



GOODHUE COUNTY
RED WING, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2024



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF GOODHUE COUNTY, MINNESOTA**

YEAR ENDED DECEMBER 31, 2024
ISSUED MAY 30, 2025

PREPARED BY:
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**GOODHUE COUNTY
RED WING, MINNESOTA
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	I
CURRENT ORGANIZATIONAL CHART	VII
GFOA CERTIFICATE OF ACHIEVEMENT	VIII
ELECTED AND APPOINTED OFFICIALS	IX

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES	22
STATEMENT OF ACTIVITIES	24

FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS

BALANCE SHEET	25
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES	27
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	28
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES	30

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION	31
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	32
NOTES TO THE FINANCIAL STATEMENTS	33

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES

GENERAL FUND	95
ROAD AND BRIDGE SPECIAL REVENUE FUND	98

**GOODHUE COUNTY
RED WING, MINNESOTA
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND	99
ECONOMIC DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND	100
PERA GENERAL EMPLOYEES RETIREMENT PLAN	
SCHEDULE OF THE COUNTY’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	101
SCHEDULE OF CONTRIBUTIONS	101
PERA PUBLIC EMPLOYEES POLICE AND FIRE FUND	
SCHEDULE OF THE COUNTY’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	102
SCHEDULE OF CONTRIBUTIONS	102
PERA PUBLIC EMPLOYEES CORRECTIONAL FUND	
SCHEDULE OF THE COUNTY’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	103
SCHEDULE OF CONTRIBUTIONS	103
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY, RELATED RATIOS AND NOTES	104
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION	105
SUPPLEMENTARY INFORMATION	
MAJOR FUND	
BUDGETARY COMPARISON SCHEDULE – DEBT SERVICE FUND	119
NONMAJOR GOVERNMENTAL FUND	
BUDGETARY COMPARISON SCHEDULE – WASTE MANAGEMENT SPECIAL REVENUE FUND	121
CUSTODIAL FUNDS	
CUSTODIAL FUNDS INDEX	122
COMBINING STATEMENT OF FIDUCIARY NET POSITION	123
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	124
OTHER SCHEDULES	
SCHEDULE OF INTERGOVERNMENTAL REVENUE	125
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	127
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	129

**GOODHUE COUNTY
RED WING, MINNESOTA
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

OTHER INFORMATION SECTION

TAX CAPACITY, TAX RATES, LEVIES, AND PERCENTAGE OF COLLECTIONS	130
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STATISTICAL SECTION (UNAUDITED)

STATISTICAL SECTION INDEX	132
NET POSITION BY COMPONENT UNIT	133
CHANGES IN NET POSITION	134
FUND BALANCES OF GOVERNMENTAL FUNDS	136
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS	137
TAX CAPACITY BY CLASSIFICATION, ESTIMATED MARKET VALUE AND TAXABLE MARKET VALUE	139
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS	140
TEN LARGEST TAXPAYERS	141
PROPERTY TAX LEVIES AND COLLECTIONS	142
RATIOS OF OUTSTANDING DEBT TO PERSONAL INCOME AND DEBT PER CAPITA	143
RATIOS OF NET BONDED DEBT TO ESTIMATED MARKET VALUE AND NET BONDED DEBT PER CAPITA	144
DIRECT AND OVERLAPPING DEBT	145
LEGAL DEBT MARGIN	146
DEMOGRAPHIC AND ECONOMIC INFORMATION	147
MAJOR EMPLOYMENT INDUSTRIES IN GOODHUE COUNTY	148
FULL-TIME EQUIVALENT EMPLOYEES BY DEPARTMENT	149
OPERATING INDICATORS BY FUNCTION	150
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION	151

INTRODUCTORY SECTION



509 W. Fifth Street Red Wing, MN 55066
goodhuecountymn.gov

May 30, 2025

To: The Citizens of Goodhue County
 The Goodhue County Board of Commissioners
 The Interested Agencies and Institutions

This Annual Comprehensive Financial Report of Goodhue County is hereby submitted for the fiscal year ended December 31, 2024. This report was prepared by the Finance and Taxpayer Services Department with the assistance of various departmental accounting staff of Goodhue County in conformity with generally accepted accounting principles (GAAP) set forth by the Governmental Accounting Standards Board. Goodhue County Management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations for the various funds of the County. The enclosed report has earned an unmodified opinion from our auditors and includes all disclosures necessary to enable the reader to gain an understanding of the County's financial activities.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Goodhue County's MD&A can be found immediately following the report of the independent auditors.

The County is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Office of Management and Budget (OMB) sets forth the audit requirements for State and Local Governments receiving federal assistance.

General County Information

Goodhue County was created in 1853 from portions of Wabasha County. Located just outside the Twin Cities metropolitan area, the County has an area of 780 square miles and includes 21 townships and 10 full and fractional municipalities. Out of 87 counties in Minnesota, the 2023 population of 48,035 puts Goodhue County as the State's 20th most populous county. The largest municipality and county seat of Red Wing is located on the Mississippi River.

Governmental Organization and Services

The County operates under an elected five-member County Board of Commissioners, with each member representing a specific district in the County. Board members are elected on a non-partisan basis and serve 4-year staggered terms. Each member of the board serves on various committees. The County Sheriff and County Attorney are also elected officials serving in administrative capacities.

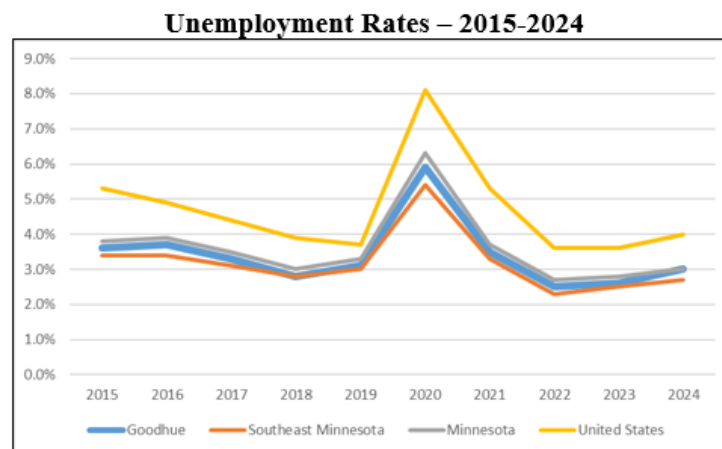
The Board's responsibilities include passing ordinances, adopting the budget, and appointing the County Administrator. The County Administrator is responsible for carrying out the policies and ordinances of the Board, appointing heads of various departments and overseeing the day-to-day operations of the government.

The legally separate Economic Development Authority (EDA) is included in the County's financial statements as a blended component unit. The EDA was created in 1995 to carry out economic and industrial development and redevelopment within the county and to act on behalf of the County's interest in continued job development. The EDA's board consists of the County Board of Commissioners and two members from other county-based economic development organizations.

The County provides a full range of services. These services include construction and maintenance of highways and infrastructure, court and probation services, elections, health and human services, law enforcement and detention center services, parks and trails, planning and zoning, property valuation assessment, public records management, tax assessment and collection, and veteran services.

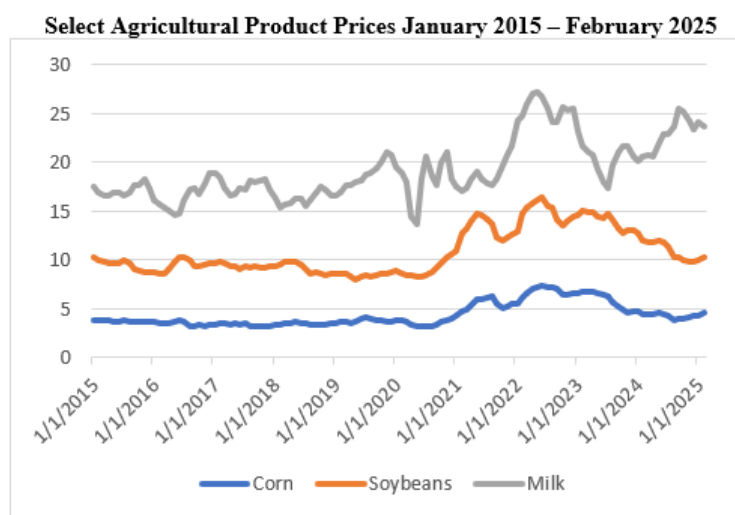
Economic Condition and Outlook

Goodhue County is located within one hour of the three largest cities in Minnesota: Minneapolis, St. Paul, and Rochester. County residents work primarily within the southeastern Minnesota region, either in the County or neighboring Dakota and Olmsted Counties. Unemployment increased slightly in 2024 after three years of decreases following the spike in 2020 caused by the COVID-19 pandemic. Levels in Goodhue County as well as the southeast region remain well below nationwide levels and have remained stable during the first part of 2025.



The cost of living in Goodhue County for an average family is 6.5% lower than Minnesota statewide, 12.2% lower than Dakota County and 0.65% lower than Olmstead County. The County's population remains stable, growing 1.0% from 2020-2024.

While the County seat of Red Wing maintains a viable commercial district and is a tourist destination, particularly during the summer months, Goodhue County also contains significant rural and agricultural interests. The taxable market value of agricultural land in the County increased 12.2% for the tax payable year 2025, total value is 51.0% higher than in 2015 and has increased 49.1% since 2020. As shown in the following graph, prices for corn and soybeans have decreased since 2023, but remain elevated compared to 2020. Milk prices have been more volatile and are currently slightly higher than the midpoint of the data presented.



Major Initiatives

Richard Samuelson Byllesby Park Pavilion – In June 2024 the County held a grand opening and ribbon cutting ceremony celebrating the completion of the new park pavilion. This was a multi-year project and was funded by a grant from the State of Minnesota as well as county levy dollars. The pavilion was dedicated in honor of former County Commissioner Richard Samuelson to commemorate his dedication to parks and trails. Byllesby Park would not be here today without Samuelson's vision to set aside land for public recreation, his strong support for creating parks and trails throughout the County, and his advocacy efforts aimed at providing access to meaningful outdoor spaces for Goodhue County residents.

Local/Regional Partnerships – The County continues to partner with various local and regional governments, agencies, and other organizations on housing issues in the County, in particular Southeastern Minnesota Multi-County Housing & Redevelopment Authority (SEMMCHRA). SEMMCHRA's mission is to enhance and strengthen communities through advocacy, collaboration and promotion of self-reliance, housing, and community development. One member of Goodhue County's Board sits on the SEMMCHRA board.

SEMMCHRA has specifically levied \$100,000 annually to be set aside in the Goodhue County Trust Fund for years 2017 through 2025, with the exception of 2024 when it levied \$300,000. These funds, along with similar funds provided by other government agencies, will be used to address housing needs within the County, particularly work-force affordable housing and other multi-family housing developments.

Financial Information

Goodhue County's strong financial management continues to provide the people of the County with several initiatives designed to enhance its excellent financial position: (1) investing funds not immediately needed for expenditures to maximize non-tax revenue; (2) allocating County resources to those areas that meet community needs as expressed by the Board of Commissioners; (3) closely monitoring expenditures to ensure that activities are carried out within authorized levels; and (4) using advice and recommendations from the general public to improve productivity in the delivery of County services.

Single Audit

As a recipient of Federal, State, and Local financial assistance, the County is responsible for ensuring adequate internal controls are in place and to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management.

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) sets forth audit requirements for State and Local governments receiving federal assistance. It provides for a single independent audit of the financial operations, including compliance with certain provisions of federal law and regulations. The requirements have been established to ensure that audits are made on an organization wide basis rather than a grant-by-grant basis. The grants for which these requirements apply are identified in federal award schedules issued under a separate report and included as supplementary information in the Financial Section of this Annual Comprehensive Financial Report.

Internal Controls

The County's system of internal controls is supported by written policies and procedures, which are continually reviewed, evaluated, and modified to meet current needs.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Controls

Budgetary control is maintained at the fund level and is subject to periodic review by the County Board. In addition, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with provisions embodied in the annual appropriated budget approved by the County's governing body. Activities in the general fund, special revenue funds, and debt service fund are included in the annual appropriated budget. According to Minnesota Laws, County governments are required to adopt budgets but are not required to use them as legal limits. The County Board is made aware of all budget variances.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

Notes to the Financial Statements

The Notes to the Financial Statements, presented with the Basic Financial Statements section, are an integral part of this Annual Comprehensive Financial Report and should be read for a fuller understanding of the statements and information presented within. The Notes to the Required Supplementary Information other than the MD&A are an integral part of the Budgetary Comparison Schedules.

Revenue Limitations

Goodhue County has been and will continue to focus on the social, ecological, and financial health of its communities. The County Board has done so through fiscal restraint, planning, and execution of initiatives. The Goodhue County Board of Commissioners has held the levy increase in 2024 and 2025 to 4.20% and 3.49%, respectively.

Financial Policy

Fund balances of the County's operating funds were maintained, in total, at an adequate level for operating reserve purposes for the subsequent year of 2025.

Debt Administration

The County has a Moody's rating of Aa2. Goodhue County currently utilizes only 3.27% of the total allowable general obligation debt according to Minnesota State Statutes. The notes to the financial statements, as well as the Debt Capacity tables in the Statistical Section explain more fully the debt position and future obligations of the County.

Risk Management

Currently, the County insures itself through the Minnesota Counties Intergovernmental Trust for property, casualty, liability, and workers' compensation. The County's safety committee meets on a regular basis to help minimize future loss exposure. Note 8 explains the funding and associated risks in further detail.

Independent Audit

Minnesota state statutes require an annual independent audit of the books of account, financial records, and transactions of the County. This requirement has been complied with, and the Auditor's Report has been included in this report. CliftonLarsonAllen, LLP will issue a management and compliance letter covering the review, made as part of its audit of the County's system of internal controls and compliance with applicable legal provisions. The management and compliance letter will not modify or affect this report on the financial statements.

Invitations, Awards, and Acknowledgements

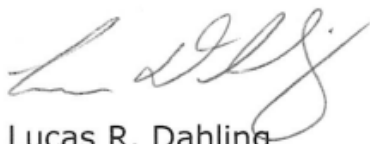
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Goodhue County for its annual comprehensive financial report for the fiscal year ended December 31, 2023. This was the fifth year that Goodhue County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to invite you to continue on and read the remainder of this Annual Comprehensive Financial Report. This report will allow readers to gain a good understanding of our financial position. If you have any questions regarding any of the materials presented herein, please contact the Finance and Taxpayer Services Department at Goodhue County. We also invite you to visit our County web page at www.goodhuecountymn.gov. Our goal with this report is to keep you as well informed as possible about your government. Our efforts have been to provide transparency and disclosure with all finances of the County.

Finally, we would like to acknowledge the hard work put forth by the entire staff throughout the year and during the preparation of this report. The preparation of this report could not have been accomplished without the efficient and dedicated service of everyone. The County Board of Commissioners should also be recognized for its interest and support in planning and conducting the financial activities of the County in a responsible manner throughout the year. The County's strong financial position is a direct result of that involvement.

Respectfully submitted,

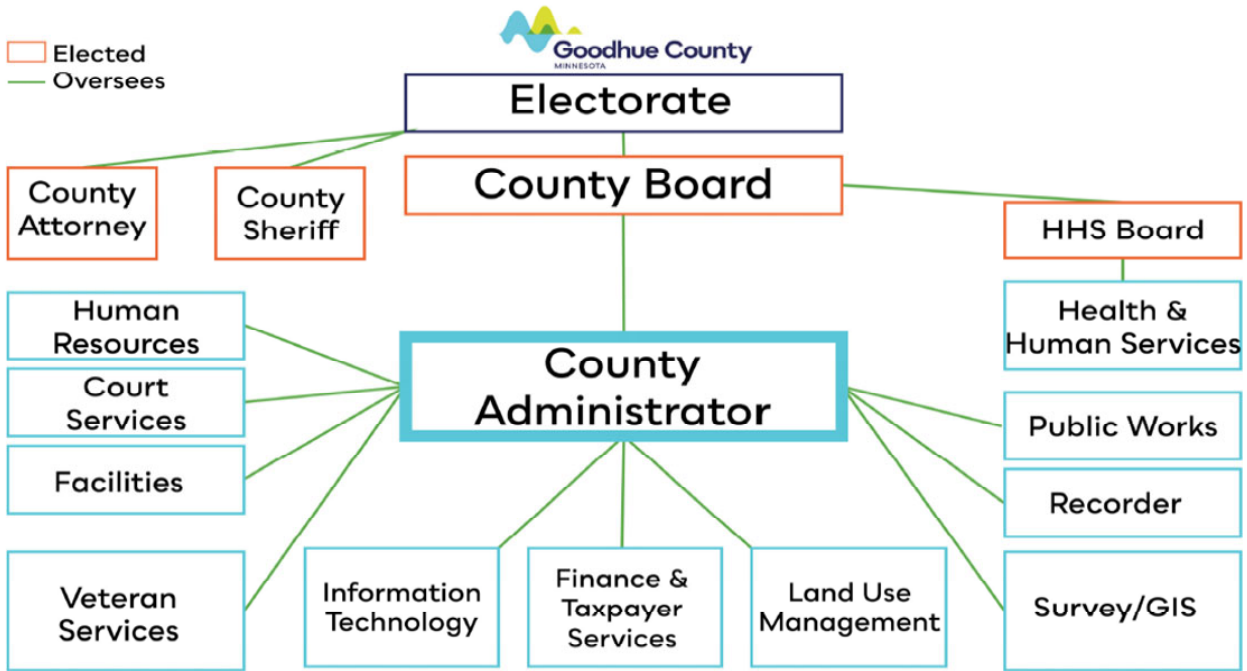


Lucas R. Dahling
Finance Director



Teresa Reisdorfer
Finance Controller

2024 Goodhue County Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
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Reporting

Presented to

**Goodhue County
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

**GOODHUE COUNTY
RED WING, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
2024**

			<u>Term Expires</u>
Elected Officers			
Commissioners			
Chair	Todd Greseth	District 3	January 2025
Vice Chair	Brad Anderson	District 2	January 2027
Board Member	Linda Flanders	District 1	January 2025
Board Member	Jason Majerus	District 4	January 2027
Board Member	Susan Betcher	District 5	January 2025
Attorney	Stephen O'Keefe		January 2027
County Sheriff	Marty Kelly		January 2027
Appointed Officials			
Administrator	Scott Arneson		Indefinite
Court Services	Rhonda VanSchoonhoven		Indefinite
Facilities Maintenance	Tim Redepenning		Indefinite
Finance Director	Lucas Dahling		Indefinite
Health and Human Services	Nina Arneson		Indefinite
Information Technology	John Smith		Indefinite
Surveyor/Recorder	Jeff Ekblad		Indefinite
Land Use	Megan Smith		Interim
Public Works	Jess Greenwood		May 2027
Veterans Service Officer	Justin Kent		September 2026



INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Goodhue County
Red Wing, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Goodhue County, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Goodhue County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Goodhue County, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Goodhue County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Goodhue County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Goodhue County's basic financial statements. The supplementary information consisting of the combining financial statements, budgetary comparison schedule – debt service fund and waste management fund, and the schedule of intergovernmental revenues, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining financial statements, budgetary comparison schedule – debt service fund and waste management fund, schedule of intergovernmental revenues, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section, Tax Capacity, Tax Rates, Levies, and Percentage of Collections, and Statistical Section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2025, on our consideration of Goodhue 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 Goodhue 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 Goodhue County's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Brainerd, Minnesota
May 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Goodhue County offers readers this narrative overview and analysis of the financial activities for the County for the fiscal year ended December 31, 2024. This narrative focuses on current year financial activities and changes in financial position as well as significant known financial and economic issues affecting the County. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and the notes to the financial statements.

HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows by \$227,637,321 on a government-wide basis as of December 31, 2024. Of this amount, \$58,981,661 may be used to meet the County's ongoing obligations to its citizens and creditors.
- The County's net position increased by \$11,853,381, or 5.5% over the previous year net position.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$82,186,834, an increase of \$2,755,863, or 3.5% as compared to the prior year. Of this total, \$23,115,210 (28.1%) is unassigned and is available for use at the County's discretion. The remaining \$59,071,624 is restricted in some manner as shown in the fund balance section of the balance sheet and as described in Note 3.E.
- Increases were reported in the General fund, Health and Human Services special revenue fund, Debt Service fund, Ditch fund, and Waste Management special revenue fund. The largest increases were in the General fund (\$2,445,738, 6.6%) and the Health and Human Services fund (\$766,169, 3.8%). The increase in the General fund was primarily due to an increase in the property tax levy. The increase in the Health and Human Services special revenue fund was due primarily to increased grant funding.
- At the end of 2024, the unassigned fund balance of the general fund was \$23,360,381, or 57.8% of general fund expenditures.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Goodhue County's basic financial statements, which are comprised of four components: 1) government-wide financial statements, 2) individual fund financial statements, 3) fiduciary fund financial statements, and 4) notes to the financial statements. Readers should review this section in conjunction with the letter of transmittal at the beginning of this report and the basic financial statements and notes immediately following.

The following table summarizes the major features of, and differences between, the County's three basic financial statements:

	Government-Wide Statements	Governmental Funds	Fiduciary Funds
Scope	All county funds (in total), except fiduciary	All county funds (shown by fund), except fiduciary	Activities for which the County is an agent for other's resources
Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting Basis	Full Accrual	Modified Accrual	Full Accrual
Measurement Focus	Economic Resources	Current financial resources	Economic Resources
Assets, Liabilities, Deferred Inflows/Outflows	All Assets, Liabilities, Inflows and Outflows	Only items due or to be used in the coming year or soon thereafter	All Assets, Liabilities, Inflows and Outflows
Resource Flows	All revenues earned, all expenses incurred	Revenues earned and expenditures incurred only for which cash was received/paid during the year or shortly after the end of the year	All revenues earned, all expenses incurred

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's financial activities and position in a manner similar to a private-sector business. The Statement of Net Position includes all assets and deferred outflows, less liabilities and deferred inflows, with the difference reported as net position. This statement combines the short-term resources and obligations shown in the individual fund statements with capital assets, other long-term assets and long-term obligations. Over time, the increases and decreases in net position as shown on the statement of net position, when assessed along with other nonfinancial factors such as changes in tax base and condition of infrastructure, can be a useful indicator of whether the County's financial situation is getting better or worse.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. This statement focuses on the costs of various government activities, and shows program revenues (revenues generated as a direct result of each program, such as user fees or grants) separately from general revenues that are not tied to any specific program, such as property taxes. This presentation helps the reader assess the net cost of each government activity and shows the extent to which the government relies on property tax revenues to support its operations.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of the related cash flows. This means that some revenues and expenses are reported in this statement in the current year that will result in cash flows in future years. Examples include uncollected taxes and accounts payable.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of Goodhue County's funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

The County maintains six major (General, Road and Bridge, Health and Human Services, Economic Development Authority, Ditch and Debt Service) and one non-major (Waste Management) individual governmental funds. Governmental funds are used to account for most of the County's basic services; these are essentially the same functions reported as Governmental Activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of those resources that are available for spending at the end of the fiscal year. This information is helpful in evaluating the amount of resources available in the near future to finance the County's ongoing services and programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may be better able to understand the long-term impact of the government's near-term financing decisions. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are **not** reported in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. The County maintains two types of fiduciary funds: one private-purpose trust fund and several custodial funds. The private-purpose trust fund is used to account for collection and distribution of social security funds with the County acting as a representative payee for individuals. Separate custodial funds are used to account for property tax revenues for other jurisdictions, charges and fee revenues for other state and local governments, funds deposited by or on behalf of detention center inmates to be used for payment of discretionary services or mandated fees, processing of financial judgments in civil court cases and recoveries of medical assistance overpayments.

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 can be found starting on page 33 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report includes other supplemental information. *Required Supplementary Information* includes information on the County's net pension and other post-employment benefits (OPEB) liabilities, as well as budgetary comparison statements for all funds except Debt Service and Waste Management. *Other Supplementary Information* consists of custodial fund combining statements, budgetary comparisons for the Debt Service and Waste Management funds and schedules related to intergovernmental revenues and federal grant funds and expenditures. The *Statistical Section* presents summary financial and other information, including taxpayer, rate and collection information, outstanding debt history and operating (non-financial) data to help the reader further understand the financial information presented in the basic statements and notes.

Government-Wide Financial Analysis

As noted earlier, net position changes over time may serve as one useful indicator of the County's financial health. As of December 31, 2024, the assets and deferred outflows of the County exceeded its liabilities and deferred inflows by \$227,637,321. The following table provides a condensed comparative version of the government-wide statement of net position.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

	Governmental Activities		
	2024	2023	\$ Change
Assets			
Current and other assets	\$ 111,714,416	\$ 109,653,778	\$ 2,060,638
Capital assets (net)	160,668,866	151,762,224	8,906,642
Total Assets	\$ 272,383,282	\$ 261,416,002	\$ 10,967,280
Deferred Outflows of Resources	\$ 11,724,414	\$ 13,414,196	\$ (1,689,782)
Liabilities			
Long-term liabilities	\$ 35,066,457	\$ 39,419,113	\$ (4,352,656)
Other liabilities	4,157,662	4,577,246	(419,584)
Total Liabilities	\$ 39,224,119	\$ 43,996,359	\$ (4,772,240)
Deferred Inflows of Resources	\$ 17,246,256	\$ 15,049,899	\$ 2,196,357
Net Position			
Net investment in capital assets	\$ 148,765,445	\$ 138,773,273	\$ 9,992,172
Restricted	19,890,215	16,285,993	3,604,222
Unrestricted	58,981,661	60,724,674	(1,743,013)
Total Net Position	\$ 227,637,321	\$ 215,783,940	\$ 11,853,381

The largest portion of Goodhue County's net position, \$148,765,445, or 65.4%, reflects its investment in capital assets (land, buildings, equipment, vehicles, road/bridge infrastructure, right-to-use-assets, subscription-based information technology arrangements) less any related debt still outstanding that was used to acquire those items. Goodhue County uses these assets to provide services to its citizens; consequently, these assets are not available for future spending.

An additional \$19,890,215, or 8.7% of the County's net position represents resources subject to external restrictions on how they may be used. The remaining balance of \$58,981,661, or 25.9%, is unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors as determined by County management and Board of Commissioners.

Overall net position increased \$11,853,381 over 2023. Investment in capital assets increased by \$10.0 million (7.2%) due primarily to construction in progress additions offset by depreciation expense on all capital items. Restricted net position increased by \$3.6 million, or 22.1% due primarily to timing of receipts of state funds for construction and completion of related construction projects. Unrestricted net position decreased by \$1.7 million (2.9%) due to a decrease in current year revenues, specifically COVID related funding by \$3.6M. This decrease in revenues was offset by a decrease in expenses of \$1.0M related to a broadband project that occurred in the prior year.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Statement of Activities

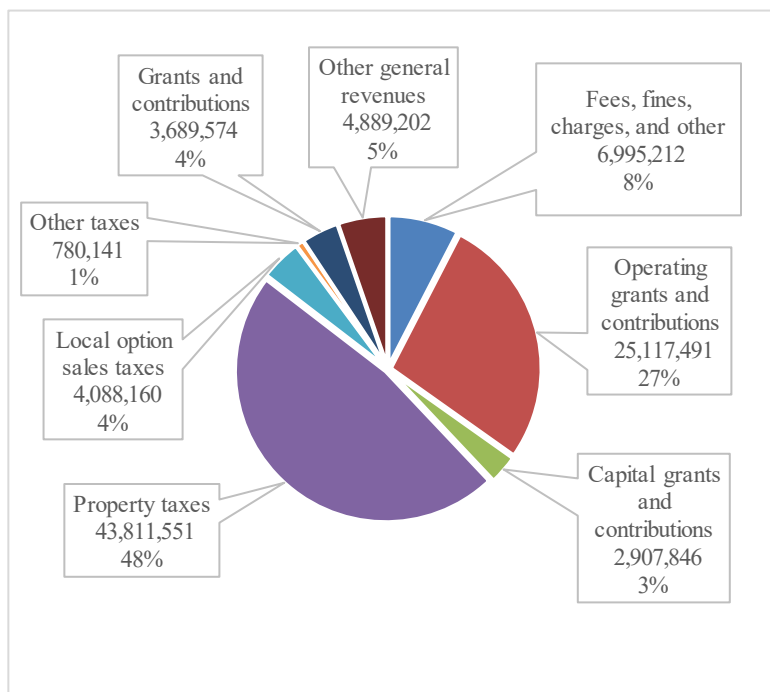
Governmental activities increased the County's net position by \$11,853,381 in the current fiscal year. The following table is a condensed version of the statement of activities, showing changes in net position.

	Governmental Activities			
	2024	2023	\$ Change	% Change
Revenues				
Program Revenues				
Fees, fines, charges, and other	\$ 6,995,212	\$ 12,689,157	\$ (5,693,945)	-44.9%
Operating grants and contributions	25,117,491	26,848,429	(1,730,938)	-6.4%
Capital grants and contributions	2,907,846	3,665,944	(758,098)	-20.7%
General Revenues				
Property taxes	43,811,551	41,983,937	1,827,614	4.4%
Local option sales taxes	4,088,160	4,550,162	(462,002)	-10.2%
Other taxes	780,141	709,706	70,435	9.9%
Grants and contributions	3,689,574	2,427,665	1,261,909	52.0%
Other general revenues	4,889,202	5,050,282	(161,080)	-3.2%
Total Revenues	<u>\$ 92,279,177</u>	<u>\$ 97,925,282</u>	<u>\$ (5,646,105)</u>	-5.8%
Program Expenses				
General government	\$ 16,092,461	\$ 17,542,700	\$ (1,450,239)	-8.3%
Public safety	18,613,766	18,261,088	352,678	1.9%
Highways and streets	15,195,681	16,811,149	(1,615,468)	-9.6%
Sanitation	900,869	927,983	(27,114)	-2.9%
Human services	20,766,107	14,959,661	5,806,446	38.8%
Health	6,004,645	5,297,896	706,749	13.3%
Culture and recreation	1,026,076	1,436,411	(410,335)	-28.6%
Conservation of natural resources	860,108	997,850	(137,742)	-13.8%
Economic development	648,285	95,246	553,039	580.6%
Interest	317,798	354,566	(36,768)	-10.4%
Total Program Expenses	<u>\$ 80,425,796</u>	<u>\$ 76,684,550</u>	<u>\$ 3,741,246</u>	4.9%
Increase (Decrease) in Net Position	\$ 11,853,381	\$ 21,240,732	\$ (9,387,351)	-44.2%
Net Position - January 1	<u>215,783,940</u>	<u>194,543,208</u>	<u>21,240,732</u>	10.9%
Net Position - December 31	<u><u>\$ 227,637,321</u></u>	<u><u>\$ 215,783,940</u></u>	<u><u>\$ 11,853,381</u></u>	5.5%

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Overall, County governmental revenues decreased \$5.6 million, or 5.8%. Program revenues decreased \$8.2 million, or 18.9% due primarily to the decrease in the capital surplus from the investment in joint venture and an overall decrease of state and federal funds. General revenues, which consist mainly of property tax, and other tax revenues increased from the prior year, increasing \$2.5 million, or 4.6%. An increase of \$1.8 million in property tax revenue was the largest increase for 2024.

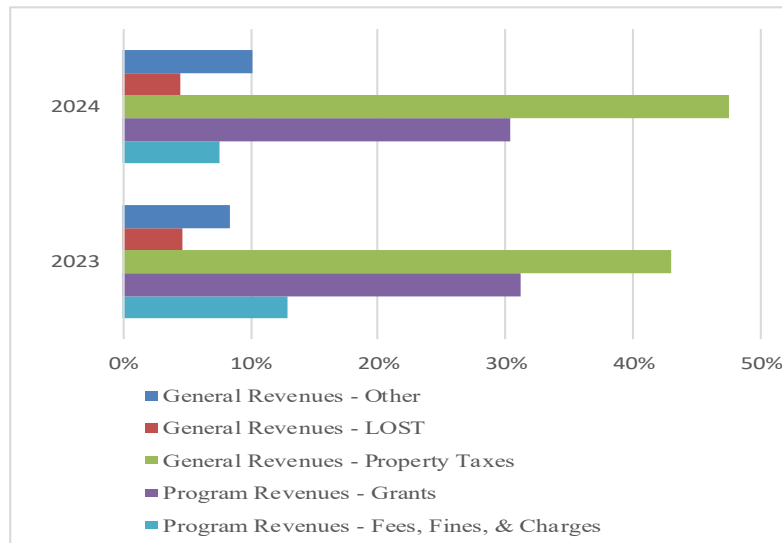
**Governmental Activities
Revenues by Source**



Per Table 2, the cost of all governmental activities in 2024 was \$80,425,796, an increase of \$3,741,246, or 4.9%, when compared to 2023. However, also as shown in the Table 2 and the following chart, not all of these expenses are paid with County property taxes.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

**Governmental Activities
Revenues by Source
Summary Fiscal Year Comparison**



Those who directly benefited from the programs and services paid \$6,995,212, or 8.7% of the cost. Direct users are charged for things such as building permit fees, recording fees, law library use fees and inmate boarding fees. The County also receives funds for shared use of its law enforcement facility and information technology and land use staff. Another \$28,025,337, or 34.8% was covered by other governments and organizations that subsidized either a specific program or general operations with operating or capital grants and contributions. Some examples of grants received are State Road and Bridge Construction, State Police Aid, Probation Officer Salary Reimbursements, WIC, and other Health and Human Services program grants. The remaining costs of governmental activities were financed with general revenues of \$57,258,628, \$43,811,551 of which was property tax revenues, and \$4,088,160 was for local option sales taxes. For the year ended December 31, 2024, general revenues increased and program-specific revenues decreased primarily due to the change in federal grant revenues from 2023.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Table 3 presents the cost of each of the County's five largest program areas, as well as each program area's net cost (total cost less program-specific revenues). The net cost represents the amount funded by taxpayers and other general revenue sources, including general grants and contributions, investment earnings and other miscellaneous revenues.

**Table 3
Governmental Activities
Costs of Services**

	Total Cost of Services		
	2024	2023	\$ Change
Public safety	\$ 18,613,766	\$ 18,261,088	\$ 352,678
Highway and streets	15,195,681	16,811,149	(1,615,468)
General government	16,092,461	17,542,700	(1,450,239)
Human services	20,766,107	14,959,661	5,806,446
Health	6,004,645	5,297,896	706,749
All others	3,753,136	3,812,056	(58,920)
Totals	<u>\$ 80,425,796</u>	<u>\$ 76,684,550</u>	<u>\$ 3,741,246</u>
	Net Cost of Services		
	2024	2023	\$ Change
Public safety	\$ 14,346,503	\$ 14,240,316	\$ 106,187
Highway and streets	1,850,840	4,887,156	(3,036,316)
General government	13,232,641	11,023,297	2,209,344
Human services	11,961,505	(283,306)	12,244,811
Health	894,968	1,106,448	(211,480)
All others	3,118,790	2,507,109	611,681
Totals	<u>\$ 45,405,247</u>	<u>\$ 33,481,020</u>	<u>\$ 11,924,227</u>

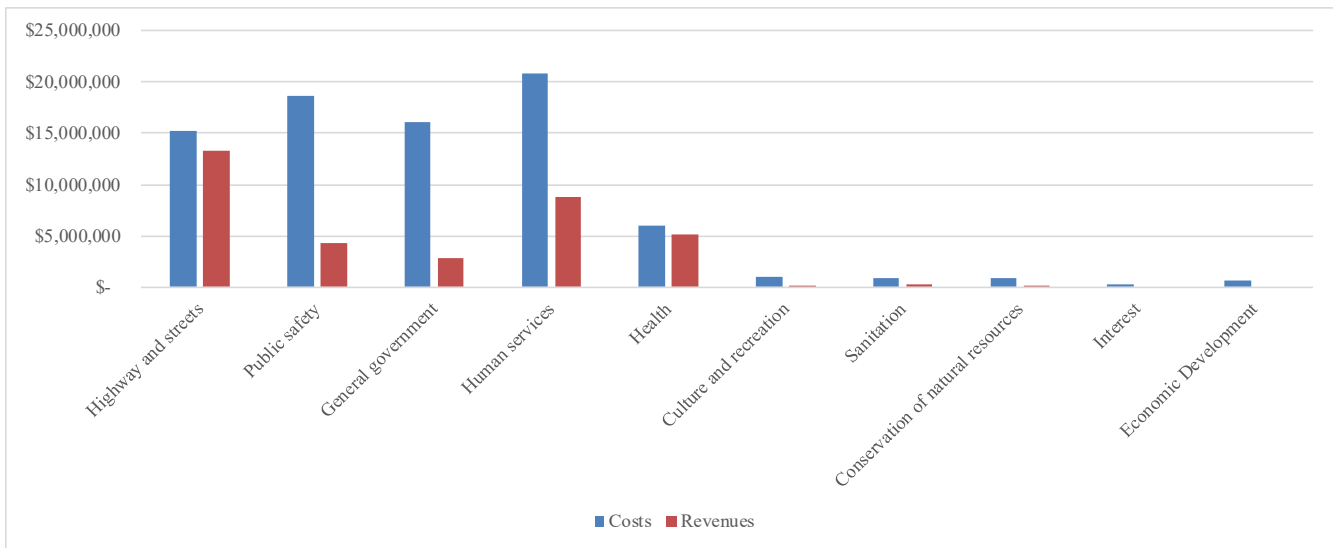
Total program expenses increased \$3.7 million, or 4.9%. This increase is mainly due the County recognizing year-end change in the joint venture investment with South Country Health Alliance.

The net cost of services increased \$11.9 million, or 35.6%, compared to the previous year. Net costs increased in all program areas except for highway and streets, and health. The most significant increase was in human services (\$12.2 million, or 4,322.1%). This increase was due primarily to the timing of when related grants were received and when the county actually spent those funds as well as increases in regular salaries and benefits. The most significant decrease was in highway and streets (\$3.0 million, 62.1%). The decrease was due primarily to the timing of the Minnesota Department of Transportation reimbursements.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The following chart compares, for each program activity, the costs incurred, and the program revenues received. The difference between the cost column and the program revenue column represents the net cost for each program, as displayed for the County’s largest programs in Table 3, and is the portion of a program’s costs that are paid for with property tax and other general revenues.

Governmental Activities Costs and Program Revenues



Fund Level Financial Analysis

As noted earlier, Goodhue County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required to be established by state law and by bond covenants. As recommended by Minnesota County Financial Accounting & Reporting Standards (COFARS), the County strives to maintain the minimum number of funds to meet our legal and operating requirements.

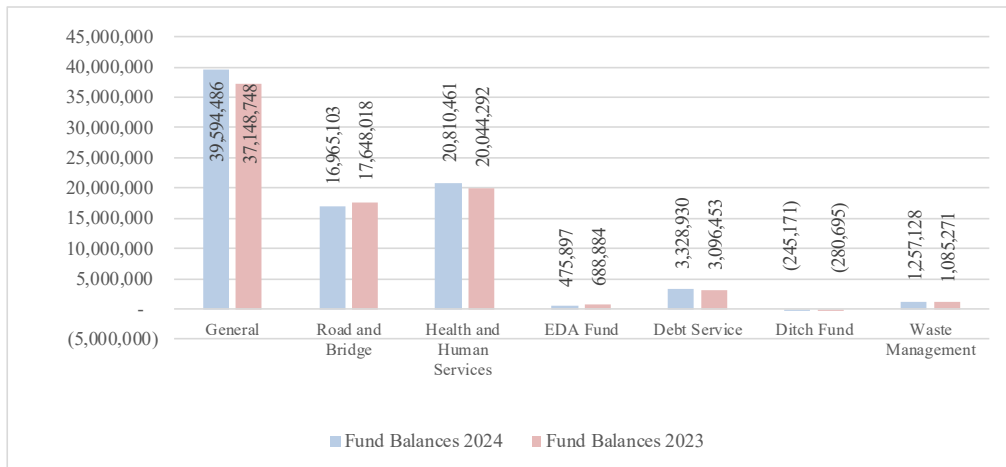
Governmental funds

The focus of the County’s governmental funds is to provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County’s net resources available for spending at the end of the fiscal year. Unlike the government-wide statements, the government fund statements take into account timing of cash flows when reporting revenues. See pages 27 and 30 for reconciliations of government funds to governmental activities (government-wide).

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

On December 31, 2024, the County's governmental funds reported combined ending fund balances of \$82,186,834, an increase of \$2,755,863 from the previous year. This change is due primarily to increases in the general and health and human services funds. \$23,115,210, or 28.1%, is unassigned fund balance and can be used as determined appropriate by the County. The remaining amount of fund balance is restricted, committed or assigned in some manner due to internal or external constraints on use of the resources (\$57,591,861, or 70.1%) and can only be used for specific purposes, or is not spendable due to the nature of the underlying assets (\$1,479,763, or 1.8%).

**Governmental Funds
Fund Balances**



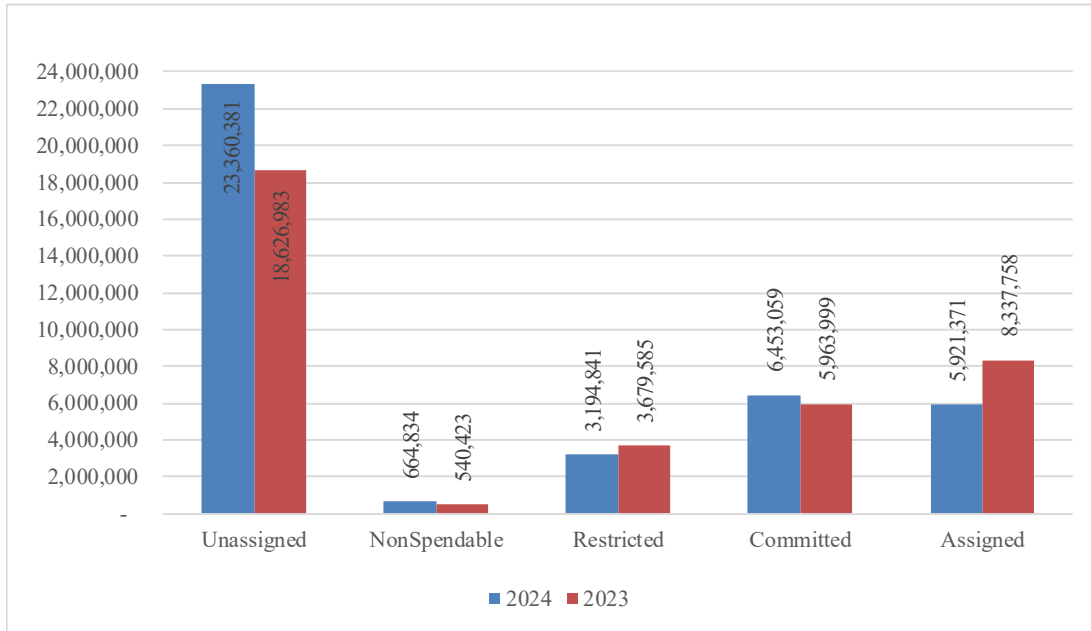
The General Fund is the primary operating fund of the County government. The majority of the County's general operations and traditional services are reported here. The total fund balance in the general fund increased by \$2,445,738, or 6.6%. This increase is due to sound financial controls over the County's planned operations.

Expenditures increased \$1,958,775, or 5.1% from the prior year. Public safety expenditures increased \$2.9 million primarily due to salary and benefit increases.

Revenues increased over the prior year by \$1,320,951, or 3.1%. The increase was a result primarily of an increase in taxes revenue by approximately \$1.8 million from 2023.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

**General Fund
Fund Balances**



Of the total \$39,594,486 fund balance in the general fund, \$23,360,381 or 59.0% is unassigned and can be used to fund general County operations. \$3,194,841, or 8.1% is restricted by outside governmental or other agency authority and \$12,374,430 or 31.3% is assigned by County management or committed by County Board of Commissioners. The majority of the internal restrictions for this fund balance relate to contingency funds for emergencies and funds held for known future but infrequent obligations.

The Road and Bridge Special Revenue Fund accounts for construction, improvements, and maintenance of the County's infrastructure (roads, bridges, etc.) The fund balance of \$16,965,103 as of the end of 2024 represents an decrease of \$682,915, or 3.9% from 2023. This is due primarily to the timing of spending for planned road and bridge projects.

The Health and Human Services Special Revenue Fund is used to account for expenditures for public assistance, social services and other public health programs that are supported by resources of the federal and state governments, along with local taxpayer dollars. The fund balance of \$20,810,461 as of the end of 2024 is \$766,169, or 3.8% higher than the end of 2023. This increase is due to higher than expected state and federal grant revenues for provision of increased levels of child, mental and other health services.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The Economic Development Authority Special Revenue Fund is used to account for various economic activities, primarily loans to provide assistance with expenditures related to a 2010 flood event. All original loan proceeds were distributed as of June 2013. Repayments from this specific loan program are deposited into a revolving loan program within this fund to be used for other economic development purposes. As of December 31, 2024, there are no loans outstanding. The fund balance of \$475,897 at the end of 2024 represents an decrease of \$212,987 or 30.9% over the prior year.

The Debt Service Fund accounts for resources designated for repayment of principal and interest on bonds. The majority of these funds are derived from property tax revenues. The fund balance of \$3,328,930 at the end of 2024 represents an increase of \$232,477, or 7.5% over the 2023 ending balance. Of this balance, \$1,802,015 is available to fund principal and interest payments due in February of 2025; the remaining \$996,150 represents resources held in a sinking fund for the 2012B QECB bonds, for which total principal payment of \$1,295,000 is due in 2027.

The Ditch Fund is used to account for special assessments revenues levied against benefitted properties to finance the cost of constructing and maintaining an agricultural drainage system. The fund balance of (\$245,171) at the end of 2024 represents an increase of \$35,524, or 12.7% over 2023.

The Waste Management Fund is used to account for recycling and waste disposal activities. The fund balance as of December 31, 2024 was \$1,257,128, an increase of \$171,857, or 15.8% over 2023.

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. These resources are not available to support the County's own programs, thus they are not included in the government-wide or government fund financial statements. Any County activity related to these funds has been recorded in the County's governmental funds. Goodhue County has seven fiduciary funds. The Social Welfare Fund is a private-purpose trust fund; the other six are custodial funds: (1) Taxes and Penalties Fund, (2) State Licenses, Fees and Other Taxes Fund, (3) Medical Assistance Recoveries Fund, (4) Civil Process Fund, (5) Inmate Canteen and Services Fund, and (6) Local Collaborative Other Activities Fund. Separate (summary) fiduciary financial statements can be found starting on page 31 and combining statements can be found in the Supplementary Information section, starting on page 123.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

General Fund Budgetary Highlights

The County budget is prepared annually and is adopted by Board resolution in December of each preceding year. The difference between the original and final amended expenditure budgets was \$2,840,836. Adjustments of \$2,237,818 were carryovers of prior year capital projects and \$631,018 were for operating carryovers.

For the year ended December 31, 2024, actual general fund expenditures were \$2,196,803, or 5.2% less than budget. General government was \$1,457,787 under budget. Capital outlay was \$841,367 under budget. Revenues were \$3,069,442 over budget, due to an increase in intergovernmental revenues and investment earnings.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets (net of accumulated depreciation/amortization) as of December 31, 2024, amounts to \$148,765,445. This investment includes land, roads and bridges, buildings, vehicles, other equipment, right-to-use assets, and SBITA assets. See Table 4 below and Note 3.A.3 on pages 55-56 for additional information on capital assets.

**Table 4
Capital Assets at Year-End
(Net of Depreciation/Amortization)**

	Governmental Activities		
	2024	2023	\$ Change
Land	\$ 10,309,378	\$ 9,849,769	\$ 459,609
Construction in progress	6,864,212	2,222,764	4,641,448
Right-to-Use assets	100,608	114,679	(14,071)
SBITA assets	1,205,336	784,074	421,262
Buildings and land improvements	23,612,072	22,763,858	848,214
Machinery, vehicles, furniture, and equipment	15,202,762	12,591,938	2,610,824
Infrastructure	103,374,498	103,435,142	(60,644)
Totals	<u>\$ 160,668,866</u>	<u>\$ 151,762,224</u>	<u>\$ 8,906,642</u>

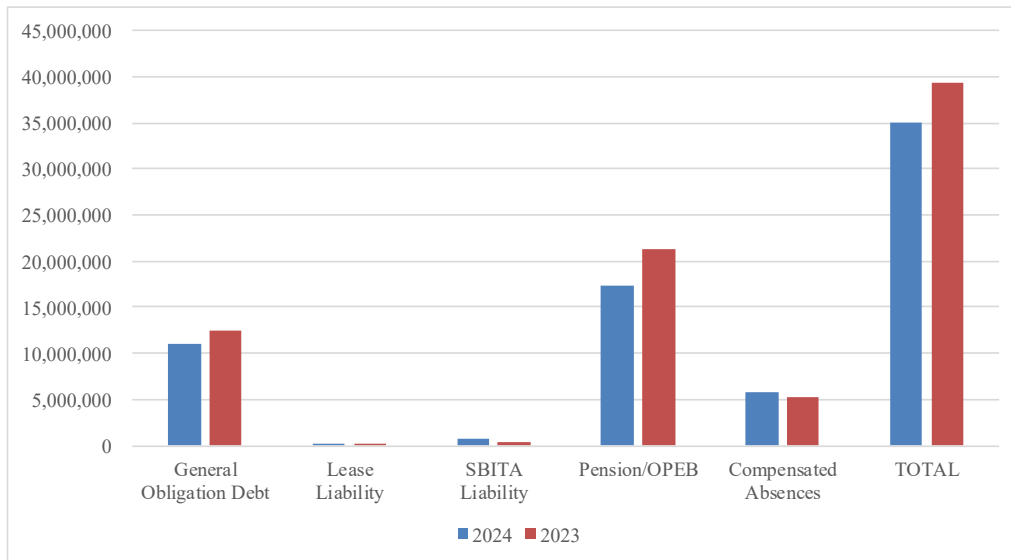
Total capital assets increased \$8,906,642, or 5.5% from 2023. This increase is due to the normal depreciation/amortization expense for all categories of \$8,331,877 offset by increases of \$9.1 million in infrastructure, as well as machinery, vehicles, and furniture as a result of completion of large road projects for highways and streets and various purchases.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Debt and Other Long-Term Obligations

At December 31, 2024, the County's total long-term obligations were \$35,066,457, a \$4,352,656 (11.0%) decrease over the balance at December 31, 2023. This decrease was due primarily to a decrease in the net pension liability combined with the regularly scheduled principal payment on general obligation debt; no new debt was issued in 2024, and there were no changes in credit ratings. See Table 5 below and Note 3.C.2 for details.

**Table 5
Long-Term Obligations**



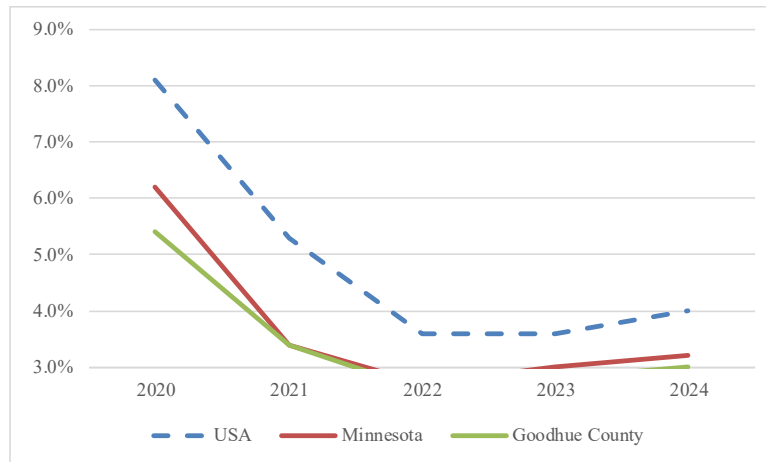
ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Unemployment

The 12-month averages for unemployment in 2024 for the U.S., Minnesota and Goodhue County were 4.0%, 3.2%, and 3.0%, respectively. This compares to 3.6%, 3.0%, and 2.8% for 2023. Unemployment rates increased slightly from the previous year. We believe the County will continue to remain below the national average. We are not aware of any significant pending workforce reductions in the area.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

**Table 6
Unemployment Rates - 5-Year Trend**



Property Values & Taxes

The taxable market value of all property in the County increased 8.0% from 2023 to 2024. Values increased in all the categories, with the largest increase (\$439,274,511 or 12.2%) in agricultural. Estimated market value, which is the primary driver for taxable market value is determined by analysis of recent sales history and future price trends of similar properties. The State Board of Assessors mandates that the overall level of assessment for each property classification be between 90-105% of estimated market value. The assessed value of utility properties is calculated by the State of Minnesota. Xcel Energy properties represent the majority of the utility properties in the County. For 2024, the final estimated market value of these properties made up 8.2% of the County's total estimated market value for all properties, as compared to 10.1% for 2023. The tax rates decreased from 42.022% for 2023, to 40.832% for 2024.

Local Option Sales Tax

On July 24, 2018, the County Board approved a ½ percent local option sales tax, effective January 1, 2019, through December 31, 2027. These revenues are be used for specific County transportation projects. Collections for the last three years of this tax were significantly greater than the initial estimated and budgeted amount - \$13.1 million collected as compared to \$11.8 million budgeted.

**GOODHUE COUNTY
RED WING, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Personnel Costs

These expenses represent 51% of the County's 2025 budget. Personnel costs in the 2024 budget increased \$4.2 million, or 9.5% from 2024 due to an overall increase in health insurance costs of 7.5%, staffing changes, and a cost-of-living wage increase of 3.0% as well as an increase in budgeted personnel expenses in several departments. We expect health care insurance rates to trend upward, and for at least the near future, wage costs to decrease slightly due to staffing retirements.

State Financial Position

The County's elected and appointed officials considered many factors when setting the tax and fee rates for the 2024 budget. In addition to property tax and service fee revenues, the County relies on several state revenue sources, including state-paid aids, credits, and grants. If the state of Minnesota were to significantly change the state payment funding formula, it could have a major impact on the County's following year's budget. County personnel continually monitor state legislation in order to be prepared for any changes that may occur.

Budgeting Approach

The County prepares its budget annually. After a thorough review by County management and staff, a preliminary budget is presented to the Board in August for discussion and review. As required in the State of Minnesota, the Board approves the draft budget and establishes a preliminary levy in September. In December, after all requested special levies have been approved by the Department of Revenue, the Board finalizes the budget, setting the final levy and approving all amounts within the state-mandated levy limits, if applicable. The County strives to maintain a balanced, yet effective budget, to use resources in the most responsible and efficient manner while most effectively promoting the health, safety, and well-being of our residents.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of Goodhue County's finances. If you have any questions about this report or need additional information, please contact Finance & Taxpayer Services, Goodhue County Government Center, 509 W. 5th Street, Red Wing, Minnesota 55066, or at (651) 385-3040.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024**

Assets

Cash and pooled investments	\$ 81,179,165
Petty cash and change funds	2,200
Taxes receivable - Delinquent	425,664
Special assessments - Current	40,849
Special assessments - Noncurrent	228,742
Accounts receivable	469,570
Accrued interest receivable	456,612
Lease receivable	926,809
Due from other governments	15,044,641
Prepaid items	1,205,829
Investment in joint venture	11,734,335
Nondepreciable capital assets:	
Land	10,309,378
Construction-in-progress	6,864,212
Depreciable/Amortizable capital assets:	
Land improvements	311,880
Right-to-use assets (Net)	100,608
SBITA assets (Net)	1,205,336
Building (Net)	23,300,192
Machinery, vehicles, furniture, and equipment (Net)	15,202,762
Infrastructure (Net)	103,374,498
Total Assets	\$ 272,383,282

Deferred Outflows of Resources

Deferred pension outflows	\$ 9,864,525
Deferred OPEB outflows	1,859,889
Total Deferred Outflows of Resources	\$ 11,724,414

Liabilities

Accounts payable	\$ 687,709
Salaries payable	2,580,231
Contracts payable	540,101
Due to other governments	165,513
Accrued interest payable	136,417
Customer deposits	47,691
Long-term liabilities	
Due within one year	4,196,001
Due in more than one year	13,461,907
Net pension liability	14,074,139
OPEB liability	3,334,410
Total Liabilities	\$ 39,224,119

**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF NET POSITION (CONTINUED)
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024**

Deferred Inflows of Resources

Taxes received for future periods	\$ 11,382
Lease related	918,122
Deferred pension inflows	15,885,089
Deferred OPEB inflows	431,663

Total Deferred Inflows of Resources

\$ 17,246,256

Net Position

Net investment in capital assets	\$ 148,765,445
Restricted for	
General government	1,757,159
Public safety	833,206
Highways and streets	11,297,933
Human services	445,695
Conservation of natural resources	221,635
Economic development	328,273
Debt service	3,203,690
Gravel pit postclosure	382,841
Opioid epidemic response	1,419,783
Unrestricted	58,981,661

Total Net Position

\$ 227,637,321

**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Fees, Charges, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs					
Primary government					
Governmental activities					
General government	\$ 16,092,461	\$ 2,281,598	\$ 578,222	\$ -	\$ (13,232,641)
Public safety	18,613,766	1,310,076	2,957,187	-	(14,346,503)
Highways and streets	15,195,681	178,653	10,258,342	2,907,846	(1,850,840)
Sanitation	900,869	153,545	167,401	-	(579,923)
Human services	20,766,107	1,630,930	7,173,672	-	(11,961,505)
Health	6,004,645	1,326,594	3,783,083	-	(894,968)
Culture and recreation	1,026,076	-	91,829	-	(934,247)
Conservation of natural resources	860,108	113,816	107,755	-	(638,537)
Economic development	648,285	-	-	-	(648,285)
Interest	317,798	-	-	-	(317,798)
Total Governmental Activities	\$ 80,425,796	\$ 6,995,212	\$ 25,117,491	\$ 2,907,846	\$ (45,405,247)
General Revenues					
Property taxes					\$ 43,811,551
Local option sales taxes					4,088,160
Gravel taxes					112,657
Mortgage registry and deed tax					59,851
Solar production tax					54,517
Wheelage tax					553,116
Payments in lieu of tax					346,000
Grants and contributions not restricted to specific programs					3,689,574
Unrestricted investment earnings					3,790,824
Miscellaneous					532,230
Gain on sale of capital assets					220,148
Total general revenues					\$ 57,258,628
Change in net position					\$ 11,853,381
Net Position - Beginning					215,783,940
Net Position - Ending					\$ 227,637,321

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

**GOODHUE COUNTY
RED WING, MINNESOTA
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	<u>General</u>	<u>Road and Bridge</u>	<u>Health and Human Services</u>
Assets			
Cash and pooled investments	\$ 40,028,469	\$ 16,186,670	\$ 19,862,907
Petty cash and change funds	1,775	50	300
Taxes receivable - Delinquent	255,529	61,951	81,784
Special assessments - Current	902	-	-
Special assessments - Noncurrent	3,236	-	-
Accounts receivable	52,544	18,015	379,131
Accrued interest receivable	456,612	-	-
Due from other funds	8,884	6,953	-
Due from other governments	352,187	12,219,849	2,462,277
Prepaid items	390,900	643,913	163,884
Advance to other funds	265,000	-	-
Lease receivable	838,651	88,158	-
Total Assets	\$ 42,654,689	\$ 29,225,559	\$ 22,950,283
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	\$ 374,966	\$ 62,039	\$ 224,800
Salaries payable	1,529,634	199,880	820,256
Contracts payable	528	539,573	-
Due to other funds	5,004	-	8,884
Due to other governments	35,246	29,487	95,672
Customer deposits	47,691	-	-
Advance from other funds	-	-	-
Total Liabilities	\$ 1,993,069	\$ 830,979	\$ 1,149,612
Deferred Inflows of Resources			
Unavailable revenue	\$ 230,546	\$ 11,339,421	\$ 988,059
Lease related	829,717	88,405	-
Taxes received for future periods	6,871	1,651	2,151
Total Deferred Inflows of Resources	\$ 1,067,134	\$ 11,429,477	\$ 990,210
Fund Balances			
Nonspendable	\$ 664,834	\$ 643,913	\$ 163,884
Restricted	3,194,841	-	1,046,568
Committed	6,453,059	693,460	153,273
Assigned	5,921,371	15,627,730	19,446,736
Unassigned	23,360,381	-	-
Total Fund Balances	\$ 39,594,486	\$ 16,965,103	\$ 20,810,461
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 42,654,689	\$ 29,225,559	\$ 22,950,283

**GOODHUE COUNTY
RED WING, MINNESOTA
BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2024**

Economic Development Authority	Debt Service	Ditch	Nonmajor Fund Waste Management	Total
\$ 475,954	\$ 3,321,127	\$ 19,839	\$ 1,284,199	\$ 81,179,165
-	-	-	75	2,200
865	19,597	2	5,936	425,664
-	-	39,947	-	40,849
-	-	225,506	-	228,742
-	-	-	19,880	469,570
-	-	-	-	456,612
-	-	-	-	15,837
-	-	-	10,328	15,044,641
-	2,035	-	5,097	1,205,829
-	-	-	-	265,000
-	-	-	-	926,809
\$ 476,819	\$ 3,342,759	\$ 285,294	\$ 1,325,515	\$ 100,260,918
\$ 340	\$ 101	\$ -	\$ 25,463	\$ 687,709
-	-	-	30,461	2,580,231
-	-	-	-	540,101
-	-	-	1,949	15,837
-	-	-	5,108	165,513
-	-	-	-	47,691
-	-	265,000	-	265,000
\$ 340	\$ 101	\$ 265,000	\$ 62,981	\$ 4,302,082
\$ 558	\$ 13,212	\$ 265,455	\$ 5,247	\$ 12,842,498
-	-	-	-	918,122
24	516	10	159	11,382
\$ 582	\$ 13,728	\$ 265,465	\$ 5,406	\$ 13,772,002
\$ -	\$ 2,035	\$ -	\$ 5,097	\$ 1,479,763
328,273	3,326,895	-	-	7,896,577
147,624	-	-	258,382	7,705,798
-	-	-	993,649	41,989,486
-	-	(245,171)	-	23,115,210
\$ 475,897	\$ 3,328,930	\$ (245,171)	\$ 1,257,128	\$ 82,186,834
\$ 476,819	\$ 3,342,759	\$ 285,294	\$ 1,325,515	\$ 100,260,918

**GOODHUE COUNTY
RED WING, MINNESOTA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024**

Fund balances - total governmental funds	\$	82,186,834
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		160,668,866
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Investment in joint venture is not available to pay for current period expenditures and, therefore, is not reported in the governmental funds.		11,734,335
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		12,842,498
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Deferred outflows of resources resulting from pension obligations are not available resources and, therefore, are not reported in the governmental funds.		9,864,525
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Deferred outflows of resources resulting from OPEB obligations are not available resources and, therefore, are not reported in the governmental funds.		1,859,889
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

General obligation bonds	\$	(10,855,000)	
Bond issuance discounts		2,267	
Bond issuance premiums		(95,207)	
Lease liability		(105,087)	
SBITA liability		(795,786)	
Net pension liability		(14,074,139)	
OPEB liability		(3,334,410)	
Compensated absences		(5,809,095)	
Accrued interest payable		(136,417)	
		(35,202,874)	(35,202,874)

Deferred inflows of resources resulting from pension obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(15,885,089)
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Deferred inflows of resources resulting from OPEB obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(431,663)
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Net Position of Governmental Activities	\$	227,637,321
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**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	General	Road and Bridge	Health and Human Services
Revenues			
Taxes	\$ 26,698,739	\$ 11,081,932	\$ 8,224,242
Special assessments	44	-	-
Licenses and permits	526,638	16,535	-
Intergovernmental	7,235,525	9,114,599	10,926,167
Charges for services	2,093,165	98,151	1,796,705
Fines and forfeits	7,740	-	-
Gifts and contributions	30,683	-	-
Investment earnings	3,800,808	745	35,969
Miscellaneous	1,474,048	66,147	1,279,855
Total Revenues	\$ 41,867,390	\$ 20,378,109	\$ 22,262,938
Expenditures			
Current			
General government	\$ 14,727,072	\$ -	\$ -
Public safety	18,307,897	-	-
Highways and streets	-	19,873,955	-
Sanitation	-	-	-
Human services	142,309	-	15,690,808
Health	-	-	5,978,537
Culture and recreation	910,876	208,094	-
Conservation of natural resources	848,721	-	-
Economic development	4,600	-	-
Capital outlay			
General government	1,852,491	-	-
Public Safety	1,329,490	-	-
Highways and streets	1,436,185	17,557	-
Sanitation	536,779	-	-
Debt service			
Principal	321,193	821	91,964
Interest	9,272	121	6,493
Administrative (fiscal) charges	-	-	-
Intergovernmental			
Highways and streets	-	625,845	-
Total Expenditures	\$ 40,426,885	\$ 20,726,393	\$ 21,767,802
Excess of Revenues Over (Under) Expenditures	\$ 1,440,505	\$ (348,284)	\$ 495,136
Other Financing Sources (Uses)			
Transfers in	\$ 361,294	\$ 1,606	\$ 278,533
Transfers out	(280,139)	(353,794)	(7,500)
Issuance of leases	-	17,557	-
Issuance of SBITAs	800,855	-	-
Sale of capital assets	123,223	-	-
Total Other Financing Sources (Uses)	\$ 1,005,233	\$ (334,631)	\$ 271,033
Changes in Fund Balance	\$ 2,445,738	\$ (682,915)	\$ 766,169
Fund Balance - January 1	37,148,748	17,648,018	20,044,292
Fund Balance - December 31	\$ 39,594,486	\$ 16,965,103	\$ 20,810,461

**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Economic Development Authority	Debt Service	Ditch	Nonmajor Fund Waste Management	Total
\$ 96,781	\$ 1,972,147	\$ -	\$ 607,282	\$ 48,681,123
-	-	40,912	-	40,956
-	-	-	6,100	549,273
1,282	64,343	-	176,180	27,518,096
-	-	-	7,134	3,995,155
-	-	-	-	7,740
-	-	-	-	30,683
-	-	-	-	3,837,522
-	-	-	145,311	2,965,361
\$ 98,063	\$ 2,036,490	\$ 40,912	\$ 942,007	\$ 87,625,909
\$ -	\$ -	\$ -	\$ -	\$ 14,727,072
-	-	-	-	18,307,897
-	-	-	-	19,873,955
-	-	-	770,150	770,150
-	-	-	-	15,833,117
-	-	-	-	5,978,537
-	-	-	-	1,118,970
-	-	5,388	-	854,109
311,050	-	-	-	315,650
-	-	-	-	1,852,491
-	-	-	-	1,329,490
-	-	-	-	1,453,742
-	-	-	-	536,779
-	1,455,000	-	-	1,868,978
-	346,228	-	-	362,114
-	2,785	-	-	2,785
-	-	-	-	625,845
\$ 311,050	\$ 1,804,013	\$ 5,388	\$ 770,150	\$ 85,811,681
\$ (212,987)	\$ 232,477	\$ 35,524	\$ 171,857	\$ 1,814,228
\$ -	\$ -	\$ -	\$ -	\$ 641,433
-	-	-	-	(641,433)
-	-	-	-	17,557
-	-	-	-	800,855
-	-	-	-	123,223
\$ -	\$ -	\$ -	\$ -	\$ 941,635
\$ (212,987)	\$ 232,477	\$ 35,524	\$ 171,857	\$ 2,755,863
688,884	3,096,453	(280,695)	1,085,271	79,430,971
\$ 475,897	\$ 3,328,930	\$ (245,171)	\$ 1,257,128	\$ 82,186,834

**GOODHUE COUNTY
RED WING, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

Net change in fund balances - total governmental funds **\$ 2,755,863**

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

In the funds, under the modified accrual basis, receivables not available for expenditure are deferred. In the statement of activities, those revenues are recognized when earned. The adjustment to revenue between the fund statements and the statement of activities is the increase or decrease in revenue deferred as unavailable.

Unavailable revenue - December 31	\$ 12,842,498	
Unavailable revenue - January 1	(9,301,065)	3,541,433

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. Also, in the statement of activities, only the gain or loss on the disposal of assets is reported; whereas, in the governmental funds, the proceeds from the sale increase financial resources. Therefore, the change in net position differs from the change in fund balance by the net book value of the assets sold.

Expenditures for general capital assets and infrastructure	\$ 17,240,389	
Net book value of assets sold	(19,427)	
Current year depreciation and amortization	(8,331,877)	8,889,085

In the statement of net position, an asset is reported for the equity interest in joint venture. The change in net position differs from the change in fund equity by the increases and decreases in the investment in joint venture. (4,651,166)

Issuing long-term debt provides current financial resources to governmental funds, while the repayment of debt consumes current financial resources. Neither transaction, however, has any effect on net position.

The net proceeds for debt issuance are		
SBITAs issued		(800,855)

Principal repayments:		
General obligation bonds	\$ 1,455,000	
Lease liability	30,651	
SBITA liability	383,327	1,868,978

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.

Amortization of bond premiums and discounts	\$ 31,413	
Change in net pension liability	5,323,401	
Change in OPEB liability	(1,495,347)	
Change in accrued interest payable	15,688	
Change in compensated absences	(557,377)	
Change in deferred outflows of resources	(1,689,782)	
Change in deferred inflows of resources	(1,377,953)	250,043

Change in Net Position of Governmental Activities	\$	11,853,381

FIDUCIARY FUNDS

**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024**

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
Assets		
Cash and pooled investments	\$ 127,512	\$ 1,527,409
Accounts receivable	-	935,122
Due from other governments	-	1,004
Total Assets	\$ 127,512	\$ 2,463,535
Liabilities		
Due to individuals	\$ -	\$ 1,179
Due to other governments	-	1,524,075
Total Liabilities	\$ -	\$ 1,525,254
Net Position		
Restricted for individuals, organizations and other governments	\$ 127,512	\$ 938,281
Total Net Position	\$ 127,512	\$ 938,281

**GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
Additions		
Contributions-individuals	\$ -	\$ 368,307
Contributions on behalf of others	978,459	-
Property tax collections for other governments	-	82,921,921
Contributions from governments	-	1,697,809
License fee collected for state government	-	151,514
Civil process collections	-	803,211
Other contributions	-	258,343
	<hr/>	<hr/>
Total Additions	\$ 978,459	\$ 86,201,105
	<hr/>	<hr/>
Deductions		
Payments on behalf of clients	\$ 1,049,259	\$ -
Payments to individuals	-	87,148
Payments of property tax to other governments	-	82,787,881
Other payments to other governments	-	2,197,505
Payments to other entities	-	996,287
	<hr/>	<hr/>
Total Deductions	\$ 1,049,259	\$ 86,068,821
	<hr/>	<hr/>
Net Increase (Decrease) in Fiduciary Net Position	\$ (70,800)	\$ 132,284
Net Position - Beginning	<hr/> 198,312	<hr/> 805,997
Net Position - Ending	<hr/> \$ 127,512	<hr/> \$ 938,281

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies

Goodhue County's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for the year ended December 31, 2024. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

A. Financial Reporting Entity

Goodhue County was established March 5, 1853, and is an organized county having the powers, duties, and privileges granted counties by Minn. Stat. ch. 373. As required by accounting principles generally accepted in the United States of America, these financial statements present Goodhue County (primary government) and its blended component unit. The County is governed by a five-member Board of Commissioners (the Board) elected from districts within the County. The Board is organized with a chair and vice chair elected at the annual meeting in January of each year.

Blended Component Unit

Blended component units are legally separate organizations that are so intertwined with the County that they are, in substance, the same as the County and, therefore, are reported as if they were part of the County. Goodhue County has one blended component unit – the Economic Development Authority (EDA). The EDA is included in the County's reporting entity, contained in a separate fund, because the County commissioners are the members of the EDA Board, and County management has operational responsibility for the EDA. Separate financial statements are not prepared.

Joint Ventures

The County participates in several joint ventures that are described in Note 6.C. The County also participates in jointly governed organizations described in Note 6.D.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

B. Basic Financial Statements

1. Government-Wide Statements

The government-wide financial statements (the statement of net position and the statement of activities) display information about the primary government, including its blended component unit. These statements include the financial activities of the overall County government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

The government-wide statement of net position is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The County's net position is reported in three parts: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of each function of the County's governmental activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: (1) fees, fines, and charges paid by the recipients of goods, services, or privileges provided by a given function or activity; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component unit. Separate statements for each fund category--governmental and fiduciary--are presented. The emphasis of governmental fund financial statements is on major individual governmental funds, with each displayed as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

B. Basic Financial Statements (Continued)

2. Fund Financial Statements (Continued)

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 general government, except those accounted for in another fund.

The Road and Bridge Special Revenue Fund accounts for restricted revenue sources from the federal, state, and other oversight agencies, as well as committed property tax revenues for the construction and maintenance of roads, bridges, and other projects affecting County roadways.

The Health and Human Services Special Revenue Fund accounts for committed property tax revenues and grants used to support economic assistance and community social services programs.

The Economic Development Authority (EDA) Special Revenue Fund accounts for restricted revenue sources from the federal, state, and other oversight agencies, as well as committed property tax revenues used to account for various economic activities including the loans made to provide assistance with flood-related expenditures. Repayments from these loans will go into a revolving loan program within this Fund.

The Ditch Special Revenue Fund accounts for the cost of constructing and maintaining an agricultural drainage ditch system. Financing is provided by special assessments levied against the benefited properties.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of general long-term debt that are primarily financed by property tax revenue.

Additionally, the County reports the following fund types:

Private-purpose trust funds are used to report trust arrangements other than pension or investment trusts, which under principal and income benefit individuals, private organizations, or other governments. The County reports one private-purpose trust fund, the Social Welfare Fund which accounts for the activity related to income received and payments made on behalf of individuals for whom the County is responsible to assist.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

B. Basic Financial Statements (Continued)

2. Fund Financial Statements (Continued)

Additionally, the County reports the following fund types (Continued):

Custodial funds are custodial in nature. These funds are used for a variety of purposes: to account for the collection and disbursement of taxes on behalf of other local governments within the County; as an agent for state revenue payments, as an agent for medical assistance recoveries, as an agent for civil process, and as an agent for the inmates of the Goodhue County Jail.

C. Measurement Focus and Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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. Goodhue County considers all revenues to be available if they are collected within 60 days after the end of the current period. Property taxes are recognized as revenues in the year for which they are levied provided they are also available. Shared revenues are generally recognized in the period the appropriation goes into effect and the revenues are available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and are available. Property and other taxes, shared revenues, licenses, and interest are all considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease liabilities, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured.

Proceeds of general long-term debt and acquisitions under SBITAs and capital assets are reported as other financing sources.

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

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

1. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County Finance Director for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value at December 31, 2024, based on market prices. Pursuant to Minn. Stat. § 385.07, investment earnings on cash and pooled investments are credited to the General Fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants. Pooled investment earnings for 2024 were \$3,837,522.

Goodhue County invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, created under a joint powers agreement pursuant to Minn. Stat. § 471.59. The investment in the pool is measured at the net asset value per share provided by the pool.

The County may invest in the following types of investments as authorized by Minn. Stat. §§ 118A.04 and 118A.05:

- 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.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity
(Continued)

2. Receivables and Payables

Activity between funds representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due to/from other funds” (the current portion of interfund loans) or “advances to/from other funds” (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable balance account in applicable governmental funds to indicate that they are not in spendable form.

There is no allowance for uncollectible accounts receivable, taxes receivable, and special assessments receivable presented due to the amounts being minimal.

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due May 15 and the second half payment due October 15. Unpaid taxes at December 31 become liens on the respective property and are classified in the financial statements as delinquent taxes receivable.

3. Prepaid Items

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, and similar items), are reported 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	5 - 20
Buildings	25 - 50
Building improvements	20 - 50
Public domain infrastructure	25 - 75
Furniture, equipment and vehicles	3 - 20

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the lease term.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the subscription term.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

5. Compensated Absences

The liability for compensated absences reported in financial statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The government-wide statement of net position reports both current and noncurrent portions of compensated absences. The current portion is calculated using a trend analysis of disbursements made during the year for vacation, sick leave, and compensatory time. The resulting percentage is then used to determine the current portion for vacation, sick leave, and compensatory time. The noncurrent portion consists of the remaining amount of vacation, sick leave, and compensatory time.

6. Long-Term Obligations

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

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

7. 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. 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. Investments are reported at fair value.

8. Other Post-Employment Benefit (OPEB) Plan

For the purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB, and OPEB expense, information about the total liability and additions to/deductions from that liability have been determined on the same basis as they are reported to the County.

9. Deferred Outflow/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expenditure/expense) until then. The County has deferred pension and OPEB outflows, which qualify for reporting in this category. These outflows arise only under the full accrual basis of accounting and consist of pension and OPEB contributions paid subsequent to the measurement date, as well as changes in actuarial assumptions, plan changes in proportionate share and differences between projected and actual investment earnings on plan investments for the pension plan.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity
(Continued)

9. Deferred Outflow/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has four items – deferred OPEB inflows, deferred pension inflows, taxes received for future periods, and deferred lease inflows – which qualify for reporting in this category. Deferred OPEB inflows arise only under an accrual basis of accounting and, accordingly, are reported only in the statement of net position. This amount consists of changes in actuarial assumptions and the difference between the expected and actual liability. Deferred pension inflows arise only under an accrual basis of accounting and, accordingly, are reported only in the statement of net position. This amount consists of differences between expected and actual pension plan economic experience and also pension plan changes in proportionate share. The third type occurs because the County collected property taxes prior to the year they were levied for and, therefore, the County will report deferred inflows for these items. The lease related deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus any payments received at or before the start date of the lease term that relates to future periods, less any lease incentives paid to, or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

The fund level financial statements report deferred inflows for unavailable revenues. Unavailable revenue arises only under the modified accrual basis of accounting and accordingly, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period the amounts become available.

10. Classification of Net Position

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

Net investment in capital assets - the amount of net position representing capital assets, net of accumulated depreciation/amortization, and reduced by outstanding debt or other borrowings (such as accounts payable, contracts payable, retainage payable, lease liability, etc.) attributed to the acquisition, construction, or improvement of the assets.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

10. Classification of Net Position (Continued)

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

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

11. Classification of Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted - amounts for which constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

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

Assigned - amounts the County intends to use for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board, the County Administrator, or the Finance Director who has been delegated that authority by Board resolution.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity
(Continued)

11. Classification of Fund Balances (Continued)

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

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The Board reviews financial activities of the County to ensure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability in providing ongoing services.

To ensure sufficient working capital and safety margin in case of emergencies, Goodhue County has established a comprehensive fund balance policy. The policy states that at the end of each fiscal year, the County will strive to maintain an unassigned fund balance of 35-50% of the subsequent year's budgeted General Fund operating expenditures, and an assigned fund balance of 30%-40% in all other funds, except the Ditch Fund.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 results could differ from those estimates.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

E. Revenues

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs. The modified accrual basis of accounting is used by all governmental fund types. Under this basis, revenue is not recognized in the financial statements unless it is available to finance current expenditures.

Imposed Nonexchange Transactions

Imposed nonexchange transactions result from assessments by governments on nongovernmental entities and individuals. Property taxes, fines and penalties, and property forfeitures are imposed nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes were levied to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable but not available are reported as deferred inflow and will be recognized as revenue in the fiscal year that they become available. Fines, penalties, and property forfeitures are recognized in the period received.

Intergovernmental

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and time requirements. Federal and state grants mandating the County perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when eligibility and time requirements are met, usually when the corresponding expenditure is incurred.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations, and donations. The provider may establish purpose restrictions or eligibility requirements. Revenues are recognized in the year to which they apply according to the statute or contract. Gifts and contributions from individuals are also considered voluntary nonexchange transactions and are generally recognized when received.

Tax credits paid by the state are included in intergovernmental revenues and are recognized as revenue in the fiscal year that they become available. Subject to the availability criterion, state-aid highway allotments for highway maintenance and construction are recognized as revenue in the year of allotment.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. Summary of Significant Accounting Policies (Continued)

E. Revenues (Continued)

Exchange Transactions

Special assessments levied against benefiting properties are recognized under the modified accrual basis when available to finance current expenditures. Other revenues, such as licenses and permits, charges for services, and investment income, are recognized when earned.

F. Adoption of New Accounting Standards

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures.

The County adopted the requirements of the guidance effective January 1, 2024, and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard did not result in any material adjustments.

2. Stewardship, Compliance and Accountability

A. Expenditures in Excess of Budget

The following funds had expenditures in excess of budget at the fund level for the year ended December 31, 2024:

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Health and Human Services Special Revenue Fund	\$ 21,530,539	\$ 21,767,802	\$ (237,263)
Economic Development Authority Special Revenue Fund	98,074	311,050	(212,976)

The excess was funded with greater than anticipated revenues and existing fund balances.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

2. Stewardship, Compliance and Accountability (Continued)

B. Deficit Fund Balance

The following fund had a deficit fund balance as of December 31, 2024:

Special Revenue Funds	
County Ditch Fund	\$ (245,171)

The deficit will be funded by future special assessments.

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

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

Governmental Funds	
Cash and pooled investments	\$ 81,179,165
Petty cash and change funds	2,200
Total Governmental Funds	81,181,365
Fiduciary funds	
Cash and pooled investments	
Private-Purpose Trust Funds	127,512
Custodial Funds	1,527,409
Total Fiduciary Funds	\$ 1,654,921
Total Cash and Investments	\$ 82,836,286
Deposits	\$ 26,040,748
Petty cash and change funds	2,200
Investments	56,793,338
Total	\$ 82,836,286

a. Deposits

The County is authorized by Minn. Stat. §§ 118A.02 and 118A.04 to designate a depository for public funds and to invest in certificates of deposit. All County deposits are required by Minn. Stat. § 118A.03 to be protected by insurance, surety bond, or collateral. The fair value of collateral pledged shall be at least 10% more than the amount on deposit at the close of the financial institution's banking day, not covered by insurance or bonds.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits and Investments (Continued)

a. Deposits (Continued)

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

b. Custodial Credit Risk

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’s policy on custodial credit risk mirrors state statute. As of December 31, 2024, Goodhue County’s deposits were not exposed to custodial credit risk.

c. Investments

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The County minimizes its exposure to interest rate risk by investing in both short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the County’s policy to invest only in securities that meet the ratings requirements set by state statute.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits and Investments (Continued)

c. Investments (Continued)

Custodial Credit Risk

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. The County has no policy concerning custodial credit risk. As of December 31, 2024, Goodhue County's investments were exposed to custodial credit risk of \$14,656,675 because the investments are being held by an affiliated bank of the investment broker, but in Goodhue County's name. If these investments were held by an unaffiliated third party, then custodial credit risk related to these investments would not apply.

The amount exposed to custodial credit risk relates to negotiable certificates of deposit. The County intentionally purchases individual negotiable certificates of deposits, through a broker, in increments of less than \$250,000 per issuing bank, so that each of the individual investments (negotiable certificates of deposit) is insured by FDIC. Therefore, the amount reported is insured. The County utilizes this investment strategy to minimize the risk of loss.

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. The County does not have a policy on the concentration of credit risk.

The following table presents the County's investment balances at December 31, 2024, and information relating to potential custodial and concentration credit risks:

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits and Investments (Continued)

c. Investments (Continued)

Investment - Issuer	Credit Risk		Carrying (Fair) Value
	Credit Rating	Rating Agency	
Mutual Funds			
MAGIC - Cash management funds	N/A	N/A	\$ 28,435,518
RBC - Prime Investment money market mutual funds	N/A	N/A	62,454
Total Mutual Funds			\$ 28,497,972
Agency Securities			
RBC - Federal Home Loan Bank	AAA	Moody's	\$ 4,642,886
U.S. Treasury Note	AAA	Moody's	\$ 8,995,055
Series EE U.S. Savings Bonds	AAA	Moody's	\$ 750
Negotiable Certificates of Deposit **	N/A	N/A	\$ 14,656,675
Total Investments			\$ 56,793,338

N/A - Not Applicable

** - There are several issuers and each individual issuer is less than 5%

The following table represents the potential interest rate risk related to the County's investments using the segmented time distribution.

Investments	Fair Value	Investment Maturities (in Years)		
		Less Than 2	2 - 3	3 - 5
Agency Securities				
Federal Home Loan Bank	\$ 4,642,886	\$ 2,913,487	\$ 983,096	\$ 746,303
U.S. Treasury Notes				
Treasury Notes	\$ 8,995,055	\$ -	\$ 7,084,895	\$ 1,910,160
Bonds				
Series EE U.S. Savings Bonds	\$ 750	\$ -	\$ -	\$ 750
Negotiable Certificates of Deposit	\$ 14,656,678	\$ 5,564,913	\$ 3,714,419	\$ 5,377,346
Total investments subject to interest rate risk	\$ 28,295,369	\$ 8,478,400	\$ 11,782,410	\$ 8,034,559
Investments not subject to interest rate risk	\$ 28,497,969			
Total Investments	\$ 56,793,338			

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits and Investments (Continued)

c. Investments (Continued)

Fair Value Measure

The County uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The County follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurement. In accordance with this standard, the County has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial asset and liabilities are valued using inputs that are adjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs that are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits and Investments (Continued)

c. Investments (Continued)

Fair Value Measure (Continued)

Assets measured at fair value on a recurring basis:

Type	Level 1	Level 2	Level 3	Total
Debt Securities (Fair Value Level)				
Negotiable Certificates of Deposit	\$ -	\$ 12,926,126	\$ -	\$ 12,926,126
Federal Home Loan Bank	-	4,642,886	-	4,642,886
U.S. Government Agencies	-	8,995,055	-	8,995,055
U.S. Savings Bonds	-	750	-	750
Total Investments at Fair Value	<u>\$ -</u>	<u>\$ 26,564,817</u>	<u>\$ -</u>	<u>\$ 26,564,817</u>
Investments Measured at Net Asset Value (NAV)				
MAGIC Fund Cash Management Mutual Fund				28,435,518
RBC Mutual Fund				62,454
Investments Measured at Net Asset Value (NAV)				<u>28,497,972</u>
Investments at Amortized Cost				
Negotiable Certificates of Deposit (<1 Year)				1,730,549
Total Investments				\$ 56,793,338
Deposits				26,040,748
Petty Cash				2,200
Total Deposits and Investments				<u>\$ 82,836,286</u>

All Level 2 securities are valued using fair value based on the securities relationship to benchmark quoted prices for similar instruments. The County invests in Wells Fargo and RBC Mutual Funds, which are published at net asset value per share. The County invests in these mutual funds to diversify investments and to increase investment earnings while maintaining a high level of liquidity. There are no redemption limits. The County also invests in the MAGIC Fund Term Series. Shares are purchased to mature upon pre-determined maturity dates selected by the County at the time of purchase. The fair value of the participant's position in the pool approximates the value of the participant's pool shares and the participant's shares are not identified with specific investments. Should the County need to redeem shares in a MAGIC Term Series prematurely they must provide at least seven days prior to the premature redemption date. The value of 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.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

2. Receivables

Receivables as of December 31, 2024 are as follows:

	Total Receivables	Amounts Not Scheduled for Collection During the Subsequent Year
Governmental Activities		
Taxes	\$ 425,664	\$ -
Special Assessments	269,591	228,742
Accounts	469,570	-
Interest	456,612	-
Lease related	926,809	-
Due from other governments	15,044,641	-
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Total Governmental Activities	\$ 17,592,887	\$ 228,742
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**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

2. Receivables

Lease Receivables

Goodhue County, acting as lessor, leases facilities to Arvig Enterprises, Inc. and office space to the City of Red Wing under long-term lease agreement. The lease for Arvig Enterprises, Inc. expires in 2048. The lease for City of Red Wing expires in 2027. During the year ended December 31, 2024, the County recognized \$270,694 and \$745 in lease revenue and interest revenue respectively, pursuant to the contracts.

Total future minimum lease payments to be received under the lease agreement are as follows:

Year Ending December 31	Lease Receivable	
	Principal	Interest
2025	\$ 217,668	\$ 98,490
2026	293,490	73,448
2027	336,810	39,570
2028	3,346	644
2029	3,374	616
2030-2034	17,686	2,804
2035-2039	19,454	1,912
2040-2044	21,347	1,088
2045-2048	13,634	223
Total	<u>\$ 926,809</u>	<u>\$ 218,795</u>

Changes in the lease receivable for the year is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Office Space	\$ -	\$ 1,106,290	\$ 267,639	\$ 838,651
Facility Space	91,213	-	3,055	88,158
Total Lease Receivable	<u>\$ 91,213</u>	<u>\$ 1,106,290</u>	<u>\$ 270,694</u>	<u>\$ 926,809</u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

3. Capital Assets

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

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not depreciated				
Land	\$ 9,849,769	\$ 459,609	\$ -	\$ 10,309,378
Construction in progress	2,222,764	7,329,316	2,687,868	6,864,212
Total capital assets not depreciated	\$ 12,072,533	\$ 7,788,925	\$ 2,687,868	\$ 17,173,590
Capital assets depreciated				
Land improvements	\$ 479,981	\$ 92,038	\$ -	\$ 572,019
Buildings	48,511,550	2,132,153	-	50,643,703
Machinery, furniture, and equipment	27,635,853	5,033,000	1,465,835	31,203,018
Infrastructure	208,349,724	4,081,286	-	212,431,010
Total capital assets depreciated	\$ 284,977,108	\$ 11,338,477	\$ 1,465,835	\$ 294,849,750
Less: accumulated depreciation				
Land improvements	\$ 237,960	\$ 22,179	\$ -	\$ 260,139
Buildings	25,989,713	1,353,798	-	27,343,511
Machinery, furniture, and equipment	15,043,915	2,402,749	1,446,408	16,000,256
Infrastructure	104,914,582	4,141,930	-	109,056,512
Total accumulated depreciation	\$ 146,186,170	\$ 7,920,656	\$ 1,446,408	\$ 152,660,418
Total capital assets depreciated, net	138,790,938	3,417,821	19,427	142,189,332
Right-to-use Assets				
Leased equipment	\$ 175,721	\$ 17,557	\$ 13,295	\$ 179,983
Less accumulated amortization	(61,042)	(31,628)	(13,295)	(79,375)
Net right-to-use assets	\$ 114,679	\$ (14,071)	\$ -	\$ 100,608
Subscription based assets				
SBITAs	\$ 1,092,869	\$ 800,855	\$ 163,579	\$ 1,730,145
Less accumulated amortization	(308,795)	(379,593)	(163,579)	(524,809)
Net subscription based assets	\$ 784,074	\$ 421,262	\$ -	\$ 1,205,336
Capital Assets, Net	\$ 151,762,224	\$ 11,613,937	\$ 2,707,295	\$ 160,668,866

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

3. Capital Assets (Continued)

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

Governmental Activities	
General Government	\$ 1,626,745
Public Safety	1,175,824
Highways and streets, including depreciation of infrastructure assets	4,983,660
Health and human services	388,483
Sanitation	120,031
Culture and recreation	<u>37,134</u>
 Total Depreciation/Amortization Expense - Governmental Activities	 <u><u>\$ 8,331,877</u></u>

B. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2024, is as follows:

1. Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	
General	Health and Human Services	\$ 8,884	Attorney fees related to child support
Road and Bridge	General	5,004	Fuel expenses
Road and Bridge	Waste Management	<u>1,949</u>	Fuel expenses
 Total Due To/From Other Funds		 <u><u>\$ 15,837</u></u>	

These balances reflect the interfund goods and services provided and not paid at year-end but expected to be paid in the subsequent year.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

B. Interfund Receivables, Payables, and Transfers (Continued)

2. Interfund Transfers

Interfund transfers for the year ended December 31, 2024 consisted of the following:

Transfers to General Fund from Health and Human Services Fund	\$ 7,500	Public health nuisances
	353,794	Supplement Capital Fund
Transfers to Health and Human Services Fund from General Fund	100,000	Grant funding
	13,606	Grant funding
	145,760	Termination payment
	19,168	Capital expenditures
Transfers to Road and Bridge Fund from General Fund	<u>1,605</u>	Grant funding
Total Interfund Transfers	<u><u>\$ 641,433</u></u>	

3. Advances to/from Other Funds

Advances made to/from other funds for the year ended December 31, 2024 is for cash flow purposes to the Ditch Fund. The balance is expected to be liquidated with special assessments over the next 15 years.

Receivable Fund	Payable Fund	Amount
General	Ditch	<u>\$ 265,000</u>
Total Advance to/From Other Funds		<u><u>\$ 265,000</u></u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

C. Long-Term Liabilities

1. Bonds and Notes Payable

Type of Indebtedness	Final Maturity	Installment Amounts	Interest Rates (%)	Original Issue Amount	Outstanding Balance December 31, 2024
2014A G.O. CIP Highway Project Bonds	2025	\$695,000 - \$965,000	2.0% - 2.5%	\$ 7,760,000	\$ 815,000
2012B CIP Taxable QECB Bonds	2027	\$1,295,000	3.45%	1,295,000	1,295,000
2015A G.O. CIP Citizen's Remodel & Other Bonds	2030	\$180,000 - \$1,710,000	2.0% - 3.0%	10,720,000	8,745,000
Total General Obligation Bonds and Notes				<u>\$ 19,775,000</u>	<u>\$ 10,855,000</u>

Debt service requirements at December 31, 2024 were as follows:

<u>Year Ending December 31</u>	General Obligation CIP Bonds	
	Principal	Interest
2025	\$ 1,495,000	\$ 307,015
2026	1,520,000	263,828
2027	2,860,000	195,214
2028	1,610,000	125,250
2029	1,660,000	76,200
2029-2030	<u>1,710,000</u>	<u>25,650</u>
Total	<u>\$ 10,855,000</u>	<u>\$ 993,157</u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

C. Long-Term Liabilities (Continued)

1. Bonds and Notes Payable (Continued)

Goodhue County's 2012B General Obligation Taxable QECB Capital Improvement Bonds are structured with annual sinking-fund payments of \$99,615. These sinking-fund payments begin February 1, 2015, and span 13 years. The final sinking-fund payment is due February 1, 2027, at which time the debt will be retired.

Lease Liability

Goodhue County leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2030.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending December 31</u>	<u>Lease Liability</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 31,190	\$ 2,107
2026	28,571	1,302
2027	21,975	654
2028	11,382	321
2029	10,650	111
2029-2030	1,319	2
Total	<u>\$ 105,087</u>	<u>\$ 4,497</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

Governmental Activities

Equipment	\$ 179,983
Less: Accumulated Amortization	<u>(79,375)</u>
Total	<u>\$ 100,608</u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

C. Long-Term Liabilities (Continued)

1. Bonds and Notes Payable (Continued)

Subscription-Based Information Technology Arrangements

The County has entered into subscription-based information technology arrangements (SBITAs) for various terms under long-term, noncancelable SBITA agreements. The SBITA arrangements expire at various dates through 2029.

Total future minimum subscription payments under SBITA agreements are as follows:

<u>Year Ending December 31</u>	<u>SBITA Liability</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 404,261	\$ 18,478
2026	309,233	11,250
2027	34,476	2,524
2028	23,532	1,468
2029	24,284	746
Total	<u>\$ 795,786</u>	<u>\$ 34,466</u>

Subscription-based information technology arrangement assets acquired through outstanding contracts agreements are as follows:

Governmental Activities	
SBITAs	\$ 1,730,145
Less: Accumulated Amortization	<u>(524,809)</u>
Total	<u>\$ 1,205,336</u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

C. Long-Term Liabilities (Continued)

2. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Long-Term Liabilities					
Bonds and notes payable					
G.O. CIP bonds	\$ 12,310,000	\$ -	\$ 1,455,000	\$ 10,855,000	\$ 1,495,000
Issuance premiums	127,375	-	32,168	95,207	-
Issuance discounts	(3,022)	-	(755)	(2,267)	-
Total bonds and notes payable	\$ 12,434,353	\$ -	\$ 1,486,413	\$ 10,947,940	\$ 1,495,000
Lease liability	118,181	17,557	30,651	105,087	31,190
SBITA liability	378,258	800,855	383,327	795,786	404,261
Compensated absences *	5,251,718	557,377	-	5,809,095	2,265,550
Governmental Activity					
Long-Term Liabilities	\$ 18,182,510	\$ 1,375,789	\$ 1,900,391	\$ 17,657,908	\$ 4,196,001

*Compensated absences are shown with a net change as allowed by GASB Statement 101.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

D. Deferred Inflows of Resources

As of December 31, 2024, the various components of unavailable revenue were as follows:

	Unavailable Revenue	Deferred for Future Period	Total
Deferred inflow due to prepaid taxes	\$ -	\$ 11,382	\$ 11,382
Leases	-	918,122	918,122
Delinquent property taxes	284,903	-	284,903
Intergovernmental	11,297,933	-	11,297,933
Other	990,071	-	990,071
Special assessments	269,591	-	269,591
	<hr/>	<hr/>	<hr/>
Total Governmental Funds	\$ 12,842,498	\$ 929,504	\$ 13,772,002
	<hr/>	<hr/>	<hr/>

E. Fund Balance

Nonspendable, Restricted, Committed, and Assigned Fund Balances

Fund balances of the governmental funds were designated as follows at December 31, 2024.

		Road and	Health and	Economic		Waste
	General	Bridge	Human	Development	Debt	Management
Nonspendable			Services	Authority	Service	Fund
Prepaid items	\$ 390,900	\$ 643,913	\$ 163,884	\$ -	\$ 2,035	\$ 5,097
Net lease receivable > deferred lease	8,934	-	-	-	-	-
Advance to other funds	265,000	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Nonspendable Fund Balance	\$ 664,834	\$ 643,913	\$ 163,884	\$ -	\$ 2,035	\$ 5,097
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**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

E. Fund Balance (Continued)

Nonspendable, Restricted, Committed, and Assigned Fund Balances (Continued)

Restricted	General	Road and Bridge	Health and Human Services	Economic Development Authority	Debt Service	Waste Management Fund
Gravel pit postclosure	\$ 382,841	\$ -	\$ -	\$ -	\$ -	\$ -
Statewide Affordable Housing Aid	262,440	-	-	-	-	-
Law library	412,244	-	-	-	-	-
Attorney's forfeiture activities	34,042	-	-	-	-	-
Attorney's victim assistance	4,856	-	-	-	-	-
Drug treatment court	327,976	-	-	-	-	-
Prosecution of prostitution fees (Attorney)	100	-	-	-	-	-
Recorder's technology equipment	70,219	-	-	-	-	-
Recorder's compliance fund	178,139	-	-	-	-	-
Veteran's operational grant	5,950	-	-	-	-	-
Veteran's VFW grant	2,056	-	-	-	-	-
Veteran's transportation	21,227	-	-	-	-	-
Buffer initiative	437,910	-	-	-	-	-
Aquatic invasive species prevention	221,635	-	-	-	-	-
Public safety funds	267,054	-	-	-	-	-
Sheriff's counteract	16,787	-	-	-	-	-
Sheriff's K-9 donations	26,135	-	-	-	-	-
Gun permit activities	37,299	-	-	-	-	-
Sheriff's contingency	382	-	-	-	-	-
Sale: 2010 Everglades	27,600	-	-	-	-	-
E-911	255,747	-	-	-	-	-
NG911 PSAP Funds	49,444	-	-	-	-	-
Correction service fee	22,082	-	-	-	-	-
Local correctional fees	130,676	-	-	-	-	-
Opioid settlement	-	-	600,873	-	-	-
Family Service Collaborative	-	-	405,423	-	-	-
Supplemental medical assistance renewal	-	-	40,272	-	-	-
Debt (QECB lump sum due 2/1/2027)	-	-	-	-	3,326,895	-
EDA loan program (2010MIF)	-	-	-	328,273	-	-
Total Restricted Fund Balance	\$ 3,194,841	\$ -	\$ 1,046,568	\$ 328,273	\$ 3,326,895	\$ -

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

3. Detailed Notes on All Funds (Continued)

E. Fund Balance (Continued)

Nonspendable, Restricted, Committed, and Assigned Fund Balances (Continued)

	General	Road and Bridge	Health and Human Services	Economic Development Authority	Debt Service	Waste Management Fund
Committed						
Petty cash and change funds	\$ 1,775	\$ 50	\$ 300	\$ -	\$ -	\$ 75
Economic development	-	-	-	147,624	-	-
Landfill transfer station	-	-	-	-	-	35,000
Demolition landfill closure	-	-	-	-	-	223,307
Land use/environmental ordinance	152,623	-	-	-	-	-
Compensated absences	534,686	-	-	-	-	-
27th payroll	1,666,741	-	-	-	-	-
Tax court settlements	225,500	-	-	-	-	-
Natural, technological, human-caused hazards	1,000,000	-	-	-	-	-
Tax-forfeited property funding	121,877	-	-	-	-	-
Hoists/lifts	-	264,031	-	-	-	-
Byllesby Park and Trail	-	321,928	-	-	-	-
Out-of-home placement budget deficits	-	-	152,973	-	-	-
Capital projects	2,742,157	-	-	-	-	-
TH 52 development and construction	-	107,451	-	-	-	-
Employee wellness committee	7,700	-	-	-	-	-
Total Committed Fund Balance	\$ 6,453,059	\$ 693,460	\$ 153,273	\$ 147,624	\$ -	\$ 258,382
Assigned						
Subsequent year's appropriated budget	\$ 1,711,841	\$ -	\$ -	\$ -	\$ -	\$ -
ARP	964,474	-	-	-	-	-
Highways & streets	-	14,368,205	-	-	-	-
Health & human services	-	-	19,446,736	-	-	-
Sanitation (waste management)	-	-	-	-	-	993,649
Motor pool	155,594	-	-	-	-	-
Election activities	139,525	-	-	-	-	-
Inmate improvement	72,521	-	-	-	-	-
Sheriff-radio tower equipment	43,737	-	-	-	-	-
Rural identification funds	4,876	-	-	-	-	-
Employee training & development	63,331	-	-	-	-	-
County program aid contingency	1,518,111	-	-	-	-	-
Building contingencies	1,247,361	-	-	-	-	-
Township turnback	-	9,525	-	-	-	-
Right-of-way	-	1,250,000	-	-	-	-
Total Assigned Fund Balance	\$ 5,921,371	\$ 15,627,730	\$ 19,446,736	\$ -	\$ -	\$ 993,649

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans

A. Defined Benefit Plans

1. 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). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General Plan)

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

Public Employees Police and Fire Retirement Plan (Police and Fire Plan)

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

Public Employees Local Government Correctional Service Retirement Plan (Correctional Plan)

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

2. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is “vested,” they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employees Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% 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%. The 2024 annual increase was 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 prorated increase.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

2. Benefits Provided (Continued)

Police and Fire Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is 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 prorated increase.

Correctional Plan Benefits

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

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 1% and a maximum of 2.5%. The 2024 annual increase was 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%.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

2. Benefits Provided (Continued)

Correctional Plan Benefits

Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

3. Contributions

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

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2024 and the County was required to contribute 7.50% for General Plan members. The County's contributions to the General Employees Fund for the year ended December 31, 2024, were \$1,714,852. The County's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2024 and the County was required to contribute 17.70% for Police and Fire Plan members. The County's contributions to the Police and Fire Fund for the year ended December 31, 2024, were \$805,239. The County's contributions were equal to the required contributions as set by state statute.

Correctional Fund Contributions

Correctional Plan members were required to contribute 5.83% of their annual covered salary in fiscal year 2024 and the County was required to contribute 8.75% for Correctional Plan members. The County's contributions to the Correctional Fund for the year ended December 31, 2024, were \$282,692. The County's contributions were equal to the required contributions as set by state statute.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs

General Employees Fund Pension Costs

At December 31, 2024 the County reported a liability of \$9,530,317 for its proportionate share of the General Employees Fund'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 \$246,434.

County's proportionate share of the net pension liability	\$ 9,530,317
State of Minnesota's proportionate share of the net pension liability associated with the County	<u>246,434</u>
Total	<u><u>\$ 9,776,751</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.2578% at the end of the measurement period and 0.2428% for the beginning of the period.

There were no provision changes during the measurement period.

For the year ended December 31, 2024, the County recognized pension expense of \$649,931 for its proportionate share of the General Employees Plan's pension expense. In addition, the County recognized an additional \$4,732 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16 million to the General Employees Fund.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The state of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The County recognized \$41,246 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 896,100	\$ -
Changes in Actuarial Assumptions	46,531	3,607,068
Net Collective Difference Between Projected and Actual Investment Earnings	-	2,767,526
Changes in Proportion	706,408	85,756
Contributions Paid to PERA Subsequent to the Measurement Date	868,528	-
Total	<u>\$ 2,517,567</u>	<u>\$ 6,460,350</u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

The \$868,528 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, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2025	\$ (2,859,701)
2026	(288,962)
2027	(932,206)
2028	(730,442)

Police and Fire Fund Pension Costs

At December 31, 2024, the County reported a liability of \$4,171,303 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion share was 0.3171% at the end of the measurement period and 0.3074% for the beginning of the period.

The state of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The state of Minnesota's proportionate share of the net pension liability associated with the County totaled \$28,536.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

County's proportionate share of the net pension liability	\$ 4,171,303
state of Minnesota's proportionate share of the net pension	
Liability associated with the County	<u>28,536</u>
Total	<u><u>\$ 4,199,839</u></u>

For the year ended December 31, 2024, the County recognized pension expense of \$682,183 for its proportionate share of the Police and Fire Plan's pension expense. The County recognized \$28,536 as grant revenue and pension expense for its proportionate share of the state of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund special funding situation.

The state of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The County recognized \$28,536 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the Police and Fire Fund.

There were no provision changes during the measurement period.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 1,625,593	\$ -
Changes in Actuarial Assumptions	4,585,344	6,142,351
Net Collective Difference Between Projected and Actual Changes in Proportion	-	1,356,302
Contributions Paid to PERA Subsequent to the Measurement Date	206,057	117,934
	<u>423,099</u>	<u>-</u>
Total	<u>\$ 6,840,093</u>	<u>\$ 7,616,587</u>

The \$423,099 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, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	Pension Expense <u>Amount</u>
2025	\$ (216,731)
2026	1,102,669
2027	(600,204)
2028	(1,609,757)
2029	124,430

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Correctional Plan Pension Costs

At December 31, 2024, the County reported a liability of \$372,519 for its proportionate share of the Public Employees Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion share was 1.222% as the end of the measurement period and was 1.133% for the beginning of the period.

There were no provision changes during the measurement period.

For the year ended December 31, 2024, the County recognized pension expense of \$493,281 for its proportionate share of the Correctional Plan's pension expense.

At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 264,055	\$ -
Changes in Actuarial Assumptions	-	1,260,327
Net Collective Difference Between Projected and Actual Investment Earnings	-	517,261
Changes in Proportion	94,180	30,564
Contributions Paid to PERA Subsequent to the Measurement Date	148,630	-
Total	<u>\$ 506,865</u>	<u>\$ 1,808,152</u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Correctional Plan Pension Costs (Continued)

The \$148,630 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, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2025	\$ (1,366,487)
2026	222,868
2027	(167,064)
2028	(139,234)

Summary for all Plans

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

Description	General Employees Plan	Police and Fire Plan	Correctional Plan	Total
Net Pension Liability	\$ 9,530,317	\$ 4,171,303	\$ 372,519	\$ 14,074,139
Deferred Outflows of Resources	2,517,567	6,840,093	506,865	9,864,525
Related to Pension				
Deferred Inflows of Resources	6,460,350	7,616,587	1,808,152	15,885,089
Related to Pension				
Pension Expense	645,200	710,719	493,281	1,849,200

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

5. Long-Term Expected Return on Investment

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5 %	5.10 %
International equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Total	<u>100.0 %</u>	

6. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan, Police and Fire Plan, and the Correctional Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan, 1.0% for the Police and Fire Plan, and 2.0% for the Correctional Plan.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

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

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

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

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

General Employees Fund

Changes in Actuarial Assumptions:

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

General Employees Fund (Continued)

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

Correctional Fund

Changes in Actuarial Assumptions:

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

Correctional Fund (Continued)

Changes in Plan Provisions:

- Employee contribution rates will increase from 5.83% of pay to 6.83% of pay, effective July 1, 2025.
- Employer contribution rates will increase from 8.75% of pay to 10.25% of pay, effective July 1, 2025.
- The benefit multiplier changed from 1.9% to 2.2% for service earned after June 30, 2025.

7. Discount Rate

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

8. 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:

	Proportionate Share of the					
	General Employees Plan		Police and Fire Plan		Correctional Plan	
	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability
1% Lower	6.00%	\$ 20,815,747	6.00%	\$ 9,857,603	6.00%	\$ 3,027,161
Current	7.00%	9,530,317	7.00%	4,171,303	7.00%	372,519
1% Higher	8.00%	247,022	8.00%	(498,340)	8.00%	(1,742,319)

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

9. 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.

B. Public Employees Defined Contribution Plan (Defined Contribution Plan)

Four board members are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D and 356, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. 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 two percent of employer contributions and twenty-five hundredths of one percent (0.25%) of the assets in each member's account annually.

Total contributions made by the County during fiscal year 2024 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 6,863	\$ 6,863	5%	5%	5%

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

5. Other Post-Employment Benefits (OPEB)

A. Plan Description

The County provides health insurance benefits to certain retired employees under a single-employer fully-insured defined benefit health care plan, as required by Minnesota Statute 471.61 subdivision 2b. Employees who retire from the County when eligible to receive a retirement benefit from the Public Employees Retirement Association (PERA) of Minnesota (or similar plan) and do not participate in any other health benefits program providing similar coverage described herein, are eligible to participate. Coverage can be continued for employees and their eligible dependents, if the dependents were covered immediately prior to the time of the employee's retirement, until the time the former employee reaches age 65. The County does not pay any portion of the health insurance premiums for retirees or their dependents, however, the retirees and dependents do receive an implicit benefit of a healthcare premium at the same rate provided to active employees.

As of January 1, 2024, the latest valuation date, there were 364 active participants, 11 retirees and 3 spouses receiving health benefits from the County's health plan.

B. Funding Policy

The County's OPEB plan is financed on a pay-as-you-go basis and currently has no assets that have been deposited into an irrevocable trust that meets the criteria of paragraph 4 of GASB 75 for future health benefits. Therefore, the actuarial value of plan assets is \$0. Separate stand-alone financial statements are not issued for the plan.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

5. Other Post-Employment Benefits (OPEB) (Continued)

C. Actuarial Methods and Assumptions

The County's OPEB liability of \$3,334,410 was measured as of January 1, 2024, and the total OPEB liability was determined by an actuarial valuation as of January 1, 2024, using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified:

Actuarial cost method	Entry age, level percentage of pay
Discount Rate	3.70%
Salary Increases	Service graded table, see sample rates
Inflation Rate	2.50%
Medical Trend Rate	6.50% as of January 1, 2024 grading to 5.00% over 6 years and then to 4.00% over the next 48 years
Mortality assumptions	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale

The actuarial assumptions are currently based on a combination of historical information, projected information and the most recent actuarial experience studies for PERA. All assumptions noted above have been changed since the most recent GASB 75 valuation.

D. Changes in the Total OPEB Liability

The following table presents the changes in total OPEB liability for the fiscal year ended December 31, 2024 based on a measurement date of January 1, 2024:

Balance as of January 1, 2024	\$ 1,839,063
Changes for the year:	
Service cost	160,246
Interest cost	39,062
Assumptions changes	(476,153)
Experience changes	1,865,075
Benefit payments	(92,883)
Net change in total OPEB liability	<u>1,495,347</u>
Balance as of December 31, 2024	<u><u>\$ 3,334,410</u></u>

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

5. Other Post-Employment Benefits (OPEB) (Continued)

D. Changes in the Total OPEB Liability (Continued)

The following table presents the sensitivity of the total OPEB liability calculation to a one percent increase or decrease in the discount rate previously disclosed used to measure the total OPEB liability:

	Discount Rate	Total OPEB Liability
1% Decrease	2.70%	\$ 3,652,059
Current	3.70%	3,334,410
1% Increase	4.70%	3,052,492

The following table presents the sensitivity of the total OPEB liability calculation to a one percent increase or decrease in the current healthcare cost trend rate used to measure the total OPEB liability:

	Total OPEB Liability
1% Decrease (5.50% decreasing to 4.00%)	\$ 3,006,356
Current (6.50% decreasing to 5.00%)	3,334,410
1% Increase (7.50% decreasing to 6.00%)	3,714,982

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

5. Other Post-Employment Benefits (OPEB) (Continued)

D. Changes in the Total OPEB Liability (Continued)

For the year ended December 31, 2024, the County recognized OPEB expense of \$219,496. The County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Actuarial Assumptions	\$ 64,666	\$ 413,667
Contributions Subsequent to the Measurement Date	144,947	-
Liability Gains/Losses	<u>1,650,276</u>	<u>17,996</u>
Total	<u>\$ 1,859,889</u>	<u>\$ 431,663</u>

\$144,947 reported as deferred outflow of resources resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>OPEB Expense Amount</u>
2025	\$ 216,109
2026	221,645
2027	224,348
2028	224,345
2029	198,418
Thereafter	198,414

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters for which the County carries commercial insurance. The County has entered into a joint powers agreement with other Minnesota counties to form the Minnesota Counties Intergovernmental Trust (MCIT). The County is a member of both the MCIT Workers' Compensation and Property and Casualty Divisions. For other risk, the County carries commercial insurance. There were no significant reductions in insurance from the prior year. The amount of settlements did not exceed insurance coverage for the past three fiscal years.

The Workers' Compensation Division of MCIT is self-sustaining based on the contributions charged, so that total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claims liabilities and other expenses. MCIT participates in the Workers' Compensation Reinsurance Association with coverage at \$500,000 per claim in 2024. Should the MCIT Workers' Compensation Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

The Property and Casualty Division of MCIT is self-sustaining, and the County pays an annual premium to cover current and future losses. MCIT carries reinsurance for its property lines to protect against catastrophic losses. Should the MCIT Property and Casualty Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

C. Joint Ventures

Goodhue County, in conjunction with other governmental entities has formed the joint ventures listed below:

Family Services Collaborative

The Goodhue County Family Services Collaborative was established in 1999 under the authority of Minn. Stat. §§ 471.59 and 124D.23. The Collaborative includes Goodhue County, Goodhue County Education District, Cannon Falls School District, and Three Rivers Community Action Council. The purpose of the Collaborative is to provide culturally appropriate programs and services to children and families, prevent children from developing more severe disabilities, and provide for the safety and security of the community and its children. During 2024, the County did not make any payments to the Collaborative. There is no accumulation of significant financial resources or fiscal stress for Goodhue County.

Control of the Collaborative is vested in a four-member governing board appointed by the member parties, with the Goodhue County Health and Human Services Department acting as the fiscal agent. The Collaborative is financed by state and federal grants and contributions from participating members. The Collaborative was audited by the Office of the Minnesota State Auditor for 2010.

South Country Health Alliance

South Country Health Alliance (SCHA) was created by a joint powers agreement between Brown, Dodge, Freeborn, Goodhue, Kanabec, Mower, Sibley, Steele, Wabasha, and Waseca Counties on July 24, 1998, under Minn. Stat. § 471.59. Mower County has since withdrawn. In 2007, Cass, Crow Wing, Morrison, Todd, and Wadena Counties joined in the joint venture. Cass, Crow Wing, and Freeborn Counties voted to withdraw as of December 31, 2010. Morrison, Todd and Wadena counties have voted to withdraw as of December 31, 2019. SCHA continues to serve Freeborn County as a non-member county. The agreement was in accordance with Minn. Stat. § 256B.692, which allows the formation of a Board of Directors to operate, control, and manage all matters concerning the participating counties' health care functions, referred to as county-based purchasing.

The purpose of the SCHA is to improve the social and health outcomes of its clients and all citizens of its member counties by better coordinating social service, public health and medical services, and promoting the achievement of public health goals. The SCHA is authorized to provide prepaid comprehensive health maintenance services to persons enrolled under Medicaid and General Assistance Medical Care in each of the member counties.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

C. Joint Ventures (Continued)

South Country Health Alliance (Continued)

Each member county has an explicit and measurable right to its share of the total capital surplus of the SCHA. Gains and losses are allocated annually to all members based on the percentage of their utilization.

The County's equity interest in the SCHA at December 31, 2024 was \$11,734,335. The equity interest is reported as an investment in joint venture on the government-wide statement of net position. Changes in equity are included in the government-wide statement of activities as Health and Human Services program expenses or revenues. There is no accumulation of significant financial resources or fiscal stress for Goodhue County.

Complete financial statements for the SCHA can be obtained from the South Country Health Alliance at 100 West Fremont Street, Owatonna, Minnesota 55060, or from its fiscal agent at 2300 Park Drive, Suite 100, Owatonna, Minnesota 55060.

Southeast Minnesota Regional Emergency Communications Board

The Southeast Minnesota Regional Emergency Communications Board (formerly known as the Radio Board) (SEMRCB) was established April 16, 2008, as provided by Minn. Stat. §§ 403.39 and 471.59. This joint powers board between Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona Counties and the City of Rochester serves to provide regional administration of enhancement to the Allied Radio Matrix for Emergency Response (ARMER) system owned and operated by the state of Minnesota and enhance and improve interoperable public safety communications.

Control of the SEMRCB is vested in a Joint Powers Board that is composed of one County Commissioner from each of the participating counties and one City Council member from the city.

During the year, Goodhue County paid \$19,700 to the Emergency Communications Board, \$11,200 for membership dues and \$8,500 of regional project funds. There is no accumulation of significant financial resources or fiscal stress for Goodhue County.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

C. Joint Ventures (Continued)

Southeastern Minnesota Multi-County Housing and Redevelopment Authority

Goodhue County and other regional counties have formed the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (HRA) for the purposes of providing housing and redevelopment services to Southeastern Minnesota counties. The governing body consists of an eight-member Board of Commissioners. Two Commissioners were appointed by each of the County Boards. The HRA adopts its own budget. The County made no payments to the Authority during 2024. There is no accumulation of significant financial resources or fiscal stress for Goodhue County.

Complete financial statements for the HRA can be obtained at 134 East Second Street, Wabasha, Minnesota 55981.

Southeast Minnesota Violent Crime Enforcement Team

The Southeast Minnesota Violent Crime Enforcement Team was established under the authority of the Joint Powers Act, pursuant to Minn Stat. § 471.59, and includes Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona Counties along with the Cities of Austin, Kasson, Red Wing, and Winona. The Enforcement Team's mission is to disrupt and destroy illegal narcotic operations in Southeastern Minnesota and provide drug investigation services for member organizations.

The enforcement team is governed by a governing board with members consisting of the Chief Law Enforcement Officer from each member, or his or her designee an attorney appointed by the governing board.

During the year, Goodhue County paid \$7,879 to the Task Force. There is no accumulation of significant financial resources or fiscal stress for Goodhue County.

Separate financial information can be obtained from the Southeast Minnesota Violent Crime Enforcement Team, 101 – 4th Street S.E., Rochester, Minnesota 55904.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

D. Jointly-Governed Organizations

Goodhue County, in conjunction with other governmental entities and various private organizations, has formed the jointly governed organizations listed below:

Minnesota Counties Computer Cooperative (MNCCC)

Under Minnesota Joint Powers Law, Minn. Stat. § 471.59, Minnesota counties have created MNCCC to facilitate technology services and training, and to provide software and other cost-effective measures to help reduce technology costs for its members. During the year, Goodhue County paid \$281,709 to the Cooperative.

Emergency Response Team (Mutual Aid Agreement)

The Multi-Jurisdiction Emergency Response Team (ERT) was established to better respond to critical incidents that involve high levels of threats to public safety and to effectively coordinate multi-agency responses for highly complex or unusual events. Current members of the team include Goodhue and Wabasha County Sheriff's offices, Red Wing, Plainview and Cannon Falls police departments, Red Wing fire department and Mayo Clinic. Additional members can join upon acceptance of this agreement's governing authority. The purpose of this multi-agency agreement is to establish governing provisions for selecting, training, equipping, activating and commanding the ERT. The ERT is managed by the Goodhue County Sheriff's Office, who has the authority under the agreement to appoint the ERT Commander and Lieutenant Commander. Members are not required to make any financial contributions to the ERT under this agreement. During the year, the County paid \$0 under this agreement.

Region One - Southeast Minnesota Homeland Security Emergency Management Organization

The Region One - Southeast Minnesota Security Emergency Management Organization (SERHSEM) was established to regionally coordinate efforts to better respond to emergencies and natural or other disasters within the SERHSEM region. There are 16 counties participating, with one member from each entity being represented on the Joint Powers Board. During the year, Goodhue County did not make payments to the Organization.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

D. Jointly-Governed Organizations (Continued)

Nuclear Emergency Response Preparedness-Incident Response

This agreement, between the County and Northern States Power specifies roles and responsibilities for providing emergency services in case of an adverse event at the Prairie Island Nuclear Energy Plant. The Red Wing police department is the normal primary contact and coordinator of external incident response; the County Sheriff would assume these lead responsibilities in the event of a general emergency declaration. The services to be provided include general law enforcement and leading of tactical response operations. Additional roles and responsibilities of other County personnel are also specified. No financial contributions are required by members under this agreement.

Nuclear Emergency Response Preparedness-Work Decontamination

These agreements between the State of Minnesota Homeland Security Management (HSEM), Goodhue County Emergency Management, and Cannon Falls and Red Wing fire departments were signed to detail roles and responsibilities of each party in the event of a disaster at the Prairie Island Nuclear Energy Plant. Under these agreements, the County is responsible for working with HSEM to establish a budget for a grant supporting Cannon Falls' worker decontamination facility. The County also participates in training exercises and is jointly responsible with each city for maintenance of the decontamination facility and is eligible for grant reimbursement of any expenditures incurred for this purpose. During 2024, the County paid \$77,635 to the City of Red Wing; no payments were received under either agreement.

Correctional Facility Emergency Response

This agreement is between the State of Minnesota, acting through its Commissioner of Corrections, and Goodhue County, on behalf of its Sheriff's Office. Under this agreement, either party may request assistance from the other party in the case of an emergency at the requesting party's local correctional facility. The current agreement was signed in 2019 and is effective through June 30, 2023. Parties are not required to make any financial contributions under this agreement unless services are required after an initial 24-hour period and a cost amendment to the agreement is signed, or if the party providing the services requests reimbursement of any supply costs. Assistance was not required by either party, nor did the County make any payments under this agreement in 2024.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

D. Jointly-Governed Organizations (Continued)

Cannon River Watershed

The Cannon River Watershed was formed by Dakota, Goodhue, Le Sueur, Rice, Steele and Waseca Counties and their respective Soil and Water Conservation Districts (SWCDs), the Belle Creek Watershed District and the North Canon River Watershed Management Organization. The purpose of this joint powers board is to develop policies, programs and projects toward a comprehensive watershed management plan, as required by Minnesota statute 103B.801. The governing board consists of 14 members, with one representative from each member entity, each serving a two-year term. Each member is required to contribute annual dues based on a tiered system, determined by the land area of each member in the Cannon River Watershed planning area. Goodhue County is a Tier 1 Member, with annual dues of \$5,000. Goodhue County signed the agreement on April 16, 2019; the final member signed on December 12, 2019. The first meeting was held on January 15, 2020. Goodhue County paid \$5,000 for its 2024 membership dues.

Southeastern Minnesota Libraries Cooperative (SELCO)

The Southeastern Minnesota Libraries Cooperative provides library services within the County. During the year, the County contributed \$576,527 to SELCO, noting this amount will increase to \$591,747 in 2025.

Court Services - Criminal Justice Data Communications Network

This agreement is between the state of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension (BCA) and the county of Goodhue on behalf of Court Services (Agency). Under Minn. Stat. 299C.46, the BCA must provide a criminal justice data communications network to benefit authorized agencies in Minnesota. The Agency is authorized by law to utilize the criminal justice data communications network pursuant to the terms set out in this agreement. In addition, BCA either maintains repositories of data or has access to repositories of data that benefit authorized agencies in performing their duties. This five-year agreement expires in May 2027. The County contributed \$1,080 in 2024.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

D. Jointly-Governed Organizations (Continued)

Port Authority of the City of Saint Paul – Property Assessed Clean Energy Program (MinnPACE)

This agreement was effective November 7, 2017. The Port Authority has been engaged in governmental programs for providing financing throughout the state of Minnesota by making loans evidenced by various financing leases and loan agreements. Minnesota Statutes, Sections 216C.435 and 216C.436 and Chapter 429 and 471.59 (collectively the Act) authorize the County to provide for the financing of the acquisition and construction or installation of energy efficiency and conservation improvements (the Cost Effective Energy Improvements as defined in the Act or Improvements) on “Qualifying Real Properties” as defined in the Act (the Properties or Property) located within the boundaries of the County through the use of special assessments. The County contributed nothing under this agreement in 2024.

Great River Rail Commission (Regional Railroad)

The Great River Rail Commission (formerly known as the Minnesota High Speed Rail Commission) (the Commission) joint powers agreement, originally enacted in 2009 and most recently amended in 2019, was established to cooperatively advocate for and analyze feasibility of enhanced railroad transportation options and an integrated transportation system in the Minnesota high speed rail corridor. The high-speed rail corridor is defined as a Canadian Pacific Railway corridor along the Mississippi River from LaCrescent, MN to the Union Depot in St. Paul, MN. The Commission consists of seven financial parties, including area railroad authorities and planning committees and 11 non-financial parties, including municipalities located along the corridor. Each Financial Party receives three votes, and each non-Financial party receives one vote on all Commission board matters. Financial parties are required to contribute to the Commission. Goodhue County is a financial party to this agreement and contributed \$4,600 in membership fees in 2024.

Criminal Justice Data Network

The Goodhue County Sheriff Office has an ongoing subscriber agreement with the state of Minnesota in order to access the Criminal Justice Data Network. The CJDN computer network allows the Goodhue County Sheriff’s office to access the state and federal computer network database for the exclusive purposes of law enforcement as it relates to vehicle files, person files and article files. The current agreement was signed in May 2022, and is effective for five years, through May 2027. The annual cost for this data access was \$4,440 in 2024.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

D. Jointly-Governed Organizations (Continued)

Minnesota Internet Crimes Against Children Task Force (ICAC)

This agreement is between the State of Minnesota, acting through its Commissioner of Public Safety, on behalf of the Bureau of Criminal Apprehension, and Goodhue County, on behalf of its Sheriff's Office. The purpose of the agreement is to implement a three-pronged approach (prevention, education and enforcement) to combat internet crimes against children. Through a grant received from the federal Office of Juvenile Justice and Delinquency Prevention, the State provides funding for training and software to Goodhue County Sheriff's personnel. Goodhue County conducts its own investigations and investigations on behalf of other local law enforcement agencies on behalf of ICAC and in accordance with ICAC task force program standards. This agreement was renewed effective May 2019 and expires in 2024. The County is eligible for reimbursement of certain expenses incurred while conducting investigations under this agreement. The County did not receive any reimbursements, nor did the County make any payments during 2024.

Minnesota Department of Corrections-Prosecutorial Services

The State, pursuant to Minn. Stat. 241.271 is empowered to reimburse counties for expenses of a county attorney resulting from activities involving inmates of the state correctional institution located in Goodhue County. Goodhue County has one correctional facility and thereby requests reimbursement for some of the costs associated with the prosecution of inmates who are involved in criminal activities at the correctional facility. The maximum annual reimbursement is \$5,000. Goodhue County did not receive any funds nor did the County make any payments under the agreement in 2024.

State Building Code Administration

Each year, the County enters into separate agreements with the cities of Bellechester, Cannon Falls, Dennison, Goodhue, Kenyon, Wanamingo, and Nerstrand for the County and its Land Use Department to perform all state building code administration duties on behalf of each city. Under these agreements, each city approves all permit applications through their local process. The County then reviews each permit for the compliance with state building codes. Each city collects all applicable permit fees, as set by the County fee schedule and remits said fees to the County on a quarterly basis. The County retains a portion of certain fees as payment for services and remits all other fees as required to the state. During 2024, the County received \$125,495 in total fees under these agreements. The County did not make any payment to the entity in 2024. Each of these agreements self-renews for additional one-year periods unless terminated by the city with no less than a 90-day notice.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. Summary of Significant Contingencies and Other Items (Continued)

D. Jointly-Governed Organizations (Continued)

Watershed Alliance for the Greater Zumbro

The Watershed Alliance for the Greater Zumbro was formed by Dodge, Goodhue, Olmsted, Rice, and Wabasha Counties and their respective Soil and Water Conservation Districts (SWCDs), the Steele County SWCD, the Bear Valley Watershed District and the City of Rochester. The purpose of this agreement is to collectively implement, as local government units, the Greater Zumbro River Comprehensive Watershed Management Plan, as required by Minnesota statute 103B.801, while providing assurances that decision-making spanning political boundaries is supported by an in-writing commitment from participants. This Agreement does not include a financial obligation, but rather an ability to share resources. Goodhue County signed the agreement on June 1, 2021; the final member signed on June 28, 2021. The County contributed nothing under this agreement in 2024.

E. Debt Obligation Contingency

On June 23, 2015, the Southeast Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA) issued \$2,765,000 in Housing Development Revenue Refunding Bonds – Series 2016B. The bonds were issued to refund SEMMCHRA’s \$3,575,000 Housing Development Revenue Bonds – Series 2007B. The principal and interest on the bonds are payable from SEMMCHRA’s operating revenues and tax increments resulting from increases in valuation of real property in Tax Increment Financing Districts 1-3. In the event these sources are deficient, SEMMCHRA has pledged to levy its special benefit tax. Should any of these SEMMCHRA sources fail to provide sufficient revenue for the payment of the principal and interest on the bonds, the full faith and credit of Goodhue County is irrevocably pledged for payment of the debt. As of December 31, 2024, the bonds have an outstanding principal amount of \$1,575,000, none of which was recognized as a liability by the County.

REQUIRED SUPPLEMENTARY INFORMATION

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 26,645,814	\$ 26,645,814	\$ 26,698,739	\$ 52,925
Special assessments	100,000	100,000	44	(99,956)
Licenses and permits	534,530	534,530	526,638	(7,892)
Intergovernmental	5,990,058	6,541,958	7,235,525	693,567
Charges for services	2,102,704	2,102,704	2,093,165	(9,539)
Fines and forfeits	12,500	12,500	7,740	(4,760)
Gifts and contributions	13,000	13,000	30,683	17,683
Investment earnings	1,405,200	1,405,200	3,800,808	2,395,608
Miscellaneous	1,442,242	1,442,242	1,474,048	31,806
Total Revenues	\$ 38,246,048	\$ 38,797,948	\$ 41,867,390	\$ 3,069,442
Expenditures				
Current				
General government				
Commissioners	\$ 290,376	\$ 290,376	\$ 285,794	\$ 4,582
Courts	160,000	160,000	209,301	(49,301)
County administration	630,287	630,287	608,952	21,335
County auditor-treasurer	1,159,835	1,159,835	1,062,458	97,377
County assessor	1,280,713	1,280,713	1,222,794	57,919
Elections	255,855	255,855	178,985	76,870
Information technology	1,539,546	1,539,546	1,260,050	279,496
Human resources	955,437	955,437	901,129	54,308
Attorney	2,627,132	2,627,132	2,612,536	14,596
Law library	70,000	70,000	41,143	28,857
Recorder	625,752	625,752	480,908	144,844
Surveyor	514,348	517,348	481,307	36,041
GIS	414,108	414,108	369,706	44,402
Building permits	720,489	720,489	578,435	142,054
Planning and zoning	329,764	329,764	301,774	27,990
Parks	110,000	110,000	-	110,000
Environmental health	376,931	376,931	376,625	306
Buildings and plant	1,661,255	1,661,255	1,811,125	(149,870)
Veterans service officer	387,700	387,700	336,240	51,460
Other general government	2,072,331	2,072,331	1,607,810	464,521
Total general government	\$ 16,181,859	\$ 16,184,859	\$ 14,727,072	\$ 1,457,787

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (Continued)				
Current (Continued)				
Public safety				
Sheriff	\$ 7,929,593	\$ 8,527,493	\$ 8,506,954	\$ 20,539
Sheriff - seasonal	489,469	491,587	422,039	69,548
Emergency management	401,881	401,881	377,649	24,232
Coroner	157,277	157,277	154,257	3,020
Communication infrastructure	153,842	153,842	160,169	(6,327)
E-911 system	1,732,428	1,732,428	1,664,024	68,404
Adult detention center	5,451,293	5,451,293	5,390,109	61,184
Sentence to Serve	259,047	259,047	233,613	25,434
Court services	1,325,249	1,325,249	1,399,083	(73,834)
Total public safety	\$ 17,900,079	\$ 18,500,097	\$ 18,307,897	\$ 192,200
Human Services				
Hope Coalition	\$ 7,500	\$ 7,500	\$ 7,500	\$ -
Social Services	132,115	132,115	134,809	(2,694)
Total human services	\$ 139,615	\$ 139,615	\$ 142,309	\$ (2,694)
Culture and recreation				
Historical society	\$ 134,500	\$ 134,500	\$ 134,500	\$ -
Regional library	576,527	576,527	576,527	-
Byllesby Dam	7,067	7,067	5,067	2,000
Other culture and recreation	197,507	197,507	194,782	2,725
Total culture and recreation	\$ 915,601	\$ 915,601	\$ 910,876	\$ 4,725
Conservation of natural resources				
County extension	\$ 253,704	\$ 253,704	\$ 239,308	\$ 14,396
Soil and water conservation	629,000	629,000	609,413	19,587
Total conservation of natural resources	\$ 882,704	\$ 882,704	\$ 848,721	\$ 33,983
Economic development				
Regional Railroad Authority	\$ 4,500	\$ 4,500	\$ 4,600	\$ (100)

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Expenditures (Continued)				
Capital Outlay				
General government	\$ 764,737	\$ 1,531,021	\$ 1,852,491	\$ (321,470)
Public safety	1,338,148	1,871,716	1,329,490	542,226
Highways and streets	1,528,570	1,992,558	1,436,185	556,373
Sanitation	127,039	601,017	536,779	64,238
Total capital outlay	\$ 3,758,494	\$ 5,996,312	\$ 5,154,945	\$ 841,367
Debt service				
Principal	\$ -	\$ -	\$ 321,193	\$ (321,193)
Interest	-	-	9,272	(9,272)
Total debt service	\$ -	\$ -	\$ 330,465	\$ (330,465)
Total Expenditures	\$ 39,782,852	\$ 42,623,688	\$ 40,426,885	\$ 2,196,803
Excess of Revenues Over (Under)				
Expenditures	\$ (1,536,804)	\$ (3,825,740)	\$ 1,440,505	\$ 5,266,245
Other Financing Sources (Uses)				
Transfers in	\$ 808,419	\$ 808,419	\$ 361,294	\$ (447,125)
Transfers out	(579,731)	(579,731)	(280,139)	299,592
Issuance of SBITAs	-	-	800,855	800,855
Sale of capital assets	-	-	123,223	123,223
Total Other Financing Sources (Uses)	\$ 228,688	\$ 228,688	\$ 1,005,233	\$ 776,545
Net Change in Fund Balance	\$ (1,308,116)	\$ (3,597,052)	\$ 2,445,738	\$ 6,042,790
Fund Balance - January 1	37,148,748	37,148,748	37,148,748	-
Fund Balance - December 31	\$ 35,840,632	\$ 33,551,696	\$ 39,594,486	\$ 6,042,790

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
ROAD AND BRIDGE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 11,996,665	\$ 11,996,665	\$ 11,081,932	\$ (914,733)
Licenses and permits	12,850	12,850	16,535	3,685
Intergovernmental	12,963,104	12,963,104	9,114,599	(3,848,505)
Charges for services	2,700	2,700	98,151	95,451
Investment earnings	-	-	745	745
Miscellaneous	32,100	32,100	66,147	34,047
Total Revenues	\$ 25,007,419	\$ 25,007,419	\$ 20,378,109	\$ (4,629,310)
Expenditures				
Current				
Highways and streets				
Administration	\$ 623,238	\$ 623,238	\$ 526,180	\$ 97,058
Maintenance	4,895,313	4,922,313	4,564,448	357,865
Construction	17,587,931	17,588,931	13,805,422	3,783,509
Equipment maintenance and shop	1,127,144	1,127,144	977,905	149,239
Total highways and streets	\$ 24,233,626	\$ 24,261,626	\$ 19,873,955	\$ 4,387,671
Culture and recreation				
Parks	\$ 263,634	\$ 263,634	\$ 208,094	\$ 55,540
Intergovernmental				
Highways and streets	\$ 515,859	\$ 515,859	\$ 625,845	\$ (109,986)
Capital Outlay				
Highways and streets	\$ -	\$ -	\$ 17,557	\$ (17,557)
Debt service				
Principal	\$ -	\$ -	\$ 821	\$ (821)
Interest	-	-	121	(121)
Total debt service	\$ -	\$ -	\$ 942	\$ (942)
Total Expenditures	\$ 25,013,119	\$ 25,041,119	\$ 20,726,393	\$ 4,314,726
Excess of Revenues Over (Under) Expenditures	\$ (5,700)	\$ (33,700)	\$ (348,284)	\$ (314,584)
Other Financing Sources (Uses)				
Transfers in	\$ 5,700	\$ 5,700	\$ 1,606	\$ (4,094)
Transfers out	(353,794)	(353,794)	(353,794)	-
Issuance of leases	-	-	17,557	17,557
Total Other Financing Sources (Uses)	\$ (348,094)	\$ (348,094)	\$ (334,631)	\$ 13,463
Net Change in Fund Balance	\$ (353,794)	\$ (381,794)	\$ (682,915)	\$ (301,121)
Fund Balance - January 1	17,648,018	17,648,018	17,648,018	-
Fund Balance - December 31	\$ 17,294,224	\$ 17,266,224	\$ 16,965,103	\$ (301,121)

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 8,231,662	\$ 8,231,662	\$ 8,224,242	\$ (7,420)
Intergovernmental	10,071,563	10,071,563	10,926,167	854,604
Charges for services	1,658,300	1,658,300	1,796,705	138,405
Investment earnings	-	-	35,969	35,969
Miscellaneous	619,965	619,965	1,279,855	659,890
Total Revenues	\$ 20,581,490	\$ 20,581,490	\$ 22,262,938	\$ 1,681,448
Expenditures				
Current				
Human services				
Income maintenance	\$ 5,908,482	\$ 5,908,482	\$ 5,732,767	\$ 175,715
Social services	9,745,070	9,745,070	9,958,041	(212,971)
Total human services	\$ 15,653,552	\$ 15,653,552	\$ 15,690,808	\$ (37,256)
Health				
Quality assurance - health services	\$ 3,138,935	\$ 3,138,935	\$ 3,275,087	\$ (136,152)
Healthy communities/behaviors	1,697,375	1,697,375	1,721,296	(23,921)
Disaster preparedness	267,480	267,480	205,488	61,992
Infectious disease	317,200	317,200	112,789	204,411
Health services - administration	455,997	455,997	663,877	(207,880)
Total health	\$ 5,876,987	\$ 5,876,987	\$ 5,978,537	\$ (101,550)
Debt service				
Principal	\$ -	\$ -	\$ 91,964	\$ (91,964)
Interest	-	-	6,493	(6,493)
Total debt service	\$ -	\$ -	\$ 98,457	\$ (98,457)
Total Expenditures	\$ 21,530,539	\$ 21,530,539	\$ 21,767,802	\$ (237,263)
Excess of Revenues Over (Under) Expenditures	\$ (949,049)	\$ (949,049)	\$ 495,136	\$ 1,444,185
Other Financing Sources (Uses)				
Transfers in	\$ 126,906	\$ 126,906	\$ 278,533	\$ 151,627
Transfers out	(7,500)	(7,500)	(7,500)	-
Total Other Financing Sources (Uses)	\$ 119,406	\$ 119,406	\$ 271,033	\$ 151,627
Net Change in Fund Balance	\$ (829,643)	\$ (829,643)	\$ 766,169	\$ 1,595,812
Fund Balance - January 1	20,044,292	20,044,292	20,044,292	-
Fund Balance - December 31	\$ 19,214,649	\$ 19,214,649	\$ 20,810,461	\$ 1,595,812

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
ECONOMIC DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 96,918	\$ 96,918	\$ 96,781	\$ (137)
Intergovernmental	1,072	1,072	1,282	210
Miscellaneous	84	84	-	(84)
Total Revenues	\$ 98,074	\$ 98,074	\$ 98,063	\$ (11)
Expenditures				
Current				
Economic development				
Community development	\$ 98,074	\$ 98,074	\$ 311,050	\$ (212,976)
Net Change in Fund Balance	\$ -	\$ -	\$ (212,987)	\$ (212,987)
Fund Balance - January 1	688,884	688,884	688,884	-
Fund Balance - December 31	\$ 688,884	\$ 688,884	\$ 475,897	\$ (212,987)

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2024**

Measurement Date	Employer's Portion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability Associated with Goodhue County	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.258%	\$ 9,530,317	\$ 246,434	\$ 9,776,751	\$ 21,779,364	43.76%	89.08%
2023	0.243%	13,577,104	374,274	13,951,378	19,175,886	70.80%	83.10%
2022	0.243%	19,261,520	564,848	19,826,368	18,284,911	105.34%	76.67%
2021	0.249%	10,612,063	324,085	10,936,148	17,940,167	59.15%	87.00%
2020	0.243%	14,538,983	448,370	14,987,353	17,301,530	84.03%	79.06%
2019	0.238%	13,180,602	709,649	13,890,251	16,824,081	78.34%	80.23%
2018	0.237%	13,153,336	431,493	13,584,829	15,803,906	83.23%	79.53%
2017	0.240%	15,308,674	192,456	15,501,130	15,689,120	97.58%	75.90%
2016	0.253%	20,566,707	268,600	20,835,307	15,760,263	130.50%	68.91%
2015	0.242%	12,541,699	-	12,541,699	14,279,337	87.83%	78.19%

The measurement date for each year is June 30.

**SCHEDULE OF CONTRIBUTIONS
PERA GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2024**

GENERAL EMPLOYEES PLAN - SCHEDULE OF CONTRIBUTIONS

Year Ending	Statutorily Required Contributions	Actual Contributions in Relation to Statutorily Required Contributions	Contribution (Deficiency) Excess	Covered Payroll	Actual Contributions as a Percentage of Covered Payroll
2024	\$ 1,636,155	\$ 1,636,155	\$ -	\$ 21,815,400	7.50%
2023	1,448,256	1,448,256	-	19,310,080	7.50%
2022	1,366,484	1,366,484	-	18,219,787	7.50%
2021	1,341,612	1,341,612	-	17,888,160	7.50%
2020	1,297,037	1,297,037	-	17,293,827	7.50%
2019	1,265,597	1,265,597	-	16,874,627	7.50%
2018	1,195,423	1,195,423	-	15,938,973	7.50%
2017	1,176,684	1,176,684	-	15,689,120	7.50%
2016	1,156,029	1,156,029	-	15,413,720	7.50%
2015	1,095,772	1,095,772	-	14,618,861	7.50%

The County's year-end is December 31.

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES POLICE AND FIRE PLAN
DECEMBER 31, 2024**

POLICE AND FIRE PLAN - SCHEDULE OF PROPORTIONATE SHARE

Measurement Date	Employer's Portion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability Associated with Goodhue County	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.317%	\$ 4,171,303	\$ 28,536	\$ 4,199,839	\$ 4,401,860	94.76%	90.17%
2023	0.307%	5,308,398	213,838	5,522,236	3,777,586	140.52%	86.50%
2022	0.314%	13,681,446	597,618	14,279,064	3,590,995	380.99%	70.53%
2021	0.307%	2,370,486	106,568	2,477,054	3,383,505	70.06%	93.66%
2020	0.305%	4,014,954	94,592	4,109,546	3,621,424	110.87%	87.19%
2019	0.322%	3,422,692	-	3,422,692	3,313,501	103.30%	89.26%
2018	0.320%	3,413,002	-	3,413,002	3,374,272	101.15%	88.84%
2017	0.304%	4,104,362	-	4,104,362	3,123,160	131.42%	85.40%
2016	0.329%	13,203,342	-	13,203,342	3,171,299	416.34%	63.90%
2015	0.311%	3,533,689	-	3,533,689	2,853,718	123.83%	86.60%

The measurement date for each year is June 30.

**SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES POLICE AND FIRE PLAN
DECEMBER 31, 2024**

POLICE AND FIRE PLAN - SCHEDULE OF CONTRIBUTIONS

Year Ending	Statutorily Required Contributions	Actual Contributions in Relation to Statutorily Required Contributions	Contribution (Deficiency) Excess	Covered Payroll	Actual Contributions as a Percentage of Covered Payroll
2024	\$ 777,092	\$ 777,092	\$ -	\$ 4,390,350	17.70%
2023	714,566	714,566	-	4,037,096	17.70%
2022	676,027	676,027	-	3,819,362	17.70%
2021	642,480	642,480	-	3,629,831	17.70%
2020	595,577	595,577	-	3,364,842	17.70%
2019	562,148	562,148	-	2,979,606	16.95%
2018	546,657	546,657	-	3,374,426	16.20%
2017	524,360	524,360	-	2,979,606	16.20%
2016	494,991	494,991	-	3,055,500	16.20%
2015	482,624	482,624	-	2,979,606	16.20%

The County's year-end is December 31.

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN
DECEMBER 31, 2024**

Measurement Date	Employer's Portion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2024	1.222%	\$ 372,519	\$ 3,095,466	12.03%	97.55%
2023	1.133%	512,038	2,683,412	19.08%	95.90%
2022	1.184%	3,935,284	2,679,396	146.87%	74.58%
2021	1.137%	(186,802)	2,613,435	-7.15%	100.02%
2020	1.221%	331,415	2,561,672	12.94%	96.67%
2019	1.268%	175,611	2,615,422	6.71%	98.17%
2018	1.329%	218,647	2,685,726	8.14%	97.60%
2017	1.360%	3,876,014	2,713,657	142.83%	67.90%
2016	1.480%	5,406,647	2,786,403	194.04%	58.20%
2015	1.410%	217,987	2,542,717	8.57%	96.90%

The measurement date for each year is June 30.

**SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN
DECEMBER 31, 2024**

Year Ending	Statutorily Required Contributions	Actual Contributions in Relation to Statutorily Required Contributions	Contribution (Deficiency) Excess	Covered Payroll	Actual Contributions as a Percentage of Covered Payroll
2024	\$ 270,265	\$ 270,265	\$ -	\$ 3,088,743	8.75%
2023	232,396	232,396	-	2,655,954	8.75%
2022	227,575	227,575	-	2,600,857	8.75%
2021	219,993	219,993	-	2,514,206	8.75%
2020	232,546	232,546	-	2,657,669	8.75%
2019	236,735	230,698	-	2,637,239	8.75%
2018	237,567	237,567	-	2,715,051	8.75%
2017	238,278	230,698	-	2,637,239	8.75%
2016	234,946	234,946	-	2,685,097	8.75%
2015	230,698	230,698	-	2,637,239	8.75%

The County's year-end is December 31.

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY, RELATED RATIOS AND NOTES
DECEMBER 31, 2024**

	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 160,246	\$ 165,035	\$ 160,228	\$ 120,113	\$ 116,332	\$ 91,331	\$ 96,311
Interest cost	39,062	36,773	44,086	40,874	51,548	42,923	39,839
Assumption changes	(476,153)	-	91,133	-	44,080	(38,770)	-
Experience changes	1,865,075	-	90,374	-	(63,001)	-	-
Benefit payments	(92,883)	(72,377)	(71,789)	(108,654)	(90,934)	(38,918)	(36,543)
Net change in total OPEB liability	1,495,347	129,431	314,032	52,333	58,025	56,566	99,607
Total OPEB liability, beginning	1,839,063	1,709,632	1,395,600	1,343,267	1,285,242	1,228,676	1,129,069
Total OPEB liability, ending	<u>\$ 3,334,410</u>	<u>\$ 1,839,063</u>	<u>\$ 1,709,632</u>	<u>\$ 1,395,600</u>	<u>\$ 1,343,267</u>	<u>\$ 1,285,242</u>	<u>\$ 1,228,676</u>
Covered-employee payroll	\$ 28,919,842	\$ 25,310,412	\$ 24,573,216	\$ 24,113,467	\$ 23,354,447	\$ 22,881,233	\$ 22,214,789
Total OPEB liability as a percentage of covered-employee payroll	11.53%	7.27%	6.96%	5.79%	5.75%	5.62%	5.53%
Benefits payments as a percentage of covered-employee payroll	0.32%	0.29%	0.29%	0.45%	0.39%	0.17%	0.16%

This schedule is intended to show information for 10 years. Additional years will be displayed as data becomes available.
Note: No assets are accumulated in a trust.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. 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:

A. General Employees Fund

2024

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2023

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2022

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

A. General Employees Fund (Continued)

2021

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2020

Changes 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.

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.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

A. General Employees Fund (Continued)

2019

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2018

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00% beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; this does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Changes in Actuarial Assumptions

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are no 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 1.90% per year through 2044 and 2.5% per year thereafter.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

A. General Employees Fund (Continued)

2017 (Continued)

Changes in Plan Provisions

- There were no changes since the prior valuation.

2016

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return 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 future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There were no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2030 and 2.50% per year thereafter to 1.00% per year through 2035 and 2.50% per year thereafter.

Changes in Plan Provisions

- There were no changes since the prior valuation.

B. Police and Fire Fund

2024

Changes in Actuarial Assumptions

- There were no changes since the prior valuation.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

B. Police and Fire Plan (Continued)

2024 (Continued)

Changes in Plan Provisions

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

2023

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2022

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to the Scale MP-2021.
- The single discount rate changed from 6.5% to 5.4%.

Changes in Plan Provisions

- There were no changes since the prior valuation.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

B. Police and Fire Fund (Continued)

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions

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

2020

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There were no changes since the prior valuation.

2019

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There were no changes since the prior valuation.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

B. Police and Fire Plan (Continued)

2018

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- Postretirement increases were changed to 1.0% for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution. Additionally, new annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million each year thereafter, until the plan reaches 100% funding, or July 1, 2048, whichever is earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and to 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019 and to 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that was already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than in 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 has been changed to 33% for vested members and 2% for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were 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.
- Assumed percentage of married female members was decreased from 65% to 60%.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

B. Police and Fire Plan (Continued)

2017 (Continued)

Changes in Actuarial Assumptions (Continued)

- Assumed age difference of married female members was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064 and 2.50% thereafter.
- The single discount rate was changed from 5.6% per annum to 7.5% per annum.

Changes in Plan Provisions

- There were no changes since the prior valuation.

2016

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There were no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

C. Correctional Fund

2024

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provision

- Employee contribution rates will increase from 5.83% of pay to 6.83% of pay, effective July 1, 2025.
- Employer contribution rates will increase from 8.75% of pay to 10.25% of pay, effective July 1, 2025.
- The benefit multiplier changed from 1.9% to 2.2% for service earned after June 30, 2025.

2023

Changes in Actuarial Assumptions

- The investment return rate was changed from 6.5 percent to 7.00 percent.
- The single discount rate changed from 5.42 percent to 7.0 percent.

Changes in Plan Provision

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

2022

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.42%.
- The benefit increase assumption was changed from 2.00% per annum to 2.00% per annum through December 31, 2054 and 1.50% per annum thereafter.

Changes in Plan Provision

- There have been no changes since the prior valuation.

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

C. Correctional Fund (Continued)

2021 (Continued)

Changes in Actuarial Assumptions (Continued)

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

Changes in Plan Provision

- There have been no changes since the prior valuation.

2020

Changes in Actuarial Assumptions

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

Changes in Plan Provision

- There have been no changes since the prior valuation.

2019

Changes in Actuarial Assumptions

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

Changes in Plan Provision

- There were no changes since the prior valuation.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

C. Correctional Fund (Continued)

2018

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2017

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There were no changes since the prior valuation.

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

1. Defined Benefit Pension Plans – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

C. Correctional Fund (Continued)

2016

Changes in Actuarial Assumptions

- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 5.31%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There were no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

- There were no changes since the prior valuation.

Changes in Plan Provisions

- There were no changes since the prior valuation.

2. Other Post-Employment Benefit (OPEB) Plan – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions

The following assumption changes were reflected in the OPEB Plan valuation performed:

2024

- The healthcare trend rates were changed to better anticipate short term and long term medical increases.
- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.00% to 3.70%.

2023

- None.

2022

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

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

2. Other Post-Employment Benefit (OPEB) Plan – Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions (Continued)

2022 (Continued)

- The salary increase rates were updated to reflect the latest experience study.
- The retirement and withdrawal rates were updated to reflect the latest experience study.
- The inflation rate was changed from 2.50% to 2.00%.
- The discount rate was changed from 2.90% to 2.00%.

2021

- None.

2020

- The discount rate was changed from 3.80% to 2.90% as of January 1, 2020. As the plan does not accumulate assets in an applicable trust, this is the 20-year AA-rated municipal bond rate.
- The salary growth assumptions were changed from a flat 3.00% per year to rates varying by years of service and classification.
- The mortality tables were updated from the RP-2014 mortality tables (Blue Collar for Public Safety, White Collar for other) with MP-2017 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.
- The health care trend rate is 6.50% as of January 1, 2020, decreasing to 5.00% over 6 years and then to 4.00% over the next 48 years.

2019

- The discount rate was changed to 3.80% as of January 1, 2019. As the plan does not accumulate assets in an applicable trust, this is the 20-year AA-rated municipal bond rate.

2018

- The discount rate was changed to 3.30%. As the plan does not accumulate assets in an applicable trust, this is the 20-year AA-rated municipal bond rate.
- The actuarial cost method is Entry age, level percentage of pay.
- The healthcare trend rate is 6.50%, decreasing to 5.00% over six years.
- The salary growth assumption is 3.00% per year.
- The inflation rate for calculating post-retirement increases is 2.50%.
- Mortality assumptions are based on the RP-2014 White Collar Mortality tables with MP-2017 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire personnel).

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR DECEMBER 31, 2024**

3. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and major special revenue funds, except budgets are not adopted for the Ditch Special Revenue Fund. All annual appropriations lapse at fiscal year-end.

On or before mid-July of each year, all departments and agencies submit requests for appropriations to the County Administrator so that a budget can be prepared. On or before September 30, the proposed budget is presented to the Board for review. The Board holds public hearings, and a final budget must be prepared and adopted no later than December 28.

The final budget is prepared by fund and department. During the calendar year, revisions that alter the budgeted revenues or expenditures of any fund must be approved by the Board. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is the fund level.

4. Excess of Expenditures Over Budget

The following is a summary of the individual funds that had expenditures in excess of final budget for the year ended December 31, 2024.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Health and Human Services Special Revenue Fund	\$ 21,530,539	\$ 21,767,802	\$ (237,263)
Economic Development Authority Special Revenue Fund	98,074	311,050	(212,976)

The excess expenditures were funded with greater than anticipated revenues and existing fund balances.

SUPPLEMENTARY INFORMATION

MAJOR FUND

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 1,974,060	\$ 1,974,060	\$ 1,972,147	\$ (1,913)
Intergovernmental	59,353	59,353	64,343	4,990
Total Revenues	\$ 2,033,413	\$ 2,033,413	\$ 2,036,490	\$ 3,077
Expenditures				
Debt service				
Principal	\$ 1,455,000	\$ 1,455,000	\$ 1,455,000	\$ -
Interest	346,228	346,228	346,228	-
Administrative - fiscal charges	232,185	232,185	2,785	229,400
Total Expenditures	\$ 2,033,413	\$ 2,033,413	\$ 1,804,013	\$ 229,400
Net Change in Fund Balance	\$ -	\$ -	\$ 232,477	\$ 232,477
Fund Balance - January 1	3,096,453	3,096,453	3,096,453	-
Fund Balance - December 31	\$ 3,096,453	\$ 3,096,453	\$ 3,328,930	\$ 232,477

**GOODHUE COUNTY
RED WING, MINNESOTA
NONMAJOR GOVERNMENTAL FUND
SPECIAL REVENUE FUND**

Waste Management – to account for the financial activities of the waste management facility, the recycling center, and the household hazardous waste facility.

**GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
WASTE MANAGEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 607,904	\$ 607,904	\$ 607,282	\$ (622)
Licenses and permits	7,000	7,000	6,100	(900)
Intergovernmental	173,079	173,079	176,180	3,101
Charges for services	74,700	74,700	7,134	(67,566)
Interest on investments	330	330	-	(330)
Miscellaneous	121,500	121,500	145,311	23,811
Total Revenues	\$ 984,513	\$ 984,513	\$ 942,007	\$ (42,506)
Expenditures				
Current				
Sanitation				
Solid waste	\$ 95,798	\$ 95,798	\$ 753	\$ 95,045
Recycling	622,035	622,035	635,394	(13,359)
Hazardous waste	126,648	126,648	43,627	83,021
Landfill	140,032	140,032	90,376	49,656
Total Expenditures	\$ 984,513	\$ 984,513	\$ 770,150	\$ 214,363
Net Change in Fund Balance	\$ -	\$ -	\$ 171,857	\$ 171,857
Fund Balance - January 1	1,085,271	1,085,271	1,085,271	-
Fund Balance - December 31	\$ 1,085,271	\$ 1,085,271	\$ 1,257,128	\$ 171,857

**GOODHUE COUNTY
RED WING, MINNESOTA
FIDUCIARY FUNDS – CUSTODIAL**

Taxes and Penalties Fund – to account for the collection and distribution of current and delinquent property taxes as well as refunds on abatements, court orders and overpayments of real estate and personal property taxes, that are collected on behalf of, and paid to, other governments.

State Licenses, Fees and Other Taxes – to account for collections and disbursements of other governments' portions of fees and surcharges collected by the County for certain permit and document services provided, as well as collection and disbursement of certain miscellaneous taxes that are due to other governments.

Medical Assistance Recoveries Fund – to account for state and federal portions of medical assistance amounts that are reimbursable due to overpayment to recipient or death of recipient.

Civil Process Fund – to account for funds held by the Sheriff's Office during an active court proceeding and disbursed to other parties upon final case dissolution.

Inmate Canteen and Services Fund – to account for funds deposited by or on behalf of Adult Detention Center inmates and use of those funds for vending or other discretionary services during their stay, payment of required fees, or remittance of funds to the inmate or another party upon the inmate's release.

Local Collaborative Other Activities Fund – to account for the activities of the family services collaborative. The collaborative sets goals to address the health, development, educational, and family-related needs of children and youth.

**GOODHUE COUNTY
RED WING, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2024**

	Custodial Funds						
	Taxes and Penalties	State Licenses, Fees and Other Taxes	Medical Assistance Recoveries	Civil Process	Inmate Canteen and Services	Local Collaborative Other Activities	Total Custodial Funds
Assets							
Cash and pooled investments	\$ 1,123,818	\$ 190,795	\$ 193,871	\$ 100	\$ 18,825	\$ -	\$ 1,527,409
Accounts receivable	919,356	15,766	-	-	-	-	935,122
Due from other governments	476	528	-	-	-	-	1,004
Total Assets	\$ 2,043,650	\$ 207,089	\$ 193,871	\$ 100	\$ 18,825	\$ -	\$ 2,463,535
Liabilities							
Due to individuals	\$ 1,179	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,179
Due to other governments	1,123,115	207,089	193,871	-	-	-	1,524,075
Total Liabilities	\$ 1,124,294	\$ 207,089	\$ 193,871	\$ -	\$ -	\$ -	\$ 1,525,254
Net Position							
Restricted for individuals, organizations and other governments	\$ 919,356	\$ -	\$ -	\$ 100	\$ 18,825	\$ -	\$ 938,281
Total Net Position	\$ 919,356	\$ -	\$ -	\$ 100	\$ 18,825	\$ -	\$ 938,281

**GOODHUE COUNTY
RED WING, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Custodial Funds						
	Taxes and Penalties	State Licenses, Fees and Other Taxes	Medical Assistance Recoveries	Civil Process	Inmate Canteen and Services	Local Collaborative Other Activities	Total Custodial Funds
Additions							
Contributions-individuals	\$ -	\$ -	\$ 32,752	\$ -	\$ 335,555	\$ -	\$ 368,307
Property tax collections for other governments	82,921,921	-	-	-	-	-	82,921,921
Contributions from governments	-	1,697,809	-	-	-	-	1,697,809
License fee collected for state government	-	151,514	-	-	-	-	151,514
Civil process collections	-	-	-	803,211	-	-	803,211
Other contributions	-	-	181,463	-	-	76,880	258,343
Total Additions	\$ 82,921,921	\$ 1,849,323	\$ 214,215	\$ 803,211	\$ 335,555	\$ 76,880	\$ 86,201,105
Deductions							
Payments to individuals	\$ -	\$ -	\$ 1,455	\$ 8,670	\$ 77,023	\$ -	\$ 87,148
Payments of property tax to other governments	82,787,881	-	-	-	-	-	82,787,881
Other payments to other governments	-	1,849,323	211,120	-	137,062	-	2,197,505
Payments to other entities	-	-	1,640	794,541	123,226	76,880	996,287
Total Deductions	\$ 82,787,881	\$ 1,849,323	\$ 214,215	\$ 803,211	\$ 337,311	\$ 76,880	\$ 86,068,821
Net Increase (Decrease) in Fiduciary Net Position	\$ 134,040	\$ -	\$ -	\$ -	\$ (1,756)	\$ -	\$ 132,284
Net Position - Beginning	785,316	-	-	100	20,581	-	805,997
Net position - Ending	\$ 919,356	\$ -	\$ -	\$ 100	\$ 18,825	\$ -	\$ 938,281

OTHER SCHEDULES

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Governmental Funds
Shared Revenue and Appropriations	
State	
Highway users tax	\$ 8,904,262
PERA rate reimbursement	98,318
Disparity reduction aid	29,143
Police aid	505,524
County program aid	2,466,173
Market value credit	473,168
Aquatic invasive species aid	62,791
Treatment for Court Services	60,921
Indian casino aid	56,815
Riparian protection aid	108,772
Enhanced 911	256,836
SCORE	167,401
Homeless/Housing aid	203,927
Out of Home Placement Aid	1,163
Cannabis	2,114
Total Shared Revenue and Appropriations	\$ 13,397,328
Reimbursement for Services	
State	
Minnesota Department of Human Services	\$ 3,188,426
Payments	
Local	
Election reimbursements	\$ 58,451
Mobile crisis	9,047
Payments in lieu of taxes	346,001
Total Payments	\$ 413,499
Grants	
State	
Minnesota Department/Board of	
Corrections	\$ 860,608
Health	670,569
Human Services	1,881,304
Natural Resources	234,924
Public Safety	449,041
Veterans Affairs	8,120
Water and Soil Resources	100,716
Peace Officer Standards and Training Board	42,573
Pollution Control Agency	7,039
Secretary of State	45,119
Total State	\$ 4,300,013

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Governmental Funds
Grants (Continued)	
Federal	
Department of	
Agriculture	\$ 726,506
Interior	12,310
Justice	45,613
Transportation	119,717
Health and Human Services	4,558,828
Homeland Security	718,049
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Total Federal	\$ 6,181,023
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Total State and Federal Grants	\$ 10,481,036
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Qualified Energy Conservation Bonds Interest Subsidy	\$ 37,807
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Total Intergovernmental Revenue	\$ 27,518,096
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**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Grant Program Title or Cluster Name	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed Through Minnesota Department of Health WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	222MN004W1003	\$ 163,000	\$ -
Passed Through Minnesota Department of Human Services State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Total expenditures for SNAP Cluster \$563,444)	10.561	242MN101S2514	563,444	-
Passed Through Minnesota Department of Agriculture WIC Farmers' Market Nutrition Program (FMNP)	10.572	232MN992Y8604	62	-
Total U.S. Department of Agriculture			\$ 726,506	\$ -
U.S. Department of the Interior				
Direct Payments in Lieu of Taxes	15.226	N/A, Direct	\$ 12,310	\$ -
U.S. Department of Justice				
Direct Treatment Court Discretionary Grant Program	16.585	N/A, Direct	28,043	-
State Criminal Alien Assistance Program	16.606	N/A, Direct	8,732	-
Bulletproof Vest Partnership Program	16.607	N/A, Direct	8,838	-
Total U.S. Department of Justice			\$ 45,613	\$ -
U.S. Department of Transportation				
Passed Through Minnesota Department of Natural Resources Recreational Trails Program	20.219	0013-20-3A	75,000	-
Passed Through Minnesota Department of Public Safety State and Community Highway Safety (Part of Highway Safety Cluster) (Total State and Community Highway Safety 20.600 \$44,717)	20.600	A-ENFRC23-2025- GOODHUSD-015	22,335	-
State and Community Highway Safety (Part of Highway Safety Cluster) (Total State and Community Highway Safety 20.600 \$44,717)	20.600	F-SAFE23-2024- GOODHUPH-013	22,382	-
Total U.S. Department of Transportation			\$ 119,717	\$ -

**GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services				
Passed Through Minnesota Department of Health				
Public Health Emergency Preparedness	93.069	NU90TP922026	\$ 29,722	\$ -
Early Hearing Detection and Intervention	93.251	H61MC00035	525	-
COVID-19 Immunization Cooperative Agreements	93.268	NH23IP922628	77,678	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	NE11OE000048	171,518	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NH23IP922628	27,888	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	NU90TP922188	17,207	-
Temporary Assistance for Needy Families	93.558	2301MNTANF	12,248	-
(Total Temporary Assistance for Needy Families 93.558 \$402,055)				
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	X1043589	86,885	-
Maternal and Child Health Services Block Grant to the States	93.994	BO4MC32551	38,446	-
Passed Through Minnesota Department of Human Services				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2301MNFPS	8,341	-
Temporary Assistance for Needy Families	93.558	2401MNTANF	389,807	-
(Total Temporary Assistance for Needy Families 93.558 \$402,055)				
Child Support Enforcement	93.563	2301MNCSES	1,087,716	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	2401MNRMA	4,198	-
Child Care and Development Block Grant	93.575	2401MNCDF	18,886	-
(Total expenditures for CCDF Cluster \$18,886)				
Community-Based Child Abuse Prevention Grants	93.590	2302MNBCAP	28,402	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2301MNCWSS	3,568	-
Foster Care Title IV-E	93.658	2401MNFOS	402,420	-
Social Services Block Grant	93.667	2401MNSOSR	225,209	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2301MNCILP	1,617	-
Children's Health Insurance Program	93.767	2305MNS021	957	-
Medical Assistance Program	93.778	2405MNSADM	1,932,223	-
(Total expenditures for Medicaid Cluster \$1,932,223)				
Total U.S. Department of Health and Human Services			\$ 4,565,461	\$ -
U.S. Department of Homeland Security				
Direct				
Port Security Grant Program	97.056	N/A, Direct	650,131	-
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012	R29CG70CBLA21	12,347	-
Emergency Management Performance Grants	97.042	EMC-2021-EP-00011	36,253	-
Passed Through Minnesota Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4797DR-MN	19,318	-
Total U.S. Department of Homeland Security			\$ 718,049	\$ -
Total Federal Expenditures			\$ 6,187,656	\$ -

**GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Goodhue County. The County's reporting entity is defined in Note 1 to the financial statements.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Goodhue County under programs of the federal government for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) from the Office of Management and Budget (OMB). Because the schedule presents only a selected portion of the operations of Goodhue County, it is not intended to and does not present the financial position or changes in net position of Goodhue County.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Goodhue County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 6,181,023
Grants deferred in 2023, recognized as revenue in 2024	
MaryLee Allen Promoting Safe and Stable Families	(1,034)
Stephanie Tubbs Jones Child Welfare Services Program	(1,029)
Grants received more than 60 days after year-end, deferred in 2024	
MaryLee Allen Promoting Safe and Stable Families	1,001
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	1,179
Foster Care Title IV-E	4,732
Stephanie Tubbs Jones Child Welfare Services Program	1,784
	<hr/>
Expenditures per Schedule of Expenditures of Federal Awards	<u><u>\$ 6,187,656</u></u>

OTHER INFORMATION SECTION

**GOODHUE COUNTY
RED WING, MINNESOTA
TAX CAPACITY, TAX RATES, LEVIES, AND
PERCENTAGE OF COLLECTIONS**

	2023		2024		2025	
	Amount	Net Tax Capacity Rate (%)	Amount	Net Tax Capacity Rate (%)	Amount	Net Tax Capacity Rate (%)
Tax Capacity						
Real property	\$ 98,355,178		\$ 104,560,147		\$ 111,438,854	
Personal property	2,143,005		2,092,238		2,191,116	
Tax increment	(720,830)		(774,336)		(889,999)	
Powerline	(92,475)		(87,994)		(86,579)	
Net Tax Capacity	\$ 99,684,878		\$ 105,790,055		\$ 112,653,392	
Taxes Levied for County Purposes						
General	\$ 24,626,381	25.414	\$ 26,370,701	25.559	\$ 27,516,463	25.032
Road and Bridge	6,405,043	6.425	6,385,496	6.036	6,334,119	5.623
Health & Human Services	8,322,678	8.349	8,322,678	7.867	8,863,236	7.868
Economic Development Authority	97,232	0.098	97,990	0.093	45,974	0.041
Debt Service	1,988,008	1.994	1,995,886	1.886	1,996,714	1.772
Waste Management	581,303	0.583	614,625	0.581	559,469	0.496
Total Taxes Levied for County Purposes	\$ 42,020,645	42.863	\$ 43,787,376	42.022	\$ 45,315,975	40.832
Tax Capacity - Light and Power						
Distribution	\$ 541,335		\$ 549,239		\$ 607,808	
Light and Power Tax Levies (distributed in accordance with Minn. Stat. 273.40, as amended)						
Distribution	\$ 550,881	101.763	\$ 577,058	105.065	\$ 627,734	103.278

**GOODHUE COUNTY
RED WING, MINNESOTA
TAX CAPACITY, TAX RATES, LEVIES, AND
PERCENTAGE OF COLLECTIONS (CONTINUED)**

	2023		2024		2025	
	Net Tax Capacity		Net Tax Capacity		Net Tax Capacity	
	Amount	Rate (%)	Amount	Rate (%)	Amount	Rate (%)
Market Value - Light and Power						
Distribution	\$ 27,157,100		\$ 27,479,000		\$ 30,406,900	
Light and Power Market Value Levies						
Distribution	\$ 53,500	0.19700	\$ 53,157	0.19348	\$ 54,936	0.18067
Tax Capacity - State General Tax						
Distribution	\$ 535,914		\$ 548,216		\$ 606,816	
State General Tax Capacity Levies						
Distribution	\$ 176,868	33.003	\$ 160,595	29.294	\$ 175,108	28.857
Percentage of Tax Collections for All Purposes	99.70%		99.30%		Not Available	

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION INDEX

DECEMBER 31, 2024

This part of Goodhue County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the published annual financial reports for the relevant year.

**Goodhue County
Net Position by Component**

**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>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental Activities										
Net Investment in Capital Assets	\$ 129,239,009	\$ 125,919,390	\$ 124,211,406	\$ 126,807,665	\$ 124,111,284	\$ 122,153,873	\$ 128,450,049	\$ 128,702,041	\$ 138,773,273	\$ 148,765,445
Restricted	7,782,813	7,848,939	7,771,486	9,603,586	11,603,157	10,517,131	11,252,347	15,288,484	16,285,993	19,890,215 *
Unrestricted	15,497,056	12,660,256	12,389,716	13,802,823	20,208,752	31,177,502	38,288,983	50,552,683	60,724,674	58,981,661 *
Total Primary Government Net Position	<u>\$ 152,518,878</u>	<u>\$ 146,428,585</u>	<u>\$ 144,372,608</u>	<u>\$ 150,214,074</u>	<u>\$ 155,923,193</u>	<u>\$ 163,848,506</u>	<u>\$ 177,991,379</u>	<u>\$ 194,543,208</u>	<u>\$ 215,783,940</u>	<u>\$ 227,637,321</u>

* Restricted amounts related to Debt Service funds for prior years have been reclassified to conform to the presentation beginning in 2019.

**Goodhue County
Changes in Net Position**

**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>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Expenses										
Governmental Activities										
General Government	\$ 12,108,499	\$ 12,925,685	\$ 12,882,488	\$ 11,183,567	\$ 14,035,828	\$ 13,349,002	\$ 12,801,851	\$ 14,260,250	\$ 17,542,700	\$ 16,092,461
Public Safety	13,626,610	16,914,804	16,085,482	14,548,058	15,605,175	13,795,958	13,664,216	17,737,445	18,261,088	18,613,766
Highways and Streets	16,042,500	15,988,827	12,431,568	11,410,425	15,466,141	22,372,826	14,357,136	19,606,629	16,811,149	15,195,681
Sanitation	682,309	785,491	682,915	1,339,641	901,715	963,781	1,895,620	1,201,253	927,983	900,869
Human Services	10,933,174	12,521,486	13,263,433	12,592,187	13,367,608	12,851,232	11,706,899	10,537,862	14,959,661	20,766,107
Health	3,053,450	4,009,596	3,463,802	3,699,283	3,950,154	4,122,909	4,680,853	4,422,307	5,297,896	6,004,645
Culture and Recreation	758,214	643,907	744,733	806,522	1,501,690	1,206,060	1,038,833	1,024,644	1,436,411	1,026,076
Conservation of Natural Resources	742,202	718,033	772,220	722,000	676,100	811,272	989,335	1,143,107	997,850	860,108
Economic Development	58,793	27,672	28,365	37,736	62,997	2,739,358	974,027	125,501	95,246	648,285
Interest	532,095	559,537	499,107	531,756	476,084	435,098	401,429	379,094	354,566	317,798
Total Governmental Activities Expenses	<u>\$ 58,537,846</u>	<u>\$ 65,095,038</u>	<u>\$ 60,854,113</u>	<u>\$ 56,871,175</u>	<u>\$ 66,043,492</u>	<u>\$ 72,647,496</u>	<u>\$ 62,510,199</u>	<u>\$ 70,438,092</u>	<u>\$ 76,684,550</u>	<u>\$ 80,425,796</u>
Program Revenues										
Governmental Activities										
Fees, Charges, Fines and Other										
General Government	\$ 1,809,888	\$ 1,925,997	\$ 2,212,528	\$ 2,222,070	\$ 2,252,714	\$ 3,233,959	\$ 2,526,345	\$ 3,050,113	\$ 2,219,820	\$ 2,281,598
Public Safety	2,244,780	2,305,994	2,433,957	1,842,846	1,858,873	1,304,151	1,033,721	1,014,872	1,133,741	1,310,076
Highways and Streets	59,493	276,882	109,235	510,872	238,051	152,775	517,287	430,797	135,450	178,653
Sanitation	181,881	232,778	281,796	234,866	155,775	229,793	282,857	251,457	199,702	153,545
Human Services	1,046,842	920,149	1,190,806	1,385,015	1,404,682	1,591,461	1,832,672	1,734,813	7,991,873	1,630,930
Health	728,031	875,477	803,375	965,491	1,086,345	1,017,140	937,370	2,221,982	894,138	1,326,594
Conservation of Natural Resources	111,148	105,476	108,720	98,314	117,718	115,408	142,399	90,250	114,433	113,816
Economic Development	32,439	111,986	10,783	10,783	13,232	93,868	2,321	-	-	-
Total Fees, Charges, Fines and Other	<u>\$ 6,214,502</u>	<u>\$ 6,754,739</u>	<u>\$ 7,151,200</u>	<u>\$ 7,270,257</u>	<u>\$ 7,127,390</u>	<u>\$ 7,738,555</u>	<u>\$ 7,274,972</u>	<u>\$ 8,794,284</u>	<u>\$ 12,689,157</u>	<u>\$ 6,995,212</u>
Operating Grants and Contributions										
General Government	\$ 162,316	\$ 248,217	\$ 261,106	\$ 407,103	\$ 366,200	\$ 1,603,382	\$ 493,657	\$ 5,757,597	\$ 4,299,583	\$ 578,222
Public Safety	1,257,779	1,112,610	1,091,408	1,224,731	1,305,419	2,583,827	1,269,920	1,737,174	2,887,031	2,957,187
Highways and Streets	7,339,939	8,939,751	5,960,131	7,665,246	7,451,233	8,350,560	7,470,734	8,911,747	8,625,699	10,258,342
Sanitation	328	515,745	139,486	132,347	136,396	139,223	144,066	149,201	140,489	167,401
Human Services	6,017,606	5,449,858	6,004,090	6,050,927	6,431,521	7,160,306	6,367,100	6,891,194	7,251,094	7,173,672
Health	1,693,652	2,165,759	2,022,662	2,332,595	2,279,377	2,790,061	3,030,109	3,194,794	3,297,310	3,783,083
Culture and Recreation	224,120	43,766	153,103	96,669	144,191	104,830	122,667	122,348	170,182	91,829
Conservation of Natural Resources	205,723	324,270	152,555	122,129	51,052	141,451	73,952	87,985	177,041	107,755
Economic Development	3,356	-	-	-	-	3,494,766	-	-	-	-
Total Operating Grants and Contributions	<u>\$ 16,904,819</u>	<u>\$ 18,799,976</u>	<u>\$ 15,784,541</u>	<u>\$ 18,031,747</u>	<u>\$ 18,165,389</u>	<u>\$ 26,368,406</u>	<u>\$ 18,972,205</u>	<u>\$ 26,852,040</u>	<u>\$ 26,848,429</u>	<u>\$ 25,117,491</u>

**Goodhue County
Changes in Net Position**

**Last Ten Fiscal Years
(Accrual Basis of Accounting) (continued)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Capital Grants and Contributions										
Public Safety	\$ -	\$ 256,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highways and Streets	728,382	296,771	1,309,506	1,350,171	405,749	780,491	4,216,493	2,366,137	3,162,844	2,907,846
Culture and Recreation	-	-	-	-	668,767	321,611	-	-	503,100	-
Total Capital Grants and Contributions	<u>\$ 728,382</u>	<u>\$ 553,021</u>	<u>\$ 1,309,506</u>	<u>\$ 1,350,171</u>	<u>\$ 1,074,516</u>	<u>\$ 1,102,102</u>	<u>\$ 4,216,493</u>	<u>\$ 2,366,137</u>	<u>\$ 3,665,944</u>	<u>\$ 2,907,846</u>
Total Governmental Activities Program Revenues	<u>\$ 23,847,703</u>	<u>\$ 26,107,736</u>	<u>\$ 24,245,247</u>	<u>\$ 26,652,175</u>	<u>\$ 26,367,295</u>	<u>\$ 35,209,063</u>	<u>\$ 30,463,670</u>	<u>\$ 38,012,461</u>	<u>\$ 43,203,530</u>	<u>\$ 35,020,549</u>
Total Governmental Activities net (expense)/revenue	<u>\$ (34,690,143)</u>	<u>\$ (38,987,302)</u>	<u>\$ (36,608,866)</u>	<u>\$ (30,219,000)</u>	<u>\$ (39,676,197)</u>	<u>\$ (37,438,433)</u>	<u>\$ (32,046,529)</u>	<u>\$ (32,425,631)</u>	<u>\$ (33,481,020)</u>	<u>\$ (45,405,247)</u>
General Revenues and Other Change in Net Assets										
Property Taxes	\$ 27,805,768	\$ 28,972,660	\$ 30,814,589	\$ 32,742,941	\$ 35,721,001	\$ 36,663,547	\$ 37,736,730	\$ 40,078,370	\$ 41,983,937	\$ 43,811,551
Local Option Sales Taxes	-	-	-	-	3,376,562	3,510,393	4,077,054	4,425,752	4,550,162	4,088,160
Other Taxes	837,933	857,204	915,573	903,798	990,222	1,002,800	1,074,940	1,028,795	1,023,971	1,126,141
Grants and Contributions	2,200,257	2,301,779	2,093,557	2,530,927	2,290,802	2,275,812	2,403,351	2,592,654	2,427,665	3,689,574
Unrestricted Investment Earnings	177,993	235,490	162,724	373,231	1,796,320	1,106,192	440,153	60,026	3,771,010	3,790,824
Miscellaneous	600,805	529,876	559,808	606,187	632,955	550,435	393,081	751,258	505,126	532,230
Gain on Sale of Capital Assets	13,940	-	6,638	32,451	104,860	254,567	64,093	40,605	459,881	220,148
Total Governmental Activities	<u>\$ 31,636,696</u>	<u>\$ 32,897,009</u>	<u>\$ 34,552,889</u>	<u>\$ 37,189,535</u>	<u>\$ 44,912,722</u>	<u>\$ 45,363,746</u>	<u>\$ 46,189,402</u>	<u>\$ 48,977,460</u>	<u>\$ 54,721,752</u>	<u>\$ 57,258,628</u>
Change in Net Position, Governmental Activities	<u>\$ (3,053,447)</u>	<u>\$ (6,090,293)</u>	<u>\$ (2,055,977)</u>	<u>\$ 6,970,535</u>	<u>\$ 5,236,525</u>	<u>\$ 7,925,313</u>	<u>\$ 14,142,873</u>	<u>\$ 16,551,829</u>	<u>\$ 21,240,732</u>	<u>\$ 11,853,381</u>

Goodhue County
Fund Balances of Governmental Funds

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Nonspendable	\$ 337,477	\$ 349,935	\$ 429,636	\$ 241,676	\$ 284,232	\$ 258,520	\$ 415,331	\$ 616,266	\$ 540,423	\$ 664,834
Restricted	5,065,181	979,407	1,264,290	1,432,165	1,588,317	2,627,034	2,217,512	2,569,736	3,679,585	3,194,841
Committed	3,958,913	4,765,685	2,382,839	5,451,214	3,286,673	-	3,931,952	5,402,395	5,963,999	6,453,059
Assigned	1,882,056	1,664,437	1,967,570	2,250,079	2,522,561	6,060,000	4,337,908	6,468,335	8,337,758	5,921,371
Unassigned	11,238,959	12,273,309	14,654,397	12,286,966	14,619,539	18,215,668	17,633,142	17,651,522	18,626,983	23,360,381
Total General Fund	\$ 22,482,586	\$ 20,032,773	\$ 20,698,732	\$ 21,662,100	\$ 22,301,322	\$ 27,161,222	\$ 28,535,845	\$ 32,708,254	\$ 37,148,748	\$ 39,594,486
All Other Governmental Funds										
Nonspendable, Reported in:										
Road and Bridge Fund	\$ 474,952	\$ 466,525	\$ 534,893	\$ 487,508	\$ 423,975	\$ 720,756	\$ 542,534	\$ 508,659	\$ 649,882	\$ 643,913
Health and Human Services Fund	129,839	113,053	159,254	33,723	32,547	41,218	51,572	229,311	55,980	163,884
Debt Service Fund	456	456	-	-	-	1,850	1,850	2,035	2,035	2,035
Waste Management Fund	3,973	4,066	4,322	31	-	-	-	6,678	-	5,097
Restricted, Reported in:										
Health and Human Services Fund	-	-	-	-	501,646	518,845	494,535	766,515	887,872	1,046,568
Economic Development Authority Fund	604,283	604,283	604,283	546,963	546,963	533,200	546,963	546,963	546,963	328,273
Debt Service Fund	2,551,688	2,540,950	2,748,597	2,898,608	3,090,332	3,375,517	3,139,892	2,876,994	3,094,418	3,326,895 *
Waste Management Fund	219,051	219,380	219,708	220,039	220,369	220,700	223,307	-	-	-
Committed, Reported in:										
Road and Bridge Fund	357,189	495,437	493,029	440,613	604,404	-	818,316	615,117	329,497	693,460
Health and Human Services Fund	150,550	150,550	150,550	150,550	150,550	-	148,715	150,500	156,619	153,273
Economic Development Authority Fund	49,616	163,892	182,615	242,173	259,548	-	209,389	135,519	141,921	147,624
Waste Management Fund	35,075	35,075	35,075	35,075	35,075	-	35,075	35,075	258,382	258,382
Assigned, Reported in:										
Road and Bridge Fund	5,768,048	6,375,892	7,974,421	7,905,914	11,992,819	15,173,762	14,048,548	15,716,210	16,668,639	15,627,730
Health and Human Services Fund	7,573,958	7,074,492	5,541,813	7,011,831	8,554,139	11,399,524	13,781,194	16,730,306	18,943,821	19,446,736
Economic Development Authority Fund	-	-	-	-	-	237,795	-	-	-	-
Waste Management Fund	-	471,889	557,078	587,447	518,522	577,093	608,596	935,897	826,889	993,649
Unassigned, Reported in:										
Ditch Fund	-	-	-	-	-	-	(287,426)	(625,157)	(280,695)	(245,171)
Waste Management Fund	(74,818)	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 17,843,860	\$ 18,715,940	\$ 19,205,638	\$ 20,560,475	\$ 26,930,889	\$ 32,800,260	\$ 34,363,060	\$ 38,630,622	\$ 42,282,223	\$ 42,592,348

* Restricted and Committed amounts for Debt Service funds for prior years have been reclassified to conform to the presentation beginning in 2019.

Goodhue County
Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues										
Taxes	\$ 28,411,586	\$ 29,826,638	\$ 31,598,430	\$ 33,425,562	\$ 39,793,011	\$ 40,875,558	\$ 42,507,368	\$ 45,398,720	\$ 47,215,210	\$ 48,681,123
Special Assessments	18,134	19,038	7,180	4,940	16,272	293,063	231,197	70,283	464,135	40,956
Licenses and Permits	414,210	477,089	585,254	520,900	518,659	667,901	687,221	681,576	545,545	549,273
Intergovernmental	17,064,862	21,786,115	20,239,525	20,994,662	20,218,245	34,060,237	23,696,944	29,811,360	33,926,477	27,518,096
Charge for Services	4,337,012	4,076,830	4,325,860	4,374,816	4,506,020	4,398,044	4,571,454	4,174,859	3,895,685	3,995,155
Fines and Forfeits	15,927	12,512	12,177	13,010	11,594	9,810	10,142	11,982	10,272	7,740
Gifts and Contributions	33,251	89,924	113,720	39,478	42,192	65,914	39,527	31,724	34,582	30,683
Investment Earnings	178,686	236,131	162,950	373,773	1,797,613	1,107,535	448,451	76,856	3,801,588	3,837,522
Miscellaneous	2,150,153	2,168,038	2,373,739	2,491,716	2,356,618	2,191,250	2,357,339	2,777,059	2,364,712	2,965,361
Total Revenues	\$ 52,623,821	\$ 58,692,315	\$ 59,418,835	\$ 62,238,857	\$ 69,260,224	\$ 83,669,312	\$ 74,549,643	\$ 83,034,419	\$ 92,258,206	\$ 87,625,909
Expenditures										
General Government	\$ 16,729,313	\$ 13,625,210	\$ 12,365,318	\$ 11,708,827	\$ 13,251,609	\$ 12,756,278	\$ 12,271,107	\$ 12,954,997	\$ 15,268,389	\$ 14,727,072
Public Safety	13,250,058	13,620,842	13,771,308	14,440,466	14,346,461	13,667,072	13,821,272	14,537,586	15,438,355	18,307,897
Highways and Streets	11,234,340	12,615,176	10,547,023	12,597,468	10,297,770	17,725,424	19,604,250	16,491,133	22,342,908	19,873,955
Sanitation	689,903	735,911	688,106	721,532	775,618	821,243	928,321	3,392,593	821,788	770,150
Human Services	11,028,616	12,445,627	13,858,373	12,746,523	13,206,125	13,600,924	13,123,281	13,657,782	14,782,732	15,833,117
Health	3,061,863	3,322,008	3,279,038	3,661,415	3,872,135	4,278,153	4,439,291	4,637,740	5,195,546	5,978,537
Culture and Recreation	754,507	640,200	741,026	864,826	1,497,983	1,202,353	1,105,280	2,573,673	1,879,440	1,118,970
Conservation of Natural Resources	736,978	711,804	770,632	719,155	678,434	798,492	984,429	1,112,650	994,062	854,109
Economic Development	58,793	27,672	28,365	37,736	62,997	2,739,358	974,027	125,502	95,247	315,650
Capital Outlay										
General government	-	-	-	-	485,123	1,125,383	241,631	748,624	2,356,597	1,852,491
General government - COVID-19	-	-	-	-	-	515,900	256,742	-	-	-
Public safety	-	-	-	-	527,434	787,941	887,098	1,298,321	949,026	1,329,490
Highways and streets	-	-	-	-	1,333,392	819,757	511,317	119,036	1,588,313	1,453,742
Sanitation	-	-	-	-	-	98,273	47,150	376,445	207,538	536,779
Human Services	-	-	-	-	-	-	-	10,525	347,220	-
Health	-	-	-	-	-	-	-	5,290	-	-
Debt Service										
Principal	1,745,411	1,395,535	1,305,661	1,361,492	1,325,000	1,345,000	1,370,000	1,423,184	1,741,211	1,868,978
Interest	240,758	659,013	532,012	510,563	488,095	464,629	439,061	414,155	391,319	362,114
Administrative (fiscal) charges	4,948	14,207	4,941	59,501	26,722	9,613	2,852	6,000	5,683	2,785
Intergovernmental	446,646	462,724	464,177	542,701	538,457	560,839	515,859	771,290	-	-
Highways and Streets	-	-	-	-	-	-	-	-	556,677	625,845
Total Expenditures	\$ 59,982,134	\$ 60,275,929	\$ 58,355,980	\$ 59,972,205	\$ 62,713,355	\$ 73,316,632	\$ 71,522,968	\$ 74,656,526	\$ 84,962,051	\$ 85,811,681
Excess of Revenues Over/(Under) Expenditures	\$ (7,358,313)	\$ (1,583,614)	\$ 1,062,855	\$ 2,266,652	\$ 6,546,869	\$ 10,352,680	\$ 3,026,675	\$ 8,377,893	\$ 7,296,155	\$ 1,814,228

Goodhue County
Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting) (continued)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Other Financing Sources/(Uses)										
Proceeds from Borrowing	\$ 10,720,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Premiums	176,507	-	-	-	-	-	-	-	-	-
Issuance of Leases	-	-	-	-	-	-	-	82,423	-	17,557
Issuance of Subscription-Based IT Arrangements	-	-	-	-	-	-	-	-	508,686	800,855
Sale of Capital Assets	13,940	19,389	25,914	60,748	57,239	76,782	92,073	29,655	237,254	123,223
Total Other Financing Sources/(Uses)	\$ 10,910,447	\$ 19,389	\$ 25,914	\$ 60,748	\$ 57,239	\$ 76,782	\$ 92,073	\$ 112,078	\$ 745,940	\$ 941,635
Increase/(Decrease) in Inventories	(92,295)	(13,508)	66,888	(9,195)	(67,066)	299,809	(181,325)	-	-	-
Net Change in Fund Balances	\$ 3,459,839	\$ (1,577,733)	\$ 1,155,657	\$ 2,318,205	\$ 6,537,042	\$ 10,729,271	\$ 2,937,423	\$ 8,489,971	\$ 8,042,095	\$ 2,755,863
Debt Service as a Percentage of Noncapital Expenditures	4.03%	3.77%	3.38%	3.58%	3.01%	2.59%	3.04%	2.69%	3.14%	3.25%
Expenditures for general cap assets + infrastructure	10,735,162	5,784,293	4,059,238	7,693,047	2,413,215	3,547,777	12,089,615	6,263,596	16,982,242	17,240,389

**GOODHUE COUNTY
RED WING, MINNESOTA**

**TAX CAPACITY BY CLASSIFICATION, ESTIMATED MARKET VALUE AND TAXABLE MARKET VALUE LAST TEN FISCAL YEARS
LAST TEN FISCAL YEARS**

	Tax Capacity								Total	Total	Total	Total Net
Payble			Commercial/			Personal	Tax	Power	Net Tax	Estimated	Taxable	Tax Capacity
Year	Agriculture	Residential	Industrial	Railroad	Utilities	Property	Increment	Line	Capacity	Market Value	Market Value	as a Percentage of Taxable Market Value
2015	\$ 19,300,318	\$ 24,279,653	\$ 8,289,669	\$ 125,942	\$ 13,833,642	\$ 981,850	\$ (405,072)	\$ -	\$ 66,406,002	\$ 6,577,103,200	\$ 6,258,792,500	1.06%
2016	18,704,154	25,062,987	8,451,305	138,491	16,205,578	1,109,849	(363,705)	(8,768)	69,299,891	6,733,599,100	6,420,393,000	1.08%
2017	18,563,911	26,189,150	8,592,202	191,939	17,887,279	2,011,198	(325,969)	(80,583)	73,029,127	6,938,736,400	6,629,508,100	1.10%
2018	18,896,076	27,605,370	8,859,070	245,164	19,200,356	2,284,411	(286,312)	(99,201)	76,704,934	7,194,510,600	6,891,185,000	1.11%
2019	20,387,648	30,631,347	9,221,748	202,406	16,341,938	2,280,936	(298,635)	(95,797)	78,671,591	7,526,761,500	7,238,983,700	1.09%
2020	19,812,298	31,790,670	9,615,697	218,635	17,210,784	2,233,052	(325,656)	(91,957)	80,463,523	7,623,368,200	7,336,005,900	1.10%
2021	20,133,909	34,902,670	9,780,104	224,020	17,926,888	2,347,421	(295,312)	(92,395)	84,927,305	7,999,077,900	7,723,734,100	1.10%
2022	20,495,173	37,148,086	9,767,867	186,360	17,337,749	2,055,708	(377,662)	(93,253)	86,520,028	8,205,013,200	7,934,978,200	1.09%
2023	23,434,471	44,831,010	11,872,998	213,257	18,003,442	2,143,105	(720,830)	(92,475)	99,684,978	9,392,384,500	9,161,335,500	1.09%
2024	27,186,719	47,785,695	12,143,537	204,198	17,239,998	2,092,238	(774,335)	(87,994)	105,790,056	11,155,342,100	9,896,746,203	1.07%

Source: Goodhue County Finance & Taxpayer Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 OF TAX CAPACITY)
LAST TEN YEARS**

Tax Year	Goodhue County			Average rates within each classification		
	General	Bonds	Total	Cities/ Townships	School Districts	Special Districts
2015	40.135	3.011	43.146	31.704	22.241	0.729
2016	39.935	2.851	42.786	32.920	22.688	0.780
2017	40.585	2.705	43.290	32.671	21.992	0.914
2018	41.302	2.580	43.882	32.232	22.071	0.972
2019	43.991	2.511	46.502	31.926	23.823	0.936
2020	44.103	2.558	46.661	31.803	23.809	0.958
2021	43.649	1.781	45.430	31.094	23.530	0.930
2022	45.421	1.760	47.181	31.490	22.866	0.941
2023	40.869	1.994	42.863	28.310	20.000	0.920
2024	40.846	1.177	42.023	27.575	18.244	0.959
Tax Year 2024						
Number of taxing districts				31	12	5
Minimum levy rate				8.342	9.279	0.539
Maximum levy rate				80.973	32.155	1.346

Note: Special Districts include Housing and Redevelopment Authorities, Port Authority and Watersheds

Source: Goodhue County Finance & Taxpayer Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**TEN LARGEST TAXPAYERS
CURRENT YEAR AND NINE YEARS PRIOR**

2024 Tax Capacity Value

Taxpayer	Type of Business	Rank	Estimated Market Value	2024 Tax Capacity Value	Percentage of Total Tax Capacity Value
Northern States Power Company	Utilities	1	\$ 911,229,000	\$ 18,214,830	17.22%
S MN Municipal Power Agency	Utilities	2	16,260,800	322,227	0.30%
Red Wing Shoe Co Inc	Commercial	3	14,973,800	294,490	0.28%
Mayo Clinic Health System-RW	Commercial	4	12,508,900	243,789	0.23%
Keller-Baartman Properties V	Residential	5	22,956,300	229,563	0.22%
MN Energy Resources Corp	Utilities	6	11,264,200	224,510	0.21%
Dairyconcepts LP	Commercial	7	10,188,400	203,018	0.19%
Walmart	Commercial	8	9,675,200	192,754	0.18%
Inland American Zumbrota Atlas	Industrial	9	9,363,100	186,512	0.18%
Scribe Propco Inc	Industrial	10	9,259,600	184,442	0.17%
TOTALS			\$ 1,027,679,300	\$ 20,296,135	19.18%

Total Tax Capacity Value

\$ 105,790,056

2015 Tax Capacity Value

Taxpayer	Type of Business	Rank	Estimated Market Value	2015 Tax Capacity Value	Percentage of Total Tax Capacity Value
Northern States Power Company	Utilities	1	\$ 716,387,500	\$ 14,323,865	21.57%
Mayo Clinic Health System-RW	Commercial	2	15,500,800	261,811	0.39%
Wal-Mart Stores Inc	Commercial	3	9,686,100	192,972	0.29%
Red Wing Shoe Co Inc	Commercial	4	9,481,900	186,209	0.28%
Menards Inc	Commercial	5	9,446,600	184,857	0.28%
Inland American Zumbrota Atlas	Industrial	6	7,933,600	157,922	0.24%
Hernke's Faram Land Inc	Agricultural	7	13,654,400	136,544	0.21%
MN Energy Resources Corp	Utilities	8	6,422,600	127,702	0.19%
Convenience Store Investments	Commercial	9	6,402,800	124,306	0.19%
Target Corporation	Commercial	10	6,084,000	120,930	0.18%
TOTALS			\$ 801,000,300	\$ 15,817,118	23.82%

Total Tax Capacity Value

\$ 66,406,002

Source: Goodhue County Finance & Taxpayer Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	State Paid Credits	Adjustments	Adjusted Tax Levy	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
					Amount (1)	Percentage of Levy		Amount (1)	Percentage of Levy
2015	\$ 28,014,237	\$ (496,750)	\$ (28,535)	\$ 27,488,952	\$ 27,249,428	97.3%	\$ 239,524	\$ 27,488,952	99.9%
2016	28,952,740	(486,357)	(34,373)	28,432,010	28,221,384	97.5%	210,626	28,432,010	99.9%
2017	31,004,828	(500,448)	(49,079)	30,455,301	30,295,709	97.7%	159,303	30,455,012	99.8%
2018	33,045,385	(504,435)	(54,538)	32,486,412	32,291,225	97.7%	191,735	32,482,960	99.8%
2019	36,007,625	(507,671)	(32,867)	35,467,087	35,207,301	97.8%	254,918	35,462,219	99.9%
2020	36,921,056	(510,999)	(36,000)	36,374,057	36,162,600	97.9%	206,188	36,368,788	99.9%
2021	37,940,340	(516,979)	(42,575)	37,380,786	37,188,097	98.0%	179,958	37,368,055	99.9%
2022	40,184,000	(527,647)	(22,411)	39,633,942	39,442,186	98.2%	162,935	39,605,121	99.9%
2023	42,060,566	(530,150)	(51,042)	41,479,374	41,280,015	98.1%	132,334	41,412,349	99.7%
2024	43,824,706	(525,663)	(39,622)	43,259,421	42,989,275	98.1%	-	42,989,275	99.3%

Note:

(1) Does not include interest and penalties

Source: Goodhue County Finance & Taxpayer Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**RATIOS OF OUTSTANDING DEBT TO PERSONAL INCOME
AND DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities:					Personal Income (1)	Ratio of Debt To Personal Income	Population (1)	Debt Per Capita
	General Obligation Bonds	Lease Liability	SBITA Liability	G.O Special Assessments	Total				
2015	\$ 23,465,035	\$ -	\$ -	\$ 112,688	\$23,577,723	\$2,253,642,000	1.0%	46,033	\$ 512
2016	22,078,481	-	-	87,153	22,165,634	2,222,740,000	1.0%	46,240	479
2017	20,769,319	-	-	61,492	20,830,811	2,300,472,000	0.9%	46,304	450
2018	19,440,158	-	-	-	19,440,158	2,484,856,000	0.8%	46,403	419
2019	18,085,997	-	-	-	18,085,997	2,586,510,000	0.7%	46,340	390
2020	16,711,836	-	-	-	16,711,836	2,700,473,000	0.6%	46,318	361
2021	15,312,675	-	-	-	15,312,675	2,922,844,000	0.5%	47,968	319
2022	13,888,514	-	-	-	13,888,514	3,073,035,000	0.5%	48,013	289
2023	12,434,353	118,181	378,258	-	12,930,792	3,166,506,000	0.4%	48,035	269
2024	10,947,940	105,087	795,786	-	11,848,813	n/a	n/a	n/a	n/a

Source: US. Bureau of Economic Analysis (1); Goodhue County Finance & Taxpayer Services

n/a = not available

GO special assessments: Welch Sewer, Welch Village

**GOODHUE COUNTY
RED WING, MINNESOTA**

**RATIOS OF NET BONDED DEBT TO ESTIMATED MARKET VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Total Bonded Debt	Amounts Available in Fund	Net Bonded Debt	Estimated Market Value	Net Bonded Debt to Market Value	Population (1)	Net Bonded Debt per Capita
2015	\$ 23,465,035	\$ 23,465,035	\$ 199,230	\$ 23,265,805	\$ 6,577,103,200	0.35%	46,033	\$ 505.42
2016	22,078,481	22,078,481	298,845	21,779,636	6,733,599,100	0.32%	46,240	471.01
2017	20,769,319	20,769,319	398,460	20,370,859	6,938,736,400	0.29%	46,304	439.94
2018	19,440,158	19,440,158	498,075	18,942,083	7,194,510,600	0.26%	46,403	408.21
2019	18,085,997	18,085,997	597,692	17,488,305	7,526,761,500	0.23%	46,340	377.39
2020	16,711,836	16,711,836	697,308	16,014,528	7,623,368,200	0.21%	46,318	345.75
2021	15,312,675	15,312,675	796,920	13,091,594	7,999,077,900	0.16%	47,968	272.92
2022	13,888,514	13,888,514	896,535	12,991,979	8,205,013,200	0.16%	48,013	270.59
2023	12,434,353	12,434,353	996,150	11,438,203	9,392,384,500	0.12%	48,035	238.12
2024	10,947,940	10,947,940	1,095,765	9,852,175	11,155,342,100	0.09%	n/a	n/a

Source: US. Bureau of Economic Analysis (1); Goodhue County Finance & Taxpayer Services

n/a = not available

**GOODHUE COUNTY
RED WING, MINNESOTA**

DIRECT AND OVERLAPPING DEBT

December 31, 2024

	Debt Outstanding	Applicable to Goodhue County	
		Percent (1)	Amount
Cities			
City of Bellechester	\$ 160,950	77.87%	\$ 125,332
City of Cannon Falls	7,095,000	100.00%	7,095,000
City of Dennison	256,975	88.19%	226,626
City of Goodhue	2,332,184	100.00%	2,332,184
City of Kenyon	10,313,682	100.00%	10,313,682
City of Lake City	2,947,000	20.81%	613,271
City of Pine Island	11,257,240	73.51%	8,275,197
City of Red Wing	19,550,000	100.00%	19,550,000
City of Wanamingo	4,854,000	100.00%	4,854,000
City of Zumbrota	2,855,000	100.00%	2,855,000
Total Cities	61,622,031		56,240,292
Independent School Districts			
No. 195	8,860,000	11.51%	1,019,786
No. 200	62,284,420	0.09%	56,056
No. 252	22,285,000	94.95%	21,159,608
No. 253	23,695,000	94.55%	22,403,623
No. 255	43,215,000	44.72%	19,325,748
No. 256	17,785,000	100.00%	17,785,000
No. 656	16,315,631	0.04%	6,526
No. 659	42,400,000	0.89%	377,360
No. 813	21,356,511	25.14%	5,369,027
No. 2125	6,105,000	0.96%	58,608
No. 2172	14,620,000	89.09%	13,024,958
No. 2805	44,065,000	72.30%	31,858,995
Total Independent School Districts	322,986,562		132,445,295
Special Taxing Districts			
Bear Valley Watershed	-	100.00%	-
Belle Creek Watershed	-	100.00%	-
Red Wing HRA	-	100.00%	-
Red Wing Port Authority	-	100.00%	-
SEMMCHRA	2,495,000	100.00%	2,495,000
Toal Special Taxing Districts	2,495,000		2,495,000
Goodhue County	11,848,813	100.00%	11,848,813
Total	\$ 398,952,406		\$ 203,029,400

Note:

(1) Determined by the portion of long-term debt which is secured by taxable real estate within Goodhue County.

Source: Goodhue County Finance & Taxpayer Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Market Valuation of Taxable Property	\$ 6,577,103,200	\$ 6,733,599,100	\$ 6,938,736,400	\$ 7,194,510,600	\$ 7,526,761,500	\$ 7,623,368,200	\$ 7,999,077,900	\$ 8,205,013,200	\$ 9,392,384,500	\$11,155,342,100
Legal Debt Percentage Allowed (1)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Debt Limit	197,313,096	202,007,973	208,162,092	215,835,318	225,802,845	228,701,046	239,972,337	246,150,396	281,771,535	334,660,263
Amount of Debt applicable to Debt Limit										
General Obligation Debt	23,465,035	22,078,481	20,769,319	19,440,158	18,085,997	16,711,836	15,312,675	13,888,514	12,434,353	10,947,940
Less: Amount Available in Debt Service Funds	199,230	298,845	398,460	498,075	597,692	697,308	796,920	896,535	996,150	1,095,765
Total Debt Applicable to Limit	23,265,805	21,779,636	20,370,859	18,942,083	17,488,305	16,014,528	14,515,755	12,991,979	11,438,203	9,852,175
Legal Debt Margin	\$ 174,047,291	\$ 180,228,337	\$ 187,791,233	\$ 196,893,235	\$ 208,314,540	\$ 212,686,518	\$ 225,456,582	\$ 233,158,417	\$ 270,333,332	\$ 324,808,088
Percent of Legal Debt Incurred	11.89%	10.93%	9.98%	9.01%	8.01%	7.31%	6.38%	5.64%	4.41%	3.27%

Notes:

(1) Minnesota Statute Section 475.53, Subd. 1 Limit on Net Debt: Except as otherwise provided in sections 475.51 to 475.74, no municipality except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the estimated market value of taxable property.

Market Value of taxable property Source: Goodhue County Finance & Taxpayer Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**DEMOGRAPHIC AND ECONOMIC INFORMATION
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (1)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate (2)</u>
2015	46,033	\$ 2,253,642,000	\$ 48,957	3.5%
2016	46,240	2,222,740,000	48,070	3.7%
2017	46,304	2,300,472,000	49,682	3.3%
2018	46,403	2,484,856,000	53,549	2.9%
2019	46,340	2,586,510,000	55,816	3.3%
2020	46,318	2,700,473,000	58,303	6.0%
2021	47,968	2,922,844,000	60,933	3.2%
2022	48,013	3,073,035,000	64,004	2.2%
2023	48,035	3,166,506,000	65,921	2.8%
2024	n/a	n/a	n/a	3.0%

Notes:

(2) Source: Minnesota Employment and Economic Development

n/a = not available

GOODHUE COUNTY
RED WING, MINNESOTA
MAJOR EMPLOYMENT INDUSTRIES IN GOODHUE COUNTY
CURRENT YEAR AND NINE YEARS AGO

Industry	2024		2015	
	Annual Average	Percentage of Total County Employment	Annual Average	Percentage of Total County Employment
Natural Resources and mining	358	1.7%	373	1.7%
Construction	868	4.1%	779	3.6%
Manufacturing	4,649	21.8%	4,515	21.0%
Trade, transportation and utilities				
Utilities	766		860	
Wholesale trade	728		695	
Retail trade	2,134		2,188	
Transportation and warehousing	514		753	
	4,142	19.4%	4,496	20.9%
Information	87	0.4%	199	0.9%
Financial activities	424	2.0%	560	2.6%
Professional and business services				
Professional, scientific and technical services	409		344	
Management of companies and enterprises	171		273	
Administrative and waste management services	461		637	
	1,041	4.9%	1,254	5.8%
Education and health services	4,306	20.2%	4,354	20.3%
Leisure and hospitality	3,530	16.5%	3,070	14.3%
Other services	635	3.0%	692	3.2%
Public administration				
Executive, Legislative, other general government	1,015		945	
Justice, Public Order, Safety	225		211	
Environmental Quality	27		20	
Housing and Economic Development	31		26	
	1,298	6.1%	1,202	5.4%
Total Employment	21,338	100.0%	21,494	100.0%

Source: Minnesota Department of Economic Development, Labor Market Information

**GOODHUE COUNTY
RED WING, MINNESOTA**

FULL TIME EQUIVALENT EMPLOYEES BY DEPARTMENT

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Commissioners	5	5	5	6	5	5	5	5	5	5
Administration	3	3	3	3	3	3	3	4	4	3
Auditor/Treasurer	6	5	5	8	6	6	7	7	7	7
Assessor	9	11	11	15	10	11	9	8	10	10
Human Resources	3	3	4	4	4	4	4	5	6	6
Information Technology	6	6	6	6	5	6	4	5	7	7
Attorney	15	15	15	15	15	15	16	18	18	18
Recorder	4	4	4	4	4	4	4	4	4	3
Surveyor	3	4	4	4	4	4	4	3	4	4
GIS	3	3	2	4	3	3	3	3	3	3
Facility Maintenance	8	8	9	9	9	8	9	8	8	9
Veterans Service	2	2	2	2	2	2	1	2	3	3
Zoning	9	10	11	12	11	11	10	12	11	9
Sheriff	43	43	47	46	46	49	48	47	50	49
Boat & Water	1	2	2	3	2	1	2	2	2	2
Jail Operations	42	44	47	45	48	36	38	38	41	41
Dispatch	12	12	12	12	12	12	10	12	12	13
Court Services	12	12	11	11	11	11	11	10	11	11
OEM	1	1	1	1	1	1	1	1	2	2
Extention	1	1	1	1	1	1	1	1	1	1
Total General Fund	188	194	202	211	202	193	190	195	209	206
Road and Bridge Fund										
Public Works Maintenance	16	18	18	17	17	18	18	16	18	17
Public Works Construction	5	5	6	6	6	5	5	6	7	8
Public Works Administration	3	3	3	3	3	3	3	4	4	4
Public Works Equipment Maintenance	1	1	1	1	1	1	1	1	1	1
Total Road and Bridge Fund	25	27	28	27	27	27	27	27	30	30
Health and Human Services Fund										
Income Maintenance	39	41	45	42	47	47	48	48	50	47
Social Services	24	24	26	26	28	29	31	30	34	36
LTCC/Waiver Mngmnt	12	15	14	16	15	15	17	17	18	22
Health Education	8	7	7	7	11	10	12	11	10	11
Office Administration	3	3	3	3	3	2	1	1	1	3
DP & C	-	-	-	-	-	-	-	1	1	-
Total Health and Human Services Fund	86	90	95	94	104	103	109	108	114	119
Waste Management Fund										
Waste/Water Management	1	1	1	1	1	1	1	1	-	-
Recycling Center	3	4	4	4	3	5	5	5	5	4
Total Waste Management Fund	4	5	5	5	4	6	6	6	5	4
Total Employees	303	316	330	337	337	329	332	336	358	359
Population (1)	46,033	46,240	46,304	46,403	46,340	46,318	47,968	48,013	48,035	n/a
Number of FTE's per Department per 1,000 Population										
General Fund	4.08	4.20	4.36	4.55	4.36	4.17	3.96	4.06	4.35	n/a
Road and Bridge Fund	0.54	0.58	0.60	0.58	0.58	0.58	0.56	0.56	0.62	n/a
Health and Human Services Fund	1.87	1.95	2.05	2.03	2.24	2.22	2.27	2.25	2.37	n/a
Waste Management Fund	0.09	0.11	0.11	0.11	0.09	0.13	0.13	0.12	0.10	n/a
Number of FTE's per 1,000 Population	6.58	6.83	7.13	7.26	7.27	7.10	6.92	7.00	7.45	n/a

Sources: U.S. Census Bureau (1); Goodhue County Finance & Taxpayer Services and Human Resources

n/a = not available

GOODHUE COUNTY
RED WING, MINNESOTA

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Number of parcels in county	30,438	30,490	30,571	30,604	30,617	30,652	30,735	30,705	30,740	30,290
Number of registered voters (*not an election year)	*	28,323	*	28,761	*	30,731	*	31,595	*	32,038
Number of votes cast (*not an election year)	*	25,929	*	23,340	*	28,759	*	23,211	*	28,949
Voter turnout (%) (*not an election year)		92%		81%		94%		73%		90%
Number of documents recorded	9,010	9,131	9,129	8,457	9,002	10,836	12,054	8,851	6,743	6,905
Public Works										
Road miles maintained	400.14	400.14	400.14	400.14	400.14	400.14	401.57	401.57	401.57	401.57
Maintenance cost per mile	\$ 8,498	\$ 10,045	\$ 10,264	\$ 11,410	\$ 12,948	\$ 11,595	\$ 12,312	\$ 13,285	\$ 14,770	\$ 11,710
Public safety										
Calls for service	14,069	14,277	13,903	13,127	13,324	12,245	12,683	13,861	14,042	16,173
Average Daily Population - Detention	124	126	124	103	98	71	52	52	47	50
Health & Human Services										
Average Monthly WIC Participants	765	697	676	619	623	602	625	630	675	618
Average Monthly Food Support Households	1,032	1,006	1,117	1,092	1,002	1,092	1,145	1,252	1,283	1,507

Source: Goodhue County Finance & Taxpayer Services, Public Works, Sheriff's Office and Health & Human Services

**GOODHUE COUNTY
RED WING, MINNESOTA**

**CAPITAL ASSETS AND INFRASTRUCTURE STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Municipal Buildings	12	12	12	12	12	12	12	12	12	12
Public Safety										
Patrol Vehicles	39	38	44	49	46	49	51	50	48	52
Public Works										
Road Miles	400.14	400.14	400.14	400.14	400.14	400.14	401.57	401.57	401.57	401.57
Snowplows	14	14	14	12	10	9	9	14	13	13

Source: Goodhue County Finance & Taxpayer Services