Total enhanced 9-1-1	322,210	353,635	200,369	153,266
Law library				
Other operating	370,295	370,295	267,591	102,704
City/County antenna site				
City/County antenna site other operating	8,000	8,000	5,775	2,225
Sheriff's contingent fund				
Other operating	25,000	25,000	8,910	16,090
Sheriff Explorers				
Sheriff explorers other operating	-	3,400	1,593	1,807
Other operating	-	3,400	1,593	1,807
Permit to carry				
Personnel services	-	206,558	206,130	428
Other operating	27,400	125,232	120,315	4,917
Total permit to carry	27,400	331,790	326,445	5,345
Total Public Safety	60,313,133	57,650,790	47,309,286	10,341,504
				continued

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Health and sanitation				
Occupational safety				
Personnel services	492,468	539,279	539,279	-
Other operating	402,473	320,947	211,593	109,354
Total occupational safety	894,941	860,226	750,872	109,354
Total Health and sanitation	894,941	860,226	750,872	109,354
Human services				
Emergency shelter program				
Personnel services	10,500	23,565	23,565	-
Other operating	324,986	221,530	221,530	-
Total emergency shelter program	335,486	245,095	245,095	-
Total Human services	335,486	245,095	245,095	-
Culture and recreation				
Tourism promotion				
Other operating	232,500	232,615	232,615	-
Depot				
Personnel services	109,954	113,069	113,069	-
Other operating	797,873	834,058	639,127	194,931
Capital outlay	30,000	-	-	-
Total depot	937,827	947,127	752,196	194,931
Arrowhead library system				
Other operating	699,503	699,503	699,503	-
Historical society				
Other operating	417,173	417,173	417,173	-
Community fairs				
Other operating	750	750	-	750
County fair - north				
Other operating	12,806	12,806	12,806	-
County fair - south				
Other operating	12,806	12,806	12,806	-
Trail assistance				
Other operating	500,000	503,970	272,140	231,830
Youth activities program				
Other operating	25,000	25,000	25,000	-
Total Culture and recreation	2,838,365	2,851,750	2,424,239	427,511

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Conservation of natural resources				
North shore management board				
Other operating	2,500	2,500	2,500	-
Soil conservation - north				
Other operating	60,000	60,000	60,000	-
Soil conservation - south				
Other operating	66,000	66,000	66,000	-
County agent				
Personnel services	351,704	351,704	319,692	32,012
Other operating	499,428	499,428	465,415	34,013
Total county agent	851,132	851,132	785,107	66,025
Youth task force				
Personnel services	294,786	294,786	289,318	5,468
Other operating	269,989	269,989	220,522	49,467
Total youth task force	564,775	564,775	509,840	54,935
Total Conservation of natural resources	1,544,407	1,544,407	1,423,447	120,960
Economic development				
Revolving loans				
Other operating	524,775	1,003,798	552,727	451,071
Total Economic development	524,775	1,003,798	552,727	451,071
Total Expenditures	124,255,361	122,749,869	103,033,426	19,716,443
Excess of revenues over (under) expenditures	(3,414,493)	(1,736,531)	19,391,461	21,127,992
OTHER FINANCING SOURCES (USES)				
Transfers in	1,081,716	2,007,104	2,000,375	(6,729)
Transfers (out)	(2,909,482)	(13,815,320)	(13,815,320)	-
Sale of capital assets	25,000	63,000	88,593	25,593
Total other financing sources (uses)	(1,802,766)	(11,745,216)	(11,726,352)	18,864
Net change in fund balances	(5,217,259)	(13,481,747)	7,665,109	21,146,856
Fund balances - January 1	73,252,393	73,252,393	73,252,393	-
Fund balances - December 31	<u>\$ 68,035,134</u>	<u>\$ 59,770,646</u>	<u>\$ 80,917,502</u>	<u>\$ 21,146,856</u>

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ROAD AND BRIDGE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Taxes	\$ 42,668,448	\$ 42,668,448	\$ 43,780,819	\$ 1,112,371
Licenses and permits	54,000	54,000	87,030	33,030
Intergovernmental	41,695,201	43,839,314	44,716,965	877,651
Charges for services	879,902	3,610,046	4,138,162	528,116
Earnings on investments	-	53,856	53,856	-
Miscellaneous	941,581	1,545,546	832,160	(713,386)
Total Revenues	86,239,132	91,771,210	93,608,992	1,837,782
EXPENDITURES				
Highways and streets				
Administration				
Personnel services	4,688,953	4,073,488	4,496,995	(423,507)
Other operating	2,906,369	2,597,321	1,748,884	848,437
Admin capital outlay	155,337	836,887	812,371	24,516
Total administration	7,750,659	7,507,696	7,058,250	449,446
Road maintenance				
Personnel services	13,735,747	13,028,870	12,405,379	623,491
Other operating	3,390,989	3,123,889	2,035,612	1,088,277
Road maintenance capital outlay	-	948,198	948,198	-
Total road maintenance	17,126,736	17,100,957	15,389,189	1,711,768
Road construction				
Personnel services	3,350,000	(452,991)	(37,538)	(415,453)
Other operating	58,178,035	10,097,570	5,239,250	4,858,320
Road construction capital outlay	6,331	48,675,835	48,675,835	-
Total road construction	61,534,366	58,320,414	53,877,547	4,442,867
Equipment maintenance and shops				
Personnel services	4,363,056	4,539,438	4,293,525	245,913
Other operating	10,857,161	11,317,416	9,893,897	1,423,519
Total equipment maintenance and shops	15,220,217	15,856,854	14,187,422	1,669,432
Total Expenditures	101,631,978	98,785,921	90,512,408	8,273,513
Excess of Revenues Over (Under) Expenditures	(15,392,846)	(7,014,711)	3,096,584	10,111,295
OTHER FINANCING SOURCES (USES)				
Transfers in	340,000	829,212	829,212	-
Transfers (out)	(5,352,744)	(5,374,518)	(5,374,518)	-
Total other financing sources (uses)	(5,012,744)	(4,545,306)	(4,545,306)	-
Net change in fund balances	(20,405,590)	(11,560,017)	(1,448,722)	10,111,295
Fund Balance - January 1	27,622,745	27,622,745	27,622,745	-
Increase (decrease) in inventories	-	-	524,080	524,080
Fund Balance - December 31	\$ 7,217,155	\$ 16,062,728	\$ 26,698,103	\$ 10,635,375

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
PUBLIC HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Taxes	\$ 45,962,684	\$ 45,962,684	\$ 45,996,233	\$ 33,549
Intergovernmental	56,898,206	60,927,831	58,614,807	(2,313,024)
Charges for services	4,464,417	5,062,755	4,769,941	(292,814)
Miscellaneous	842,765	843,552	602,036	(241,516)
Total Revenues	108,168,072	112,796,822	109,983,017	(2,813,805)
EXPENDITURES				
Human services				
Administration				
Personnel services	6,986,960	7,084,980	7,085,117	(137)
Other operating	6,811,239	7,084,288	6,476,438	607,850
Total administration	13,798,199	14,169,268	13,561,555	607,713
Income maintenance				
Personnel services	14,438,151	13,596,525	13,596,525	-
Other operating	3,896,411	4,146,009	3,998,705	147,304
Total income maintenance	18,334,562	17,742,534	17,595,230	147,304
Social services				
Personnel services	31,554,199	32,642,611	32,646,827	(4,216)
Other operating	39,017,403	41,391,356	37,559,390	3,831,966
Total social services	70,571,602	74,033,967	70,206,217	3,827,750
Total human services	102,704,363	105,945,769	101,363,002	4,582,767
Health and sanitation				
Administration				
Personnel services	449,222	401,712	132,321	269,391
Other operating	78,041	115,720	113,446	2,274
Total administration	527,263	517,432	245,767	271,665
Nursing				
Personnel services	4,417,198	4,474,600	3,935,685	538,915
Other operating	973,598	2,589,389	2,347,844	241,545
Total nursing	5,390,796	7,063,989	6,283,529	780,460
Total health and sanitation	5,918,059	7,581,421	6,529,296	1,052,125
Total Expenditures	108,622,422	113,527,190	107,892,298	5,634,892
Excess of Revenues Over (Under) Expenditures	(454,350)	(730,368)	2,090,719	2,821,087
OTHER FINANCING SOURCES (USES)				
Transfers in	90,184	417,108	417,109	1
Transfers (out)	-	(1,100)	(1,100)	-
Total other financing sources (uses)	90,184	416,008	416,009	1
Net change in fund balances	(364,166)	(314,360)	2,506,728	2,821,088
Fund Balance - January 1	28,396,961	28,396,961	28,396,961	-
Fund Balance - December 31	\$ 28,032,795	\$ 28,082,601	\$ 30,903,689	\$ 2,821,088

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FORFEITED TAX SALE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 36,156	\$ 36,156
Land and timber sales	7,464,292	7,764,292	7,639,445	(124,847)
Miscellaneous	75,220	154,617	677,880	523,263
Total Revenues	<u>7,539,512</u>	<u>7,918,909</u>	<u>8,353,481</u>	<u>434,572</u>
EXPENDITURES				
Current:				
Conservation of natural resources				
Personnel services	5,365,762	5,392,321	4,821,049	571,272
Other operating	1,628,127	2,617,379	1,959,504	657,875
Capital outlay	399,981	274,206	195,181	79,025
Total Expenditures	<u>7,393,870</u>	<u>8,283,906</u>	<u>6,975,734</u>	<u>1,308,172</u>
Excess of Revenues Over (Under) Expenditures	145,642	(364,997)	1,377,747	1,742,744
OTHER FINANCING SOURCES (USES)				
Transfers in	-	40,075	40,075	-
Transfers (out)	(250,000)	(1,813,768)	(1,813,768)	-
Total other financing sources (uses)	<u>(250,000)</u>	<u>(1,773,693)</u>	<u>(1,773,693)</u>	<u>-</u>
Net change in fund balances	(104,358)	(2,138,690)	(395,946)	1,742,744
Fund Balance - January 1	<u>1,607,739</u>	<u>1,607,739</u>	<u>1,607,739</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,503,381</u>	<u>\$ (530,951)</u>	<u>\$ 1,211,793</u>	<u>\$ 1,742,744</u>

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

PROPRIETARY FUNDS

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

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

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,727,029	\$ 126,254	\$ 2,853,283	\$ 15,724,435
Investments	8,175,595	-	8,175,595	19,779,957
Accounts receivable (net)	56,206	-	56,206	1,117,576
Accrued interest receivable	18,610	-	18,610	27,072
Inventories	-	28,475	28,475	38,293
Prepaid items	300	-	300	-
Total current assets	10,977,740	154,729	11,132,469	36,687,333
Noncurrent assets:				
Restricted assets				
Financial assurance				
Cash and cash equivalents	2,032,366	-	2,032,366	-
Investments	3,649,195	-	3,649,195	-
Accrued interest receivable	11,447	-	11,447	-
Capital assets				
Land	277,966	-	277,966	25,500
Buildings and structures	7,397,245	-	7,397,245	2,759,175
Improvements other than buildings	10,988,847	-	10,988,847	-
Machinery and equipment	1,362,137	-	1,362,137	88,620
Vehicles	1,694,094	-	1,694,094	3,449,130
Less accumulated depreciation	(13,798,812)	-	(13,798,812)	(2,799,135)
Total capital assets, net	7,921,477	-	7,921,477	3,523,290
Total noncurrent assets	13,614,485	-	13,614,485	3,523,290
Total assets	24,592,225	154,729	24,746,954	40,210,623
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	101,780	-	101,780	-
Other postemployment benefits	81,201	-	81,201	-
Total deferred outflows of resources	182,981	-	182,981	-

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
LIABILITIES				
Current liabilities:				
Accounts payable	403,979	311	404,290	82,969
Accrued payroll	86,441	-	86,441	31,392
Compensated absences payable	162,661	-	162,661	68,738
Claims payable	-	-	-	2,716,702
Other postemployment benefits liability	36,454	-	36,454	-
Due to other governments	55,805	-	55,805	51,745
Unearned revenue	50	-	50	384,951
Advances from other funds	-	-	-	37,497
Total current liabilities	<u>745,390</u>	<u>311</u>	<u>745,701</u>	<u>3,373,994</u>
Noncurrent liabilities:				
Compensated absences payable	656,368	-	656,368	274,619
Claims payable	-	-	-	6,252,997
Other postemployment benefits liability	220,294	-	220,294	-
Advances from other funds	-	-	-	1,612,363
Closure and post-closure liabilities	1,297,771	-	1,297,771	-
Net pension liability	<u>1,528,842</u>	<u>-</u>	<u>1,528,842</u>	<u>-</u>
Total noncurrent liabilities	<u>3,703,275</u>	<u>-</u>	<u>3,703,275</u>	<u>8,139,979</u>
Total liabilities	<u>4,448,665</u>	<u>311</u>	<u>4,448,976</u>	<u>11,513,973</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related items	194,196	-	194,196	-
Other postemployment benefits	<u>3,672</u>	<u>-</u>	<u>3,672</u>	<u>-</u>
Total deferred inflows of resources	<u>197,868</u>	<u>-</u>	<u>197,868</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	7,921,477	-	7,921,477	3,523,288
Restricted for financial assurance	4,395,237	-	4,395,237	-
Unrestricted	<u>7,811,959</u>	<u>154,418</u>	<u>7,966,377</u>	<u>25,173,362</u>
Total net position	<u>\$ 20,128,673</u>	<u>\$ 154,418</u>	<u>\$ 20,283,091</u>	<u>\$ 28,696,650</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>(576,493)</u>	
Net position of business type activities			<u>\$ 19,706,598</u>	

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Governmental Activities- Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
Operating Revenues				
Charges for services	\$ 7,278,932	\$ 23,616	\$ 7,302,548	\$ 44,141,830
Licenses and permits	5,646	-	5,646	-
Other	391,595	-	391,595	23,063
Total Operating Revenues	7,676,173	23,616	7,699,789	44,164,893
Operating Expenses				
Personnel services	2,603,973	-	2,603,973	1,138,835
Contractual services	4,513,401	-	4,513,401	2,542,638
Materials	271,874	51,980	323,854	425,131
Other postemployment benefits	17,455	-	17,455	-
Claims paid	-	-	-	30,612,947
Depreciation	504,090	-	504,090	424,272
Total Operating Expenses	7,910,793	51,980	7,962,773	35,143,823
Operating Income (Loss)	(234,620)	(28,364)	(262,984)	9,021,070
Nonoperating Revenues (Expenses)				
Taxes	4,080	-	4,080	-
Grants	279,871	-	279,871	547,604
Earnings on investments	427,873	-	427,873	577,086
(Loss) or gain on asset disposal	9,038	-	9,038	10,142
Total Nonoperating Revenues (Expenses)	720,862	-	720,862	1,134,832
Income (Loss) Before Transfers	486,242	(28,364)	457,878	10,155,902
Transfers in	913	-	913	2,300,000
Transfers (out)	(1,788)	-	(1,788)	(373,989)
Change in net position	485,367	(28,364)	457,003	12,081,913
Net position - January 1	19,643,306	182,782	19,826,088	16,614,737
Net position - December 31	\$ 20,128,673	\$ 154,418	\$ 20,283,091	\$ 28,696,650
Change in net position			\$ 457,003	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			240,202	
Change in net position of business type activities			\$ 697,205	

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 7,308,654	\$ 23,616	\$ 7,332,270	\$ -
Receipts from interfund services provided	-	-	-	43,783,476
Payments to suppliers	(4,830,534)	(37,854)	(4,868,388)	(2,497,932)
Payments to employees	(2,706,737)	-	(2,706,737)	(1,157,380)
Claims paid	-	-	-	(31,673,013)
Other receipts (payments)	397,291	-	397,291	(1,396,919)
Net cash provided (used) by operating activities	168,674	(14,238)	154,436	7,058,232
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from taxes	4,080	-	4,080	-
Proceeds from grants	279,871	-	279,871	547,604
Transfers from other funds	913	-	913	2,300,000
Transfers to other funds	(1,788)	-	(1,788)	(373,989)
Net cash provided (used) by noncapital financing activities	283,076	-	283,076	2,473,615
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(260,658)	-	(260,658)	(766,737)
Proceeds from sale of capital assets	11,090	-	11,090	42,341
Proceeds from advance from other funds	-	-	-	(37,497)
Net cash provided (used) by capital and related financing activities	(249,568)	-	(249,568)	(761,893)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	228	-	228	(11,471,924)
Sale of investments	2,080,555	-	2,080,555	10,206,872
Interest and dividends	296,712	-	296,712	329,533
Net cash provided by investing activities	2,377,495	-	2,377,495	(935,519)
Net Increase (Decrease) in Cash and Cash Equivalents	2,579,677	(14,238)	2,565,439	7,834,435
Balances - January 1	2,179,718	140,492	2,320,210	7,890,000
Balances - December 31	\$ 4,759,395	\$ 126,254	\$ 4,885,649	\$ 15,724,435
Detail on Statement of Net Position				
Cash and cash equivalents				
Current	\$ 2,727,029	\$ 126,254	\$ 2,853,283	\$ 15,724,435
Restricted				
Financial assurance	2,032,366	-	2,032,366	-
Total	\$ 4,759,395	\$ 126,254	\$ 4,885,649	\$ 15,724,435

continued

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Environmental Services	Non-Major Plat Books	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (234,620)	\$ (28,364)	\$ (262,984)	\$ 9,021,070
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	504,090	-	504,090	424,272
(Increase) Decrease Receivables, net	29,722	-	29,722	(293,946)
(Increase) Decrease Prepaid items	(300)	26,783	26,483	-
(Increase) Decrease Due from other governments	-	-	-	61,388
(Increase) Decrease Inventories	-	(12,968)	(12,968)	(2,619)
(Increase) Decrease Deferred pension outflows	11,544	-	11,544	-
(Increase) Decrease Deferred health outflows	(70,003)	-	(70,003)	-
Increase (Decrease) Net pension liability	41,601	-	41,601	-
Increase (Decrease) Deferred pension inflows	(190,257)	-	(190,257)	-
Increase (Decrease) Deferred health inflows	(1,222)	-	(1,222)	-
Increase (Decrease) Accounts payable	(18,972)	311	(18,661)	(24,502)
Increase (Decrease) Salaries payable	24,930	-	24,930	5,804
Increase (Decrease) Compensated absences payable	(8,036)	-	(8,036)	1,702
Increase (Decrease) Claims payable	-	-	-	(2,074,563)
Increase (Decrease) Due to other governments	15,091	-	15,091	9,946
Increase (Decrease) Other postemployment benefits	88,679	-	88,679	-
Increase (Decrease) Unearned revenue	50	-	50	(70,320)
Increase (Decrease) Closure payable	(23,623)	-	(23,623)	-
Total Adjustments	403,294	14,126	417,420	(1,962,838)
Net cash provided (used) by operating activities	\$ 168,674	\$ (14,238)	\$ 154,436	\$ 7,058,232
NON-CASH ACTIVITIES				
Change in fair value of investments	\$ (427,872)	\$ -	\$ (427,872)	\$ 271,688

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

FIDUCIARY FUNDS

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

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

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

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 299,582	\$ 17,325,908
Investments	-	8,177,438
Delinquent taxes receivable	-	3,913,241
Accounts receivable	-	189,155
Accrued interest receivable	-	3,742
Due from other governments	-	3,045,497
Prepaid items	-	23
Total Assets	<u>299,582</u>	<u>32,655,004</u>
LIABILITIES		
Accounts payable	-	597,990
Contracts payable	-	8,973
Accrued payroll	-	705,088
Unearned revenue	-	168,723
Due to other governments	-	7,762,548
Total Liabilities	<u>-</u>	<u>9,243,322</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - prepaid taxes	<u>-</u>	<u>97,739</u>
NET POSITION		
Restricted		
Held in trust for pool participants	-	6,730,576
Individuals, organizations, and other governments	-	4,650,969
Arrowhead regional corrections	-	7,306,805
Regional rail authority	-	2,523,936
Minneapolis-Duluth/Superior passenger rail alliance	-	46,335
Community health board	-	80,913
Duluth area family service collaborative	-	985,828
Local collaborative time study	-	831,220
Northern counties land use board	-	96,037
Voyagers national park joint venture	-	29,324
Ash river sanitary district	-	32,000
Social welfare fund	299,582	-
Total net position	<u>\$ 299,582</u>	<u>\$ 23,313,943</u>

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Property tax collections for other governments	\$ -	\$ 197,287,672
License and fee collections for other governments	-	1,165
License and fee collections for State of MN	-	59,249,279
Contributions individuals	1,688,956	550,305
Estate recoveries	-	1,465,388
Taconite taxes for State of MN	-	39,162,899
Licenses and permits	-	100
Intergovernmental	-	40,670,649
Charges for services	-	3,755,547
Fines and forfeits	-	49,911
Earnings on investments	-	120,699
Gifts and contributions	-	79,200
Miscellaneous	-	414,221
Sale of capital assets	-	3,285
Total Additions	<u>1,688,956</u>	<u>342,810,320</u>
DEDUCTIONS		
Distribution to other governments	-	16,486,318
Payment of property tax to other governments	-	220,780,770
Payment on behalf of individuals	1,609,891	-
Distributions to participants	-	489,202
Distribution of recoveries	-	2,092,502
Payment of fee, fine and license revenue to others	-	1,165
Payments to State of MN	-	59,249,279
Personnel services	-	23,290,931
Other operating	-	9,195,105
Capital outlay	-	3,021,739
Total Deductions	<u>1,609,891</u>	<u>334,607,011</u>
Changes in net position	79,065	8,203,309
Net position - January 1	<u>220,517</u>	<u>15,110,634</u>
Net position - December 31	<u><u>\$ 299,582</u></u>	<u><u>\$ 23,313,943</u></u>

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Guide to the Notes

	Page
Note 1. Summary of Significant Accounting Policies	
Financial Reporting Entity	53
Government-Wide and Fund Financial Statements	53
Measurement Focus, Basis of Accounting, and Financial Statement Presentation	53
Reconciliation of Government-Wide and Fund Financial Statements	56
Explanation of Differences Between Governmental Funds Balance Sheet and Statement of Net Position	56
Explanation of Differences Between Governmental Funds Operating Statement and the Statement of Activities	58
Budgetary Data	60
General Budget Policies	60
Procedure for Preparing the Annual Budget	60
Reclassifications	61
Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity	61
Cash and Pooled Investments	61
Property Taxes	61
Inventories	61
Prepaid Items	62
Restricted Assets	62
Capital Assets	62
Deferred Outflows/Inflows of Resources	62
Compensated Absences	62
Pension Plan	63
Conduit Debt	63
Closure and Postclosure Care Costs	63
Long-Term Obligations	64
Classification of Net Position	64
Fund Equity	64
Federal Audit Requirements	64
Use of Estimates	64
 Note 2. Detailed Notes on all Funds and Accounts	
Assets	65
Deposits and Investments	65
Deposits	66
Investments	66
Receivables	69
Loans Receivable	70
Lease with State of Minnesota	71
Restricted Assets	71
Capital Assets	72
Governmental Activities	72
Business-type Activities	73
Depreciation	73

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Guide to the Notes

Liabilities	74
Advance From Other Governments	74
Long-Term Debt	74
Lease Obligations	77
Construction Commitments	78
Purchase Commitments/Encumbrances	78
Risk Management	79
Pension Plans	81
Plan Description	81
Benefits Provided	81
Contributions	82
Pension Costs General Employee Retirement Plan	82
Pension Costs Public Employees Police and Fire Plan	83
Pension Costs Public Employees Correctional Plan	84
Actuarial Assumptions	85
Discount Rate	86
Pension Liability Sensitivity	86
Pension Plan Fiduciary Net Position	87
Summary	87
Defined Contribution Plan	87
Other Postemployment Benefits Plan (OPEB)	88
Plan Description	88
Contributions	88
Actuarial Methods and Assumptions	88
Changes in the Total OPEB Liability	89
Interfund Receivables, Payables, Advances and Transfers	90
Deferred Inflows	91
Advanced Allotments	91
Fund Equity	91

Note 3. Joint Ventures/Jointly Governed Organizations

Arrowhead Regional Corrections	92
Community Health Services Board	93
Regional Railroad Authority	93
Northeast Minnesota Office of Job Training	94
Northern Counties Land Use Coordinating Board	94
Minnesota Counties Information Systems (MCIS)	95
Duluth Area Family Service Collaborative	95
North Area Collective Local Collaborative	96
Minneapolis - Duluth/Superior Passenger Rail Alliance	96
Northeast Minnesota Emergency Communications Board (NEECB)	97
Northeastern Minnesota Enforcement & Safety Information System (NEMESIS)	97
City/County Communication Antenna Site	97
Voyageurs National Park Water Basin Joint County Sewer Project	97
Non-Emergency Medical Transportation Project	97

Note 4. Summary of Significant Contingencies and Other Items

Claims and Litigation	98
Abatements	98
Tax Abatements	100
Pollution Remediation	101
St. Louis County Heritage and Arts Center (Depot)	101
Northwoods Townhomes Project	101
Tax Forfeited Land Management	101
Subsequent Event	101

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 1. Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

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

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

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

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the County and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule include payments-in lieu of taxes and other charges between the County's proprietary operations and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Another exception is interfund rent which is considered an interfund service provided and used. It is eliminated within the general government function only. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which 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 are not included within program revenues, and are reported as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

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

The County reports the following major governmental funds:

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

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

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

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

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

The County reports the following major proprietary fund:

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

Additionally, the County reports the following fund types:

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

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

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

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

Enterprise Funds account for Plat Book activities.

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

The County's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as of and for the year ended December 31, 2020. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

D. Reconciliation of Government-Wide and Fund Financial Statements

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

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

	Total Governmental Funds	Long-term Assets Liabilities (1)	Internal Service Funds (2)	Reclassification and Elimination (3)	Statement of Net Position Total
ASSETS					
Cash and cash equivalents/pooled investments	\$ 167,809,568	\$ -	\$ 15,724,435	\$ -	\$ 183,534,003
Cash with fiscal agent	20,110,696	-	-	-	20,110,696
Investments	50,117,495	-	19,779,957	-	69,897,452
Delinquent taxes receivable	4,618,892	-	-	(4,618,892)	-
Accounts receivable (net)	13,793,175	-	1,117,576	(14,910,751)	-
Accrued interest receivable	922,565	-	27,072	(949,637)	-
Loans receivable	2,269,420	-	-	(2,269,420)	-
Interfund receivable	290,258	-	-	(290,258)	-
Due from other governments	22,255,018	-	-	(22,255,018)	-
Receivables (net)	-	-	-	45,293,976	45,293,976
Internal balances	-	-	576,493	-	576,493
Inventories	9,796,562	-	38,293	-	9,834,855
Prepaid items	76,840	-	-	-	76,840
Advances to other funds	1,649,860	-	-	(1,649,860)	-
Capital assets not being depreciated	-	4,900,169	25,500	-	4,925,669
Capital assets being depreciated, net	-	930,623,008	3,497,790	-	934,120,798
Total Assets	<u>293,710,349</u>	<u>935,523,177</u>	<u>40,787,116</u>	<u>(1,649,860)</u>	<u>1,268,370,782</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	-	13,766,081	-	-	13,766,081
Other postemployment benefits	-	4,402,056	-	-	4,402,056
Total Deferred Outflows of Resources	<u>-</u>	<u>18,168,137</u>	<u>-</u>	<u>-</u>	<u>18,168,137</u>
LIABILITIES					
Accounts payable	6,165,031	-	82,969	17,369,210	23,617,210
Contracts payable	2,696,893	-	-	(2,696,893)	-
Salaries payable	6,440,510	-	31,392	(6,471,902)	-
Interfund payable	290,258	-	-	(290,258)	-
Bond interest payable	-	432,901	-	(432,901)	-
Due to other governments	2,371,487	5,054,024	51,745	(7,477,256)	-
Unearned revenue	4,640,586	-	384,951	-	5,025,537
Advance from other governments	205,304	-	-	-	205,304
Due within one year	-	20,071,010	2,822,937	(37,497)	22,856,450
Due in more than one year	-	179,497,798	8,139,979	(1,612,363)	186,025,414
Net pension liability	-	87,709,113	-	-	87,709,113
Other postemployment benefits liability	-	12,760,411	-	-	12,760,411
Total Liabilities	<u>22,810,069</u>	<u>305,525,257</u>	<u>11,513,973</u>	<u>(1,649,860)</u>	<u>338,199,439</u>
DEFERRED INFLOWS OF RESOURCES					
Taxes	4,081,515	(4,081,515)	-	-	-
Grants	4,307,719	(4,307,719)	-	-	-
Advanced allotment	566,757	-	-	-	566,757
Pension related items	-	13,761,689	-	-	13,761,689
Other postemployment benefits	-	199,044	-	-	199,044
Long-term receivables	12,635,061	(12,635,061)	-	-	-
Total Deferred Inflows of Resources	<u>21,591,052</u>	<u>(7,063,562)</u>	<u>-</u>	<u>-</u>	<u>14,527,490</u>
FUND BALANCE/NET POSITION					
Net investment in capital assets	-	817,778,381	3,523,290	-	821,301,671
Nonspendable	34,766,696	-	-	(34,766,696)	-
Restricted	66,474,367	(52,764,282)	-	34,766,696	48,476,781
Committed	33,622,205	-	-	(33,622,205)	-
Assigned	71,331,328	-	-	(71,331,328)	-
Unassigned	43,114,632	(109,784,480)	25,749,853	40,919,995	-
Unrestricted	-	-	-	64,033,538	64,033,538
Total Fund Balance/Net Position	<u>249,309,228</u>	<u>655,229,619</u>	<u>29,273,143</u>	<u>-</u>	<u>933,811,990</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position	<u>\$ 293,710,349</u>	<u>\$ 953,691,314</u>	<u>\$ 40,787,116</u>	<u>\$ (1,649,860)</u>	<u>\$ 1,286,538,919</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

(1) When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in the governmental funds. However, the statement of net position includes those capital assets among the assets of the County as a whole.

Cost of capital assets	\$ 1,359,545,992
Accumulated depreciation	(424,022,815)
	<u>\$ 935,523,177</u>

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

Adjustment of unavailable revenue	<u>\$ (21,024,295)</u>
Adjustment of due to other governments	<u>\$ 5,054,024</u>

Long-term liabilities applicable to the County's government activities are not due and payable in the current period and accordingly are not reported in fund liabilities. All liabilities -- both those due within one year and those due in more than one year -- are reported in the statement of net position. Balances at December 31, 2020 were:

Bond interest payable	<u>\$ 432,901</u>		
	Due Within One Year	Due In More Than One Year	Total
Bonds and notes payable	\$ 9,688,285	\$ 156,136,496	\$ 165,824,781
Compensated absences	9,293,046	23,635,921	32,928,967
Claims payable	2,716,702	6,252,997	8,969,699
Other postemployment benefits liability	1,158,417	-	1,158,417
	<u>\$ 22,856,450</u>	<u>\$ 186,025,414</u>	<u>\$ 208,881,864</u>
Net pension liability		\$ 87,709,113	
Pension related items - deferred outflows		(13,766,081)	
Pension related items - deferred inflows		13,761,689	
		<u>\$ 87,704,721</u>	
Other postemployment benefits liability		\$ 13,918,828	
Other postemployment benefits - deferred outflows		(4,402,056)	
Other postemployment benefits - deferred inflows		199,044	
		<u>\$ 9,715,816</u>	

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

Internal balance due from business-type activities	<u>\$ 576,493</u>
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ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

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

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

	Total Governmental Funds	Long-term Revenue, Expenses (1)	Long-Term Debt and Capital Related Items (2) & (4)	Internal Service Funds (3)	Revenue Reclass	Statement of Activities Totals
Revenues and Other Sources						
Taxes	\$ 173,390,342	\$ (51,513)	\$ -	\$ -	\$ (173,338,829)	\$ -
Property taxes						
General purpose	-	-	-	-	150,526,521	150,526,521
Debt service	-	-	-	-	6,620,196	6,620,196
Transportation sales tax	-	-	-	-	16,192,112	16,192,112
Licenses and permits	594,074	-	-	-	(594,074)	-
Intergovernmental	157,197,865	-	-	-	(157,197,865)	-
State shared	-	-	-	-	19,742,545	19,742,545
Federal shared	-	-	-	-	3,288,678	3,288,678
Operating grants	-	(894,361)	-	-	99,705,326	98,810,965
Capital grants	-	731,723	-	-	26,188,313	26,920,036
Charges for services	32,685,884	(66,921)	36,616	-	21,233,846	53,889,425
Fines and forfeits	61,989	-	-	-	(61,989)	-
Earnings on						
investments	9,060,823	-	-	577,086	-	9,637,909
Gifts and contributions	18,600	-	-	-	(18,600)	-
Land and timber sales	8,138,325	282,333	(214,905)	-	(8,205,753)	-
Miscellaneous	3,947,710	-	132,717	-	(4,080,427)	-
Total	385,095,612	1,261	(45,572)	577,086	-	385,628,387
Expenditures/Expenses						
Current:						
General government	52,040,883	(282,480)	2,706,970	(2,274,061)	-	52,191,312
Public safety	56,100,959	(1,692,291)	2,083,522	(1,600,213)	-	54,891,977
Highways and streets	40,631,395	(850,248)	21,420,498	(1,754,614)	-	59,447,031
Health and sanitation	13,194,809	69,452	14,612	(270,045)	-	13,008,828
Human services	106,390,135	(222,178)	247,626	(3,084,383)	-	103,331,200
Culture and recreation	2,675,082	2,261	1,632,458	-	-	4,309,801
Conservation of						
natural resources	9,038,431	(235,544)	251,051	(355,298)	-	8,698,640
Economic development	10,228,874	9,096	24,768	-	-	10,262,738
Debt service:						
Principal	8,918,362	-	(8,918,362)	-	-	-
Interest and						
other charges	5,080,465	-	(775,071)	-	-	4,305,394
Capital outlay	66,213,357	-	(66,213,357)	-	-	-
Total	370,512,752	(3,201,932)	(47,525,285)	(9,338,614)	-	310,446,921
Other financing uses/changes						
in net position:						
Transfers in	21,040,301	-	-	2,300,000	-	23,340,301
Transfers out	(22,965,437)	-	-	(373,989)	-	(23,339,426)
Bond issued	30,355,000	-	(30,355,000)	-	-	-
Premium on bonds issued	732,941	-	(732,941)	-	-	-
Sale of capital assets	132,717	-	(132,717)	-	-	-
Loan proceeds	36,616	-	(36,616)	-	-	-
Increase in inventories	524,080	(524,080)	-	-	-	-
Total	29,856,218	(524,080)	(31,257,274)	1,926,011	-	875
Net change for the year	\$ 44,439,078	\$ 2,679,113	\$ 16,222,439	\$ 11,841,711	\$ -	\$ 75,182,341

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Property taxes	\$ (51,513)
Long-term receivables:	
Intergovernmental	(162,638)
Intra-general government function rent	(251,341)
Charges for services	184,420
Land & timber sales	282,333
	<u>\$ 1,261</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Changes in long-term liabilities (compensated absences and capital leases) also result in an expense in the statement of activities. In addition, intra-general government function expenses are eliminated.

Due to other governments	\$ 112,933
Intra-general government function rent	(251,341)
Increase in inventories	(524,080)
Compensated absences	2,579,990
Pensions	(5,598,036)
Other postemployment benefits	478,602
	<u>\$ (3,201,932)</u>

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

Capital outlay	\$ (66,213,357)
Net disposal of capital assets	214,905
Depreciation expense	28,381,506
Difference	<u>\$ (37,616,946)</u>

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

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

Principal payments made	\$ (8,918,362)
Bond interest payable	26,017
Bond premium amortization	(801,088)
	<u>\$ (9,693,433)</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

E. Budgetary Data

General Budget Policies

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

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

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

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

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

Budgets can be amended during the year by the County Board. Supplemental appropriations or budget reductions are reviewed by the County Administrator's office and submitted to the County Board for its review and approval. If approved, changes are implemented by the Auditor's Office as budget revisions. Supplemental appropriations could be required due to several factors, including the awarding of state and federal grants during the year and providing funding for unanticipated program requirements. Budget revisions were necessary during the year. The effect of these amendments was an increase in budgeted County funds of \$48,648,929.

Procedure for Preparing the Annual Budget

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

F. Reclassifications

Several account balances were reclassified as of and for the year ended December 31, 2019, as previously reported. These reclassifications, which did not require a restatement of net position or fund balance, were required for comparability to the financial statements as of and for the year ended December 31, 2020. Although comparative statements for 2019 are not presented here, these reclassifications must be considered when comparing the financial statements of this report with those of prior reports.

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

Cash and Pooled Investments

Available cash balances from all funds are pooled and invested in accordance with Minnesota State Statutes. Cash balances and pooled investments are at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year end. The County has not provided or obtained any legally binding guarantees to support the value of the pool. Pursuant to Minn. Stat. §385.07, investment earnings on cash balances and pooled investments are credited to the General Fund. Other funds received investment earnings based on other statutes, grant agreements, contracts, and bond covenants. Pooled investment earnings credited to the General Fund for 2020 were \$5,351,050. Each fund's share of the pool is shown on the financial statements as "Cash and Cash Equivalents." For proprietary fund-type statement of cash flows, all change funds and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

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

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

Property Taxes

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

The tax levy is spread across taxable property based on the value of the property on the assessment date. At the time taxes are spread, they become a lien on property as of the assessment date, although they do not become due and payable until the subsequent January 1. For the most part, taxpayers are allowed to pay the taxes in two equal installments on or before May 15 and October 15 without penalty. Revenues are accrued and recognized in the year collectible, net of delinquencies. Taxes which remain unpaid at December 31 are delinquent. Collections within 60 days after year-end are recognized as revenue and the balance is shown as deferred inflows of resources - unavailable revenue.

Inventories

Road and Bridge Special Revenue Fund inventories consist of expendable supplies held for consumption and are valued at cost using the moving average method. Inventoried items are recorded as expenditures at the time that they are purchased. The reported inventories are offset by a fund balance classified as non-spendable to indicate that they do not constitute available spendable resources.

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Prepaid Items

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

Restricted Assets

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

Capital Assets

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

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

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports pension and other postemployment benefits (OPEB) in this category on the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports unavailable revenue, advanced allotments, other postemployment benefits and pension related items in this category. Unavailable revenue is reported only in the governmental funds balance sheet, while the pension and OPEB only on the Statement of Net Position. Advanced allotments are reported in both governmental funds balance sheet and the Statement of Net Position. The governmental funds report unavailable revenues from four sources: delinquent taxes, intergovernmental grants, advanced allotments, and long-term receivables. These amounts are recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

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

Under the County's personnel policies and union contracts, County employees are granted vacation and sick leave in varying amounts based on length of service and bargaining agreement. Vacation leave accrual varies from 2.00 to 9.60 hours per biweekly pay period. Sick leave accrual varies from 2.00 to 5.75 hours per biweekly pay period.

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Unvested sick leave for all County funds in the amount of \$8,215,169 at December 31, 2020 is available to employees in the event of illness-related absences and is not reported in the financial statements.

Pension Plan

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized 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.

Conduit Debt

In 2014, St. Louis County's Housing and Redevelopment Authority (HRA) issued a \$3.3 million lease revenue note. The proceeds of the note were loaned to ABC of North Shore Community School Inc., a Minnesota nonprofit corporation, to construct and equip a 10,000 square foot addition to the existing kindergarten through sixth grade charter school. The loan payments are being made directly to North Shore Bank of Commerce by the nonprofit. The debt is secured by the property financed and is payable solely from pledged lease revenues. Neither St. Louis County nor the HRA are obligated in any manner for the repayment of the note. Accordingly, the debt is not reported as a liability in the accompanying financial statements. As of December 31, 2020, the outstanding principal balance was \$2.1 million.

Closure and Postclosure Care Costs

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

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of the financial statement date. The \$1,297,771 for the open area reported on the Environmental Services Enterprise Fund statement of net position as landfill closure and postclosure liability at December 31, 2020, represents the following:

Postclosure liability

This is the liability for post closure costs for the Regional Landfill.	\$592,555
It is based on the use of 49.47% of the existing open area.	

Closure liability

This is the liability for closure cost for the Regional Landfill.	
It is based on the use of 49.47% of the existing open area.	\$705,216

The County will recognize the remaining \$1,325,795 in costs of closure and postclosure care of the open area as the remaining estimated capacity of the open area if the Regional Landfill is filled. The amounts are based on what it would cost to perform all closure and postclosure care in 2020. The County expects the open area to be closed in 2023 or later. Actual costs may differ due to inflation, deflation, changes in technology, or changes in applicable laws or regulations.

The County is required by state and federal laws and regulations to make annual contributions to a restricted account to finance closure and postclosure care of the last cell that will be accepting waste. The County is in compliance with these requirements, and at December 31, 2020, restricted assets of \$5,693,008 are included in the amounts shown on the Environmental Services Enterprise Fund Statement of Net Position as Restricted assets financial assurance - Cash and cash equivalents, Investments and Accrued interest receivable.

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Long-Term Obligations

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

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

Classification of Net Position

Net position in the government-wide financial statements is classified in the following categories:

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

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

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

Fund Equity

Fund balance is classified as:

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

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

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

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

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

H. Federal Audit Requirements

The Single Audit Act Amendments of 1996 requires the County to have a single, independent audit of its financial operations, including compliance with certain provisions of federal law and regulations. This audit requirement was complied with for fiscal year ended December 31, 2020; the auditor's reports on compliance and internal accounting control will be issued separately.

I. Use of Estimates

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 2. Detailed Notes on all Funds and Accounts

A. Assets

Deposits and Investments

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

Governmental Activities:

Current assets:

Cash and pooled investments	\$ 183,534,003
Cash with fiscal agent	20,110,696
Investments	69,897,452

Business-type Activities:

Current assets:

Cash and pooled investments	2,853,283
Investments	8,175,595

Restricted assets:

Financial Assurance	
Cash and pooled investments	2,032,366
Investments	3,649,195

Fiduciary Activities

Current assets:

Cash and cash equivalents	17,625,490
Investments	8,177,438
Total	<u>\$ 316,055,518</u>

Deposits	\$ 2,862,204
Cash on hand	67,640
Assets held in trust	1,674,525
Cash with fiscal agent	20,110,696
Investments	291,340,453
Total deposits, cash on hand, and investments	<u>\$ 316,055,518</u>

	Held for Individual Investment Accounts - Private Purpose Trust Fund	Held for All Other County Funds	Total
Cash and pooled investments	\$ 299,582	\$ 225,856,256	\$ 226,155,838
Investments	-	89,899,680	89,899,680
Total	<u>\$ 299,582</u>	<u>\$ 315,755,936</u>	<u>\$ 316,055,518</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Deposits

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

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

Custodial Credit Risk--Deposits. Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to it. The County deposit policy for custodial credit risk follows Minnesota Statutes regarding pledged collateral. The market value of collateral must equal 110% of the deposits not covered by insurance or surety bonds. As of December 31, 2020, the County's deposits were fully covered by insurance, surety bonds, and collateral, and were not exposed to custodial credit risk.

Investments

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

- (1) securities 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 Minn. Stat § 118A.04, subd. 6;
- (2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
- (4) bankers' acceptances of United States banks;
- (5) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts

As of December 31, 2020, the County had the following investments and maturities:

	Investment Maturities in Years						
	Fair Value	Less than 1	1-2	2-3	3-4	4-5	More than 5
Negotiable CD's	\$ 31,395,027	\$ 5,709,027	\$ 5,458,000	\$ 11,293,000	\$ 6,951,000	\$ 1,984,000	\$ -
MAGIC Portfolio	66,830,708	66,830,708	-	-	-	-	-
MAGIC TERM	53,117,919	53,117,919	-	-	-	-	-
Minnesota SBI	24,366,575	24,366,575	-	-	-	-	-
Municipal Bonds	18,199,305	1,342,770	2,336,550	6,150,864	2,851,365	2,528,120	2,989,636
FFCB	40,370,487	7,227,076	4,108,728	8,725,196	4,233,942	14,303,010	1,772,535
FHLB	38,870,883	19,308,223	6,385,368	5,090,170	8,087,122	-	-
FHLMC	6,157,692	1,553,652	4,604,040	-	-	-	-
FNMA	6,280,937	2,819,301	3,461,636	-	-	-	-
US Treasury	5,750,920	-	5,750,920	-	-	-	-
Total	\$ 291,340,453	\$ 182,275,251	\$ 32,105,242	\$ 31,259,230	\$ 22,123,429	\$ 18,815,130	\$ 4,762,171

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

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

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

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

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

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

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

Cash and cash equivalents are not leveled under GASB Statement No. 72 nor reported at NAV.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

The County has the following recurring fair value measurements as of December 31, 2020

	December 31, 2020	Fair Value Measurements Using:		
		Level 1	Level 2	Level 3
Investments by fair value level				
Negotiable certificates of deposit	\$ 31,395,027	\$ -	\$ 31,395,027	\$ -
Fixed income securities				
Municipal issues	18,199,305	-	18,199,305	-
Federal farm credit bank	40,370,487	-	40,370,487	-
Federal home loan bank	38,870,883	-	38,870,883	-
Federal home loan mortgage corporation	6,157,692	-	6,157,692	-
Federal national mortgage association	6,280,937	-	6,280,937	-
US treasury securities	5,750,920	-	5,750,920	-
Total fixed income securities	115,630,224	-	115,630,224	-
Total investments by fair value level	\$ 147,025,251	\$ -	\$ 147,025,251	\$ -
Investments at amortized cost				
MAGIC portfolio	\$ 66,830,708			
Investments measured at the net asset value (NAV)				
MAGIC TERM	\$ 53,117,919			
Total investments	\$ 266,973,878			
Cash and cash equivalents	4,604,369			
Total investments and cash and cash equivalents	\$ 271,578,247			

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

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

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

The County also holds \$24,366,575 in the Internal Equity and Fixed Pools with the State Board of Investment, an external investment pool. The fair value of the investment is the fair value per share of the underlying portfolio. Pursuant to Minnesota Laws 2005, chapter 1, section 149, the County established an environmental trust fund and the amount that may be spent from the fund each calendar year may not exceed 5.5% of the market value of the fund on January 1st of the preceding calendar year. The proceeds can only be used for purposes related to the improvement of natural resources. The County invests in this pool due to the increased investment authority and historically high rate of return on investments.

Credit Risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Except for the Shoreline Sales Permanent Fund, authorized under Minn. Stat §373.475, which invests in the unrated Minnesota State Board of Investment, it is the County's policy to invest only in securities that meet the ratings requirements set by state statute.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

The County's exposure to credit risk as of December 31, 2020, is as follows:

Rating	Fair Value
S&P AAA	\$ 9,962,734
S&P AA+	97,589,997
S&P AA	2,035,959
Moodys Aaa	537,345
Moodys Aa1	697,321
Moodys Aa2	4,806,868
Total	<u>\$ 115,630,224</u>

Custodial Credit Risk-Investments. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As required by County policy, at December 31, 2020, all of the County's investments were held by a third party custodian and were not exposed to custodial credit risk.

Concentration of Credit Risk. The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. County policy states that in no case will investments in any one financial institution exceed 50% of the County's total portfolio. U.S. government securities, mutual funds, and external investment pools are exempt from this restriction.

Receivables

Receivables as of December 31, 2020 for the County's governmental and business-type activities are below. The County did not have any allowance for uncollectable accounts at year end as all receivable accounts are current.

	Total Receivable	Not expected to be collected within one year
Governmental Activities:		
Taxes	\$ 4,618,892	\$ -
Accounts receivable	14,910,751	12,635,061
Accrued interest receivable	949,637	-
Loans receivable	2,269,420	2,167,794
Interfund receivable	290,258	-
Due from other governments	22,255,018	-
Total Governmental Activities	<u>\$ 45,293,976</u>	<u>\$ 14,802,855</u>
Business Activities:		
Accounts Receivable	\$ 56,206	\$ -
Accrued interest receivable	30,057	-
Total Business Activities	<u>\$ 86,263</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Loans Receivable

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

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

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

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

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

Included in the Septic Services Special Revenue Fund are loans under the Minnesota Pollution Control Loan Program totaling \$735,590 at December 31, 2020. These are included in the committed for health and sanitation category of fund balance.

Two loans to the South St. Louis County Fair were consolidated into one loan in 2015. The loans were for the construction of a grandstand with lights and a concession. The new agreement restructured the loans to have lower annual payments and extended the payback period. The new agreement requires annual payments of \$13,500; \$8,500 from the Racing Association and \$5,000 from the Fair Association. The balance owed on these loans was \$171,860 at December, 31 2020. Of this amount, \$158,360 is included in the noncurrent loans category of fund balance and \$13,500 is included in the current portion. In 2020, The County drafted a second amendment, which forgave the \$8,500 2020 payment from the Racing Association because they could not have any events due to COVID-19.

The loan receivable from Retreat Golf Course \$9,300 is included in the non-spendable noncurrent loans category of fund balance. The purpose of the Minnesota Investment Fund (MIF) loan was to assist businesses that were impacted from the 2012 flood. The interest free, partially forgivable loan was approved by the St. Louis County Board on January 15, 2013. Half of the loan amount will be forgiven if the borrowers continue to own and operate their businesses for 10 years after the Initial Disbursement Date, which was September 12, 2013. The loan is accounted for in the General Fund, \$8,508 is included in the non-current portion and \$792 is included in the current portion.

The City of Ely owes for its share of costs associated with the Ely Joint Public Works Facility. One loan has a balance of \$12,469 with an interest rate of 3.9%. It requires payments of \$1,095 on May 1 and November 1 each year until 2027. The second loan has a balance of \$63,616 with an interest rate of 5%. It requires payments of \$5,792 on May 1 and November 1 each year until 2027. Both loans are included in the non-spendable portion of fund balance under noncurrent loans.

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Lease with State of Minnesota

St. Louis County leases to the State of Minnesota approximately 31,867 useable square feet of space in the Pike Lake Joint Maintenance Facility. The total cost of the shared facility was \$5,948,604; depreciation to date is \$3,635,258 leaving a carrying value of \$2,313,346. The lease agreement between the State and the County expired on August 31, 2017. Option period 2 started on September 1, 2017 which is a 7 year extension to the lease agreement. The lease now expires on August 31, 2024. The State also pays 29.5% of the operating costs of the facility.

Restricted Assets

Business-type activities

Financial assurance for closure and post closure care

Cash and cash equivalents	\$ 2,032,366
Investments	3,649,195
Accrued interest receivable	11,447
Total	<u>\$ 5,693,008</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

Governmental Activities:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 3,203,238	\$ -	\$ (12,000)	\$ -	\$ 3,191,238
Permanent right of way	1,059,111	46,299	-	-	1,105,410
Work in progress	1,636,281	4,831,803	-	(5,839,063)	629,021
Total capital assets, not being depreciated	5,898,630	4,878,102	(12,000)	(5,839,063)	4,925,669
Capital assets, being depreciated:					
Buildings and structures	220,318,444	2,165,695	(289,164)	5,839,063	228,034,038
Machinery and equipment	22,039,011	1,144,836	(64,913)	-	23,118,934
Vehicles	79,887,058	8,475,596	(1,577,672)	-	86,784,982
Infrastructure	965,923,459	50,259,689	-	-	1,016,183,148
Computer Software	6,725,231	56,175	-	-	6,781,406
Temporary right of way	40,240	-	-	-	40,240
Total capital assets being depreciated	1,294,933,443	62,101,991	(1,931,749)	5,839,063	1,360,942,748
Less accumulated depreciation for:					
Buildings and structures	(76,231,091)	(6,878,632)	267,694	-	(82,842,029)
Machinery and equipment	(19,322,650)	(820,210)	56,411	-	(20,086,449)
Vehicles	(49,621,149)	(4,886,224)	1,372,541	-	(53,134,832)
Infrastructure	(249,576,412)	(15,544,731)	-	-	(265,121,143)
Computer Software	(4,921,278)	(675,979)	-	-	(5,597,257)
Temporary right of way	(40,240)	-	-	-	(40,240)
Total accumulated depreciation	(399,712,820)	(28,805,776)	1,696,646	-	(426,821,950)
Total capital assets being depreciated, net	895,220,623	33,296,215	(235,103)	5,839,063	934,120,798
Governmental activities, capital assets, net	\$ 901,119,253	\$ 38,174,317	\$ (247,103)	\$ -	\$ 939,046,467

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Business-type activities:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 277,966	\$ -	\$ -	\$ -	\$ 277,966
Capital assets, being depreciated:					
Buildings and structures	7,397,245	-	-	-	7,397,245
Improvements other than buildings	10,955,402	33,445	-	-	10,988,847
Machinery and equipment	1,362,137	-	-	-	1,362,137
Vehicles	1,617,907	227,212	(151,025)	-	1,694,094
Total capital assets being depreciated	21,332,691	260,657	(151,025)	-	21,442,323
Less accumulated depreciation for:					
Buildings and structures	(5,723,943)	(226,151)	-	-	(5,950,094)
Improvements other than buildings	(5,451,856)	(104,454)	-	-	(5,556,310)
Machinery and equipment	(1,095,941)	(72,641)	-	-	(1,168,582)
Vehicles	(1,171,955)	(100,844)	148,973	-	(1,123,826)
Total accumulated depreciation	(13,443,695)	(504,090)	148,973	-	(13,798,812)
Total capital assets, being depreciated, net	7,888,996	(243,433)	(2,052)	-	7,643,511
Business-type activities, capital assets, net	<u>\$ 8,166,962</u>	<u>\$ (243,433)</u>	<u>\$ (2,052)</u>	<u>\$ -</u>	<u>\$ 7,921,477</u>

Depreciation:

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
General government	\$ 2,706,968
Public safety	2,083,522
Highways	21,420,498
Health	14,612
Human services	247,626
Culture and recreation	1,632,458
Conservation of natural resources	251,051
Economic development	24,769
Internal service funds	424,272
Total depreciation expenses - governmental activities	<u>\$ 28,805,776</u>
Business-type activities	
Environmental services	<u>\$ 504,090</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

B. Liabilities

Advance From Other Governments

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

Long-Term Debt

Long-term liability activity for the year ended December 31, 2020, which includes unamortized bond premiums of \$8,139,268 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One-Year</u>
GOVERNMENTAL ACTIVITIES					
<i>Bonds, notes, and tax lease obligations payable</i>					
General obligation debt					
Capital Improvement Bonds 2013A	\$ 16,923,558	\$ -	\$ (931,513)	\$ 15,992,045	\$ 976,513
Capital Equipment Notes 2013B	782,379	-	(782,379)	-	-
Crossover Refunding 2013C	594,118	-	(594,118)	-	-
Crossover Refunding 2013D	3,249,390	-	(487,009)	2,762,381	512,009
Capital Improvement Bonds 2014A	4,002,227	-	(359,445)	3,642,782	369,445
Crossover Refunding 2015B	3,832,374	-	(926,564)	2,905,810	941,564
Capital Improvement Bonds 2015C	32,219,285	-	(2,466,729)	29,752,556	2,511,729
Capital Improvement Bonds 2016A	21,756,306	-	(1,459,515)	20,296,791	1,524,515
Crossover Refunding 2016B	16,067,481	-	(62,334)	16,005,147	62,334
General Obligation 2018A	28,713,097	-	(1,081,243)	27,631,854	1,081,243
General Obligation 2018B	16,082,201	-	(510,299)	15,571,902	565,299
General Obligation 2020A	-	25,907,941	(4,256)	25,903,685	1,060,541
Crossover Refunding 2020B	-	5,180,000	(5,685)	5,174,315	34,109
<i>Total bonds, notes and tax lease obligations payable</i>	<u>144,222,416</u>	<u>31,087,941</u>	<u>(9,671,089)</u>	<u>165,639,268</u>	<u>9,639,301</u>
<i>Other Liabilities</i>					
AgBMP Direct Borrowing	233,875	-	(48,362)	185,513	48,984
Compensated absences	30,347,273	16,167,817	(13,586,123)	32,928,967	9,293,046
Claims payable	11,044,262	29,176,293	(31,250,856)	8,969,699	2,716,702
Other postemployment benefits	9,597,213	4,321,615	-	13,918,828	1,158,417
<i>Total other liabilities</i>	<u>51,222,623</u>	<u>49,665,725</u>	<u>(44,885,341)</u>	<u>56,003,007</u>	<u>13,217,149</u>
Governmental activities long-term liabilities	<u>\$ 195,445,039</u>	<u>\$ 80,753,666</u>	<u>\$ (54,556,430)</u>	<u>\$ 221,642,275</u>	<u>\$ 22,856,450</u>
BUSINESS-TYPE ACTIVITIES					
<i>Other Liabilities</i>					
Compensated absences	\$ 827,065	\$ 308,843	\$ (316,879)	\$ 819,029	\$ 162,661
Other postemployment benefits	168,069	-	88,679	256,748	36,454
Closure and post-closure liabilities	1,321,394	-	(23,623)	1,297,771	-
Business-type activities long-term liabilities	<u>\$ 2,316,528</u>	<u>\$ 308,843</u>	<u>\$ (251,823)</u>	<u>\$ 2,373,548</u>	<u>\$ 199,115</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$9,313,056 of internal service funds compensated absences, and claims payable are included in the above amounts. Also, for the governmental activities, claims, and compensated absences are generally liquidated by the General Fund, Road and Bridge, Public Health and Human Services, and Forfeited Tax Sale Special Revenue funds.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

General obligation bonds and notes payable at December 31, 2020, consist of the following issues:

\$20,650,000 General Obligation Capital Improvement Bonds due in annual installments of \$800,000 to \$1,500,000 on December 1, 2015 through 2033; interest at 2.00 to 4.125 percent, including unamortized premium of \$533,095.	\$ 15,992,045
\$5,495,000 General Obligation Capital Improvement Current Refunding Bonds due in annual installments of \$335,000 to \$555,000 on December 1, 2014 through 2025; interest at 3.00 to 5.00 percent, including unamortized premium of \$285,414. This bond was issued to refund the \$6,275,000 outstanding of the \$7,135,000 General Obligation Capital Improvement bonds, Series 2010, dated December 9, 2010. The net present value loss of the refunding issue is \$87,537 and results in an increase of \$89,581 in future debt service payments. These bonds were refunded by using the extraordinary call provision that was allowed if the Federal Government reduced the percentage of reimbursement on the Build America Bonds. The County Board chose to use this call provision to protect the County against future continued reductions, as included in draft legislation at the time of the decision to refund, in the Build America Bond reimbursement. Congress ultimately did pass and the president signed an extension of the sequestration of Build America Bonds in February 2014, which, if continued into the future, would have resulted in future present value losses to the County of \$428,396, had the Board chosen not to refund. The refunding occurred on October 15, 2014.	2,762,381
\$5,470,000 General Obligation Capital Improvement Bonds due in annual installments of \$295,000 to \$450,000 on December 1, 2015 through 2029; interest at 3.00 to 3.375 percent, including unamortized premium of \$155,560. The proceeds from this bond were used to pay for St. Louis County's portion of renovations at Arrowhead Regional Corrections, which is a Joint Venture.	3,642,782
\$5,355,000 General Obligation Capital Improvement Crossover Refunding Bonds due in annual installments of \$845,000 to \$950,000 on December 1, 2018 through 2023; interest at 2.00 to 3.00 percent, including unamortized premium of \$322,067. This bond was issued to crossover refund \$5,420,000 of the \$6,940,000 outstanding of the \$11,380,000 General Obligation Capital Improvement bonds, Series 2008, dated October 21, 2008. The net present value benefit of the refunding issue is \$446,837 and results in a reduction of \$444,522 in future debt service payments. The crossover refunding occurred on December 1, 2017.	2,905,810
\$38,415,000 General Obligation Capital Improvement Bonds due in annual installments of \$1,885,000 to \$3,235,000 on December 1, 2015 through 2030; interest at 3.00 to 5.0 percent, including unamortized premium of \$2,459,478.	29,752,556
\$23,315,000 General Obligation Capital Improvement Bonds due in annual installments of \$975,000 to \$1,940,000 on December 1, 2017 through 2031; interest at 2.00 to 5.0 percent, including unamortized premium of \$2,304,850.	20,296,791
\$15,200,000 General Obligation Capital Improvement Crossover Refunding Bonds due in annual installments of \$1,040,000 to \$1,450,000 on December 1, 2022 through 2033; interest at 2.00 to 5.00 percent, including unamortized premium of \$1,054,484. This bond was issued to refund the \$14,640,000 outstanding of the \$20,650,000 General Obligation Capital Improvement bonds, Series 2013, dated September 5, 2013. The net present value benefit of the refunding issue is \$708,554 and results in a reduction of \$798,687 in future debt service payments. The crossover will occur on December 1, 2021.	16,005,147
\$28,095,000 General Obligation Capital Improvement Bonds due in annual installments of \$1,000,000 to \$1,935,000 on December 1, 2019 through 2038; interest at 3.00 to 5.00 percent, including unamortized premium of \$1,760,273. The proceeds from this bond were used to finance the construction of a new Government Services Center building in Virginia, MN and finance the initial costs for a new Public Works Maintenance Facility in Cook, MN.	27,631,854
\$15,180,000 General Obligation Capital Improvement Bonds due in annual installments of \$465,000 to \$1,055,000 on December 1, 2020 through 2039; interest at 3.00 to 5.00 percent, including unamortized premium of \$960,600. The proceeds from this bond were used to finance the remaining costs of the new Public Works Maintenance Facility in Cook, MN.	15,571,902
\$25,395,000 General Obligation Capital Improvement Bonds due in annual installments of \$1,035,000 to \$1,505,000 on December 1, 2021 through 2040; interest at 1.00 to 2.0 percent, including unamortized premium of \$512,941. The proceeds will be used on Road and Bridge projects.	\$ 25,903,685
\$4,960,000 General Obligation Capital Improvement Crossover Refunding Bonds due in annual installments of \$410,000 to \$945,000 on December 1, 2022 through 2029; interest at 1.00 to 2.00 percent, including unamortized premium of \$220,000. This bond was issued to refund \$2,085,000 outstanding on 2013D and \$2,875,000 outstanding on 2014A bonds. The net present value benefit of the refunding issue is \$298,173 and results in a reduction of \$308,379 in future debt service payments. The crossover for will occur on December 1, 2021 for 2013D and the crossover for 2014A will occur on 12/1/2022.	\$ 5,174,315
Total General obligation bonds	\$ 165,639,268

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

General obligation revenue notes payable at December 31, 2020, consist of the following issues:

\$50,000 1998 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide the initial funds for the septic system improvement loan program under the Agricultural Best Management Loan Program.	\$ 4,532
\$200,000 1998 General Obligation Revenue Notes payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program under the Agricultural Best Management Loan Program.	36,410
\$200,000 2001 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	36,410
\$79,000 2004 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	14,383
\$118,420 2015 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	51,737
\$97,226 2016 General Obligation Revenue Notes Payable to the Minnesota Department of Agriculture (Department) to provide additional funds for the septic system improvement loan program.	42,041
The terms of the above described revenue notes require semi-annual repayments of \$25,195 to \$782 beginning April 1, 2009 through 2028.	

Total notes payable	\$ 185,513
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The County's outstanding notes from direct borrowings relate to the Septic Services, Special Revenue Fund from the Minnesota Department of Agriculture. The County uses this money to fund a revolving loan program, which allows our citizens to get a low interest loan to replace and repair their septic systems. The loans to the County are interest free and require the County to make two payments per year. The County loans those funds out to our citizens with a three percent interest rate. The County uses that three percent to pay for the costs of administering the program and/or re-lending those funds out to other citizens. The note is primarily payable from the loan repayments from borrowers, but if necessary, all taxable property in the territory of the County is subject to ad valorem taxation without limitation as to rate or amount to pay the principal on the Note. The AgBMP may rescind all or part this agreement, part of any uncommitted allocation if the County fails to comply with Minn. Stat. These notes will be paid off in April of 2028, but can be paid off sooner if St. Louis County chose to do so.

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

Year Ending December 31	General Obligation		Direct Borrowing
	Principal	Interest	Principal
2021	\$ 9,639,301	\$ 5,154,794	\$ 48,984
2022	11,589,301	4,744,596	29,624
2023	12,360,419	4,358,099	30,284
2024	11,792,737	3,894,873	30,960
2025	12,228,755	3,444,092	23,784
2026-2030	59,801,776	11,748,348	21,877
2031-2035	30,770,777	4,709,937	-
2036-2040	17,456,202	1,210,103	-
Total:	\$ 165,639,268	\$ 39,264,842	\$ 185,513

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

The County's proportionate shares of general obligation debt and general obligation revenue debt at December 31, 2020, of all governmental units which provide services within the County's borders, and which must be borne by properties in the County, is summarized below:

	<u>Outstanding</u>	<u>Percentage Applicable to the County</u>	<u>County Share of Debt</u>
Direct Debt			
St. Louis County	\$ 165,824,781	100.00 %	\$ 165,824,781
Overlapping Debt			
School Districts	124,778,250	48.10	60,017,199
Western Lake Superior Sanitary District	52,443,480	83.94	44,021,383
Underlying Debt			
Cities	188,660,299	100.00	188,660,299
School Districts	383,835,078	100.00	383,835,078
Towns	2,561,148	100.00	2,561,148
Crane Lake Water & Sanitary District	1,265,504	100.00	1,265,504
North Shore Sanitary District	4,656,928	100.00	4,656,928
Hibbing HRA	1,175,694	100.00	1,175,694
Cook Community Hospital	8,907,946	100.00	8,907,946
Virginia HRA	1,955,000	100.00	1,955,000
Total	<u>\$ 936,064,108</u>		<u>\$ 862,880,960</u>

Lease Obligations

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

The following is a summary of the operating lease expense for 2020:

<u>Type of Property</u>	
Rental of office space and parking facilities	\$ 165,036
Hardware	388,490
Total rental expense	<u>\$ 553,526</u>

Future minimum payments under operating leases, which are not reflected in these financial statements, consist of the following at December 31, 2020:

<u>Year Ended December 31</u>	
2021	\$ 480,845
2022	481,890
2023	443,135
2024	433,282
2025	432,715
Total future minimum lease payments	<u>\$ 2,271,867</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Construction Commitments

At December 31, 2020, the County had construction commitments as follows:

	Authorized Projects	Expended to Date	Commitments
South Impound Garage - Public Safety Campus	\$ 330,000	\$ 1,800	\$ 328,200
Depot Roof	407,600	345,460	76,518
Regional Behavioral Health Crisis Center	8,000,000	12,600	1,900
Total	<u>\$ 8,737,600</u>	<u>\$ 359,860</u>	<u>\$ 406,618</u>

Purchase Commitments/Encumbrances

At December 31, 2020, the County had purchase commitments represented by open encumbrances. These are included as part of assigned fund balance as follows:

Fund	Amount
General	\$ 4,913,520
Road and Bridge	2,070,448
Public Health and Human Services	1,104,170
Forfeited Tax Sale	128,961
Forest Resources	112,738
Total	<u>\$ 8,329,837</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains three internal service funds to account for and finance its purchased insurance and uninsured risks of loss. In none of the past three years did the County have a loss exceeding coverage for purchased insurance. Insurance coverage has not significantly changed from the prior year.

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

The Workers' Compensation Insurance Fund covers workers' compensation claims up to \$500,000 per single loss occurrence. At that point, the County is covered for losses by the Workers' Compensation Reinsurance Association, an organization created by Minnesota statutes in 1979 to implement a mandatory program of reinsurance for workers' compensation liability risks in the State of Minnesota for losses occurring on or after October 1, 1979. The Association provides full indemnification for the County for claims arising under Minn. Stat. Chapter 176 (2002) in excess of the \$500,000 retention limit. The estimated liability for workers' compensation reported in the Fund is based on a case-by-case examination of claims filed through December 31, 2020, and is consistent with the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The non-discounted value of the estimated liability for claims payable at the end of the year was \$8,807,644 and is present valued at 1.8605%.

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

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Changes in the funds' claims liability amounts during 2019 were:

	Property, Casualty, & Liability Insurance Fd	Workers' Compensation Insurance Fund	Medical/ Dental Insurance Fund
Beginning of fiscal year liability for claims	\$ 28,000	\$ 5,952,127	\$ 2,242,701
Current year claims and changes in estimates	388,831	5,631,283	34,810,581
Claim payments	(416,831)	(3,093,983)	(34,498,447)
Balance of claims payable at fiscal year end	<u><u>\$ -</u></u>	<u><u>\$ 8,489,427</u></u>	<u><u>\$ 2,554,835</u></u>

Changes in the funds' claims liability amounts during 2020 were:

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

During 2019, counties were notified by the Minnesota Department of Human Services (DHS) that DHS made errors in the calculation of Substance Use Disorder (SUD) for Institutes of Mental Disease (IMD) claims from January 2014 to June 2019. Based on these errors, DHS is requesting Minnesota counties repay \$8.8 million back to DHS. During 2020, this amount was revised to \$8.6 million. St. Louis County's share of this \$8.6 million is \$467,094. Minnesota counties have raised concerns over how the amount was calculated, the accuracy of the calculations and whether DHS has the legal/statutory authority to require the counties to repay the amounts. The Association of Minnesota Counties (AMC) has recommended counties to not repay this amount until these concerns have been addressed in hopes this matter is resolved by other means. Therefore, this amount has not been booked as a payable.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Pension Plans

Defined Benefit Pension Plans

Plan Description

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

The General Employees Plan

The General Employees Retirement Plan covers certain full time and part-time employees of the County. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Public Employees Police and Fire Plan

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

Local Government Correctional Plan

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

Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

General Employees Retirement Plan

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. 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 reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

Police and Fire Benefits

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Correctional Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase will be equal to 100% of the COLA announced by SSA, with a minimum increase of at least 1% and a maximum of 2.5%. If the plan's funding status declines to 85% or below for two consecutive years or 80% for one year, the maximum will be lowered from 2.5% to 1.5%. 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 reduced prorated increase.

Contributions

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

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2020 and the County was required to contribute 7.50% for Coordinated Plan members. The County's contributions to the General Employees Fund for the year ended December 31, 2020, were \$7,104,811. The County's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Police and Fire member's contribution rates increased from 11.3% of their annual covered salary to 11.8% and employer rates increased from 16.95% to 17.70% on January 1, 2020. The County's contributions to the Police and Fire Fund for the year ended December 31, 2020, were \$1,609,867. The County's contributions were equal to the required contributions as set by state statute.

Correctional Fund Contributions

Plan members were required to contribute 5.83% of their annual covered salary and the County was required to contribute 8.75% of pay for plan members in fiscal year 2020. The County's contributions to the Correctional Fund for the year ended December 31, 2020, were \$386,258. The County's contributions were equal to the required contributions as set by state statute.

Pension Costs

General Employees Fund Pension Costs

At December 31, 2020, the County reported a liability of \$78,126,801 for its proportionate share of the General Employees Retirement Plan's net pension liability. The County's net pension liability reflected a reduction due to the state of Minnesota's contribution of \$16 million. The state of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The state of Minnesota's proportionate share of the net pension liability associated with the County totaled \$2,409,183. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion was 1.3031% at the end of the measurement period and 1.2569% for the beginning of the period.

County's proportionate share of net pension liability	\$ 78,126,801
State of Minnesota's proportionate share of the net pension liability associated with the County	<u>2,409,183</u>
Total	<u><u>\$ 80,535,984</u></u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

For the year ended December 31, 2020, the County recognized pension expense of \$3,240,457 for its proportionate share of the General Employees Plan's pension expense. In addition, the County recognized \$209,672 as grant revenue for its proportionate share of the state of Minnesota's pension expense for the annual \$16 million contribution.

At December 31, 2020, the County reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 712,322	\$ 295,592
Changes in actuarial assumptions	-	2,896,462
Difference between projected and actual investment earnings	1,349,694	-
Changes in proportion	2,274,278	1,547,621
Contributions paid to PERA subsequent to the measurement date	3,538,496	-
	<hr/>	<hr/>
Total	\$ 7,874,790	\$ 4,739,675
	<hr/>	<hr/>

The \$3,538,496 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. 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
2021	\$ (4,778,193)
2022	266,068
2023	2,221,174
2024	1,887,570

Police and Fire Fund Pension Costs

At December 31, 2020, the County reported a liability of \$10,568,582 for its proportionate share of the Public Employees Police and Fire Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportionate share of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.8018% at the end of the measurement period and 0.8511% for the beginning of the period.

The state of Minnesota contributed \$13.5 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2020. The contribution consisted of \$4.5 million in direct state aid that does meet the definition of a special funding situation and \$9.0 million in supplemental state aid that does not meet the definition of a special funding situation. The \$4.5 million direct state was paid on October 1, 2019. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later.

The state of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$4.5 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the state of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2020, the County recognized pension expense of \$1,164,888 for its proportionate share of the Police and Fire Plan's pension expense. The County recognized \$76,601 as grant revenue for its proportionate share of the state of Minnesota's pension expense for the contribution of \$4.5 million to the Police and Fire Fund.

The state of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The County recognized \$76,601 for the year ended December 31, 2020 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

At December 31, 2020, the County reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 466,980	\$ 501,893
Changes in actuarial assumptions	3,541,751	6,591,250
Difference between projected and actual investment earnings	321,017	-
Changes in proportion	597,763	762,329
Contributions paid to PERA subsequent to the measurement date	765,928	-
Total	<u>\$ 5,693,439</u>	<u>\$ 7,855,472</u>

The \$765,928 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. 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
2021	\$ (763,263)
2022	(2,921,916)
2023	439,451
2024	451,243
2025	(133,477)

Correctional Plan Pension Costs

At December 31, 2020, the County reported a liability of \$542,572 for its proportionate share of the Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions from all of PERA's participating employers. The County's proportionate share was 2.0000% at the end of the measurement period and 2.0143% for the beginning of the period.

For the year ended December 31, 2020 the County recognized pension expense of \$(1,062,870) for its proportionate share of the Correctional Plan's pension expense.

At December 31, 2020, the County reported its proportionate share of the Correctional Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 5,089	\$ 199,666
Changes in actuarial assumptions	-	1,098,778
Difference between projected and actual investment earnings	103,231	
Changes in proportion	1,038	62,294
Contributions paid to PERA subsequent to the measurement date	190,274	-
Total	<u>\$ 299,632</u>	<u>\$ 1,360,738</u>

The \$190,274 reported as deferred outflows of resources related to pensions resulting from St. Louis County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Year Ended December 31	Pension Expense Amount
2021	\$ (1,309,739)
2022	(64,056)
2023	24,531
2024	97,884

Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following additional actuarial assumptions:

	General Employees Fund	Police and Fire Fund	Correctional Fund
Inflation	2.25 percent per year	2.50 percent per year	2.50 percent per year
Active Member Payroll Growth	3.00 percent per year	3.25 percent per year	3.25 percent per year
Investment Rate of Return	7.50 percent	7.50 percent	7.50 percent

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disability rates were based on Pub-2010 General Employee Mortality table for the General Employees Plan and RP 2014 tables for the Police and Fire and the Correctional Plans for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year for the General Employees Plan and 2.0% per year for the Correctional Plan. For the Police and Fire Plan, cost of living benefit increases for retirees are 1.0% per year as set by state statute.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The four-year experience study used for the Police and Fire Plan was completed in 2016. The five-year experience study used for the Correctional Plan, prepared by a former actuary, was completed in 2012. The mortality assumption for the Correctional Plan is based on the Police and Fire Plan experience study completed in 2016. Inflation and investment return assumptions for the Police and Fire Plan and the Correctional Plan are based on the General Employees Retirement Plan experience study completed in 2019. The most recent four-year experience studies for the Police and Fire Plan and the Correctional Plan were completed in 2020. The recommended assumptions for those plans were adopted by the Board and will be effective with the July 1, 2021 actuarial valuations if approved by the Legislature.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

General Employees Fund

Changes 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

Correctional Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic stocks	35.50%	5.10%
International stocks	17.50%	5.30%
Bonds	20.00%	0.75%
Alternative assets	25.00%	5.90%
Cash	2.00%	0.00%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability in 2020 was 7.50%. 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 positions of the General Employees Fund, the Police and Fire Fund, and the Correctional Fund were projected to be available to make all projected future benefit payments 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.

Pension Liability Sensitivity

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

Sensitivity Analysis (In Thousands)							
<i>Net Pension Liability (Assets) at Different Discount Rates</i>							
	General Employees Fund		Police and Fire Fund		Correctional Fund		
1% Lower	6.50%	\$ 125,210,162	6.50%	\$ 21,064,705	6.50%	\$ 3,372,005	
Current Discount Rate	7.50%	78,126,801	7.50%	10,568,582	7.50%	542,572	
1% Higher	8.50%	39,286,810	8.50%	1,884,879	8.50%	(1,722,835)	

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Summary

The aggregate amount of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for the County's defined benefit plans are summarized below. These liabilities are typically liquidated by the individual activity in which the employees' costs are associated. The table below include the County's portion of each plan.

	General Employees Plan	Police and Fire Plan	Correctional Plan	Total
Net Pension Liability	78,126,801	10,568,582	542,572	89,237,955
Deferred Outflows of Resources	7,874,790	5,693,439	299,632	13,867,861
Deferred Inflows of Resources	4,739,675	7,855,472	1,360,738	13,955,885
Pension Expense	3,450,129	1,241,489	(1,062,870)	3,628,748

Public Employees Defined Contribution Plan (Defined Contribution Plan)

The seven County Commissioners of St. Louis County are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The plan is established and administered in accordance with Minn. Stat. ch. 353D, which may be amended by the state legislature. The plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code, and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (0.25%) of the assets in each member's account annually.

Total contributions made by the County during fiscal year 2020 were:

Contribution Amount		Contribution Amount		Required Rate
Employee	Employer	Employee	Employer	
\$ 23,133	\$ 23,133	5%	5%	5%

Other Postemployment Benefits Plan (OPEB)

Plan Description

St. Louis County operates a single employer, retiree benefit plan (the Plan) that provides health insurance benefits to eligible retired employees and their dependents. The County provides benefits for retirees as required by Minn. Stat. 471.61, sub 2b. Retirees are required to pay 100 percent of the total premium cost. Since the premium is determined on the entire active and retiree population, the retirees are receiving an implicit rate subsidy.

St. Louis County has 1,919 participants. There are 1,759 active participants, 136 retired participants and 24 spouses. There were no inactive employees that were entitled to but not yet receiving benefits. Benefits and eligibility provisions are established through negotiations between the County and various unions representing County employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.. The plan also recognized \$142,783 as an explicit subsidy from the State of Minnesota for disabled deputies. The explicit subsidy for disabled deputies was allocated to those groups with members

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

receiving this benefit, which is currently only St. Louis County. No assets are accumulated in a trust for any Other Post Employment Benefits.

Contributions

The County does not have assets designated to pay for OPEB related costs. Contribution requirements are negotiated between the County and union representatives. The eligibility for, amount of, duration of, and County contributions to the cost of the benefits provided varies by contract and date of retirement. The County is funding this liability on a pay-as-you-go basis. For fiscal year ended 2020, the county contributed \$1,193,172 to the plan.

Actuarial Methods and Assumptions

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

The total OPEB liability was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

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

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

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

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

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

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.
- The withdrawal, retirement, and salary increase rates were updated. The rates now differ for public safety versus other employees. Note that the retirement rates begin at age 50 for public safety employees instead of age 55.
- Female employees are assumed to be three years (instead of two years) younger than their spouses.
- The medical aging factors for claims costs were updated.
- The retiree plan participation percentage was decreased from 65% to 60%. However, at January 1, 2018 only active employees on the client's medical plans were included. As of January 1, 2020, all active employees, that could have elected medical coverage in the current year, have been included.
- Employees on long term disability have been valued as follows:
 - If under age 50 as of the valuation date, post-employment subsidized benefits only are being valued for five years.
 - If age 50 or older as of the valuation date, both post-employment implicit and subsidized benefits are being valued to age 65.
 - Previously all employees on long term disability were valued with post-employment subsidized benefits only to age 65.
- The discount rate was changed from 2.74% to 2.00%.
- These changes increased the liability \$1,776,198.

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Changes in the Total OPEB Liability

Balance January 1, 2020	\$ 9,765,282
Changes for the year	
Service cost	592,423
Interest	267,565
Change in assumptions - discount rate	1,776,198
Differences between projected and actual experience	2,967,280
Benefit payments	(1,193,172)
Net Change	<u>4,410,294</u>
Balance December 31, 2020	<u><u>\$ 14,175,576</u></u>

Of the \$14,175,576 total OPEB liability, \$1,179,785 is due within one year.

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

	1% Decrease 1.0%	Discount Rate 2.0%	1% Increase 3.0%
OPEB Liability	\$ 15,097,167	\$ 14,175,576	\$ 13,301,993

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

	1% Decrease 5.5% decreasing to 4.0% then 3.0%	Current Trend 6.5% decreasing to 5.0% then 4.0%	1% Increase 7.5% decreasing to 6.0% then 5.0%
Medical Trend Rate			
OPEB Liability	\$ 12,711,736	\$ 14,175,576	\$ 15,904,765

At December 31, 2020, the County reported its proportionate share of the OPEB's deferred outflow of resources and deferred inflows of resources.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Losses	\$ 2,477,526	\$ -
Change of Assumptions	2,005,731	198,200
Liability Gains	-	4,516
Total	<u><u>\$ 4,483,257</u></u>	<u><u>\$ 202,716</u></u>

Year Ending December 31	Future Recognition
2021	\$ 851,397
2022	851,397
2023	851,397
2024	886,473
2025	839,877
Total	<u><u>\$ 4,280,541</u></u>

For the year ended December 31, 2020 the County recognized OPEB expense of \$1,711,385.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Interfund Receivables, Payables, Advances and Transfers

The composition of interfund transfers during the year ended December 31, 2020, is as follows:

Interfund Receivables/Payables (for deficit cash balances):

Receivable Fund	Payable Fund	Amount
General	Community Development Block Grant	\$ 290,258

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

Receivable Fund	Payable Fund	Amount
Capital Projects funds	County Garage	\$ 1,649,860

Interfund Transfers:

Fund Transferred To	Fund Transferred From	Purpose	Amount
Major Funds			
General	Road and Bridge	Aerial imagery acquisition	\$ 29,999
	Shoreline Sales	Natural resource improvements, environmental enforcement	160,999
	Forest Resources	GIS project and aerial imagery acquisition	230,000
	Medical Dental Insurance	Health and wellness reimbursement	373,989
	Septic Services	Aerial imagery acquisition	30,000
	Capital projects	Operating expenditures	111,656
	Forfeited Tax Sale	Land sale apportionment and blight program	1,063,732
Road and Bridge	General	Corner Certificate Program	340,000
	Forfeited Tax Sale	Entrance paving, land sale apportionment	139,212
	Capital projects	ROW clearing	350,000
Public Health and Human Services	General	Team 25 Social Worker, health insurance	415,445
	Capital projects	Unspent furniture budget	1,664
Forfeited Tax Sale	Road and Bridge	Equipment use	21,775
	Capital projects	Asset transfer	18,300
Capital Projects	General	County Program Aid, excess rent revenues, Sheriff's Office training and EOC building expansion, general fund savings	3,759,875
	Public Health and Human Services	Furniture for remodel	1,100
	Forfeited Tax Sale	Equipment use	525
	Forest Resources	Labor, equipment reimbursement	18,477
	Environmental Services	Labor, equipment reimbursement	1,788
Environmental Services	Shoreline Sales	Illegal dump cleanup	913
Nonmajor Funds			
Housing and Redevelopment Authority	General	Community assistance award	1,000,000
Forest Resources	Forfeited Tax Sale	Land sale apportionment	610,299
Debt Service Fund	Road and Bridge	Bond payment	5,322,744
Septic Services	Shoreline Sales	Forgivable septic loans, on-site wastewater operations	520,950
Pandemic Response	General	COVID-19 costs	6,000,000
Shoreline Sales	Forest Resources	Leased land sales	517,772
Internal Service Funds			
County Garage	General	General fund savings	300,000
Property, Casualty, Liability	General	General fund savings	850,000
Workers' Compensation Insurance	General	General fund savings	1,150,000
	Total		\$ 23,341,214

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2020

C. Deferred Inflows

Advanced Allotments

The Minnesota Department of Transportation (MnDOT) has advanced to the County a portion of future years' regular construction allotment funds, in the amount of \$566,757, for the purpose of financing current County state-aid projects. Advanced allotment represents regular construction funds received from MnDOT that will be recognized as revenue in the year the allotment normally would have accrued. As a result, the County anticipates receiving approximately 96.2% of its normal construction allotment during 2021.

D. Fund Equity

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

	Future Year Budget	Encumbrances	Cash Flow	Future Unallotment	Total
Unassigned					
General	\$ 2,360,137	\$ -	\$ 35,865,498	\$ 4,888,997	\$ 43,114,632
Assigned					
Road and Bridge	260,000	2,070,448	-	-	2,330,448
Public Health and Human Services	364,745	241,976	17,633,617	-	18,240,338
Total	<u>\$ 2,984,882</u>	<u>\$ 2,312,424</u>	<u>\$ 53,499,115</u>	<u>\$ 4,888,997</u>	<u>\$ 63,685,418</u>

The cash flow maximum amount for each fund is calculated as 5/12 of the subsequent year's levy, plus the subsequent year county program aid. For the year ended December 31, 2020, the maximum amounts, actual amounts, and percentage funded are shown below. The future unallotment is calculated based on required departmental savings due to state unallotments.

	Cash Flow		
	Maximum Amount	Actual Amount	Percentage Funded
General	\$ 37,609,011	\$ 35,865,498	95.36%
Road and Bridge	9,898,241	-	-%
Public Health and Human Services Fund	22,396,750	17,633,617	78.73%

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 3. Joint Ventures/Jointly Governed Organizations

Arrowhead Regional Corrections

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

Arrowhead Regional Corrections is financed through state grants and contributions from the participating counties. During 2019, (the most recent available), county contributions were in the following proportion:

Carlton County	10.01%
Cook County	1.82%
Koochiching County	3.20%
Lake County	3.50%
St. Louis County	81.47%
Total	<u>100.00%</u>

St. Louis County provided \$16,725,813 in funding during 2020. Separate financial information can be obtained from:

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

A summary of the financial information from Arrowhead Regional Corrections' Government-Wide Financial Statements for December 31, 2019 (the most recent available), was:

Total Assets	\$ 23,388,516
Deferred Outflows	943,417
Total Liabilities	14,079,334
Deferred Inflows	4,981,389
Total Net Position	5,271,210
Total Program and General Revenues	27,594,210
Total Expenses/Uses	26,975,289
Change in Net Position	618,921

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Community Health Services Board

Carlton, Cook, Lake, and St. Louis Counties entered into a joint powers agreement, operating the Carlton, Cook, Lake, and St. Louis County Community Health Services Board. This agreement is entered into under the authority CAF of the Community Health Services Act and is pursuant to the provisions of Minn. Stat. §471.59. The Community Health Services Board is composed of nine members. Carlton, Cook, and Lake County Boards of Commissioners, each appoints two members; the St. Louis County Board of Commissioners appoints three members. Financing is obtained through federal and state grants. St. Louis County provided no funding to this organization during 2020.

A summary of the financial information of the Community Health Services Board Government-Wide Financial Statements for December 31, 2019, (the most recent available) was:

Total Assets	\$ 1,714,389
Deferred Outflows	42,687
Total Liabilities	1,954,880
Deferred Inflows	86,257
Total Net Position	(284,061)
Total Program and	
General Revenues	5,534,017
Total Expenses	5,570,125
Change in Net Position	(36,108)

Separate financial information can be obtained from:

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

Regional Railroad Authority

The St. Louis and Lake Counties Regional Railroad Authority was established under the Regional Railroad Authorities Act, Minn. Stat. §398A.03. It is governed by a Board composed of three members from the St. Louis County Board of Commissioners and two members from Lake County Board of Commissioners. St. Louis County is the fiscal agent for the Railroad Authority and all of its financial transactions are recorded in the Regional Railroad Authority Custodial Fund. Financing is obtained through a tax levy, and federal, state and local grants or participation. St. Louis County provided no funding to this organization during 2020.

A summary of the financial information of the Regional Railroad Authority Government-Wide Financial Statements for December 31, 2019, (the most recent available) was:

Total Assets	\$ 32,180,056
Deferred Outflows	12,758
Total Liabilities	2,426,831
Deferred Inflows	60,179
Total Net Position	29,705,804
Total Revenues	5,080,650
Total Expenses	3,453,050
Change in Net Position	1,627,600

Separate financial information can be obtained from:

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Northeast Minnesota Office of Job Training

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

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

A summary of the financial information of Northeast Minnesota Office of Job Training's Government-Wide Statements for June 30, 2020, was:

Total Assets	\$	2,206,556
Deferred Outflows		191,122
Total Liabilities		2,863,089
Deferred Inflows		359,606
Total Net Position		(825,017)
Total Revenues		4,889,630
Total Expenses		5,298,552
Change in Net Position		(408,922)

Separate financial information can be obtained from:

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

Northern Counties Land Use Coordinating Board

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

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

A summary of the financial information of Northern Counties Land Use Coordinating Board for the Financial Statements for December 31, 2020, was:

Total Assets	\$	96,131
Total Liabilities		94
Total Net Position		96,037
Total Revenues		19,000
Total Expenses		9,668
Change in Net Position		9,332

Separate financial information can be obtained from:

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Minnesota Counties Information Systems (MCIS)

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

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

A summary of the financial information of Minnesota Counties Information System's funds Government-Wide Financial Statements for December 31, 2018, (the most recent available) was:

Total Assets	\$ 1,661,088
Total Deferred Outflows	139,263
Total Liabilities	1,116,836
Total Deferred Inflows	233,315
Total Net Position	450,200
Total Revenues	3,209,377
Total Expenses	2,996,663
Change in Net Position	212,714

Separate financial information can be obtained from:

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

Duluth Area Family Service Collaborative

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

Control of the Collaborative is vested in a Board of Directors. The County has two members on the Board. Financing is provided by state and federal grants, appropriations from the Collaborative members, and miscellaneous revenues. St. Louis County provided no funding to the Collaborative during 2020. St. Louis County is the fiscal agent for the Collaborative which is accounted for in the Duluth Area Family Service Collaborative Custodial Fund. A summary of financial information of the Collaborative for the year ended December 31, 2020, is:

Total Assets	\$ 985,828
Total Liabilities	-
Total Net Position	985,828
Total Revenues	300,835
Total Expenses	49,945
Change in Net Position	250,890

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

North Area Collective Local Collaborative

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

Control of the Collaborative is vested in a Board of Directors. The County has two members on the Board. Financing is provided by state and federal grants, appropriations from the Collaborative members, and miscellaneous revenues. St. Louis County provided no funding to the Collaborative during 2020. St. Louis County is the fiscal agent for the Collaborative which is accounted for in the Duluth Area Family Service Collaborative Custodial Fund. A summary of financial information of the Collaborative for the year ended December 31, 2020, is:

Total Assets	\$	831,220
Total Liabilities		-
Total Net Position		831,220
Total Revenue		299,714
Total Expenses		16,031
Change in Net Position		283,683

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

Minneapolis-Duluth/Superior Passenger Rail Alliance

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

A summary of the financial information of the Minneapolis - Duluth/Superior Passenger Rail Alliance from the Government-Wide Financial Statement for December 31, 2019 (the most recent available) was:

Total Assets	\$	21,827
Total Liabilities		5,091
Total Net Position		16,736
Total Revenues		90,411
Total Expenses		65,216
Change in Net Position		25,195

Separate financial information can be obtained from:

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Northeast Minnesota Emergency Communications Board (NEECB)

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

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

St. Louis County is the fiscal agent for the Northeast Minnesota Emergency Communications Board. Funding is provided by grants and contributions from participating members. St. Louis County provided \$1,785 in funding to this organization in 2020.

Northeastern Minnesota Enforcement & Safety Information System (NEMESIS)

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

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

St. Louis County is the fiscal agent for the Northeastern Minnesota Enforcement & Safety Information System. Funding is provided by membership fees from participating members. St. Louis County provided \$144,582 in funding to this organization in 2020.

City/County Communication Antenna Site

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

Voyageurs National Park Water Basin Joint County Sewer Project

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

The governing body is comprised of four members, two County commissioners appointed by the St. Louis County Board and two County commissioners appointed by the Koochiching County Board. St. Louis County contributed \$27,313 to the Voyageurs National Park Water Basin for the year ended December 31, 2020. Separate financial information can be obtained from the St. Louis County Courthouse, 100 North 5th Ave West, Duluth, Minnesota 55802.

Non-Emergency Medical Transportation Project

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 4. Summary of Significant Contingencies and Other Items

Claims and Litigation

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

Abatements

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

In 2020, the County abated \$424,882 in property taxes under this program.

Purpose	Percentage of Taxes Abated during the Fiscal Year	Amount of Taxes Abated during the Fiscal Year
City of Duluth (Miller Hill Flats Workforce Housing) - Assist in the need in providing housing in the Miller Hill area with the construction of 72 rental units	16.19%	\$ 68,794
City of Duluth (Capstone Apartments) - Assist in the need in providing housing in the Miller Hill area with the construction of 80 rental units	25.88%	109,953
P & H Mine Pro (Joy Global) - Assist in lease of property for the construction of a new facility	2.35%	10,000
City of Hermantown (Mills Fleet Farm) - assist the City with completing public infrastructure improvements related the the Hermantown Marketplace project. Project included the construction of the Sewer Trunkline.	52.28%	222,143
L & M Radiator - Assist in the expansion with the construction of a new manufacturing building adjacent and connected to its existing main building.	3.29%	13,992
		<u>\$ 424,882</u>

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

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

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Tax Abatements

The County has multiple pay-as-you-go tax increment financing districts with local businesses pursuant to Minn. Statute 469.174-.1794. Of the \$4.8 million of tax abatements paid in 2020, \$3 million was to promote redevelopment and economic development and \$1.8 million was to promote housing. The County is currently collecting tax increments that are paid through the property tax collection processes. The requirement for businesses to receive the excess tax increments from the County is to perform improvements on owned property. The increment taxes are based on the increase of the property value after the improvements are made.

Purpose	Name	City	Percentage of Increment Collected to be Returned	Decertification Date	Excess Increment Paid During 2020
Redevelopment	TIF District 26	Ely	100%	12/31/2021	\$ 54,364
Housing	TIF District 51	Hibbing	100%	12/31/2021	13,843
Redevelopment	TIF District 52	Biwabik	100%	12/31/2022	8,480
Housing	TIF District 53	Duluth	100%	12/31/2020	98,490
Housing	TIF District 57	Duluth	100%	12/31/2021	46,484
Redevelopment	TIF District 65	Ely	100%	12/31/2026	41,660
Housing	TIF District 71	Buhl	100%	12/31/2023	21,568
Housing	TIF District 73	Orr	100%	12/31/2024	6,069
Redevelopment	TIF District 79	Duluth	100%	12/31/2026	492,125
Redevelopment	TIF District 84	Duluth	100%	12/31/2027	54,553
Redevelopment	TIF District 87	Chisholm	100%	12/31/2030	11,330
Housing	TIF District 90	Duluth	100%	12/31/2030	942,725
Housing	TIF District 91	Duluth	100%	12/31/2030	45,353
Housing	TIF District 92	Duluth	100%	12/31/2031	289,404
Housing	TIF District 93	Tower	100%	12/31/2031	22,283
Housing	TIF District 94	Duluth	100%	12/31/2033	60,487
Housing	TIF District 95	Duluth	100%	12/31/2032	35,907
Housing	TIF District 96	Duluth	100%	12/31/2033	98,078
Redevelopment	TIF District 97	Duluth	100%	12/31/2034	183,628
Housing	TIF District 98	Duluth	100%	12/31/2034	19,077
Redevelopment	TIF District 99	Mountain Iron	100%	12/31/2021	67,947
Housing	TIF District 102	Duluth	100%	12/31/2038	17,526
Redevelopment	TIF District 103	Hibbing	100%	12/31/2041	55,804
Redevelopment	TIF District 104	Duluth	100%	12/31/2040	443,732
Redevelopment	TIF District 105	Duluth	100%	12/31/2042	611,901
Housing	TIF District 106	Duluth	100%	12/31/2041	52,465
Redevelopment	TIF District 107	Hermantown	100%	12/31/2041	142,025
Redevelopment	TIF District 108	Duluth	100%	12/31/2042	265,755
Redevelopment	TIF District 109	Duluth	100%	12/31/2043	357,336
Redevelopment	TIF District 110	Duluth	100%	12/31/2043	229,842
Economic Development	TIF District 111	Mountain Iron	100%	12/31/2026	15,989
Economic Development	TIF District 112	Mountain Iron	100%	12/31/2028	11,294
					<u>\$ 4,817,524</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Pollution Remediation

Governmental Accounting Standards Board (GASB) Statement 49 establishes standards for accounting and financial reporting for pollution remediation obligations and is effective for periods beginning after December 15, 2007. The Environmental Services Fund management believes the County could be responsible for at least some types of third party impacts related to the Closed Landfill Program operated by the Minnesota Pollution Control Agency. Any liability is unknown at December 31, 2020 as it would need to be determined through the legal system.

St. Louis County Heritage and Arts Center (Depot)

As of January 1, 2020, all front desk services and night security has shifted to Kelly Services. Oneida provided financial management services through March of 2020. As of April 2020, all financial management has shifted to St. Louis County Depot Management. In July 2020, Oneida's contract was renewed through June 30, 2021 for maintenance and janitorial services only.

Northwoods Townhomes Project

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

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

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

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

Tax Forfeited Land Management

The County manages approximately 915,000 acres of state-owned tax-forfeited land. This land generates revenues primarily from timber and land sales and recreational land leases. Land management costs, including forestry costs such as site preparation, seedlings, tree planting and logging roads, are accounted for as current operating expenditures. Revenues in excess of expenditures are distributed to the County and cities, towns, and school districts within the County in compliance with state statute.

Subsequent Event

On March 11, 2021, St. Louis County was allocated \$54.5 million in additional aid from the American Rescue Plan Act of 2021. In May of 2021, the County received the first half payment.

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

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

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

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

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

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

N/A = Not available

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

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

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

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

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

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

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

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability (Asset)(b)	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)	Covered Payroll (c)	Employer Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.8100%	\$ 9,130,596	\$ N/A	\$ N/A	7,416,153	123.12%	86.61%
June 30, 2016	0.7980%	31,880,409	N/A	N/A	7,690,378	414.55%	63.88%
June 30, 2017	0.8090%	10,922,462	N/A	N/A	8,300,001	131.60%	85.43%
June 30, 2018	0.8050%	8,581,537	N/A	N/A	8,448,857	101.57%	88.84%
June 30, 2019	0.8510%	9,060,819	N/A	N/A	8,962,066	101.10%	89.26%
June 30, 2020	0.8018%	10,568,582	76,601	10,645,183	9,037,965	116.94%	87.19%

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

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

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

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

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

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

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

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

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

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

ST. LOUIS COUNTY, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS
DECEMBER 31, 2020

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

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

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

General Employees Fund

2020

- 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
CONTINUED

- 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.
- Augmentation for current privatized members was reduced to 2.00% 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

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

2018

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed post-retirement benefit increase was changed from 1.0% per year through 2044 and 2.50% per year thereafter to 1.25% per year.
- 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.
- Post-retirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90 percent funding to 50 percent of the Social Security cost of living adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; 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

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.
- Minneapolis Employees Retirement Fund plan provisions change the employer supplemental contribution to \$21 million in calendar years 2017 and 2018 and returns to \$31 million through calendar year 2031. The State's required contribution is \$16 million in PERA's fiscal years 2018 and 2019 and returns to \$6 million annually through calendar year 2031.

2016

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed payroll growth and inflation were decreased by 0.25%. Payroll growth was reduced from 3.5% to 3.25%. Inflation was reduced from 2.75% to 2.50%.

Police and Fire Fund

2020

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

2019

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
CONTINUED

2018

- The mortality projection scale was changed from MP-2016 to MP-2017.
- Post-retirement benefit increases changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048, was added to the existing \$9.0 million state contribution. Additionally, 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.
- Member contributions were changed effective January 1, 2019, and January 1, 2020, from 10.8 percent to 11.30 and 11.80 percent of pay, respectively. Employer contributions were changed effective January 1, 2019, and January 1, 2020, from 16.20 percent to 16.95 and 17.70 percent of pay, respectively. 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

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30% for vested and non-vested deferred members. The CSA load has been changed to 33% for vested members and 2% for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- The assumed termination rates were decreased to 3.0% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- The assumed percentage of married female members was decreased from 65% to 60%.
- The assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064 and 2.50% thereafter.
- The single discount rate was changed from 5.6% per annum to 7.5% per annum.

2016

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
CONTINUED

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

- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% inflation.

Correctional Fund

2020

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

2019

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

2018

- The Single Discount Rate was changed from 5.96% per annum to 7.50% per annum.
- The mortality projection scale was changed from MP-2016 to MP-2017.
- The assumed post-retirement benefit increase was changed from 2.50% per year to 2.00% per year.
- 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 charged to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Post-retirement benefit increases were changed from 2.50 percent per year with a provision to reduce to 1.00 percent if the funding status declines to a certain level, to 100 percent of the Social Security cost of living adjustment, not less than 1.00 percent and not more than 2.50 percent, beginning January 1, 2019. If the funding status declines to 85 percent for two consecutive years, or 80 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

- 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% for vested and non-vested, deferred members. The CSA load has been changed to 35% for vested members and 1% for non-vested members.
- The Single Discount Rate was changed from 5.31% per annum to 5.96% per annum.

2016

- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.31%.
- The assumed payroll growth, and inflation were decreased by 0.25%. Payroll growth was reduced from 3.5% to 3.25%. Inflation was reduced from 2.75% to 2.5%.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
CONTINUED

Other Postemployment Benefits

2020

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

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

2019

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

2018

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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

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

Pandemic Response Fund - This fund is used to account for the expenses related to the COVID-19 pandemic. The major funding source for this pandemic was federal Coronavirus Relief funds (CRF).

Debt Service Fund

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

Permanent Fund

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

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

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Special Revenue Funds		
	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
ASSETS			
Cash and cash equivalents	\$ 1,885,520	\$ 10,817	\$ 1,806
Cash with fiscal agent	-	-	-
Investments	-	-	-
Delinquent taxes receivable	6,497	-	-
Accounts receivable (net)	-	-	50
Loans receivable	1,276,585	-	-
Due from other governments	-	869,882	15,365
Total Assets	<u>3,168,602</u>	<u>880,699</u>	<u>17,221</u>
LIABILITIES			
Accounts payable	-	183,755	17,221
Accrued payroll	-	12,226	-
Interfund payable	-	290,258	-
Due to other governments	-	394,460	-
Unearned revenue	-	-	-
Total Liabilities	<u>-</u>	<u>880,699</u>	<u>17,221</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			
Taxes	5,671	-	-
Grants	-	-	-
Total Deferred Inflows of Resources	<u>5,671</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable			
Environmental trust funds	-	-	-
Scholarships	-	-	-
Restricted			
Health and sanitation	-	-	-
COVID pandemic	-	-	-
Debt service	-	-	-
Noncurrent loans	876,585	-	-
Improvement of natural resources	-	-	-
Committed			
Health and sanitation	-	-	-
Conservation of natural resources	-	-	-
Economic development	2,286,346	-	-
Retiree obligations	-	-	-
Assigned			
Conservation of natural resources	-	-	-
COVID pandemic	-	-	-
Total Fund Balance	<u>3,162,931</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 3,168,602</u>	<u>\$ 880,699</u>	<u>\$ 17,221</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Special Revenue Funds			
	Septic Services	Forest Resources	Pandemic Response	Total
ASSETS				
Cash and cash equivalents	\$ 1,909,078	\$ 6,251,700	\$ 1,757,707	\$ 11,816,628
Cash with fiscal agent	-	-	-	-
Investments	-	-	-	-
Delinquent taxes receivable	-	-	-	6,497
Accounts receivable (net)	37,756	-	76	37,882
Loans receivable	735,590	-	-	2,012,175
Due from other governments	23,247	-	3,996,792	4,905,286
Total Assets	<u>2,705,671</u>	<u>6,251,700</u>	<u>5,754,575</u>	<u>18,778,468</u>
LIABILITIES				
Accounts payable	85,675	29,903	291,549	608,103
Accrued payroll	18,109	4,994	49,524	84,853
Interfund payable	-	-	-	290,258
Due to other governments	6,780	-	56,375	457,615
Unearned revenue	40,000	-	-	40,000
Total Liabilities	<u>150,564</u>	<u>34,897</u>	<u>397,448</u>	<u>1,480,829</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Taxes	-	-	-	5,671
Grants	10,000	-	-	10,000
Total Deferred Inflows of Resources	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>15,671</u>
FUND BALANCES				
Nonspendable				
Environmental trust funds	-	-	-	-
Scholarships	-	-	-	-
Restricted				
Health and sanitation	550,380	-	-	550,380
COVID pandemic	-	-	3,940,417	3,940,417
Debt service	48,984	-	-	48,984
I Noncurrent loans	-	-	-	876,585
Improvement of natural resources	-	-	-	-
Committed				
Health and sanitation	1,801,685	-	-	1,801,685
Conservation of natural resources	-	6,096,855	-	6,096,855
Economic development	-	-	-	2,286,346
Retiree obligations	144,058	-	-	144,058
Assigned				
Conservation of natural resources	-	119,948	-	119,948
COVID pandemic	-	-	1,416,710	1,416,710
Total Fund Balance	<u>2,545,107</u>	<u>6,216,803</u>	<u>5,357,127</u>	<u>17,281,968</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 2,705,671</u>	<u>\$ 6,251,700</u>	<u>\$ 5,754,575</u>	<u>\$ 18,778,468</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

		Permanent Funds		
	Debt Service Fund	Shoreline Sales	Scholarship Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,068,440	\$ 2,006,011	\$ 200,000	\$ 16,091,079
Cash with fiscal agent	20,110,696	-	-	20,110,696
Investments	-	24,366,575	-	24,366,575
Delinquent taxes receivable	226,929	-	-	233,426
Accounts receivable (net)	-	-	-	37,882
Loans receivable	-	-	-	2,012,175
Due from other governments	-	-	-	4,905,286
Total Assets	<u>22,406,065</u>	<u>26,372,586</u>	<u>200,000</u>	<u>67,757,119</u>
LIABILITIES				
Accounts payable	750	-	-	608,853
Accrued payroll	-	-	-	84,853
Interfund payable	-	-	-	290,258
Due to other governments	-	-	-	457,615
Unearned revenue	-	-	-	40,000
Total Liabilities	<u>750</u>	<u>-</u>	<u>-</u>	<u>1,481,579</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Taxes	201,858	-	-	207,529
Grants	-	-	-	10,000
Total Deferred Inflows of Resources	<u>201,858</u>	<u>-</u>	<u>-</u>	<u>217,529</u>
FUND BALANCES				
Nonspendable				
Environmental trust funds	-	24,366,575	-	24,366,575
Scholarships	-	-	200,000	200,000
Restricted				
Health and sanitation	-	-	-	550,380
COVID pandemic	-	-	-	3,940,417
Debt service	22,203,457	-	-	22,252,441
I Noncurrent loans	-	-	-	876,585
Improvement of natural resources	-	2,006,011	-	2,006,011
Committed				
Health and sanitation	-	-	-	1,801,685
Conservation of natural resources	-	-	-	6,096,855
Economic development	-	-	-	2,286,346
Retiree obligations	-	-	-	144,058
Assigned				
Conservation of natural resources	-	-	-	119,948
COVID pandemic	-	-	-	1,416,710
Total Fund Balance	<u>22,203,457</u>	<u>26,372,586</u>	<u>200,000</u>	<u>66,058,011</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 22,406,065</u>	<u>\$ 26,372,586</u>	<u>\$ 200,000</u>	<u>\$ 67,757,119</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Revenue Funds		
	Housing and Redevelopment Authority	Community Development Block Grant	Northeast Minnesota Housing Consortium
REVENUES			
Taxes	\$ 217,839	\$ -	\$ -
Intergovernmental	400	2,278,620	422,383
Charges for services	-	-	-
Earnings on investments	-	-	-
Land and timber sales	-	-	-
Miscellaneous	-	-	250
Total Revenues	218,239	2,278,620	422,633
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Health and sanitation	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Conservation of natural resources	-	-	-
Economic development	41,265	2,278,620	422,633
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay:			
Public safety	-	-	-
Health and sanitation	-	-	-
Conservation of natural resources	-	-	-
Culture and recreation	-	-	-
Total expenditures	41,265	2,278,620	422,633
Excess (deficiency) of revenues over (under) expenditures	176,974	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	1,000,000	-	-
Transfers (out)	-	-	-
Bonds issued	-	-	-
Premium on bonds issued	-	-	-
Loan proceeds	-	-	-
Total other financing sources and (uses)	1,000,000	-	-
Net change in fund balances	1,176,974	-	-
Fund Balance - January 1	1,985,957	-	-
Fund Balance - December 31	\$ 3,162,931	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Revenue Funds			
	Septic Services	Forest Resources	Pandemic Response	Total
REVENUES				
Taxes	\$ -	\$ 571,119	\$ -	\$ 788,958
Intergovernmental	163,649	308,769	28,924,249	32,098,070
Charges for services	287,625	-	-	287,625
Earnings on investments	7,430	-	-	7,430
Land and timber sales	-	498,880	-	498,880
Miscellaneous	-	33,774	-	34,024
Total Revenues	458,704	1,412,542	28,924,249	33,714,987
EXPENDITURES				
Current:				
General government	-	-	1,382,638	1,382,638
Public safety	-	-	10,161,840	10,161,840
Highways and streets	-	-	206,038	206,038
Health and sanitation	883,619	-	5,031,022	5,914,641
Human services	-	-	4,782,038	4,782,038
Culture and recreation	-	-	185,312	185,312
Conservation of natural resources	-	767,118	-	767,118
Economic development	-	-	6,933,629	9,676,147
Debt service:				
Principal	48,362	-	-	48,362
Interest and other charges	-	-	-	-
Capital outlay:				
Public safety	-	-	23,863	23,863
Health and sanitation	-	-	824,454	824,454
Conservation of natural resources	-	164,849	-	164,849
Culture and recreation	-	-	36,288	36,288
Total expenditures	931,981	931,967	29,567,122	34,173,588
Excess (deficiency) of revenues over (under) expenditures	(473,277)	480,575	(642,873)	(458,601)
OTHER FINANCING SOURCES (USES)				
Transfers in	520,950	610,299	6,000,000	8,131,249
Transfers (out)	(30,000)	(766,249)	-	(796,249)
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Loan proceeds	36,616	-	-	36,616
Total other financing sources and (uses)	527,566	(155,950)	6,000,000	7,371,616
Net change in fund balances	54,289	324,625	5,357,127	6,913,015
Fund Balance - January 1	2,490,818	5,892,178	-	10,368,953
Fund Balance - December 31	\$ 2,545,107	\$ 6,216,803	\$ 5,357,127	\$ 17,281,968

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Permanent Funds			Total Nonmajor Governmental Funds
	Debt Service Fund	Shoreline Sales	Scholarship Fund	
REVENUES				
Taxes	\$ 6,620,197	\$ -	\$ -	\$ 7,409,155
Intergovernmental	266,520	-	-	32,364,590
Charges for services	-	-	-	287,625
Earnings on investments	580,016	3,047,306	-	3,634,752
Land and timber sales	-	-	-	498,880
Miscellaneous	126,057	-	-	160,081
Total Revenues	7,592,790	3,047,306	-	44,355,083
EXPENDITURES				
Current:				
General government	-	-	-	1,382,638
Public safety	-	-	-	10,161,840
Highways and streets	-	-	-	206,038
Health and sanitation	-	-	-	5,914,641
Human services	-	-	-	4,782,038
Culture and recreation	-	-	-	185,312
Conservation of natural resources	-	59,313	-	826,431
Economic development	-	-	-	9,676,147
Debt service:				
Principal	8,870,000	-	-	8,918,362
Interest and other charges	4,950,618	-	-	4,950,618
Capital outlay:				
Public safety	-	-	-	23,863
Health and sanitation	-	-	-	824,454
Conservation of natural resources	-	-	-	164,849
Culture and recreation	-	-	-	36,288
Total expenditures	13,820,618	59,313	-	48,053,519
Excess (deficiency) of revenues over (under) expenditures	(6,227,828)	2,987,993	-	(3,698,436)
OTHER FINANCING SOURCES (USES)				
Transfers in	5,322,744	517,772	-	13,971,765
Transfers (out)	-	(682,862)	-	(1,479,111)
Bonds issued	4,960,000	-	-	4,960,000
Premium on bonds issued	220,000	-	-	220,000
Loan proceeds	-	-	-	36,616
Total other financing sources and (uses)	10,502,744	(165,090)	-	17,709,270
Net change in fund balances	4,274,916	2,822,903	-	14,010,834
Fund Balance - January 1	17,928,541	23,549,683	200,000	52,047,177
Fund Balance - December 31	\$ 22,203,457	\$ 26,372,586	\$ 200,000	\$ 66,058,011

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOUSING AND REDEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 217,376	\$ 217,376	\$ 217,839	\$ 463
Intergovernmental	-	-	400	400
Total Revenues	217,376	217,376	218,239	863
EXPENDITURES				
Economic development				
Personnel services	140,000	140,000	35,000	105,000
Other operating	277,376	1,702,486	6,265	1,696,221
Total Expenditures	417,376	1,842,486	41,265	1,801,221
Excess of Revenues Over (Under) Expenditures	(200,000)	(1,625,110)	176,974	1,802,084
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,000,000	1,000,000	-
Excess of Revenues Over (Under) Expenditures	(200,000)	(625,110)	1,176,974	1,802,084
Fund Balance - January 1	1,985,957	1,985,957	1,985,957	-
Fund Balance - December 31	<u>\$ 1,785,957</u>	<u>\$ 1,360,847</u>	<u>\$ 3,162,931</u>	<u>\$ 1,802,084</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,683,763	\$ 2,278,620	\$ 2,278,620	\$ -
Total Revenues	2,683,763	2,278,620	2,278,620	-
EXPENDITURES				
Economic development				
Personnel services	504,533	393,227	393,227	-
Other operating	2,179,230	1,885,393	1,885,393	-
Total Expenditures	2,683,763	2,278,620	2,278,620	-
Excess of Revenues Over (Under) Expenditures	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NORTHEAST MINNESOTA HOUSING CONSORTIUM SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,202,065	\$ 422,383	\$ 422,383	\$ -
Miscellaneous	200	250	250	-
Total Revenues	1,202,265	422,633	422,633	-
EXPENDITURES				
Economic development				
Personnel services	29,400	16,000	16,000	-
Other operating	1,172,865	406,633	406,633	-
Total Expenditures	1,202,265	422,633	422,633	-
Excess of Revenues Over (Under) Expenditures	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SEPTIC SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 436,670	\$ 123,649	\$ 163,649	\$ 40,000
Charges for services	280,000	280,000	287,625	7,625
Earnings on investments	22,000	22,000	7,430	(14,570)
Total Revenues	738,670	425,649	458,704	33,055
EXPENDITURES				
Health and sanitation				
Personnel services	753,613	782,407	644,033	138,374
Other operating	1,317,890	324,556	239,586	84,970
Total health and sanitation	2,071,503	1,106,963	883,619	223,344
Debt service				
Principal	55,000	55,000	48,362	6,638
Total debt service	55,000	55,000	48,362	6,638
Total Expenditures	2,126,503	1,161,963	931,981	229,982
Excess of Revenues Over (Under) Expenditures	(1,387,833)	(736,314)	(473,277)	263,037
OTHER FINANCING SOURCES (USES)				
Transfers in	638,376	520,950	520,950	-
Transfers (out)	(30,000)	(30,000)	(30,000)	-
Loan proceeds	48,000	48,000	36,616	(11,384)
Total Other Financing Sources (Uses)	656,376	538,950	527,566	(11,384)
Excess of Revenues Over (Under) Expenditures	(731,457)	(197,364)	54,289	251,653
Fund Balance - January 1	2,490,818	2,490,818	2,490,818	-
Fund Balance - December 31	\$ 1,759,361	\$ 2,293,454	\$ 2,545,107	\$ 251,653

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOREST RESOURCES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 572,270	\$ 572,270	\$ 571,119	\$ (1,151)
Intergovernmental	306,759	306,759	308,769	2,010
Land and timber sales	-	522,727	498,880	(23,847)
Miscellaneous	-	-	33,774	33,774
Total Revenues	879,029	1,401,756	1,412,542	10,786
EXPENDITURES				
Conservation of natural resources				
Other operating	1,722,612	1,809,091	767,118	1,041,973
Capital outlay	180,000	180,000	164,849	15,151
Total Expenditures	1,902,612	1,989,091	931,967	1,057,124
Excess of Revenues Over (Under) Expenditures	(1,023,583)	(587,335)	480,575	1,067,910
OTHER FINANCING SOURCES (USES)				
Transfers in	-	610,299	610,299	-
Transfers (out)	(330,000)	(766,249)	(766,249)	-
Total Other Financing Sources (Uses)	(330,000)	(155,950)	(155,950)	-
Excess of Revenues Over (Under) Expenditures	(1,353,583)	(743,285)	324,625	1,067,910
Fund Balance - January 1	5,892,178	5,892,178	5,892,178	-
Fund Balance - December 31	<u>\$ 4,538,595</u>	<u>\$ 5,148,893</u>	<u>\$ 6,216,803</u>	<u>\$ 1,067,910</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PANDEMIC RESPONSE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 24,983,832	\$ 28,924,249	\$ 3,940,417
Total Revenues	-	24,983,832	28,924,249	3,940,417
EXPENDITURES				
General government				
Personnel services	-	946	63,130	(62,184)
Operating	-	1,412,554	1,319,508	93,046
Total general government	-	1,413,500	1,382,638	30,862
Public safety				
Personnel services	-	9,726,374	9,726,374	-
Operating	-	451,381	435,466	15,915
Capital Outlay	-	23,863	23,863	-
Total public safety	-	10,201,618	10,185,703	15,915
Highways and streets				
Operating	-	206,038	206,038	-
Total highway and streets	-	206,038	206,038	-
Health and sanitation				
Public aid assistance	-	1,839	1,839	-
Personnel services	-	2,374,790	2,374,790	-
Operating	-	2,735,390	2,654,393	80,997
Capital outlay	-	827,254	824,454	2,800
Total health and sanitation	-	5,939,273	5,855,476	83,797
Human services				
Community assistance	-	4,778,888	4,778,888	-
Operating	-	3,150	3,150	-
Total human services	-	4,782,038	4,782,038	-
Culture and recreation				
Other Operating	-	190,917	185,312	5,605
Capital outlay	-	57,448	36,288	21,160
Total culture and recreation	-	248,365	221,600	26,765
Economic development				
Business assistance	-	6,933,629	6,933,629	-
Total economic development	-	6,933,629	6,933,629	-
Total Expenditures	-	29,724,461	29,567,122	157,339
Excess of Revenues Over (Under) Expenditures	-	(4,740,629)	(642,873)	4,097,756
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,000,000	6,000,000	-
Excess of Revenues Over (Under) Expenditures	-	1,259,371	5,357,127	4,097,756
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ 1,259,371	\$ 5,357,127	\$ 4,097,756

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
REVENUES				
Taxes	\$ 6,602,521	\$ 6,602,521	\$ 6,620,197	\$ 17,676
Intergovernmental	267,145	267,145	266,520	(625)
Earnings on investments	-	-	580,016	580,016
Miscellaneous	-	-	126,057	126,057
Total Revenues	<u>6,869,666</u>	<u>6,869,666</u>	<u>7,592,790</u>	<u>723,124</u>
EXPENDITURES				
Debt service				
Principal	8,870,000	8,870,000	8,870,000	-
Interest and other charges	4,882,604	10,062,604	4,950,618	5,111,986
Total Expenditures	<u>13,752,604</u>	<u>18,932,604</u>	<u>13,820,618</u>	<u>5,111,986</u>
Excess of Revenues Over (Under) Expenditures	(6,882,938)	(12,062,938)	(6,227,828)	5,835,110
OTHER FINANCING SOURCES (USES)				
Transfers in	5,322,744	5,322,744	5,322,744	-
Bonds issued	-	4,960,000	4,960,000	-
Premium on bonds issued	-	220,000	220,000	-
Total other financing sources (uses)	<u>5,322,744</u>	<u>10,502,744</u>	<u>10,502,744</u>	<u>-</u>
Net change in fund balances	(1,560,194)	(1,560,194)	4,274,916	5,835,110
Fund Balance - January 1	<u>17,928,541</u>	<u>17,928,541</u>	<u>17,928,541</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 16,368,347</u>	<u>\$ 16,368,347</u>	<u>\$ 22,203,457</u>	<u>\$ 5,835,110</u>

INTERNAL SERVICE FUNDS

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

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

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

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

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

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	County Garage	Property, Casualty, Liability Insurance	Workers' Compensation Insurance
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 883,796	\$ 1,619,796	\$ 4,191,238
Investments	-	1,513,973	8,699,409
Accounts receivable (net)	14,140	-	15,102
Accrued interest receivable	-	1,614	13,863
Inventories	38,293	-	-
Total current assets	<u>936,229</u>	<u>3,135,383</u>	<u>12,919,612</u>
Noncurrent assets:			
Capital assets:			
Land	25,500	-	-
Buildings and structures	2,759,175	-	-
Machinery and equipment	88,620	-	-
Vehicles	3,449,130	-	-
Less accumulated depreciation	<u>(2,799,135)</u>	<u>-</u>	<u>-</u>
Total capital asset (net)	<u>3,523,290</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>3,523,290</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,459,519</u>	<u>3,135,383</u>	<u>12,919,612</u>
LIABILITIES			
Current liabilities:			
Accounts payable	36,192	139	38,146
Accrued payroll	18,002	3,043	10,347
Compensated absences payable	39,268	-	-
Claims payable	-	-	761,097
Due to other governments	-	-	51,745
Unearned revenue	-	-	-
Advances from other funds	37,497	-	-
Total current liabilities	<u>130,959</u>	<u>3,182</u>	<u>861,335</u>
Noncurrent liabilities:			
Noncurrent compensated absences	138,193	-	-
Noncurrent claims payable	-	-	6,252,997
Noncurrent advances from other funds	1,612,363	-	-
Total non-current liabilities	<u>1,750,556</u>	<u>-</u>	<u>6,252,997</u>
Total liabilities	<u>1,881,515</u>	<u>3,182</u>	<u>7,114,332</u>
NET POSITION			
Net investment in capital assets	3,523,288	-	-
Unrestricted	(945,284)	3,132,201	5,805,280
Total net position	<u>\$ 2,578,004</u>	<u>\$ 3,132,201</u>	<u>\$ 5,805,280</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020

	Medical/ Dental Insurance	Retired Employees' Health Insurance	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 8,878,713	\$ 150,892	\$ 15,724,435
Investments	9,566,575	-	19,779,957
Accounts receivable (net)	1,073,038	15,296	1,117,576
Accrued interest receivable	11,595	-	27,072
Inventories	-	-	38,293
Total current assets	<u>19,529,921</u>	<u>166,188</u>	<u>36,687,333</u>
Noncurrent assets:			
Capital assets:			
Land	-	-	25,500
Buildings and structures	-	-	2,759,175
Machinery and equipment	-	-	88,620
Vehicles	-	-	3,449,130
Less accumulated depreciation	-	-	(2,799,135)
Total capital asset (net)	<u>-</u>	<u>-</u>	<u>3,523,290</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>3,523,290</u>
Total assets	<u>19,529,921</u>	<u>166,188</u>	<u>40,210,623</u>
LIABILITIES			
Current liabilities:			
Accounts payable	8,200	292	82,969
Accrued payroll	-	-	31,392
Compensated absences payable	-	29,470	68,738
Claims payable	1,955,605	-	2,716,702
Due to other governments	-	-	51,745
Unearned revenue	384,951	-	384,951
Advances from other funds	-	-	37,497
Total current liabilities	<u>2,348,756</u>	<u>29,762</u>	<u>3,373,994</u>
Noncurrent liabilities:			
Noncurrent compensated absences	-	136,426	274,619
Noncurrent claims payable	-	-	6,252,997
Noncurrent advances from other funds	-	-	1,612,363
Total non-current liabilities	<u>-</u>	<u>136,426</u>	<u>8,139,979</u>
Total liabilities	<u>2,348,756</u>	<u>166,188</u>	<u>11,513,973</u>
NET POSITION			
Net investment in capital assets	-	-	3,523,288
Unrestricted	17,181,165	-	25,173,362
Total net position	<u>\$ 17,181,165</u>	<u>\$ -</u>	<u>\$ 28,696,650</u>

ST. LOUIS COUNTY, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS**
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>County Garage</u>	<u>Property, Casualty, Liability Insurance</u>	<u>Workers' Compensation Insurance</u>
Operating Revenues			
Charges for services	\$ 1,432,764	\$ 387,773	\$ 2,303,332
Other	<u>2,287</u>	<u>5,674</u>	<u>15,102</u>
Total Operating Revenues	<u>1,435,051</u>	<u>393,447</u>	<u>2,318,434</u>
Operating Expenses			
Personnel services	716,407	100,355	322,073
Contractual services	282,402	637,909	(104,984)
Materials	386,206	125	14,162
Claims paid	-	-	1,371,649
Depreciation	<u>424,272</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>1,809,287</u>	<u>738,389</u>	<u>1,602,900</u>
Operating Income (Loss)	<u>(374,236)</u>	<u>(344,942)</u>	<u>715,534</u>
Nonoperating revenues (expenses)			
Grants	-	-	547,604
Earnings on investments	-	53,348	306,421
(Loss) or gain on asset disposal	<u>10,142</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>10,142</u>	<u>53,348</u>	<u>854,025</u>
Income (Loss) Before Transfers	(364,094)	(291,594)	1,569,559
Transfers in	300,000	850,000	1,150,000
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(64,094)	558,406	2,719,559
Net position - January 1	<u>2,642,098</u>	<u>2,573,795</u>	<u>3,085,721</u>
Net position - December 31	<u><u>\$ 2,578,004</u></u>	<u><u>\$ 3,132,201</u></u>	<u><u>\$ 5,805,280</u></u>

ST. LOUIS COUNTY, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS**
FOR THE YEAR ENDED DECEMBER 31, 2020

	Medical/ Dental Insurance	Retired Employees Health Insurance	Total
Operating Revenues			
Charges for services	\$ 39,991,910	\$ 26,051	\$ 44,141,830
Other	-	-	23,063
Total Operating Revenues	<u>39,991,910</u>	<u>26,051</u>	<u>44,164,893</u>
Operating Expenses			
Personnel services	-	-	1,138,835
Contractual services	1,701,260	26,051	2,542,638
Materials	24,638	-	425,131
Claims paid	29,241,298	-	30,612,947
Depreciation	-	-	424,272
Total Operating Expenses	<u>30,967,196</u>	<u>26,051</u>	<u>35,143,823</u>
Operating Income (Loss)	<u>9,024,714</u>	<u>-</u>	<u>9,021,070</u>
Nonoperating revenues (expenses)			
Grants	-	-	547,604
Earnings on investments	217,317	-	577,086
(Loss) or gain on asset disposal	-	-	10,142
Total Nonoperating Revenues (Expenses)	<u>217,317</u>	<u>-</u>	<u>1,134,832</u>
Income (Loss) Before Transfers	9,242,031	-	10,155,902
Transfers in	-	-	2,300,000
Transfers (out)	<u>(373,989)</u>	<u>-</u>	<u>(373,989)</u>
Change in net position	8,868,042	-	12,081,913
Net position - January 1	<u>8,313,123</u>	<u>-</u>	<u>16,614,737</u>
Net position - December 31	<u><u>\$ 17,181,165</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 28,696,650</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	County Garage	Property, Casualty, Liability Insurance	Workers' Compensation Insurance
CASH FLOWS FROM			
OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 1,418,645	\$ 387,873	\$ 2,303,332
Payments to suppliers	(652,189)	(180,626)	131,578
Payments to employees	(695,874)	(99,660)	(321,140)
Claims paid	-	(460,836)	(1,371,649)
Other receipts (payments)	2,287	5,549	(1,404,755)
Net cash provided (used) by operating activities	72,869	(347,700)	(662,634)
CASH FLOWS FROM			
NONCAPITAL FINANCING ACTIVITIES			
Proceeds from grants	-	-	547,604
Transfers from other funds	300,000	850,000	1,150,000
Transfers to other funds	-	-	-
Net cash provided (used) by noncapital financing activities	300,000	850,000	1,697,604
CASH FLOWS FROM CAPITAL AND			
RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(766,737)	-	-
Proceeds from the sale of capital assets	42,341	-	-
Proceeds from advance from other fund	(37,497)	-	-
Net cash provided (used) by capital and related financing activities	(761,893)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	(496,924)	(4,475,000)
Sale of investments	-	993,000	5,652,022
Interest and dividends	-	37,467	192,423
Net cash provided (used) by investing activities	-	533,543	1,369,445
Net Increase (Decrease) in Cash and Cash Equivalents	(389,024)	1,035,843	2,404,415
Balances - January 1	1,272,820	583,953	1,786,823
Balances - December 31	\$ 883,796	\$ 1,619,796	\$ 4,191,238
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (374,236)	\$ (344,942)	\$ 715,534
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	424,272	-	-
(Increase) Decrease Receivables	(14,119)	100	(5,912)
(Increase) Decrease Due from other governments	-	-	61,388
(Increase) Decrease Inventories	(2,619)	-	-
Increase (Decrease) Accounts payable	20,018	(3,553)	29,830
Increase (Decrease) Salaries payable	4,176	695	933
Increase (Decrease) Compensated absences payable	16,357	-	-
Increase (Decrease) Claims payable	-	-	(1,475,333)
Increase (Decrease) Due to other governments	(980)	-	10,926
Increase (Decrease) Unearned revenue	-	-	-
Total Adjustments	447,105	(2,758)	(1,378,168)
Net cash provided (used) by operating activities	\$ 72,869	\$ (347,700)	\$ (662,634)
NON-CASH ACTIVITIES			
Change in fair market value of investments	-	17,745	132,695

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Medical/ Dental Insurance	Retired Employees' Health Insurance	Total
CASH FLOWS FROM			
OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 39,648,628	\$ 24,998	\$ 43,783,476
Payments to suppliers	(1,795,490)	(1,205)	(2,497,932)
Payments to employees	-	(40,706)	(1,157,380)
Claims paid	(29,840,528)	-	(31,673,013)
Other receipts (payments)	-	-	(1,396,919)
Net cash provided (used) by operating activities	<u>8,012,610</u>	<u>(16,913)</u>	<u>7,058,232</u>
CASH FLOWS FROM			
NONCAPITAL FINANCING ACTIVITIES			
Proceeds from grants	-	-	547,604
Transfers from other funds	-	-	2,300,000
Transfers to other funds	(373,989)	-	(373,989)
Net cash provided (used) by noncapital financing activities	<u>(373,989)</u>	<u>-</u>	<u>2,473,615</u>
CASH FLOWS FROM CAPITAL AND			
RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	-	(766,737)
Proceeds from the sale of capital assets	-	-	42,341
Proceeds from advance from other fund	-	-	(37,497)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(761,893)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(6,500,000)	-	(11,471,924)
Sale of investments	3,561,850	-	10,206,872
Interest and dividends	99,643	-	329,533
Net cash provided (used) by investing activities	<u>(2,838,507)</u>	<u>-</u>	<u>(935,519)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,800,114	(16,913)	7,834,435
Balances - January 1	<u>4,078,599</u>	<u>167,805</u>	<u>7,890,000</u>
Balances - December 31	<u><u>\$ 8,878,713</u></u>	<u><u>\$ 150,892</u></u>	<u><u>\$ 15,724,435</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 9,024,714	\$ -	\$ 9,021,070
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	-	-	424,272
(Increase) Decrease Receivables	(272,962)	(1,053)	(293,946)
(Increase) Decrease Due from other governments	-	-	61,388
(Increase) Decrease Inventories	-	-	(2,619)
Increase (Decrease) Accounts payable	(69,592)	(1,205)	(24,502)
Increase (Decrease) Salaries payable	-	-	5,804
Increase (Decrease) Compensated absences payable	-	(14,655)	1,702
Increase (Decrease) Claims payable	(599,230)	-	(2,074,563)
Increase (Decrease) Due to other governments	-	-	9,946
Increase (Decrease) Unearned revenue	(70,320)	-	(70,320)
Total Adjustments	<u>(1,012,104)</u>	<u>(16,913)</u>	<u>(1,962,838)</u>
Net cash provided (used) by operating activities	<u><u>\$ 8,012,610</u></u>	<u><u>\$ (16,913)</u></u>	<u><u>\$ 7,058,232</u></u>
NON-CASH ACTIVITIES			
Change in fair market value of investments	121,248	-	271,688

FIDUCIARY FUNDS

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

CUSTODIAL FUNDS

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

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

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

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

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

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

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

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

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

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

CUSTODIAL FUNDS

continued

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

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

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

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

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

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

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

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

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

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

Taconite Production Tax -This fund is used to account for the tax imposed by Minn. Stat. 298.24 as an individual investment account for the State of Minnesota.

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	NEMESIS	State of Minnesota	Taxes and Penalties Fund	Arrowhead Regional Corrections Fund
ASSETS				
Cash and cash equivalents	\$ 403,577	\$ 2,540,908	\$ 2,641,730	\$ 6,382,621
Investments	-	-	-	1,677,438
Delinquent taxes receivable	-	-	3,855,907	-
Accounts receivable	-	129,651	-	55,084
Accrued interest receivable	-	-	-	1,584
Due from other governments	-	967	1	219,399
Prepaid items	-	-	-	-
Total Assets	<u>403,577</u>	<u>2,671,526</u>	<u>6,497,638</u>	<u>8,336,126</u>
LIABILITIES				
Accounts payable	2,457	-	-	252,399
Contracts payable	-	-	-	8,973
Accrued payroll	3,116	4,489	-	662,590
Unearned revenue	-	-	-	57
Due to other governments	<u>8,640</u>	<u>2,667,037</u>	<u>2,543,992</u>	<u>105,302</u>
Total Liabilities	<u>14,213</u>	<u>2,671,526</u>	<u>2,543,992</u>	<u>1,029,321</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	<u>-</u>	<u>-</u>	<u>97,739</u>	<u>-</u>
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	389,364	-	3,855,907	-
Arrowhead regional corrections	-	-	-	7,306,805
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyagers national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
Total Net Position	<u>\$ 389,364</u>	<u>\$ -</u>	<u>\$ 3,855,907</u>	<u>\$ 7,306,805</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	<u>Regional Rail Authority</u>	<u>Minneapolis- Duluth/ Superior Passenger Rail Alliance</u>	<u>Community Health Board</u>	<u>Duluth Area Family Service Collaborative Fund</u>
ASSETS				
Cash and cash equivalents	\$ 1,615,048	\$ 49,815	\$ -	\$ 928,935
Investments	-	-	-	-
Delinquent taxes receivable	57,334	-	-	-
Accounts receivable	3,462	-	678	-
Accrued interest receivable	-	-	-	-
Due from other governments	1,172,768	-	1,434,464	56,893
Prepaid items	-	-	23	-
Total Assets	<u>2,848,612</u>	<u>49,815</u>	<u>1,435,165</u>	<u>985,828</u>
LIABILITIES				
Accounts payable	291,446	3,480	18,390	-
Contracts payable	-	-	-	-
Accrued payroll	17,972	-	16,921	-
Unearned revenue	-	-	80,950	-
Due to other governments	15,258	-	1,237,991	-
Total Liabilities	<u>324,676</u>	<u>3,480</u>	<u>1,354,252</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	2,523,936	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	46,335	-	-
Community health board	-	-	80,913	-
Duluth area family service collaborative	-	-	-	985,828
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyagers national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
Total Net Position	<u>\$ 2,523,936</u>	<u>\$ 46,335</u>	<u>\$ 80,913</u>	<u>\$ 985,828</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	Local Collaborative Time Study Fund	Northern Counties Land Use Board Fund	Voyagers National Park Joint Venture	Ash River Sanitary District
ASSETS				
Cash and cash equivalents	\$ 774,328	\$ 96,131	\$ 35,452	\$ 32,000
Investments	-	-	-	-
Delinquent taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	56,892	-	-	-
Prepaid items	-	-	-	-
Total Assets	<u>831,220</u>	<u>96,131</u>	<u>35,452</u>	<u>32,000</u>
LIABILITIES				
Accounts payable	-	94	6,128	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	-	-	-	-
Total Liabilities	<u>-</u>	<u>94</u>	<u>6,128</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	-	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	831,220	-	-	-
Northern counties land use board	-	96,037	-	-
Voyagers national park joint venture	-	-	29,324	-
Ash river sanitary district	-	-	-	32,000
Total Net Position	<u>\$ 831,220</u>	<u>\$ 96,037</u>	<u>\$ 29,324</u>	<u>\$ 32,000</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	MN Regional Parks and Trails	Sheriff Forfeits/ Evidence	Estate Recovery Fund	Jail Inmate/Kiosk
ASSETS				
Cash and cash equivalents	\$ 34,674	\$ 92,364	\$ 1,134,958	\$ 239,984
Investments	-	-	-	-
Delinquent taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	65,326	-	-	-
Prepaid items	-	-	-	-
Total Assets	<u>100,000</u>	<u>92,364</u>	<u>1,134,958</u>	<u>239,984</u>
LIABILITIES				
Accounts payable	12,284	-	-	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	87,716	-	-	-
Due to other governments	-	27,565	1,134,958	-
Total Liabilities	<u>100,000</u>	<u>27,565</u>	<u>1,134,958</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	-	-	-	-
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	-	-
Individuals, organizations, and other governments	-	64,799	-	239,984
Arrowhead regional corrections	-	-	-	-
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyagers national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
Total Net Position	<u>\$ -</u>	<u>\$ 64,799</u>	<u>\$ -</u>	<u>\$ 239,984</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	NEECB	Civil Fund	Taconite Relief	Taconite Production Tax
ASSETS				
Cash and cash equivalents	\$ (20,766)	\$ 102,412	\$ 228,418	\$ 13,319
Investments	-	-	6,500,000	-
Delinquent taxes receivable	-	-	-	-
Accounts receivable	280	-	-	-
Accrued interest receivable	-	-	2,158	-
Due from other governments	38,787	-	-	-
Prepaid items	-	-	-	-
Total Assets	<u>18,301</u>	<u>102,412</u>	<u>6,730,576</u>	<u>13,319</u>
LIABILITIES				
Accounts payable	8,979	2,333	-	-
Contracts payable	-	-	-	-
Accrued payroll	-	-	-	-
Unearned revenue	-	-	-	-
Due to other governments	<u>8,486</u>	<u>-</u>	<u>-</u>	<u>13,319</u>
Total Liabilities	<u>17,465</u>	<u>2,333</u>	<u>-</u>	<u>13,319</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - prepaid taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Restricted for:				
Held in trust for pool participants	-	-	6,730,576	-
Individuals, organizations, and other governments	836	100,079	-	-
Arrowhead regional corrections	-	-	-	-
Regional rail authority	-	-	-	-
Minneapolis-Duluth/Superior passenger rail alliance	-	-	-	-
Community health board	-	-	-	-
Duluth area family service collaborative	-	-	-	-
Local collaborative time study	-	-	-	-
Northern counties land use board	-	-	-	-
Voyagers national park joint venture	-	-	-	-
Ash river sanitary district	-	-	-	-
Total Net Position	<u>\$ 836</u>	<u>\$ 100,079</u>	<u>\$ 6,730,576</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

	<u>Total</u>
ASSETS	
Cash and cash equivalents	\$ 17,325,908
Investments	8,177,438
Delinquent taxes receivable	3,913,241
Accounts receivable	189,155
Accrued interest receivable	3,742
Due from other governments	3,045,497
Prepaid items	<u>23</u>
Total Assets	<u><u>32,655,004</u></u>
LIABILITIES	
Accounts payable	597,990
Contracts payable	8,973
Accrued payroll	705,088
Unearned revenue	168,723
Due to other governments	<u>7,762,548</u>
Total Liabilities	<u><u>9,243,322</u></u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - prepaid taxes	<u><u>97,739</u></u>
NET POSITION	
Restricted for:	
Held in trust for pool participants	6,730,576
Individuals, organizations, and other governments	4,650,969
Arrowhead regional corrections	7,306,805
Regional rail authority	2,523,936
Minneapolis-Duluth/Superior passenger rail alliance	46,335
Community health board	80,913
Duluth area family service collaborative	985,828
Local collaborative time study	831,220
Northern counties land use board	96,037
Voyagers national park joint venture	29,324
Ash river sanitary district	<u>32,000</u>
Total Net Position	<u><u>\$ 23,313,943</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	NEMESIS	State of Minnesota	Beer- Auctioneer Licenses Fund	Taxes and Penalties Fund
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ 195,520,481
License and fee collections for other governments	-	-	1,165	-
License and fee collections for State of MN	-	59,249,279	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	382,152	1,128,048	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	29,735	-	-	-
Sale of capital assets	-	-	-	-
Total Additions	<u>411,887</u>	<u>60,377,327</u>	<u>1,165</u>	<u>195,520,481</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	-	195,529,245
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	1,165	-
Payments to State of MN	-	59,249,279	-	-
Personnel services	93,316	1,128,048	-	-
Other operating	445,457	-	-	-
Capital outlay	-	-	-	-
Total Deductions	<u>538,773</u>	<u>60,377,327</u>	<u>1,165</u>	<u>195,529,245</u>
Changes in net position	(126,886)	-	-	(8,764)
Net position - January 1	<u>516,250</u>	<u>-</u>	<u>-</u>	<u>3,864,671</u>
Net position - December 31	<u><u>\$ 389,364</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,855,907</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Arrowhead Regional Corrections Fund	Regional Rail Authority	Minneapolis- Duluth/ Superior Passenger Rail Alliance	Community Health Board
ADDITIONS				
Property tax collections for other governments	\$ -	\$ 1,767,191	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Licenses and permits	-	100	-	-
Intergovernmental	27,266,164	6,475,031	-	5,684,657
Charges for services	980,856	2,720	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	51,679	-	-	-
Gifts and contributions	-	-	79,200	-
Miscellaneous	200,198	155,757	-	23,487
Sale of capital assets	3,285	-	-	-
Total Additions	<u>28,502,182</u>	<u>8,400,799</u>	<u>79,200</u>	<u>5,708,144</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	4,973,040
Payment of property tax to other governments	-	-	-	-
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	21,094,077	457,521	23,000	491,986
Other operating	5,514,227	1,277,118	26,601	250,415
Capital outlay	676,420	2,345,319	-	-
Total Deductions	<u>27,284,724</u>	<u>4,079,958</u>	<u>49,601</u>	<u>5,715,441</u>
Changes in net position	1,217,458	4,320,841	29,599	(7,297)
Net position - January 1	<u>6,089,347</u>	<u>(1,796,905)</u>	<u>16,736</u>	<u>88,210</u>
Net position - December 31	<u>\$ 7,306,805</u>	<u>\$ 2,523,936</u>	<u>\$ 46,335</u>	<u>\$ 80,913</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Duluth Area Family Service Collaborative Fund	Local Collaborative Time Study Fund	Northern Counties Land Use Board Fund	Voyagers National Park Joint Venture
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	296,866	296,866	19,000	74,125
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Earnings on investments	3,969	2,848	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	-	-
Sale of capital assets	-	-	-	-
Total Additions	<u>300,835</u>	<u>299,714</u>	<u>19,000</u>	<u>74,125</u>
DEDUCTIONS				
Distribution to other governments	41,971	8,058	-	-
Payment of property tax to other governments	-	-	-	-
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	-	-	-
Other operating	7,974	7,974	9,667	81,600
Capital outlay	-	-	-	-
Total Deductions	<u>49,945</u>	<u>16,032</u>	<u>9,667</u>	<u>81,600</u>
Changes in net position	250,890	283,682	9,333	(7,475)
Net position - January 1	<u>734,938</u>	<u>547,538</u>	<u>86,704</u>	<u>36,799</u>
Net position - December 31	<u><u>\$ 985,828</u></u>	<u><u>\$ 831,220</u></u>	<u><u>\$ 96,037</u></u>	<u><u>\$ 29,324</u></u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Ash River Sanitary District</u>	<u>MN Regional Parks and Trails</u>	<u>Sheriff Forfeits/ Evidence</u>	<u>Estate Recovery Fund</u>
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	-	-	-	-
Estate recoveries	-	-	-	1,465,388
Taconite taxes for State of MN	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	32,000	307,050	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	49,911	-
Earnings on investments	-	-	-	-
Gifts and contributions	-	-	-	-
Miscellaneous	-	-	2,940	-
Sale of capital assets	-	-	-	-
Total Additions	<u>32,000</u>	<u>307,050</u>	<u>52,851</u>	<u>1,465,388</u>
DEDUCTIONS				
Distribution to other governments	-	-	-	-
Payment of property tax to other governments	-	-	41,540	-
Distributions to participants	-	-	-	-
Distribution of recoveries	-	-	-	2,092,502
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	-	-	-
Other operating	-	307,050	10,069	-
Capital outlay	-	-	-	-
Total Deductions	<u>-</u>	<u>307,050</u>	<u>51,609</u>	<u>2,092,502</u>
Changes in net position	32,000	-	1,242	(627,114)
Net position - January 1	<u>-</u>	<u>-</u>	<u>63,557</u>	<u>627,114</u>
Net position - December 31	<u>\$ 32,000</u>	<u>\$ -</u>	<u>\$ 64,799</u>	<u>\$ -</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Jail Inmate/Kiosk</u>	<u>NEECB</u>	<u>Civil Fund</u>	<u>Taconite Relief</u>
ADDITIONS				
Property tax collections for other governments	\$ -	\$ -	\$ -	\$ -
License and fee collections for other governments	-	-	-	-
License and fee collections for State of MN	-	-	-	-
Contributions individuals	550,305	-	-	-
Estate recoveries	-	-	-	-
Taconite taxes for State of MN	-	-	-	13,966,233
Licenses and permits	-	-	-	-
Intergovernmental	-	218,890	-	-
Charges for services	-	6,485	1,255,286	-
Fines and forfeits	-	-	-	-
Earnings on investments	-	-	-	48,884
Gifts and contributions	-	-	-	-
Miscellaneous	-	2,104	-	-
Sale of capital assets	-	-	-	-
Total Additions	<u>550,305</u>	<u>227,479</u>	<u>1,255,286</u>	<u>14,015,117</u>
DEDUCTIONS				
Distribution to other governments	-	224,191	-	11,239,058
Payment of property tax to other governments	-	-	-	-
Distributions to participants	489,202	-	-	-
Distribution of recoveries	-	-	-	-
Payment of fee, fine and license revenue to others	-	-	-	-
Payments to State of MN	-	-	-	-
Personnel services	-	2,983	-	-
Other operating	-	13,026	1,243,927	-
Capital outlay	-	-	-	-
Total Deductions	<u>489,202</u>	<u>240,200</u>	<u>1,243,927</u>	<u>11,239,058</u>
Changes in net position	61,103	(12,721)	11,359	2,776,059
Net position - January 1	<u>178,881</u>	<u>13,557</u>	<u>88,720</u>	<u>3,954,517</u>
Net position - December 31	<u>\$ 239,984</u>	<u>\$ 836</u>	<u>\$ 100,079</u>	<u>\$ 6,730,576</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Taconite Production Tax	Total
ADDITIONS		
Property tax collections for other governments	\$ -	\$ 197,287,672
License and fee collections for other governments	-	1,165
License and fee collections for State of MN	-	59,249,279
Contributions individuals	-	550,305
Estate recoveries	-	1,465,388
Taconite taxes for State of MN	25,196,666	39,162,899
Licenses and permits	-	100
Intergovernmental	-	40,670,649
Charges for services	-	3,755,547
Fines and forfeits	-	49,911
Earnings on investments	13,319	120,699
Gifts and contributions	-	79,200
Miscellaneous	-	414,221
Sale of capital assets	-	3,285
Total Additions	<u>25,209,985</u>	<u>342,810,320</u>
DEDUCTIONS		
Distribution to other governments	-	16,486,318
Payment of property tax to other governments	25,209,985	220,780,770
Distributions to participants	-	489,202
Distribution of recoveries	-	2,092,502
Payment of fee, fine and license revenue to others	-	1,165
Payments to State of MN	-	59,249,279
Personnel services	-	23,290,931
Other operating	-	9,195,105
Capital outlay	-	3,021,739
Total Deductions	<u>25,209,985</u>	<u>334,607,011</u>
Changes in net position	-	8,203,309
Net position - January 1	<u>-</u>	<u>15,110,634</u>
Net position - December 31	<u><u>\$ -</u></u>	<u><u>\$ 23,313,943</u></u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INVESTMENTS AND INTEREST EARNING DEPOSITS
DECEMBER 31, 2020

	<u>Interest Rates</u>	<u>Par Value</u>	<u>Market</u>
Pooled Investments and Deposits			
Certificates of Deposit	0.05% - 3.55%	\$ 18,966,204	\$ 18,966,230
MAGIC Portfolio	Varies	66,830,708	66,830,708
MAGIC TERM	0.10% - 1.55%	19,682,481	19,682,481
Municipal Bonds	0.85% - 5.00%	17,370,000	18,199,305
FFCB	1.70% - 5.70%	27,561,000	29,823,586
FHLB	0.00% - 5.625%	37,330,000	38,870,883
FHLMC	1.75% - 2.375%	5,530,000	5,648,847
FNMA	1.75% - 2.125%	6,150,000	6,280,937
Total Pooled Investments and Deposits		<u>\$ 199,420,393</u>	<u>\$ 204,302,977</u>
Capital Projects			
MAGIC TERM	0.16% - 0.17%	\$ 20,000,000	\$ 20,000,000
US Treasury	0.125%	5,750,000	5,750,920
Total Capital Projects		<u>\$ 25,750,000</u>	<u>\$ 25,750,920</u>
 MN Board of Investments	 Varies	 <u>\$ 24,366,575</u>	 <u>\$ 24,366,575</u>
Environmental Services Enterprise Fund			
Certificates of Deposit	1.80% - 3.35%	\$ 6,844,000	\$ 6,844,000
FFCB	1.77% - 5.05%	4,284,000	4,471,945
FHLMC	2.00%	500,000	508,845
Total Environmental Services Enterprise Fund		<u>\$ 11,628,000</u>	<u>\$ 11,824,790</u>
Property, Casualty, Liability Insurance			
Internal Service Fund			
Certificates of Deposit	1.50% - 3.10%	\$ 996,000	\$ 996,000
FFCB	1.77% - 1.82%	500,000	517,973
Total Property, Casualty, Liability Insurance			
Internal Service Fund		<u>\$ 1,496,000</u>	<u>\$ 1,513,973</u>
Worker's Compensation Insurance			
Internal Service Fund			
Certificates of Deposit	1.50% - 3.05%	\$ 3,230,000	\$ 3,230,000
MAGIC TERM	0.16% - 0.17%	1,500,000	1,500,000
FFCB	1.77% - 5.05%	3,799,000	3,969,409
Total Workers' Compensation Insurance			
Internal Service Fund		<u>\$ 8,529,000</u>	<u>\$ 8,699,409</u>
Medical/Dental Insurance			
Internal Service Fund			
Certificates of Deposit	2.10% - 2.85%	\$ 2,979,000	\$ 2,979,000
MAGIC TERM	0.16% - 0.17%	5,000,000	5,000,000
FFCB	1.82% - 2.35%	1,500,000	1,587,575
Total Medical/Dental Insurance			
Internal Service Fund		<u>\$ 9,479,000</u>	<u>\$ 9,566,575</u>
Taconite Relief Trust Fund			
MAGIC TERM	0.12%	\$ 6,500,000	\$ 6,500,000
Arrowhead Regional Corrections Custodial Fund			
Certificates of Deposit	0.50% - 3.05%	\$ 1,242,000	\$ 1,242,000
MAGIC TERM	0.21%	435,438	435,438
Total Arrowhead Regional Corrections Custodial Fund		<u>\$ 1,677,438</u>	<u>\$ 1,677,438</u>
 Total Investments and Deposits		 <u>\$ 288,846,406</u>	 <u>\$ 294,202,657</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

		Special Revenue Funds			
	General Fund	Road and Bridge	Public Health and Human Services	Other	Debt Service Funds
Appropriations and Shared Revenue					
State					
Department of Natural Resources					
Mineral rents & royalties	\$ 357,442	\$ -	\$ -	\$ -	\$ -
Department of Public Safety					
Enhanced 911 program grant	326,232	-	-	-	-
Department of Revenue					
County program aid	10,451,480	1,299,401	1,864,208	-	-
Disparity aid	2,429,454	783,980	1,814,561	-	260,751
ICWA aid	-	-	519,179	-	-
Local performance aid	25,000	-	-	-	-
Market value credit	61,511	21,730	45,276	395	5,680
PERA aid	276,578	-	-	-	-
Police aid	1,008,898	-	-	-	-
State fire aid	9,637	-	-	-	-
Department of Transportation					
30 percent rental income	357	116	271	2	39
Engineering	-	2,669,021	-	-	-
LRIP/RRSA state bond	-	1,466,041	-	-	-
MN FD 29 bridge bond	-	857,232	-	-	-
Municipal construction	-	2,934,451	-	-	-
Municipal maintenance	-	1,983,174	-	-	-
Regular construction	-	11,721,781	-	-	-
Regular maintenance	-	10,953,382	-	-	-
State aid disaster relief	-	(37,538)	-	-	-
State aid for consulting	-	406,491	-	-	-
State park	-	973,013	-	-	-
Town bridge	-	353,398	-	-	-
Unorganized town road and bridge aid	-	169,765	-	-	-
Total Appropriations and Shared Revenue	\$ 14,946,589	\$ 36,555,438	\$ 4,243,495	\$ 397	\$ 266,470
Reimbursement for Services					
State					
Department of Human Services					
Alternative care 180 day	\$ -	\$ -	\$ 58,892	\$ -	\$ -
Child welfare targeted case mgmt	-	-	3,165,746	-	-
Community alternatives for disabled individuals waived services	-	-	1,080,994	-	-
Elderly waived services	-	-	24,101	-	-
Medical assistance MCH home visits	-	-	16,480	-	-
Medical assistance - ACT	-	-	848,409	-	-
Medical assistance - CEHI	-	-	615,180	-	-
Medical assistance - Rule 5	-	-	880,193	-	-
Developmental disabilities waived services	-	-	715,499	-	-
MH targeted case management	-	-	714,995	-	-
Relocation waived services	-	-	316	-	-
Traumatic brain injury	-	-	45,671	-	-
VADD targeted case management	-	-	83,963	-	-
COVID-19 reimbursement	1,483	-	-	-	-
Total Reimbursement for Services Revenue	\$ 1,483	\$ -	\$ 8,250,439	\$ -	\$ -

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Appropriations and Shared Revenue				
State				
Department of Natural Resources				
Mineral rents & royalties	\$ -	\$ -	\$ -	\$ 357,442
Department of Public Safety				
Enhanced 911 program grant	-	-	-	326,232
Department of Revenue				
County program aid	-	-	-	13,615,089
Disparity aid	237,276	-	-	5,526,022
ICWA aid	-	-	-	519,179
Local performance aid	-	-	-	25,000
Market value credit	5,920	-	-	140,512
PERA aid	-	-	-	276,578
Police aid	-	-	-	1,008,898
State fire aid	-	-	-	9,637
Department of Transportation				
30 percent rental income	30	-	-	815
Engineering	-	-	-	2,669,021
LRIP/RRSA state bond	-	-	-	1,466,041
MN FD 29 bridge bond	-	-	-	857,232
Municipal construction	-	-	-	2,934,451
Municipal maintenance	-	-	-	1,983,174
Regular construction	-	-	-	11,721,781
Regular maintenance	-	-	-	10,953,382
State aid disaster relief	-	-	-	(37,538)
State aid for consulting	-	-	-	406,491
State park	-	-	-	973,013
Town bridge	-	-	-	353,398
Unorganized town road and bridge aid	-	-	-	169,765
Total Appropriations and Shared Revenue	\$ 243,226	\$ -	\$ -	\$ 56,255,615
Reimbursement for Services				
State				
Department of Human Services				
Alternative care 180 day	\$ -	\$ -	\$ -	\$ 58,892
Child welfare targeted case mgmt	-	-	-	3,165,746
Community alternatives for disabled individuals waived services	-	-	-	1,080,994
Elderly waived services	-	-	-	24,101
Medical assistance MCH home visits	-	-	-	16,480
Medical assistance - ACT	-	-	-	848,409
Medical assistance - CEHI	-	-	-	615,180
Medical assistance - Rule 5	-	-	-	880,193
Developmental disabilities waived services	-	-	-	715,499
MH targeted case management	-	-	-	714,995
Relocation waived services	-	-	-	316
Traumatic brain injury	-	-	-	45,671
VADD targeted case management	-	-	-	83,963
COVID-19 reimbursement	21,082	-	-	22,565
Total Reimbursement for Services Revenue	\$ 21,082	\$ -	\$ -	\$ 8,273,004

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

	General Fund	Special Revenue Funds			Debt Service Funds
		Road and Bridge	Public Health and Human Services	Other	
Grants					
State Grants					
Board of Water & Soil Resources					
Natural resources block grant	\$ 112,690	\$ -	\$ -	\$ 58,600	\$ -
Department of Agriculture					
Noxious Weed Grant	-	4,080	-	-	-
Department of Environmental Assistance					
SCORE recycling grant	-	-	-	-	-
Department of Health					
Evidence based home visiting	-	-	193,996	-	-
Follow along program	-	-	6,224	-	-
Local public health grant	-	-	1,002,968	-	-
Thrive suicide prevention	-	-	80,179	-	-
Department of Housing Finance					
Family homelessness prevention	-	-	336,063	-	-
Landlord mitigation	-	-	15,441	-	-
Department of Human Services					
Adult integrated fund	-	-	2,405,541	-	-
Alternative care	-	-	58,892	-	-
Alternative response	-	-	56,927	-	-
Child care basic sliding fee	-	-	35,893	-	-
Child protection - GTFCP	-	-	1,005,617	-	-
Child support health ins bonus	-	-	82,735	-	-
Child support incentives	-	-	65,651	-	-
Child welfare-opiates	-	-	8,972	-	-
Children's mental health	-	-	99,796	-	-
CMH respite care	-	-	8,542	-	-
Community alternatives for disabled individual waived services	-	-	1,080,994	-	-
Community social services act block grant	-	-	3,064,380	-	-
Consolidated chemical dependency fund admin	-	-	194,823	-	-
Consumer directed	-	-	50,193	-	-
Cost effective health insurance	-	-	900,541	-	-
COVID-19 housing	-	-	1,257,564	-	-
Child and teen checkups	-	-	246,882	-	-
Day training & habilitation	-	-	4,866	-	-
DD family support	-	-	77,944	-	-
Early hearing detection & intervention	-	-	4,100	-	-
Elderly waived services	-	-	24,102	-	-
Essential community service	-	-	3,223	-	-
SNAP employment and training	-	-	11,537	-	-
Fraud prevention incentives	-	-	120,966	-	-
Homeless outreach	-	-	791,849	-	-
Housing and support rate trans	-	-	4,026	-	-
Housing support services	-	-	149,897	-	-
Housing support SPMI	-	-	132,461	-	-
LTSS	-	-	2,816,408	-	-
Medical assistance-MCH home visits	-	-	16,480	-	-
Medical assistance ACT	-	-	836,867	-	-
Developmental disabilities waived services	-	-	715,499	-	-
MN family investment project burial	-	-	1,660	-	-
MN family investment project child care	-	-	23,040	-	-
MN family investment project employment services	-	-	490,203	-	-
MN VASA	-	-	50,649	-	-
Northstar foster care	-	-	276,256	-	-
Parent support outreach program	-	-	96,159	-	-
Periodic data match	-	-	85,866	-	-
Relocation waived services	-	-	302	-	-
Semi-independent living skills	-	-	403,539	-	-
Statewide health improvement - SHIP	-	-	135,426	-	-
Traumatic brain injury	-	-	45,671	-	-
Workers compensation	-	-	-	-	-

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants				
State Grants				
Board of Water & Soil Resources				
Natural resources block grant	\$ -	\$ -	\$ -	\$ 171,290
Department of Agriculture				
Noxious Weed Grant	-	-	-	4,080
Department of Environmental Assistance				
SCORE recycling grant	-	271,656	-	271,656
Department of Health				
Evidence based home visiting	-	-	-	193,996
Follow along program	-	-	-	6,224
Local public health grant	-	-	-	1,002,968
Thrive suicide prevention	-	-	-	80,179
Department of Housing Finance				
Family homelessness prevention	-	-	-	336,063
Landlord mitigation	-	-	-	15,441
Department of Human Services				
Adult integrated fund	-	-	-	2,405,541
Alternative care	-	-	-	58,892
Alternative response	-	-	-	56,927
Child care basic sliding fee	-	-	-	35,893
Child protection - GTFCP	-	-	-	1,005,617
Child support health ins bonus	-	-	-	82,735
Child support incentives	-	-	-	65,651
Child welfare-opiates	-	-	-	8,972
Children's mental health	-	-	-	99,796
CMH respite care	-	-	-	8,542
Community alternatives for disabled individual waived services	-	-	-	1,080,994
Community social services act block grant	-	-	-	3,064,380
Consolidated chemical dependency fund admin	-	-	-	194,823
Consumer directed	-	-	-	50,193
Cost effective health insurance	-	-	-	900,541
COVID-19 housing	-	-	-	1,257,564
Child and teen checkups	-	-	-	246,882
Day training & habilitation	-	-	-	4,866
DD family support	-	-	-	77,944
Early hearing detection & intervention	-	-	-	4,100
Elderly waived services	-	-	-	24,102
Essential community service	-	-	-	3,223
SNAP employment and training	-	-	-	11,537
Fraud prevention incentives	-	-	-	120,966
Homeless outreach	-	-	-	791,849
Housing and support rate trans	-	-	-	4,026
Housing support services	-	-	-	149,897
Housing support SPMI	-	-	-	132,461
LTSS	-	-	-	2,816,408
Medical assistance-MCH home visits	-	-	-	16,480
Medical assistance ACT	-	-	-	836,867
Developmental disabilities waived services	-	-	-	715,499
MN family investment project burial	-	-	-	1,660
MN family investment project child care	-	-	-	23,040
MN family investment project employment services	-	-	-	490,203
MN VASA	-	-	-	50,649
Northstar foster care	-	-	-	276,256
Parent support outreach program	-	-	-	96,159
Periodic data match	-	-	-	85,866
Relocation waived services	-	-	-	302
Semi-independent living skills	-	-	-	403,539
Statewide health improvement - SHIP	-	-	-	135,426
Traumatic brain injury	-	-	-	45,671
Workers compensation	-	-	547,604	547,604

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

		Special Revenue Funds				
	General Fund	Road and Bridge	Public Health and Human Services	Other	Debt Service Funds	
Grants (continued)						
State grants (continued)						
Department of Natural Resources						
Aquatic invasive species prevention	\$ 703,143	\$ -	\$ -	\$ -	\$ -	
Boat and water safety	107,758	-	-	-	-	
Environmental assessment worksheet	-	94,082	-	-	-	
Off highway ATV	33,889	-	-	-	-	
Snowmobile safety	9,611	-	-	-	-	
State forest road access	-	-	-	308,769	-	
State trail assistance	271,134	-	-	-	-	
Board of Peace Officer Standards and Training						
Training reimbursement	96,914	-	-	-	-	
Department of Public Safety						
MN state patrol forfeit	6,233	-	-	-	-	
Office of Justice program grants	16,617	-	-	-	-	
Public assistance disaster fund	-	203,547	-	9,039	-	
Department of Transportation						
Northeast Minnesota rail initiative	-	746,163	-	-	-	
MN Management and Budget						
County relief funding program	-	-	-	3,940,417	-	
MN PERA						
MN contributions to PERA	-	-	-	-	-	
MN Pollution Control Agency						
Ash River community sewer	-	-	-	85,049	-	
Env assistance recycle program	-	-	-	-	-	
Septic treatment systems	-	-	-	20,000	-	
Secretary of State						
Presidential primary reimbursement	116,007	-	-	-	-	
Veterans Affairs						
Enhancement	8,546	-	-	-	-	
Total State Grants	\$ 1,482,542	\$ 1,047,872	\$ 19,577,810	\$ 4,421,874	\$ -	
Federal Grants						
Department of Agriculture						
10.557 Women, infants, and children (through Community Health Board)	\$ -	\$ -	\$ 859,111	\$ -	\$ -	
10.561 Supplemental nutrition and assistance program	53,914	-	1,795,079	-	-	
10.561 SNAP employment and training	-	-	102,247	-	-	
10.572 Federal WIC	-	-	596	-	-	
10.664 Cooperative forestry assist	299,252	-	-	-	-	
10.665 National forest land	1,517,363	-	-	-	-	
10.665 National forest land - roads & schools	-	218,840	-	-	-	
10.665 National forest title III	69,715	-	-	-	-	
Department of Health & Human Services						
21.019 COVID-19 Emergency Response	-	-	63,336	-	-	
93.069 Public health emergency preparedness	-	-	93,551	-	-	
93.110 0-3 ICTP	-	-	86,927	-	-	
93.251 Universal newborn hearing screening	-	-	375	-	-	
93.268 Hepatitis A mini grant	-	-	3,264	-	-	
93.314 Early hearing detection intervention	-	-	375	-	-	
93.439 Healthy food	-	-	10,864	-	-	
93.556 Fed IVB 2 PSOP	-	-	3,660	-	-	
93.556 Title 4B fam response	-	-	95,925	-	-	
93.556 Title IV-B alternative response	-	-	145,843	-	-	
93.558 MN family investment project employment services	-	-	3,108,518	-	-	
93.558 Temporary assistance to needy families admin	16,369	-	554,322	-	-	
93.558 Temporary assistance to needy families home visiting	-	-	338,067	-	-	
93.563 Child support	91,528	-	3,175,012	-	-	
93.563 Title IV-D incentives	-	-	448,445	-	-	
93.575 BSF CC admin	-	-	43,868	-	-	
93.575 MFSIP CC admin	-	-	23,978	-	-	
93.590 Federal PSOP child's trust	-	-	56,150	-	-	
93.590 Relationships first	-	-	20,000	-	-	
93.645 Fed IVB 1 PSOP	-	-	9,356	-	-	
93.645 Title 4B fam response	-	-	55,681	-	-	
93.658 Foster care	29,450	-	32,185	-	-	
93.658 IV-E foster care social service time study	-	-	1,202,342	-	-	
93.658 Title IV-E cost of care	-	-	1,787,809	-	-	
93.658 Title IV-E foster care case management	-	-	26,532	-	-	
93.667 Title XX block grant	-	-	1,632,950	-	-	
93.669 Prenatal sub exposure	-	-	181,687	-	-	
93.674 Support for emancipation and living functionally	-	-	80,349	-	-	
93.778 Child teen checkups	-	-	246,882	-	-	
93.778 LTSS	-	-	3,437,383	-	-	
93.778 MA Trans Admin - MTM	-	-	23,963	-	-	
93.778 Medical assistance	126,367	-	3,118,152	-	-	
93.778 Medical assistance - Rule 25	-	-	1,189,011	-	-	
93.778 Medical assistance incentives	-	-	56,668	-	-	
93.788 Response to Opioid	-	-	156,344	-	-	
93.870 MIECHV	-	-	241,163	-	-	
93.959 Substance use disorder	-	-	154,933	-	-	
93.994 Fed maternal & child health	-	-	222,597	-	-	

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants (continued)				
State grants (continued)				
Department of Natural Resources				
Aquatic invasive species prevention	\$ -	\$ -	\$ -	\$ 703,143
Boat and water safety	-	-	-	107,758
Environmental assessment worksheet	-	-	-	94,082
Off highway ATV	-	-	-	33,889
Snowmobile safety	-	-	-	9,611
State forest road access	-	-	-	308,769
State trail assistance	-	-	-	271,134
Board of Peace Officer Standards and Training				
Training reimbursement	-	-	-	96,914
Department of Public Safety				
MN state patrol forfeit	-	-	-	6,233
Office of Justice program grants	-	-	-	16,617
Public assistance disaster fund	-	-	-	212,586
Department of Transportation				
Northeast Minnesota rail initiative	-	-	-	746,163
MN Management and Budget				
County relief funding program	-	-	-	3,940,417
MN PERA				
MN contributions to PERA	-	4,080	-	4,080
MN Pollution Control Agency				
Ash River community sewer	-	-	-	85,049
Env assistance recycle program	-	4,135	-	4,135
Septic treatment systems	-	-	-	20,000
Secretary of State				
Presidential primary reimbursement	-	-	-	116,007
Veterans Affairs				
Enhancement	-	-	-	8,546
Total State Grants	\$ -	\$ 279,871	\$ 547,604	\$ 27,357,573
Federal Grants				
Department of Agriculture				
10.557 Women, infants, and children (through Community Health Board)	\$ -	\$ -	\$ -	\$ 859,111
10.561 Supplemental nutrition and assistance program	-	-	-	1,848,993
10.561 SNAP employment and training	-	-	-	102,247
10.572 Federal WIC	-	-	-	596
10.664 Cooperative forestry assist	-	-	-	299,252
10.665 National forest land	-	-	-	1,517,363
10.665 National forest land - roads & schools	-	-	-	218,840
10.665 National forest title III	-	-	-	69,715
Department of Health & Human Services				
21.019 COVID-19 Emergency Response	-	-	-	63,336
93.069 Public health emergency preparedness	-	-	-	93,551
93.110 0-3 ICTP	-	-	-	86,927
93.251 Universal newborn hearing screening	-	-	-	375
93.268 Hepatitis A mini grant	-	-	-	3,264
93.314 Early hearing detection intervention	-	-	-	375
93.439 Healthy food	-	-	-	10,864
93.556 Fed IVB 2 PSOP	-	-	-	3,660
93.556 Title 4B fam response	-	-	-	95,925
93.556 Title IV-B alternative response	-	-	-	145,843
93.558 MN family investment project employment services	-	-	-	3,108,518
93.558 Temporary assistance to needy families admin	-	-	-	570,691
93.558 Temporary assistance to needy families home visiting	-	-	-	338,067
93.563 Child support	-	-	-	3,266,540
93.563 Title IV-D incentives	-	-	-	448,445
93.575 BSF CC admin	-	-	-	43,868
93.575 MFSIP CC admin	-	-	-	23,978
93.590 Federal PSOP child's trust	-	-	-	56,150
93.590 Relationships first	-	-	-	20,000
93.645 Fed IVB 1 PSOP	-	-	-	9,356
93.645 Title 4B fam response	-	-	-	55,681
93.658 Foster care	-	-	-	61,635
93.658 IV-E foster care social service time study	-	-	-	1,202,342
93.658 Title IV-E cost of care	-	-	-	1,787,809
93.658 Title IV-E foster care case management	-	-	-	26,532
93.667 Title XX block grant	-	-	-	1,632,950
93.669 Prenatal sub exposure	-	-	-	181,687
93.674 Support for emancipation and living functionally	-	-	-	80,349
93.778 Child teen checkups	-	-	-	246,882
93.778 LTSS	-	-	-	3,437,383
93.778 MA Trans Admin - MTM	-	-	-	23,963
93.778 Medical assistance	-	-	-	3,244,519
93.778 Medical assistance - Rule 25	-	-	-	1,189,011
93.778 Medical assistance incentives	-	-	-	56,668
93.788 Response to Opioid	-	-	-	156,344
93.870 MIECHV	-	-	-	241,163
93.959 Substance use disorder	-	-	-	154,933
93.994 Fed maternal & child health	-	-	-	222,597

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

	General Fund	Special Revenue Funds			Debt Service Funds
		Road and Bridge	Public Health and Human Services	Other	
Grants (continued)					
Federal Grants (continued)					
Department of Homeland Security					
97.012 Boating safety financial assurance	\$ 30,725	\$ -	\$ -	\$ -	\$ -
97.036 FEMA public assistance	-	610,643	-	27,117	-
97.042 Homeland security grant	78,927	-	-	-	-
97.067 Homeland security grant	129,676	-	-	-	-
Department of Housing & Urban Development					
14.218 CDBG federal grant	-	-	17,758	2,246,786	-
14.218 COVID-19 critical tech	-	-	29,791	-	-
14.231 Emergency shelter grant	200,580	-	-	-	-
14.238 Shelter plus care	40,766	-	-	-	-
14.239 Home federal grant	-	-	-	384,780	-
14.267 CoC planning-mckinney vento	-	-	69,958	-	-
Department of Interior					
15.226 Payment in lieu of taxes	1,771,787	365	348	3	50
Department of Justice					
16.034 COVID-19 emergency supplemental	58,008	-	-	-	-
16.575 Crime victim assistance	94,540	-	-	-	-
16.738 Law enforcement block grant	1,901	-	-	-	-
16.838 Building bridges	9,713	-	-	-	-
Department of Transportation					
20.219 Trail assistance grant	-	31,098	-	-	-
20.205 Highway planning and construction	-	6,252,709	-	-	-
20.600 Safe & sober	7,300	-	-	-	-
20.608 Toward zero deaths under the influence	37,346	-	-	-	-
20.616 Toward zero deaths seat belt & distracted	10,799	-	-	-	-
Department of Treasury					
21.019 COVID-19	-	-	-	24,791,066	-
21.019 COVID-19 Housing	-	-	1,411,457	-	-
U.S. Elections Assistance Commission					
90.404 CARES election block grant	-	-	-	192,766	-
Total Federal Grants	<u>\$ 4,676,026</u>	<u>\$ 7,113,655</u>	<u>\$ 26,414,812</u>	<u>\$ 27,642,518</u>	<u>\$ 50</u>
Other Grants					
Local					
AIK CHB MIIC grant	\$ -	\$ -	\$ 46,701	\$ -	\$ -
EIP credit co, LLC	35,106	-	-	-	-
Essentia farm to school	-	-	28,531	-	-
Miscellaneous	-	-	-	-	-
MN power	-	-	-	-	-
UCare post-partum support	-	-	4,252	-	-
UCare well-being fund	-	-	48,767	-	-
Total Other Grants	<u>\$ 35,106</u>	<u>\$ -</u>	<u>\$ 128,251</u>	<u>\$ -</u>	<u>\$ -</u>
In-kind Match	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,437</u>	<u>\$ -</u>
Total Intergovernmental Revenue	<u>\$ 21,141,746</u>	<u>\$ 44,716,965</u>	<u>\$ 58,614,807</u>	<u>\$ 32,134,226</u>	<u>\$ 266,520</u>

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Capital Projects Fund	Environmental Services Enterprise Fund	Internal Service Funds	Total
Grants (continued)				
Federal Grants (continued)				
Department of Homeland Security				
97.012 Boating safety financial assurance	\$ -	\$ -	\$ -	\$ 30,725
97.036 FEMA public assistance	-	-	-	637,760
97.042 Homeland security grant	-	-	-	78,927
97.067 Homeland security grant	-	-	-	129,676
Department of Housing & Urban Development				
14.218 CDBG federal grant	-	-	-	2,264,544
14.218 COVID-19 critical tech	-	-	-	29,791
14.231 Emergency shelter grant	-	-	-	200,580
14.238 Shelter plus care	-	-	-	40,766
14.239 Home federal grant	-	-	-	384,780
14.267 CoC planning-mckinney vento	-	-	-	69,958
Department of Interior				
15.226 Payment in lieu of taxes	46	-	-	1,772,599
Department of Justice				
16.034 COVID-19 emergency supplemental	-	-	-	58,008
16.575 Crime victim assistance	-	-	-	94,540
16.738 Law enforcement block grant	-	-	-	1,901
16.838 Building bridges	-	-	-	9,713
Department of Transportation				
20.219 Trail assistance grant	-	-	-	31,098
20.205 Highway planning and construction	-	-	-	6,252,709
20.600 Safe & sober	-	-	-	7,300
20.608 Toward zero deaths under the influence	-	-	-	37,346
20.616 Toward zero deaths seat belt & distracted	-	-	-	10,799
Department of Treasury				
21.019 COVID-19	-	-	-	24,791,066
21.019 COVID-19 Housing	-	-	-	1,411,457
U.S. Elections Assistance Commission				
90.404 CARES election block grant	-	-	-	192,766
Total Federal Grants	\$ 46	\$ -	\$ -	\$ 65,847,107
Other Grants				
Local				
AIK CHB MIIC grant	\$ -	\$ -	\$ -	\$ 46,701
EIP credit co, LLC	-	-	-	35,106
Essentia farm to school	-	-	-	28,531
Miscellaneous	57,188	-	-	57,188
MN power	2,059	-	-	2,059
UCare post-partum support	-	-	-	4,252
UCare well-being fund	-	-	-	48,767
Total Other Grants	\$ 59,247	\$ -	\$ -	\$ 222,604
In-kind Match	\$ -	\$ -	\$ -	\$ 69,437
Total Intergovernmental Revenue	\$ 323,601	\$ 279,871	\$ 547,604	\$ 158,025,340

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Grantor Pass Through Agency Grant Program Title or Cluster Name	Federal CFDA Number	Contract Number/ Pass-Through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Direct				
Cooperative Forestry Assistance	10.664		\$ 113,679	\$ -
Passed Through Carlton, Cook, Lake and St. Louis Community Health Board WIC Special Supplemental Nutrition Program for Women, Infants and Children	10.557	12-700-00061	810,856	-
Passed Through Minnesota Department of Human Services State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Part of SNAP Cluster)	10.561			
Supplemental Nutrition Assistance Program Administrative Cost Reimbursements		1-2MN101S2514	1,848,993	-
Supplemental Nutrition Assistance Program Employment & Training Administration		202MN127Q7503	99,420	-
Support		202MN101S2520	2,827	-
(Total Supplemental Nutrition Assistance Program Employment & Training \$101,247)				
(Total State Administrative Matching Grants for Supplemental Nutrition Assistance Program 10.561 \$1,951,240)				
WIC Farmers' Market Nutrition Program (FMNP)	10.572	158448FMNP2019FNLPMPT	596	-
Passed Through Minnesota Department of Management and Budget Schools and Roads - Grants to States (Part of Forest Service Schools and Roads Cluster)	10.665			
Thye Blatnik PILT		P.L. 114-10	1,517,363	-
Title III		P.L. 110-343 & P.L. 112-141	69,715	-
Title I		P.L. 113-40	218,840	-
(Total Schools and Roads - Grants to States 10.665 \$1,805,918)				
Total U.S. Department of Agriculture			\$ 4,682,289	\$ -
U.S. Department of Housing and Urban Development				
Direct				
Community Development Block Grants/Entitlement Grants (Part of CDBG - Entitlement Grants Cluster)	14.218		\$ 2,326,169	\$ 1,940,455
Emergency Solutions Grant Program	14.231		200,580	189,273
Shelter Plus Care	14.238		44,515	-
Home Investment Partnerships Program	14.239		422,383	394,141
Continuum of Care Program	14.267		69,354	-
Total U.S. Department of Housing and Urban Development			\$ 3,063,001	\$ 2,523,869
U.S. Department of the Interior				
Direct				
Payments in Lieu of Taxes	15.226		\$ 1,772,599	\$ -
U.S. Department of Justice				
Direct				
Coronavirus Emergency Supplement Funding Program	16.034		\$ 58,008	\$ -
Passed Through Minnesota Department of Public Safety Crime Victim Assistance	16.575	A-CVS-2020-STLOUICO-129	94,540	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	23519	1,901	-
Passed Through the Institute for Intergovernmental Research (IIA) Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	2017-AR-BX-K003	19,172	-
Total U.S. Department of Justice			\$ 173,621	\$ -
U.S. Department of Transportation				
Passed Through Minnesota Department of Transportation Highway Planning and Construction (Part of Highway Planning and Construction Cluster)	20.205	99969	\$ 6,668,052	\$ -
Passed Through Minnesota Department of Natural Resources Recreational Trails Program (Part of Highway Planning and Construction Cluster) (Total Highway Planning and Construction Cluster \$6,818,052)	20.219	0028-18-2B	150,000	-
Passed Through City of Duluth Highway Safety Cluster				
State and Community Highway Safety (Part of Highway Safety Cluster \$18,099)	20.600	A-ENFRC20-2020-DULUTHPD-082	7,300	-
National Priority Safety Programs (Total Highway Safety Cluster \$18,099)	20.616	A-ENFRC20-2020-DULUTHPD-082	2,002	-
(Total National Priority Safety Programs 20.616 \$10,799)				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC20-2020-DULUTHPD-082	12,386	-
(Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$37,346)				
Passed Through City of Virginia Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC20-2020-DULUTHPD-082	1,266	-
(Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$37,346)				
Passed Through Minnesota Department of Public Safety Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC20-2020-DULUTHPD-082	23,694	-
(Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$37,346)				
National Priority Safety Programs (Part Highway Safety Cluster \$18,099)	20.616	A-ENFRC20-2020-DULUTHPD-082	8,797	-
(Total National Priority Safety Programs 20.616 \$10,799)				
Total U.S. Department of Transportation			\$ 6,873,497	\$ -

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (Continued)

Federal Grantor Pass Through Agency Grant Program Title or Cluster Name	Federal CFDA Number	Contract Number/ Pass-Through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Treasury				
Passed Through Minnesota Department of Revenue COVID-19 Coronavirus Relief Fund Coronavirus Aid, Relief and Economic Security Act	21.019	SLT0016	\$ 24,791,066	\$ 1,839
Passed Through Minnesota Department of Human Services COVID-19 Coronavirus Relief Fund COVID-19 Emergency Response	21.019	179791	164,844	-
Passed Through Minnesota Housing Finance Agency COVID-19 Coronavirus Relief Fund COVID-19 Housing Assistance Program (Total Coronavirus Relief Fund 21.019 \$26,367,367)	21.019	SLT0016	1,411,457	1,397,955
			\$ 26,367,367	\$ 1,399,794
Total Department of Treasury				
U.S. Elections Assistance Commission				
Passed Through Minnesota Secretary of State COVID-19 2020 HAVA Coronavirus Aid, Relief and Economic Security Act Grant	90.404	0000197199	\$ 192,766	\$ -
U.S. Department of Health and Human Services				
Passed Through Carlton, Cook, Lake and St. Louis Community Health Board				
Public Health Emergency Preparedness	93.069	12-700-00061	\$ 91,409	\$ -
Early Hearing Detection and Intervention	93.251	12-700-00061	375	-
Immunization Cooperative Agreements	93.268	NH23IP922628	11,471	-
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	12-700-00061	375	-
State Physical Activity and Nutrition (SPAN)	93.439	90247	10,864	-
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$4,016,669)	93.558	12-700-00061	337,460	-
Medical Assistance Program (Part of Medicaid Cluster)				
Child & Teen Checkups Administrative Services (Total Medical Assistance 93.778 \$8,262,708)	93.778	12-700-0061	246,882	-
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	12-700-0061	224,151	-
Maternal and Child Health Services Block Grant to the States	93.994	12-700-00061	224,315	-
Passed Through Minnesota Department of Human Services				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G-2001MNFPS	221,067	-
Temporary Assistance for Needy Families	93.558			
Minnesota Family Investment Program		2001MFTANF	3,108,518	-
Program Administrative Cost Reimbursements (Total Temporary Assistance for Needy Families 93.558 \$4,016,669)		2001MNTANF	570,691	-
Child Support Enforcement	93.563			
Title IV-D County-Wide Indirect Aid - Income Maintenance		2004MNCSES	91,528	-
Title IV-D Child Support Administration Aid and Federal Incentives (Total Child Support Enforcement 93.563 \$3,714,985)		2004MNCST	3,623,457	-
Child Care and Development Block Grant (Part of CCDF Cluster)	93.575	G2001MNCDCF	67,846	-
Community-Based Child Abuse Prevention Grants	93.590	G-1901MNBCAP	61,796	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2001MNCWSS	77,062	-
Foster Care Title IV-E	93.658	2001MNFOS	3,069,426	-
Social Services Block Grant	93.667	G-2001MNSOSR	1,632,950	-
Child Abuse and Neglect State Grants	93.669	G-2001MNNCAN	180,555	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2001MNCILP	59,987	-
Medical Assistance Program (Part of Medicaid Cluster)	93.778			
Medical Assistance		2005MN5ADM	7,959,158	-
Federal Incentive Payments (Total Medical Assistance Program 93.778 \$ 8,262,708)		2005MN5MAP	56,668	-
Opioid STR	93.788	170,254	161,620	-
HIV Care Formula Grants	93.917	2 X08HA31246-03-00	(5,184)	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2B08TI010027-18	165,055	-
Passed Through ZERO TO THREE: National Center for Infants, Toddlers and Families				
Maternal and Child Health Federal Consolidated Programs	93.110	5U2DMC32394-02-01	90,371	-
			\$ 22,339,873	\$ -
Total U.S. Department of Health and Human Services				

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (Continued)

Federal Grantor Pass Through Agency Grant Program Title or Cluster Name	Federal CFDA Number	Contract Number/ Pass-Through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security				
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012			
Boating & Water Safety (1-12)		123228	\$ 23,250	\$ -
Boating & Water Safety Sub Grant		140766	7,475	-
(Total Boating Safety Financial Assistance 97.012 \$30,725)				
Passed Through Minnesota Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	137-99137-01	37,174	-
Emergency Management Performance Grants	97.042	A-EMPG-2019-STLOUICO-076	8,937	-
Homeland Security Grant Program	97.067	A-OSGP-2018-STLOUISCO-0009	129,676	-
Total U.S. Department of Homeland Security			\$ 206,512	\$ -
Total Federal Awards			\$ 65,671,525	\$ 3,923,663
Clusters of programs are groupings of closely related programs that share common compliance requirements.				
Total expenditures by cluster are:				
Supplemental Nutritional Assistance Program (SNAP) Cluster			\$ 1,951,240	
Forest Service Schools and Roads Cluster			1,805,918	
CDBG-Entitlement Grants Cluster			2,326,169	
Highway Planning and Construction Cluster			6,818,052	
Highway Safety Cluster			18,099	
Child Care and Development Block Grant (CCDF) Cluster			67,846	
Medicaid Cluster			8,262,708	

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by St. Louis County. The County's reporting entity is defined in Note 1 to the financial statements.

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the County under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) from the Office of Management and Budget (OMB). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

Reconciliation of Intergovernmental Revenue	Federal CFDA Number	Amount
Federal grant revenue per Schedule of Intergovernmental Revenue		\$ 65,847,107
Unavailable Revenue in 2020 - grants received more than 60 days after year-end		
WIC Special Supplemental Nutrition Program for Women, Infants and Children	10.557	32,429
Cooperative Forestry Assistance	10.664	10,444
Shelter Plus Care	14.238	3,749
Continuum of Care Program	14.267	13,733
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	9,459
COVID-19 Coronavirus Relief Fund	21.019	101,508
Highway Planning and Construction (Regular)	20.205	585,658
Recreational Trails Program	20.219	118,902
Maternal and Child Health Federal Consolidated Programs	93.110	3,444
Immunization Cooperative Agreements	93.268	11,471
MaryLee Allen Promoting Safe and Stable Families Program	93.556	25,356
Community-Based Child Abuse Prevention Grants	93.590	1,418
Stephanie Tubbs Jones Child Welfare Services Program	93.645	14,391
Child Abuse and Neglect State Grants	93.669	16,416
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	100
Medical Assistance Program	93.778	69,864
Opioid STR	93.788	6,276
Maternal, Infant and Early Childhood Home Visiting Grant Program (MIECHV)	93.870	152
Block Grants for Prevention and Treatment of Substance Abuse	93.959	23,542
Maternal and Child Health Services Block Grant to the States	93.994	2,089
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	346,962
Emergency Management Performance Grants	97.042	8,937
Unavailable in 2019 recognized as revenue in 2020		
WIC Special Supplemental Nutrition Program for Women, Infants and Children	10.557	(80,684)
Cooperative Forestry Assistance	10.664	(196,016)
Continuum of Care Program	14.267	(14,337)
Highway Planning and Construction (Regular)	20.205	(170,315)
Public Health Emergency Preparedness	93.069	(2,142)
Immunization Cooperative Agreements	93.268	(3,264)
MaryLee Allen Promoting Safe and Stable Families Program	93.556	(49,718)
Temporary Assistance for Needy Families (TANF)	93.558	(607)
Community-Based Child Abuse Prevention Grants	93.590	(15,772)
Stephanie Tubbs Jones Child Welfare Services Program	93.645	(2,366)
Foster Care Title IV-E	93.658	(8,892)
Child Abuse and Neglect State Grants	93.669	(17,548)
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	(20,462)
Medical Assistance Program	93.778	(5,583)
Opioid STR	93.788	(1,000)
Maternal, Infant and Early Childhood Home Visiting Grant Program (MIECHV)	93.870	(17,164)
Maternal and Child Health Services Block Grant to the States	93.994	(370)
HIV Care Formula Grants	93.917	(5,184)
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(13,420)
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(947,548)
Emergency Management Performance Grants	97.042	(78,927)
Program Income		
Community Development Block Grants/Entitlement Grants	14.218	31,834
Home Investment Partnerships Program	14.239	37,603
Total expenditures per Schedule of Expenditures of Federal Awards		<u>\$ 65,671,525</u>

Statistical Section

This part of St. Louis County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information conveys about the County's overall financial health.

Contents	Page
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Financial Trends	
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These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	165
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Revenue Capacity	
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These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	173
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Debt Capacity	
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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.	179
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Demographic and Economic Information	
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	184
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Operating Information	
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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.	186
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1

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

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental activities					
Invested in capital assets, net	\$ 433,944,576	\$ 476,247,100	\$ 522,018,741	\$ 556,683,649	\$ 583,821,271
Restricted	21,522,115	21,033,269	19,020,809	26,589,973	70,308,890
Unrestricted	128,221,487	128,898,798	136,593,657	134,070,739	31,017,384
Total governmental activities net position	<u>\$ 583,688,178</u>	<u>\$ 626,179,167</u>	<u>\$ 677,633,207</u>	<u>\$ 717,344,361</u>	<u>\$ 685,147,545</u>
Business-type activities					
Invested in capital assets, net	\$ 7,438,866	\$ 8,714,173	\$ 8,300,834	\$ 7,672,802	\$ 7,302,389
Restricted	1,893,627	1,981,320	2,041,416	2,331,286	2,254,051
Unrestricted	14,283,036	12,409,842	12,111,328	11,941,099	10,763,449
Total business-type activities net position	<u>\$ 23,615,529</u>	<u>\$ 23,105,335</u>	<u>\$ 22,453,578</u>	<u>\$ 21,945,187</u>	<u>\$ 20,319,889</u>
Primary government					
Invested in capital assets, net	\$ 441,383,442	\$ 484,961,273	\$ 530,319,575	\$ 564,356,451	\$ 591,123,660
Restricted	23,415,742	23,014,589	21,062,225	28,921,259	72,562,941
Unrestricted	142,504,523	141,308,640	148,704,985	146,011,838	41,780,833
Total primary government net position	<u>\$ 607,303,707</u>	<u>\$ 649,284,502</u>	<u>\$ 700,086,785</u>	<u>\$ 739,289,548</u>	<u>\$ 705,467,434</u>

Schedule 1

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

Fiscal Year				
2016	2017	2018	2019	2020
\$ 612,901,331	\$ 663,198,830	\$ 726,772,187	\$ 774,182,980	\$ 821,301,671
89,915,022	65,481,512	54,083,315	44,237,883	48,476,781
12,973,052	31,482,005	22,606,777	40,208,786	64,033,538
<u>\$ 715,789,405</u>	<u>\$ 760,162,347</u>	<u>\$ 803,462,279</u>	<u>\$ 858,629,649</u>	<u>\$ 933,811,990</u>
\$ 6,868,467	\$ 9,741,229	\$ 8,409,623	\$ 8,166,962	\$ 7,921,477
2,129,155	3,273,622	3,366,124	3,848,037	4,395,237
10,088,870	9,716,339	7,809,610	6,994,394	7,389,884
<u>\$ 19,086,492</u>	<u>\$ 22,731,190</u>	<u>\$ 19,585,357</u>	<u>\$ 19,009,393</u>	<u>\$ 19,706,598</u>
\$ 619,769,798	\$ 672,940,059	\$ 735,181,810	\$ 782,349,942	\$ 829,223,148
92,044,177	68,755,134	57,449,439	48,085,920	52,872,018
23,061,922	41,198,344	30,416,387	47,203,180	71,423,422
<u>\$ 734,875,897</u>	<u>\$ 782,893,537</u>	<u>\$ 823,047,636</u>	<u>\$ 877,639,042</u>	<u>\$ 953,518,588</u>

Schedule 2

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

	2011	2012	2013	2014
Expenses				
Governmental activities				
General government	\$ 37,211,681	\$ 40,057,174	\$ 42,135,549	\$ 49,666,414
Public safety	46,282,905	53,050,539	46,974,978	54,501,618
Highways and streets	39,094,710	52,605,339	48,091,104	49,163,367
Health and sanitation	5,167,926	4,579,000	4,786,016	4,795,994
Human services	72,784,119	75,901,001	75,225,112	79,419,419
Culture and recreation	2,582,543	2,042,815	2,482,810	2,177,850
Conservation of natural resources	7,824,835	7,958,287	8,225,572	9,087,657
Economic development	4,037,357	3,132,056	3,100,381	2,879,553
Interest and other charges	1,612,315	1,699,853	1,203,827	2,181,891
Bond issuance costs	-	-	148,166	-
Total governmental activities expenses	<u>216,598,391</u>	<u>241,026,064</u>	<u>232,373,515</u>	<u>253,873,763</u>
Business-type activities				
Environmental services	7,783,082	7,995,131	8,130,015	7,972,128
Other Enterprise Funds	8,526	49,899	48,195	10,064
Total business-type activities expenses	<u>7,791,608</u>	<u>8,045,030</u>	<u>8,178,210</u>	<u>7,982,192</u>
Total primary government expenses	<u>\$ 224,389,999</u>	<u>\$ 249,071,094</u>	<u>\$ 240,551,725</u>	<u>\$ 261,855,955</u>
Program Revenues				
Governmental activities:				
Charges for services and other program revenues:				
General government	\$ 17,749,722	\$ 18,416,982	\$ 19,316,681	\$ 18,259,101
Public safety	4,203,835	4,268,919	4,245,110	4,686,528
Highways and streets	4,631,854	4,195,936	3,708,564	3,480,798
Health and sanitation	838,042	882,484	859,257	561,034
Human services	13,516,911	14,265,463	13,083,377	12,747,627
Culture and recreation	142,000	56,439	(4,000)	-
Conservation of natural resources	6,729,070	6,300,430	6,312,179	7,641,654
Economic development	350	400	3,150	918,752
Operating grants and contributions	52,511,057	66,758,879	65,621,839	72,374,834
Capital grants and contributions	23,101,507	27,019,539	27,827,909	19,725,748
Total governmental activities program revenues	<u>123,424,348</u>	<u>142,165,471</u>	<u>140,974,066</u>	<u>140,396,076</u>
Business-type activities:				
Charges for services:				
Environmental services	6,198,634	6,303,257	6,233,859	6,096,029
Other Enterprise Funds	11,726	102,410	26,843	19,146
Operating grants and contributions	498,219	564,809	594,766	407,990
Capital grants and contributions	-	-	30,700	-
Total business-type activities program revenues	<u>6,708,579</u>	<u>6,970,476</u>	<u>6,886,168</u>	<u>6,523,165</u>
Total primary government program revenues	<u>\$ 130,132,927</u>	<u>\$ 149,135,947</u>	<u>\$ 147,860,234</u>	<u>\$ 146,919,241</u>
Net (Expense)/Revenue				
Governmental activities	\$ (93,174,043)	\$ (98,860,593)	\$ (91,399,449)	\$ (113,477,687)
Business-type activities	(980,640)	(1,074,554)	(1,292,042)	(1,459,027)
Total primary government net expense	<u>\$ (94,154,683)</u>	<u>\$ (99,935,147)</u>	<u>\$ (92,691,491)</u>	<u>\$ (114,936,714)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes, levied for general purposes	\$ 105,775,760	\$ 115,310,996	\$ 119,179,161	\$ 121,198,926
Property taxes, levied for debt service	6,315,569	5,319,270	5,001,699	6,154,941
Transportation sales tax	-	-	-	-
State shared	20,138,989	16,949,124	15,941,883	18,091,331
Federal shared	1,848,440	1,853,339	1,731,840	1,755,887
Investment earnings	3,260,011	2,129,116	1,240,530	3,367,682
Special Items - capital asset adjustments	-	-	-	2,512,402
Transfers	5,875,831	(210,263)	(241,624)	(429,628)
Total governmental activities	<u>143,214,600</u>	<u>141,351,582</u>	<u>142,853,489</u>	<u>152,651,541</u>
Business-type activities				
Taxes				
Property taxes, levied for general purposes	247,739	216,972	305,413	247,871
State Shared	-	-	-	-
Investment earnings	171,736	137,125	93,248	273,137
Special Items	-	-	-	-
Transfers	(5,875,831)	210,263	241,624	429,628
Total business-type activities	<u>(5,456,356)</u>	<u>564,360</u>	<u>640,285</u>	<u>950,636</u>
Total primary government	<u>\$ 137,758,244</u>	<u>\$ 141,915,942</u>	<u>\$ 143,493,774</u>	<u>\$ 153,602,177</u>
Changes in Net Position				
Governmental activities	\$ 50,040,557	\$ 42,490,989	\$ 51,454,040	\$ 39,173,854
Business-type activities	(6,436,996)	(510,194)	(651,757)	(508,391)
Total primary government	<u>\$ 43,603,561</u>	<u>\$ 41,980,795</u>	<u>\$ 50,802,283</u>	<u>\$ 38,665,463</u>

Schedule 2

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

2015	2016	2017	2018	2019	2020
\$ 44,082,239	\$ 48,748,275	\$ 48,530,937	\$ 48,592,813	\$ 50,886,407	\$ 52,191,312
51,350,879	58,469,479	57,291,657	54,402,269	57,788,107	54,891,977
46,584,379	49,617,143	52,877,191	50,535,861	55,178,035	59,447,031
4,827,603	5,284,406	5,470,905	6,000,673	7,430,886	13,008,828
86,145,675	93,601,510	97,303,366	98,710,007	98,988,990	103,331,200
3,720,156	3,369,858	3,486,461	3,691,776	4,000,045	4,309,801
9,873,312	9,060,539	9,844,470	9,065,610	8,729,100	8,698,640
3,237,323	3,178,327	3,753,955	3,507,863	3,360,756	10,262,738
2,438,806	3,088,164	3,837,284	4,030,034	4,614,418	4,305,394
117,120	-	-	-	-	-
252,377,492	274,417,701	282,396,226	278,536,906	290,976,744	310,446,921
7,741,835	8,523,576	3,956,187	10,544,963	7,721,096	7,672,643
9,024	80,812	38,500	14,316	6,747	51,980
7,750,859	8,604,388	3,994,687	10,559,279	7,727,843	7,724,623
\$ 260,128,351	\$ 283,022,089	\$ 286,390,913	\$ 289,096,185	\$ 298,704,587	\$ 318,171,544
\$ 18,766,951	\$ 19,561,024	\$ 20,498,364	\$ 20,717,724	\$ 20,800,732	\$ 21,699,968
3,473,117	3,924,325	3,944,212	3,806,513	3,561,191	3,586,252
2,655,678	7,200,966	6,785,054	4,732,541	6,656,841	5,207,198
590,322	446,229	663,118	636,845	912,121	836,914
13,142,738	12,242,341	12,812,171	12,477,933	12,656,120	13,225,146
-	-	-	-	342,164	193,318
15,819,498	12,072,268	10,867,757	9,406,596	9,370,050	9,140,379
43,343	100	150	200	150	250
56,139,010	60,604,204	70,121,922	65,835,124	66,878,466	98,810,965
23,658,301	24,928,471	24,182,578	23,799,966	25,189,087	26,920,036
134,288,958	140,979,928	149,875,326	141,413,442	146,366,922	179,620,426
6,394,661	6,836,219	6,795,857	6,640,627	6,648,058	7,691,343
15,783	28,350	17,805	8,468	6,008	23,616
372,087	341,904	302,361	286,987	460,735	275,791
-	-	-	-	-	-
6,782,531	7,206,473	7,116,023	6,936,082	7,114,801	7,990,750
\$ 141,071,489	\$ 148,186,401	\$ 156,991,349	\$ 148,349,524	\$ 153,481,723	\$ 187,611,176
\$ (118,088,534)	\$ (133,437,773)	\$ (132,520,900)	\$ (137,123,464)	\$ (144,609,822)	\$ (130,826,495)
(968,328)	(1,397,915)	3,121,336	(3,623,197)	(613,042)	266,127
\$ (119,056,862)	\$ (134,835,688)	\$ (129,399,564)	\$ (140,746,661)	\$ (145,222,864)	\$ (130,560,368)
\$ 120,866,397	\$ 121,028,079	\$ 130,189,995	\$ 136,953,563	\$ 141,312,854	\$ 150,526,521
7,379,545	6,733,511	6,790,164	6,076,005	6,524,526	6,620,196
11,085,356	14,141,713	14,580,365	15,271,797	16,243,975	16,192,112
18,323,388	18,761,512	18,325,839	20,023,431	19,540,652	19,742,545
261,575	284,413	1,769,105	3,483,422	3,532,870	3,288,678
2,208,804	3,247,704	5,515,189	4,117,270	12,719,233	9,637,909
175,501	(321,918)	55,827	-	-	-
(224,784)	204,619	(332,642)	(435,081)	689,515	875
160,075,782	164,079,633	176,893,842	185,490,407	200,563,625	206,008,836
246,261	125,369	9,393	9,639	-	-
-	9,582	695	11,874	11,815	4,080
197,440	227,602	180,632	238,154	481,150	427,873
-	6,584	-	-	233,628	-
224,784	(204,619)	332,642	435,081	(689,515)	(875)
668,485	164,518	523,362	694,748	37,078	431,078
\$ 160,744,267	\$ 164,244,151	\$ 177,417,204	\$ 186,185,155	\$ 200,600,703	\$ 206,439,914
\$ 41,987,248	\$ 30,641,860	\$ 44,372,942	\$ 48,308,479	\$ 55,953,803	\$ 75,182,341
(299,843)	(1,233,397)	3,644,698	(2,926,236)	(575,964)	697,205
\$ 41,687,405	\$ 29,408,463	\$ 48,017,640	\$ 45,382,243	\$ 55,377,839	\$ 75,879,546

Schedule 3

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 216,648	\$ 579,845	\$ 622,749	\$ 882,776
Restricted	5,683,399	5,254,603	4,979,981	5,600,518
Committed	11,807,038	11,396,647	11,128,188	11,198,786
Assigned	9,190,115	10,827,022	11,461,139	13,297,528
Unassigned	<u>29,938,027</u>	<u>32,583,721</u>	<u>33,250,927</u>	<u>35,349,694</u>
Total general fund	<u>\$ 56,835,227</u>	<u>\$ 60,641,838</u>	<u>\$ 61,442,984</u>	<u>\$ 66,329,302</u>
All Other Governmental Funds				
Nonspendable	\$ 14,884,876	\$ 15,387,618	\$ 15,682,953	\$ 17,415,185
Restricted	3,650,901	3,380,146	28,609,661	9,299,382
Committed	24,381,395	25,031,803	22,165,433	21,046,801
Assigned	51,906,341	41,606,201	47,465,396	53,105,776
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other government funds	<u>\$ 94,823,513</u>	<u>\$ 85,405,768</u>	<u>\$ 113,923,443</u>	<u>\$ 100,867,144</u>

Schedule 3

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

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 558,932	\$ 1,110,385	\$ 842,311	\$ 829,672	\$ 496,722	\$ 394,308
5,610,702	2,877,147	2,716,543	2,663,751	3,499,400	3,960,029
11,175,193	11,181,351	11,557,726	11,535,451	11,435,806	11,930,709
15,989,811	18,139,783	17,364,782	16,746,109	16,334,445	21,517,824
34,786,997	37,196,660	37,027,480	40,190,030	41,486,020	43,114,632
<u>\$ 68,121,635</u>	<u>\$ 70,505,326</u>	<u>\$ 69,508,842</u>	<u>\$ 71,965,013</u>	<u>\$ 73,252,393</u>	<u>\$ 80,917,502</u>
\$ 22,533,116	\$ 26,649,056	\$ 27,449,111	\$ 26,630,815	\$ 31,577,334	\$ 34,372,388
47,685,253	59,278,434	34,473,547	63,872,775	31,154,596	62,514,338
20,121,586	19,745,067	20,295,660	20,730,280	20,288,262	21,691,496
50,504,334	49,422,783	44,034,197	40,370,377	48,597,565	49,813,504
-	(86)	-	-	-	-
<u>\$ 140,844,289</u>	<u>\$ 155,095,254</u>	<u>\$ 126,252,515</u>	<u>\$ 151,604,247</u>	<u>\$ 131,617,757</u>	<u>\$ 168,391,726</u>

Schedule 4

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

	2011	2012	2013	2014
Revenues				
Taxes	\$ 111,689,434	\$ 120,938,486	\$ 123,709,378	\$ 127,734,734
Licenses	141,491	167,889	149,444	311,378
Intergovernmental	109,516,961	117,323,896	119,509,790	119,682,121
Charges for services	26,264,862	27,602,297	28,032,924	27,189,262
Fines and forfeits	223,409	276,085	162,624	137,528
Earnings on investments	2,910,684	1,840,869	1,047,515	2,994,443
Gifts and contributions	8,433	8,231	7,945	8,982
Land and timber sales	6,903,181	5,790,449	6,925,052	8,007,234
Miscellaneous	4,592,934	5,393,940	4,716,580	4,554,843
Total revenues	<u>262,251,389</u>	<u>279,342,142</u>	<u>284,261,252</u>	<u>290,620,525</u>
Expenditures				
General government	36,775,477	37,907,421	40,135,037	41,551,894
Public safety	45,379,001	51,101,699	47,268,433	46,673,255
Highways and streets	32,073,766	43,267,909	39,139,593	38,392,604
Health and sanitation	5,350,896	4,733,399	5,111,826	4,946,831
Human services	74,451,490	75,180,107	76,075,893	79,113,396
Culture and recreation	2,582,543	2,042,815	2,482,810	2,177,850
Conservation of natural resources	7,864,462	7,410,014	8,335,366	8,793,370
Economic development	3,992,412	3,103,683	3,021,975	2,851,579
Debt service:				
Principal	5,944,670	4,774,990	16,697,490	6,997,490
Interest and other charges	1,597,362	1,387,050	1,196,565	2,492,340
Bond issuance costs	-	-	148,166	-
Capital outlay	46,812,865	56,209,840	56,705,471	67,260,570
Total Expenditures	<u>262,824,944</u>	<u>287,118,927</u>	<u>296,318,625</u>	<u>301,251,179</u>
Excess of revenues over (under) expenditures	<u>(573,555)</u>	<u>(7,776,785)</u>	<u>(12,057,373)</u>	<u>(10,630,654)</u>
Other Financing Sources (Uses)				
Transfers in	9,521,747	3,813,281	6,369,095	8,724,703
Transfers (out)	(3,642,033)	(2,613,593)	(6,360,992)	(10,293,379)
Bonds issued	-	-	25,290,000	5,470,000
Premium on bonds issued	-	-	1,045,018	213,897
Sale of capital assets	-	-	-	2,512,402
Refunding bonds issued	-	-	14,390,000	-
Premium on refunding bonds issued	-	-	1,086,183	-
Bond proceeds remitted to joint venture	-	-	-	(5,253,000)
Loan proceeds	-	-	-	-
Total other financing sources (uses)	<u>5,879,714</u>	<u>1,199,688</u>	<u>41,819,304</u>	<u>1,374,623</u>
Net change in fund balances	<u>\$ 5,306,159</u>	<u>\$ (6,577,097)</u>	<u>\$ 29,761,931</u>	<u>\$ (9,256,031)</u>
Debt service as a percentage of noncapital expenditures	3.5%	2.7%	7.5%	4.1%

Schedule 4

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

2015	2016	2017	2018	2019	2020
\$ 139,810,906	\$ 142,338,881	\$ 152,021,672	\$ 158,874,597	\$ 164,061,559	\$ 173,390,342
326,097	318,610	338,241	358,421	573,355	594,074
106,462,164	114,216,291	116,514,726	127,053,015	125,770,305	157,197,865
26,646,992	30,011,290	30,238,046	30,843,968	33,290,094	32,685,884
148,358	161,375	335,030	147,522	152,361	61,989
1,925,007	2,955,231	5,278,526	3,807,852	12,067,009	9,060,823
50,647	13,139	25,385	14,441	23,589	18,600
14,517,143	11,547,500	9,194,493	8,173,349	8,125,688	8,138,325
3,850,754	4,511,245	5,292,329	3,688,986	3,593,204	3,947,710
<u>293,738,068</u>	<u>306,073,562</u>	<u>319,238,448</u>	<u>332,962,151</u>	<u>347,657,164</u>	<u>385,095,612</u>
41,574,289	44,638,065	45,490,303	47,645,505	49,507,010	52,040,883
48,638,872	49,360,919	51,185,228	53,862,909	54,840,421	56,100,959
32,215,419	33,222,000	35,215,416	36,239,798	36,938,325	40,631,395
4,679,163	4,977,595	5,296,681	6,027,687	7,203,860	13,194,809
84,131,293	89,851,302	96,404,600	98,711,114	99,065,892	106,390,135
2,038,795	1,712,057	1,851,060	2,056,375	2,362,232	2,675,082
9,059,619	8,281,415	8,630,421	8,442,128	8,406,955	9,038,431
3,200,199	3,132,751	3,711,769	3,475,638	3,327,670	10,228,874
7,895,390	6,900,390	13,580,201	8,010,991	9,249,550	8,918,362
2,744,737	3,547,549	4,680,122	4,631,664	5,486,139	5,080,465
117,120	-	-	-	-	-
65,226,586	85,848,604	82,887,029	79,766,844	93,433,882	66,213,357
<u>301,521,482</u>	<u>331,472,647</u>	<u>348,932,830</u>	<u>348,870,653</u>	<u>369,821,936</u>	<u>370,512,752</u>
<u>(7,783,414)</u>	<u>(25,399,085)</u>	<u>(29,694,382)</u>	<u>(15,908,502)</u>	<u>(22,164,772)</u>	<u>14,582,860</u>
16,395,871	21,625,136	15,017,556	18,192,909	17,959,567	21,040,301
(16,343,554)	(21,102,488)	(15,217,058)	(18,793,163)	(16,754,069)	(22,965,437)
38,415,000	23,315,000	-	-	-	30,355,000
2,724,564	2,356,356	-	-	-	732,941
175,501	153,773	1,885,426	226,048	203,319	132,717
7,715,000	15,200,000	-	-	-	-
562,801	1,075,261	-	-	-	-
-	-	-	-	-	-
118,420	96,227	-	-	-	36,616
<u>49,763,603</u>	<u>42,719,265</u>	<u>1,685,924</u>	<u>(374,206)</u>	<u>1,408,817</u>	<u>29,332,138</u>
<u>\$ 41,980,189</u>	<u>\$ 17,320,180</u>	<u>\$ (28,008,458)</u>	<u>\$ (16,282,708)</u>	<u>\$ (20,755,955)</u>	<u>\$ 43,914,998</u>
4.6%	4.3%	6.9%	4.7%	5.3%	4.6%

Schedule 5

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

Fiscal Year Ended December 31	Residential Homestead Property	Agricultural Property	Commercial/ Industrial Property	Non- Homestead Residential Property	Commercial/ Residential Seasonal/ Recreational Property
2011	\$ 88,190,046	\$ 12,588,904	\$ 34,569,003	\$ 20,234,189	\$ 19,872,050
2012	73,421,338	11,850,610	34,880,766	20,752,566	18,023,850
2013	70,918,143	11,427,969	34,814,496	21,123,597	17,798,832
2014	71,253,746	11,093,889	36,265,115	21,648,430	18,020,695
2015	72,779,293	10,748,933	37,252,089	22,465,566	17,976,741
2016	75,207,097	10,858,284	39,855,900	23,288,542	18,608,696
2017	77,080,947	10,710,635	42,304,419	23,923,168	18,945,131
2018	80,625,753	10,734,163	45,568,082	24,924,824	19,183,150
2019	84,267,800	10,679,881	47,474,875	26,622,365	19,842,055
2020	88,322,718	10,720,019	47,233,394	29,050,508	20,440,619

Source: St. Louis County Auditor-Treasurer

Schedule 5

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

Personal Property	Total Net Tax Capacity	% Change Total Net Tax Capacity by Property Type	Total County Tax Rate Per \$100 of Taxable Net Tax Capacity	Estimated Market Value	Total Net Tax Capacity as a Percentage of Estimated Market Value
\$ 5,701,302	\$ 181,155,494	(0.380)%	57.2397	\$ 16,232,269,700	1.12%
7,548,436	166,477,566	(8.10)%	63.4004	15,973,891,989	1.04%
8,070,660	164,153,697	(1.40)%	65.0111	15,713,273,500	1.04%
8,980,291	167,262,166	1.89%	64.7031	15,889,008,120	1.05%
9,549,180	170,771,802	2.10%	65.3717	16,139,306,610	1.06%
10,216,656	178,035,175	4.25%	62.3352	16,672,379,734	1.07%
10,803,542	183,767,842	3.22%	66.1160	17,086,794,412	1.08%
11,291,604	192,327,576	4.66%	66.2917	17,726,359,612	1.08%
11,163,705	200,050,681	4.02%	66.1105	18,381,365,862	1.09%
10,439,131	206,206,389	3.08%	68.5405	19,015,651,427	1.08%

Schedule 6

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

Fiscal Year Ended December 31	County Direct Tax Rates Per \$100 of Taxable Net Tax Capacity				
	General Levy	Debt Service Levy	Regional Library Levy	County-wide Enterprise Fund	Total
2011	53.8690	2.8940	0.3639	0.1127	57.2396
2012	59.6669	3.2055	0.4031	0.1249	63.4004
2013	61.3764	3.0504	0.4072	0.1770	65.0110
2014	59.8998	4.2861	0.3881	0.1292	64.7032
2015	60.9660	3.9493	0.3921	0.0643	65.3717
2016	58.5015	3.4891	0.3446	-	62.3352
2017	62.6008	3.1653	0.3499	-	66.1160
2018	62.6523	3.3003	0.3391	-	66.2917
2019	62.6727	3.1200	0.3177	-	66.1104
2020	65.0566	3.1594	0.3246	-	68.5406

Source: St. Louis County Auditor-Treasurer

Schedule 6

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

Overlapping Rates

Independent School District #94	Independent School District #381	Independent School District #698	Independent School District #707	Independent School District #2142
29.6546	18.8364	39.6476	55.4932	17.3332
32.9031	21.2286	30.5928	59.2648	22.0098
31.6372	16.7696	31.6496	61.9301	23.1185
32.0031	17.1192	31.5870	61.8386	21.8874
32.7964	17.1909	18.2077	59.5846	21.4226
48.5922	16.3179	15.9902	58.5575	19.5075
44.9540	15.6292	9.9411	67.0244	15.9546
45.7260	15.6506	11.9812	33.9998	15.0488
47.0104	15.2169	11.7908	31.8529	14.2325
46.2667	15.3345	14.9192	30.1413	14.0197

Schedule 7

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

Taxpayer	2020			2011		
	Net Tax Capacity Value	Rank	Percentage of Total Taxable Net Tax Capacity Value	Taxable Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity Value
Allete, Inc. (Minnesota Power)	\$ 7,599,791	1	3.69%	\$ 3,658,438	1	2.02%
Wisconsin Central LTD	5,177,935	2	2.51%			
Enbridge Energy LTD Partnership	2,829,642	3	1.37%	511,706	9	0.28%
American Transmission Co LLC	1,128,794	4	0.55%			
Burlington No/Santa Fe Railway Co	1,048,484	5	0.51%			
Miller Hill Mall	1,022,655	6	0.50%	827,834	4	0.46%
Duluth Clinic	746,684	7	0.36%	585,719	5	0.32%
Northern States Power Co	617,674	8	0.30%			
Great River Energy	597,721	9	0.29%			
Menards Inc	520,798	10	0.25%			
DM&IR Railway				1,067,877	2	0.59%
Duluth Winnipeg & Pacific RR (2)				1,028,157	3	0.57%
IRET Properties				569,620	6	0.31%
Great Lakes Gas Transmission Co				563,370	7	0.31%
Potlatch				524,829	8	0.29%
Stora Enso North America Corp				444,276	10	0.25%
	<u>\$ 21,290,178</u>		<u>10.33%</u>	<u>\$ 9,781,826</u>		<u>5.40%</u>

Source: St. Louis County Auditor-Treasurer

Notes:

(1) Wisconsin Central LTD is a consolidated Payer previously reported separately:

(2) Duluth Missabe & Iron Range RR (DMIR), Duluth Winnipeg & Pacific RR, and Enbridge have had a number of utility personal property leases that have gone up millions of dollars each year since 2010.

Schedule 8

ST. LOUIS COUNTY, MINNESOTA
Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year Ended December 31	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (3)	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 92,048,735	\$ 88,767,523	96.44%	\$ 2,515,263	\$ 91,282,786	99.17%
2012	100,525,458	97,421,159	96.91%	2,487,367	99,908,526	99.39%
2013	101,954,370	98,871,857	96.98%	2,625,969	101,497,826	99.55%
2014	103,801,552	101,096,787	97.39%	1,993,429	103,090,216	99.31%
2015	107,057,125	104,921,850	98.01%	1,700,730	106,622,580	99.59%
2016	107,174,826	105,252,952	98.21%	1,326,637	106,579,589	99.44%
2017	116,925,963	114,907,543	98.27%	1,036,175	115,943,718	99.16%
2018	122,620,235	120,532,562	98.30%	1,096,838	121,629,400	99.19%
2019	127,201,123	125,105,026	98.35%	960,545	126,065,571	99.11%
2020	136,030,055	133,988,242	98.50%	-	133,988,242	98.50%

Notes:

- (1) - Excludes tax credits and certain state aids.
- (2) - Includes some small amounts that are not a part of the certified levy.
- (3) - Amounts are adjusted annually until the applicable year is dropped from the records, after 7 years.

Source: St. Louis County Auditor - Tax Levy Status Report

Schedule 9

ST. LOUIS COUNTY, MINNESOTA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Revenue Notes	Capital Leases			
2011	\$ 36,709,106	\$ 438,220	\$ 82,500	\$ 37,229,826	0.49%	186
2012	32,010,213	395,730	-	32,405,943	0.40%	162
2013	57,052,663	353,240	-	57,405,903	0.69%	287
2014	55,533,284	310,750	-	55,844,034	0.67%	278
2015	96,681,745	378,780	-	97,060,525	1.13%	483
2016	131,183,030	424,617	-	131,607,647	1.53%	657
2017	116,922,054	354,416	-	117,276,470	1.32%	586
2018	154,226,426	283,425	-	154,509,851	1.63%	774
2019	144,222,416	233,875	-	144,456,291	1.49%	726
2020	165,639,268	185,513	-	165,824,781	Not Available	836

Source:

See Schedule 13 for population and personal income data.

Schedule 10

ST. LOUIS COUNTY, MINNESOTA
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Revenue Notes	General Bonded Debt Outstanding		Less: Amounts Available in Debt Service Fund (1)	Net General Bonded Debt Outstanding	Percentage of Estimated Market Value	Per Capita
		General Obligation Bonds					
2011	\$ 438,220	\$ 36,709,106		\$ 1,146,870	\$ 35,562,236	0.22%	178
2012	395,730	32,010,213		1,091,624	30,918,589	0.20%	154
2013	353,240	57,052,663		4,181,175	52,871,488	0.35%	264
2014	310,750	55,533,284		1,658,107	53,875,177	0.35%	269
2015	378,780	96,681,745		8,554,007	88,127,738	0.56%	439
2016	424,617	131,183,030		25,434,249	105,748,781	0.63%	528
2017	354,416	116,922,054		20,458,433	96,463,621	0.56%	482
2018	283,425	154,226,426		3,560,401	150,666,025	0.76%	672
2019	233,875	144,222,416		1,711,430	142,510,986	0.78%	716
2020	185,513	165,639,268		841,936	164,797,332	0.87%	830

Sources:

(1) This is the amount restricted for debt service payments - This column was changed to reflect debt service fund balance starting in 2013 and then in 2018 it was changed to reflect the fund balance less any refunding debt balances.

See Schedule 5 for Estimated Market Values

See Schedule 13 for population data.

Schedule 11

ST. LOUIS COUNTY, MINNESOTA
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020

Governmental Unit	Debt Outstanding	Percentage Applicable*	Share of Debt
Direct Debt			
St. Louis County	\$ 165,824,781	100.00%	\$ 165,824,781
Overlapping Debt			
School District #94	57,520,250	4.79%	2,752,834
School District #381	11,150,000	17.42%	1,942,507
School District #698	1,250,000	95.89%	1,198,655
School District #707	143,000	45.16%	64,584
School District #2142	54,715,000	98.80%	54,058,619
Western Lake Superior Sanitary District	52,443,480	83.94%	44,021,383
Subtotal, overlapping debt			<u>104,038,582</u>
Total Direct and Overlapping Debt			<u><u>\$ 269,863,363</u></u>

*Applicable percentages were estimated by determining the portion of the governmental unit's net tax capacity that is within the county's boundaries and dividing it by each unit's total net tax capacity.

Schedule 12

ST. LOUIS COUNTY, MINNESOTA
Legal Debt Margin Information
Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Market value of taxable property	\$ 16,151,981,500	\$ 14,545,032,989	\$ 14,297,999,600	\$ 14,488,302,620
Debt limit (3% of market value) *	484,559,445	436,350,990	428,939,988	434,649,079
Debt applicable to limit:				
General obligation bonds	37,147,326	32,405,943	57,405,903	55,844,034
Less: Amount set aside for repayment of general obligation debt	<u>(1,146,870)</u>	<u>(1,091,624)</u>	<u>(4,181,175)</u>	<u>(1,658,107)</u>
Total net debt applicable to limit	36,000,456	31,314,319	53,224,728	54,185,927
Legal debt margin	<u>\$ 448,558,989</u>	<u>\$ 405,036,671</u>	<u>\$ 375,715,260</u>	<u>\$ 380,463,152</u>
Total net debt applicable to the limit as a percentage of the debt limit	7.43%	7.18%	12.41%	12.47%

Source: St. Louis County Auditor - Abstract of Tax Lists

* Debt limit is set by MN Statute 475.53

Schedule 12

ST. LOUIS COUNTY, MINNESOTA
Legal Debt Margin Information
Last Ten Fiscal Years

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 14,740,006,310	\$ 15,285,072,934	\$ 15,744,495,775	\$ 16,397,142,021	\$ 17,058,467,275	\$ 17,693,802,086
442,200,189	458,552,188	472,334,873	491,914,261	511,754,018	530,814,063
97,060,525	131,607,647	116,922,054	154,226,426	144,222,416	165,639,268
(8,554,007)	(25,434,249)	(20,458,433)	(19,902,267)	(17,928,541)	(22,203,457)
88,506,518	106,173,398	96,463,621	134,324,159	126,293,875	143,435,811
<u>\$ 353,693,671</u>	<u>\$ 352,378,790</u>	<u>\$ 375,871,252</u>	<u>\$ 357,590,102</u>	<u>\$ 385,460,143</u>	<u>\$ 387,378,252</u>
20.02%	23.15%	20.42%	27.31%	24.68%	27.02%

Schedule 13

ST. LOUIS COUNTY, MINNESOTA
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Year</u>	<u>Population (4)</u>	<u>Personal Income (thousands of dollars) (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Annual Average Labor Force (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (2)</u>
2011	200,226	\$ 7,621,547	\$ 38,059	106,564	25,150	6.6%
2012	200,255	8,007,980	39,976	103,634	25,100	6.6%
2013	200,319	8,324,927	41,513	103,495	25,176	6.0%
2014	200,540	8,344,103	41,523	104,067	25,072	4.3%
2015	200,949	8,579,520	42,805	102,274	25,010	5.7%
2016	200,431	8,624,380	43,126	101,056	25,059	5.6%
2017	200,000	8,911,235	44,556	101,991	25,382	4.4%
2018	199,745	9,471,691	47,417	103,382	25,382	3.9%
2019	199,070	9,698,354	48,718	103,243	24,978	4.3%
2020	198,455	Not Available	Not Available	99,786	25,303	5.5%

Sources:

- (1) - US Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov/index.htm> - Available March '19)
- (2) - Minnesota Department of Employment and Economic Development (<http://mn.gov/deed/data/data-tools/laus/>)
- (3) - Minnesota Department of Education (<http://education.state.mn.us/MDE/Welcomw/index.html>) - December 2018
- (4) - US Bureau of Census (factfinder2.census.gov)

Schedule 14

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

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
St. Mary's/Duluth Clinic Health System (Essentia Health)	6,513	1	6.53%	5,093	1	4.78%
St. Luke's Hospital	2,249	2	2.25%	1,602	4	1.50%
Miner's Inc.	1,990	3	1.99%			
St. Louis County	1,990	4	1.99%	1,697	2	1.84%
Duluth Public Schools	1,450	5	1.45%	1,426	5	1.34%
Minnesota Taconite (US Steel)	1,390	6	1.39%	1,169	8	1.10%
University of Minnesota Duluth	1,382	7	1.38%	1,626	3	1.53%
Allete	1,314	8	1.32%	1,419	6	1.33%
Duluth Air National Guard Base	1,068	9	1.07%	1,068	9	1.00%
Cirrus Aircraft	1,000	10	1.00%			
Uniprise (United Health Care)				1,362	7	1.28%
City of Duluth				850	10	0.80%
Total	20,346		20.37%	17,312		16.50%

Sources:

Northland Connection (<http://www.northlandconnection.com/industries.php>)
Schedule 15 - St Louis County
St. Mary's/Duluth Clinic Health System (email)
University of Minnesota Duluth (http://www.oir.umn.edu/hr/employee_count/report)

Schedule 15

ST. LOUIS COUNTY, MINNESOTA
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	Full-time Equivalent Employees			
	2011	2012	2013	2014
General government	397.90	406.60	415.60	417.40
Public safety	279.10	281.10	281.10	277.10
Highways and streets	316.00	319.00	319.00	319.00
Health and sanitation	73.40	66.40	67.90	66.15
Human services	519.50	530.50	544.50	565.75
Conservation of natural resources	68.00	68.00	70.00	70.15
Culture and recreation	-	-	-	-
Environmental services	43.00	43.00	43.50	43.00
Total	1,696.90	1,714.60	1,741.60	1,758.55

Notes:

Internal Service Funds are included with the general government function.

ISTS (Individual Sewage Treatment Systems) became a special revenue fund in 2018; the employees have been moved from Environmental Services to Health and sanitation for all years.

Source: St. Louis County Operating and Capital Budget

Schedule 15

ST. LOUIS COUNTY, MINNESOTA
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Full-time Equivalent Employees					
2015	2016	2017	2018	2019	2020
420.40	422.90	428.90	438.90	440.90	441.90
276.10	284.10	283.10	282.10	285.10	290.60
312.00	312.00	312.00	312.00	312.00	312.00
72.80	71.20	68.65	70.85	70.50	69.00
585.50	622.35	631.15	630.10	645.60	648.10
70.15	71.15	72.15	72.15	72.15	72.15
-	-	-	-	1.00	1.00
42.50	41.75	41.50	41.05	41.00	41.00
<u>1,779.45</u>	<u>1,825.45</u>	<u>1,837.45</u>	<u>1,847.15</u>	<u>1,868.25</u>	<u>1,875.75</u>

Schedule 16

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

Function/Program	Fiscal Year			
	2011	2012	2013	2014
General Government				
Auditor's Office				
Payments issued (1)	36,512	36,078	36,650	37,557
Motor Vehicle Driver's License	18,755	19,621	15,180	17,707
Motor Vehicle Passports	4,707	5,629	4,707	5,817
Motor Vehicle Transactions	53,959	52,944	38,180	52,705
Planning - Building Permits Issued				
Single Family Dwelling	152	121	129	144
Other	457	508	528	504
Public Safety				
Sheriff's Department				
Arrests	2,711	2,253	2,047	1,701
Traffic Citations	2,643	2,396	2,253	1,855
Mines				
Mine Investigations and Inspections	567	436	428	521
Highways and Streets				
Road and Bridge				
Miles of Overlay	3.05	-	-	-
Miles of Mill Overlay	-	-	-	-
Miles of Reclaim Overlay	21.62	34.20	11.20	24.80
Miles of Mill Reclaim Overlay	4.12	22.30	21.70	11.60
Miles of Construction	11.43	21.70	5.00	1.50
Miles of Bridge Constructed	-	-	2.27	1.00
Tons of Crushing	304,288	291,296	209,965	245,000
Miles of Crack Seal	124.90	148.40	106.10	182.00
Miles of Chip Seal (2)	-	-	-	27.00
Miles of Micro Seal (2)	-	-	-	26.40
Health and Human Services				
Health				
Public Health Visits (3)	5,840	6,472	7,476	6,283
Public Health Nursing Clients Served	2,278	1,830	1,566	2,170
Human Services				
Unduplicated Children in Out of Home Placement	735	780	869	963
Financial Assistance Cases	24,068	23,895	23,877	31,555
Child Support Cases	11,900	11,917	11,871	11,600
Persons Receiving DD (prev MR/RC) Waivered Services	745	754	778	766
Purchased Social Services (4)	\$ 133,734,173	\$ 136,101,330	\$ 136,201,198	\$ 143,054,192
Social Services Administrative costs (5)	\$ 26,751,337	\$ 25,993,636	\$ 29,750,944	\$ 29,368,786
Conservation of Natural Resources				
Land				
Total Acres of Tax Forfeit Lands	893,003	893,040	893,193	893,049
Contracts Sold	123	126	120	104
Closed Sales	134	111	109	108
Acres Harvested	10,650	10,783	8,325	10,056
Average Size of Sale (Acres)	79	97	76	93
Harvest Volume (Cords)	231,159	215,749	159,777	207,439
Cords Per Sale	1,725	1,944	1,466	1,921
Value	\$ 5,137,017	\$ 4,766,023	\$ 3,480,550	\$ 4,598,436
Average Value Per Sale	\$ 38,336	\$ 42,937	\$ 31,932	\$ 42,578
Average Value Per Cord	\$ 22	\$ 22	\$ 22	\$ 22
Average Value Per Cut Acre	\$ 482	\$ 442	\$ 418	\$ 457
Volume Per Cut Acre (Cords)	22	20	19	21
Value Per Tax Forfeit Acre	\$ 6	\$ 5	\$ 4	\$ 5
Environmental Services				
Tons of Municipal Solid Waste Landfilled	51,346	52,007	51,573	51,320
Tons of Industrial Waste Landfilled	12,304	12,675	14,647	1,466
Tons of Demolition Collected	6,990	8,791	9,153	9,561

Notes:

- (1) Checks issued was changed to payments issued in 2020 and now includes ACH payments and paper checks for all years.
- (2) Chip seal and micro seal were new programs in 2014.
- (3) Includes home and virtual visits
- (4) Purchased Social Services are payments made by DHS or Health and Human Services for St. Louis County residents
- (5) Includes children's services, child care, chemical dependency, mental health, developmental disabilities, adult services

Source: Individual County Departments

Schedule 16

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

		Fiscal Year			
2015	2016	2017	2018	2019	2020
38,313	38,518	37,081	35,460	32,770	29,566
18,313	19,200	18,269	18,704	21,673	22,161
7,368	8,254	9,286	8,183	8,158	3,337
55,911	61,921	61,124	64,745	66,172	42,818
168	172	137	184	182	158
566	651	731	1,082	1,284	1,188
1,545	1,282	2,067	907	955	863
1,691	1,708	995	1,747	1,425	1,273
414	392	428	465	389	323
-	4.00	-	4.30	0.70	5.80
30.20	2.00	34.10	15.50	7.90	2.90
34.00	30.00	30.20	77.50	22.40	29.10
29.20	16.00	10.80	-	23.20	10.00
0.50	2.00	2.80	0.50	2.30	1.80
0.35	0.40	1.30	0.13	1.80	0.70
198,000	167,000	235,350	245,000	216,627	233,194
165.80	64.00	-	-	191.70	140.70
98.00	124.00	145.60	85.60	103.60	107.32
18.80	-	-	-	-	-
7,098	5,042	5,472	5,975	5,482	4,413
2,487	2,229	2,698	3,994	3,361	4,333
1,047	1,166	1,271	1,257	1,082	947
38,357	24,377	36,970	34,578	33,151	36,620
11,644	11,194	10,213	9,539	9,615	8,607
736	754	783	758	747	786
\$ 155,482,267	\$ 163,240,897	\$ 171,802,698	\$ 173,910,551	unavailable	unavailable
\$ 32,782,197	\$ 33,789,536	\$ 38,931,385	\$ 41,111,142	\$ 42,498,791	\$ 44,336,173
893,158	890,449	890,768	888,936	888,592	886,756
95	117	105	95	91	109
108	83	112	109	99	102
9,429	7,034	9,001	9,045	7,898	8,279
87	85	80	83	80	81
207,700	150,824	193,101	192,260	166,539	165,936
1,923	1,817	1,724	1,764	1,682	1,627
\$ 5,303,873	\$ 3,871,488	\$ 4,862,475	\$ 4,407,835	\$ 4,174,369	\$ 3,990,192
\$ 49,110	\$ 46,644	\$ 43,415	\$ 40,439	\$ 42,165	\$ 39,120
\$ 26	\$ 26	\$ 25	\$ 23	\$ 25	\$ 24
\$ 563	\$ 550	\$ 540	\$ 487	\$ 529	\$ 482
22	21	21	21	21	20
\$ 6	\$ 4	\$ 5	\$ 5	\$ 5	\$ 5
51,785	51,128	52,028	51,824	52,605	53,481
1,370	3,029	1,460	1,573	734	402
7,832	8,091	5,813	4,824	3,997	4,627

Schedule 17

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

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Courthouses	3	3	3	3	3	3	3	3	3	3
Motor Pool Vehicles	138	131	135	142	148	137	136	139	150	156
Office Buildings	1	2	2	3	3	3	3	3	3	3
Parking Ramp	2	2	2	2	2	2	2	2	2	2
Public Safety										
Vehicles	147	166	172	166	184	187	186	207	204	228
Jail and Lockup Facilities	3	3	3	3	3	3	3	3	3	3
Emergency Operations Center	1	1	1	1	1	1	1	1	1	1
Rescue Squad Buildings				2	2	3	3	5	5	5
Highways and Streets										
Vehicles	218	220	231	227	249	263	261	239	238	259
Miles of County Road	1,576	1,600	1,594	1,266	1,263	1,247	1,247	1,248	1,247	1,245
Miles of County State Aid Road	1,392	1,392	1,392	1,389	1,387	1,384	1,384	1,384	1,384	1,385
Number of Bridges	594	594	601	596	598	598	598	595	596	597
Garages and Storage Buildings	88	90	91	91	91	91	93	93	94	94
Graders, Loaders and Heavy Trucks	383	380	376	374	385	381	413	429	465	487
Health and Sanitation										
Nursing Homes	1	1	1	-	-	-	-	-	-	-
Demolition Landfill	1	1	1	1	1	1	1	1	1	1
Regional Landfill	1	1	1	1	1	1	1	1	1	1
Recyclables Processing Facility	1	1	1	1	1	1	1	1	1	1
Transfer Station	5	5	5	5	5	5	5	5	5	5
Human Services										
Office Buildings	2	2	2	2	2	2	2	2	2	2
Culture and Recreation										
Heritage and Arts Center	1	1	1	1	1	1	1	1	1	1
Conservation of Natural Resources										
Vehicles	46	47	49	48	47	48	44	45	48	49
Offices and Garages	8	8	8	8	8	8	8	8	8	6
Graders, Loaders and Heavy Trucks	13	13	13	13	13	13	13	14	15	16

Sources:

St. Louis County Auditor-Treasurer
Individual County Departments