GOODHUE COUNTY

RED WING, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2025

Goodhue County
MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF GOODHUE COUNTY, MINNESOTA

YEAR ENDED DECEMBER 31, 2025
ISSUED JUNE 22, 2026

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RED WING, MINNESOTA
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INTRODUCTORY SECTION

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

June 22, 2026

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, 2025. 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 2024 population of 47,989 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.

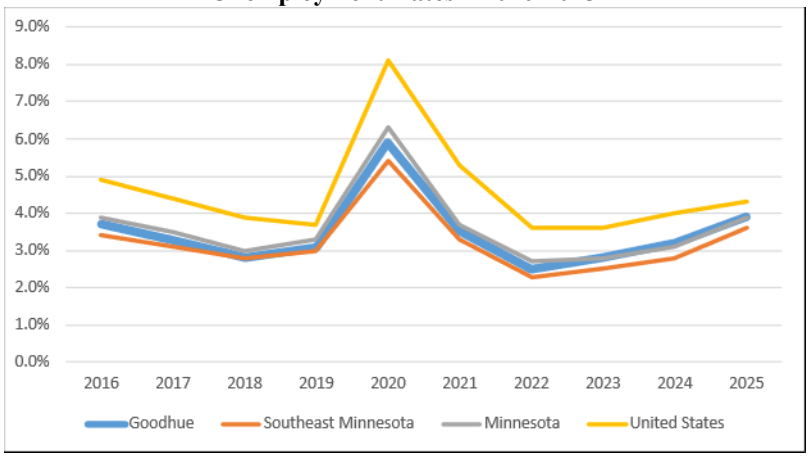
The legally separate Economic Development Authority (EDA) is included in the County's financial statements as a blended component unit. The EDA was created in 1995 to carry out economic and industrial development and redevelopment within the county and to act on behalf of the County's interest in continued 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 continued to increase slightly in 2025 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 2026.

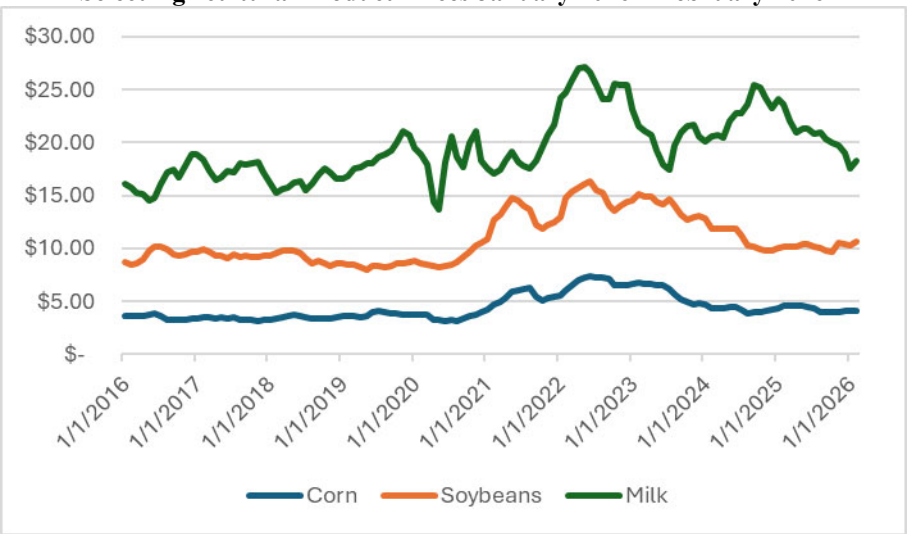
Unemployment Rates – 2016-2025



The cost of living in Goodhue County for an average family is 9.27% lower than Minnesota statewide, 16.2% lower than Dakota County and 0.9% lower than Olmsted County. The County's population remains stable, growing 0.8% 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 3.0% for the tax payable year 2026, total value is 58.4% higher than in 2016 and has increased 51.8% since 2021. As shown in the following graph, price for corn has decreased and soybeans have increased since 2024 and are slightly higher when compared to 2020. Milk prices have been more volatile and are also similar when compared to the midpoint of the data presented.

Select Agricultural Product Prices January 2016 – February 2026



Major Initiatives

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 2026, 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 judgements 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 2025 and 2026 to 3.49% and 6.5%, 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 2026.

Debt Administration

The County has a Moody's rating of Aa2. Goodhue County currently utilizes only 2.85% 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 6.A. 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, 2024. This was the sixth 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.

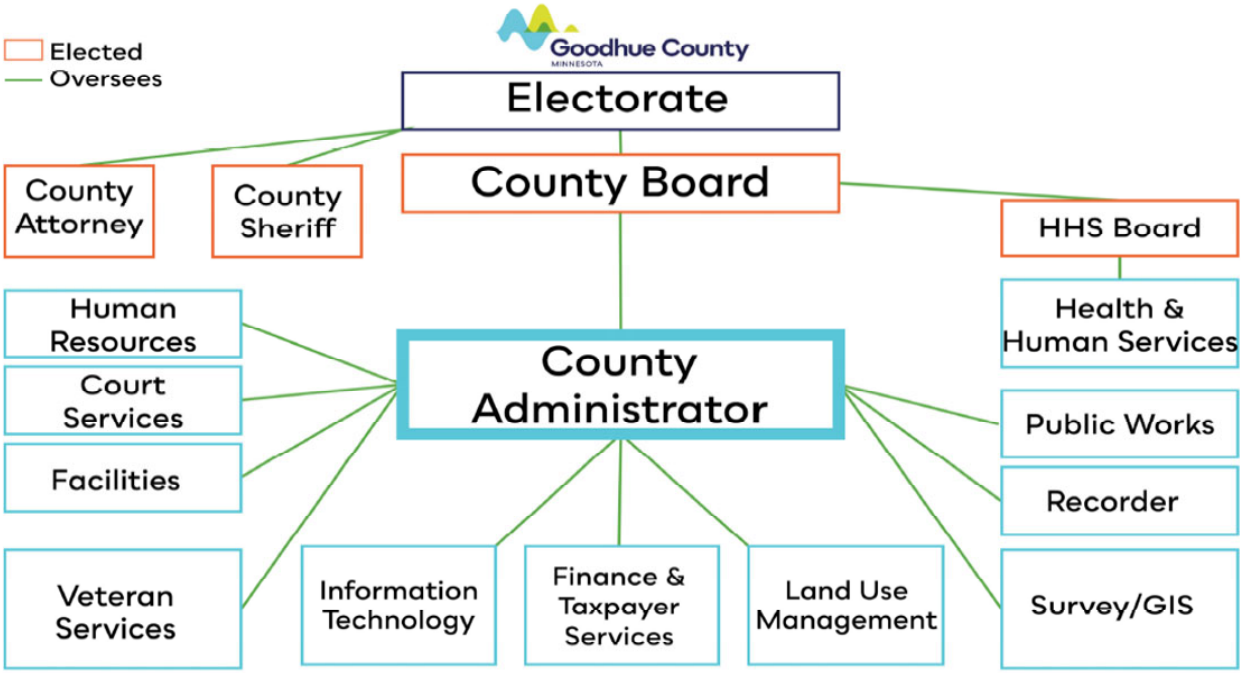
Finally, we would like to acknowledge the hard work put forth by the entire staff throughout the year and during the preparation of this report. The preparation of this report could not have been accomplished without the efficient and dedicated service of everyone. The County Board of Commissioners should 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

2025 Goodhue County Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Goodhue County
Minnesota

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

GOODHUE COUNTY
RED WING, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
2025

			Term Expires
Elected Officers			
Commissioners			
Chair	Brad Anderson	District 2	January 2027
Vice Chair	Susan Betcher	District 5	January 2029
Board Member	Linda Flanders	District 1	January 2029
Board Member	Todd Greseth	District 3	January 2029
Board Member	Jason Majerus	District 4	January 2027
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		Indefinite
Public Works	Jess Greenwood		May 2027
Veterans Service Officer	Justin Kent		September 2026

CliftonLarsonAllen LLP
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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 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, 2025, 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 accompanying 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, 2025, 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.

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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 June 22, 2026, 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.

CliftonLarsonAllen LLP

Brainerd, Minnesota
June 22, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Goodhue County offers readers this narrative overview and analysis of the financial activities for the County for the fiscal year ended December 31, 2025. 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 $249,623,497 on a government-wide basis as of December 31, 2025. Of this amount, $69,446,555 may be used to meet the County's ongoing obligations to its citizens and creditors.

- The County's net position increased by $21,986,176, or 9.7% 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 $88,784,491, an increase of $6,597,657, or 8.0% as compared to the prior year. Of this total, $27,418,234 (30.9%) is unassigned and is available for use at the County's discretion. The remaining $61,366,257 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, Road and Bridge special revenue fund, Health and Human Services special revenue fund, Economic Development Authority special revenue fund, Debt Service fund, and Ditch fund. The largest increases were in the General fund ($4,049,873, 10.2%), the Road and Bridge fund ($1,373,812, 8.1%), and the Health and Human Services fund ($1,057,872, 5.1%). The increase in the General fund was primarily due to an increase in the property tax levy. The increase in the Road and Bridge special revenue fund was primarily due to an increase in taxes revenue. The increase in the Health and Human Services special revenue fund was due primarily to increased grant funding.

- At the end of 2025, the unassigned fund balance of the general fund was $27,627,303, or 69.4% of general fund expenditures.

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.

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.

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 welfare 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, 2025, the assets and deferred outflows of the County exceeded its liabilities and deferred inflows by $249,623,497. The following table provides a condensed comparative version of the government-wide statement of net position.

	Governmental Activities		
	2025	2024	$ Change
Assets			
Current and other assets	$ 122,705,146	$ 111,714,416	$ 10,990,730
Capital assets (net)	166,062,115	160,668,866	5,393,249
Total Assets	$ 288,767,261	$ 272,383,282	$ 16,383,979
Deferred Outflows of Resources	$ 9,542,730	$ 11,724,414	$ (2,181,684)
Liabilities			
Long-term liabilities	$ 31,373,339	$ 35,066,457	$ (3,693,118)
Other liabilities	3,245,959	4,157,662	(911,703)
Total Liabilities	$ 34,619,298	$ 39,224,119	$ (4,604,821)
Deferred Inflows of Resources	$ 14,067,196	$ 17,246,256	$ (3,179,060)
Net Position			
Net investment in capital assets	$ 155,717,652	$ 148,765,445	$ 6,952,207
Restricted	24,459,290	19,890,215	4,569,075
Unrestricted	69,446,555	58,981,661	10,464,894
Total Net Position	$ 249,623,497	$ 227,637,321	$ 21,986,176

The largest portion of Goodhue County's net position, $155,717,652, or 62.4%, 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 $24,459,290, or 9.8% of the County's net position represents resources subject to external restrictions on how they may be used. The remaining balance of $69,446,555, or 27.8%, 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 $21,986,176 over 2024. Investment in capital assets increased by $7.0 million, or 4.7% due primarily to construction in progress additions offset by depreciation expense on all capital items. Restricted net position increased by $4.6 million, or 23.0% due primarily to timing of receipts of state funds for construction and completion of related construction projects. Unrestricted net position increased by $10.5 million, or 17.7% due to an increase in current year revenues, specifically due to an increase in property tax levy.

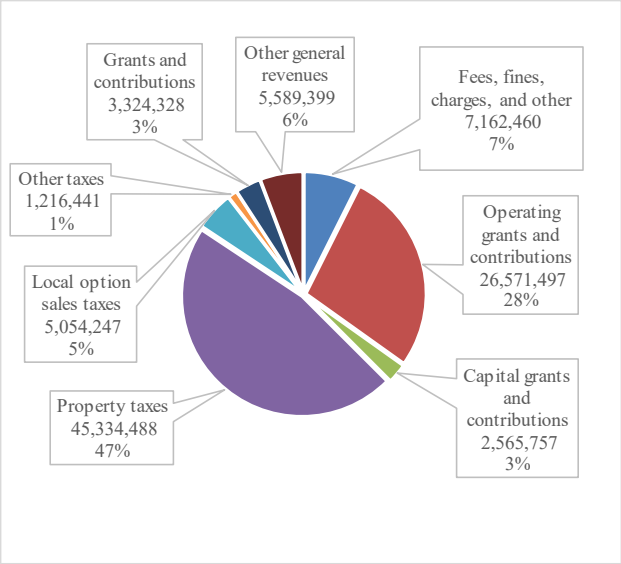
Statement of Activities

Governmental activities increased the County's net position by $21,986,176 in the current fiscal year. The following table is a condensed version of the statement of activities, showing changes in net position.

	Governmental Activities			
	2025	2024	$ Change	% Change
Revenues				
Program Revenues				
Fees, fines, charges, and other	$ 7,162,460	$ 6,995,212	$ 167,248	2.4%
Operating grants and contributions	26,571,497	25,117,491	1,454,006	5.8%
Capital grants and contributions	2,565,757	2,907,846	(342,089)	-11.8%
General Revenues				
Property taxes	45,334,488	43,811,551	1,522,937	3.5%
Local option sales taxes	5,054,247	4,088,160	966,087	23.6%
Other taxes	1,216,441	780,141	436,300	55.9%
Grants and contributions	3,324,328	3,689,574	(365,246)	-9.9%
Other general revenues	5,589,399	4,889,202	700,197	14.3%
Total Revenues	$ 96,818,617	$ 92,279,177	$ 4,539,440	4.9%
Program Expenses				
General government	$ 16,437,448	$ 16,092,461	$ 344,987	2.1%
Public safety	17,908,762	18,613,766	(705,004)	-3.8%
Highways and streets	14,711,515	15,195,681	(484,166)	-3.2%
Sanitation	1,129,916	900,869	229,047	25.4%
Human services	16,675,983	20,766,107	(4,090,124)	-19.7%
Health	5,511,147	6,004,645	(493,498)	-8.2%
Culture and recreation	1,204,716	1,026,076	178,640	17.4%
Conservation of natural resources	922,329	860,108	62,221	7.2%
Economic development	46,326	648,285	(601,959)	-92.9%
Interest	284,299	317,798	(33,499)	-10.5%
Total Program Expenses	$ 74,832,441	$ 80,425,796	$ (5,593,355)	-7.0%
Increase (Decrease) in Net Position	$ 21,986,176	$ 11,853,381	$ 10,132,795	85.5%
Net Position - January 1	227,637,321	215,783,940	11,853,381	5.5%
Net Position - December 31	$ 249,623,497	$ 227,637,321	$ 21,986,176	9.7%

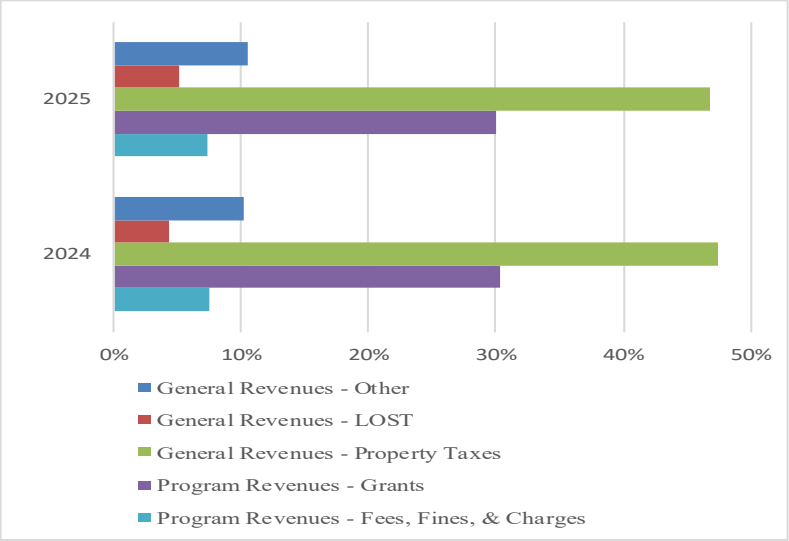
Overall, County governmental revenues increased $4.5 million, or 4.9%. Program revenues increased $1.3 million, or 3.7% due primarily to the overall increase of state and federal funds. General revenues, which consist mainly of property tax, and other tax revenues increased from the prior year, increasing $3.3 million, or 5.7%. An increase of $1.5 million in property tax revenue was the largest increase for 2025.

Governmental Activities
Revenues by Source



Per Table 2, the cost of all governmental activities in 2025 was $74,832,441, a decrease of $5,593,355, or 7.0%, when compared to 2024. However, also as shown in the Table 2 and the following chart, not all of these expenses are paid with County property taxes.

Governmental Activities
Revenues by Source
Summary Fiscal Year Comparison



Those who directly benefited from the programs and services paid $7,162,460, or 9.6% 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 $29,137,254, or 38.9% 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 $60,518,903, $45,334,488 of which was property tax revenues, and $5,054,247 was for local option sales taxes. For the year ended December 31, 2025, general revenues increased and program-specific revenues increased primarily due to the change in federal grant revenues from 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		
	2025	2024	$ Change
Public safety	$ 17,908,762	$ 18,613,766	$ (705,004)
Highway and streets	14,711,515	15,195,681	(484,166)
General government	16,437,448	16,092,461	344,987
Human services	16,675,983	20,766,107	(4,090,124)
Health	5,511,147	6,004,645	(493,498)
All others	3,587,586	3,753,136	(165,550)
Totals	$ 74,832,441	$ 80,425,796	$ (5,593,355)

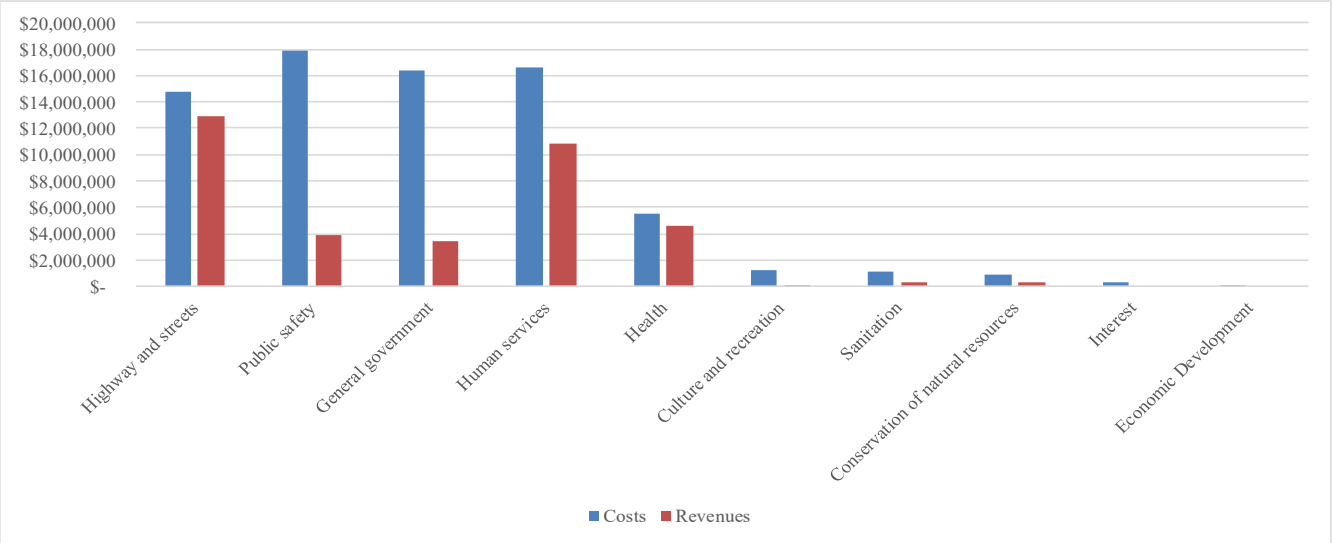
	Net Cost of Services		
	2025	2024	$ Change
Public safety	$ 14,023,509	$ 14,346,503	$ (322,994)
Highway and streets	1,762,687	1,850,840	(88,153)
General government	12,980,190	13,232,641	(252,451)
Human services	5,895,039	11,961,505	(6,066,466)
Health	963,477	894,968	68,509
All others	2,907,825	3,118,790	(210,965)
Totals	$ 38,532,727	$ 45,405,247	$ (6,872,520)

Total program expenses decreased $5.6 million, or 7.0%. This decrease is mainly due the County recognizing year-end change in the joint venture investment with South Country Health Alliance.

The net cost of services decreased $6.9 million, or 15.1%, compared to the previous year. Net costs decreased in all program areas except for health. The most significant decrease was in human services ($6.1 million, or 50.7%). This decrease was due primarily to the timing of when related grants were received and when the county actually spent those funds.

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

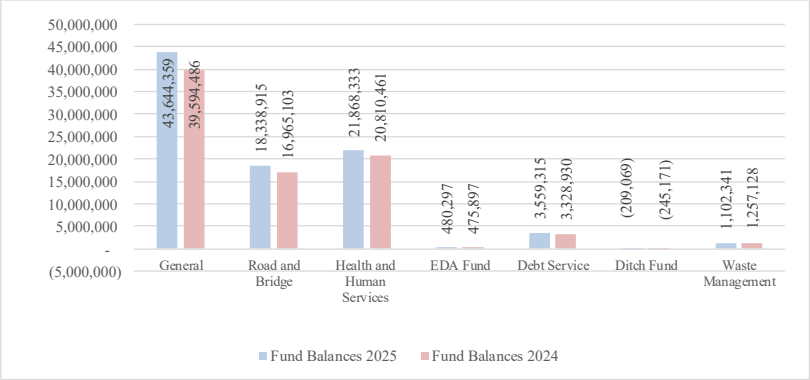
As noted earlier, Goodhue County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required to be established by state law and by bond covenants. As recommended by Minnesota County Financial Accounting & Reporting Standards (COFARS), the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

On December 31, 2025, the County's governmental funds reported combined ending fund balances of $88,784,491, an increase of $6,597,657 from the previous year. This change is due primarily to increases in the general, road and bridge, and health and human services funds. $27,418,234, or 30.9%, 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 ($59,873,070, or 67.4%) and can only be used for specific purposes, or is not spendable due to the nature of the underlying assets ($1,493,187, or 1.7%).

Governmental Funds
Fund Balances

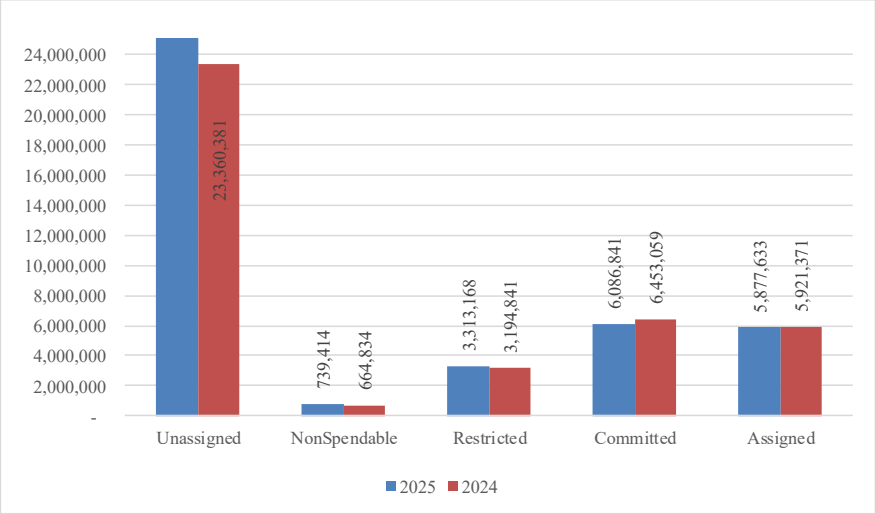


The General Fund is the primary operating fund of the County government. The majority of the County's general operations and traditional services are reported here. The total fund balance in the general fund increased by $4,049,873, or 10.2%. This increase is due to sound financial controls over the County's planned operations.

Expenditures decreased $619,410, or 1.5% from the prior year. Capital outlay expenditures decreased $1.1 million primarily due to a decrease in capital outlay related to subscription-based information technology agreements.

Revenues increased over the prior year by $1,643,430, or 3.9%. The increase was a result primarily of an increase in taxes revenue by approximately $1.2 million from 2024. These revenues increased for the year primarily due to an increase of approximately 8% in the taxable property values, driven by an increased local real estate market values offset by 1.2% rate decrease on all classes of property.

General Fund
Fund Balances



Of the total $43,644,359 fund balance in the general fund, $27,627,303 or 63.3% is unassigned and can be used to fund general County operations. $3,313,168, or 7.6% is restricted by outside governmental or other agency authority and $11,964,474 or 27.4% 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 $18,338,915 as of the end of 2025 represents an increase of $1,373,812, or 8.1% from 2024. 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 $21,868,333 as of the end of 2025 is $1,057,872, or 5.1% higher than the end of 2024. 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.

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, 2025, there are no loans outstanding. The fund balance of $480,297 at the end of 2025 represents an increase of $4,400 or 0.9% 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 $3,559,315 at the end of 2025 represents an increase of $230,385, or 6.9% over the 2024 ending balance. Of this balance, $1,783,828 is available to fund principal and interest payments due in February of 2026; the remaining $1,195,384 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 benefited properties to finance the cost of constructing and maintaining an agricultural drainage system. The fund balance of ($209,069) at the end of 2025 represents an increase of $36,102, or 14.7% over 2024.

The Waste Management Fund is used to account for recycling and waste disposal activities. The fund balance as of December 31, 2025 was $1,102,341, a decrease of $154,787, or 12.3% over 2024.

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 127.

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 $1,711,841. Adjustments of $1,711,841 were carryovers of prior year capital projects.

For the year ended December 31, 2025, actual general fund expenditures were $3,867,466, or 8.9% less than budget. General government was $1,842,600 under budget. Capital outlay was $1,871,788 under budget. Revenues were $3,343,463 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, 2025, amounts to $155,717,652. 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)

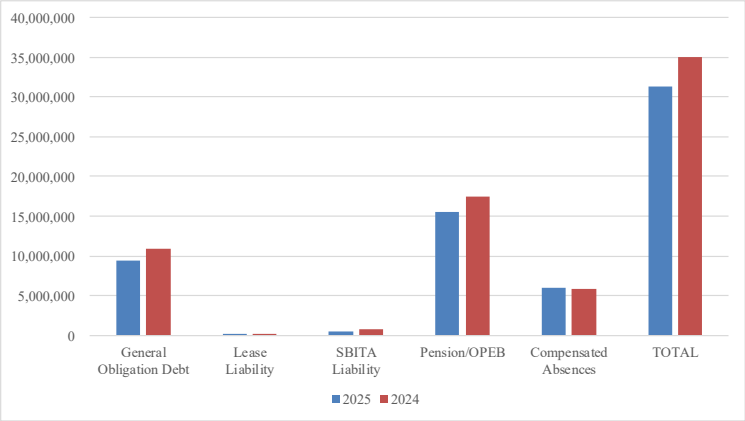
	Governmental Activities		
	2025	2024	$ Change
Land	$ 10,617,128	$ 10,309,378	$ 307,750
Construction in progress	9,641,442	6,864,212	2,777,230
Right-to-Use assets	69,848	100,608	(30,760)
SBITA assets	867,168	1,205,336	(338,168)
Buildings and land improvements	22,914,786	23,612,072	(697,286)
Machinery, vehicles, furniture, and equipment	16,293,251	15,202,762	1,090,489
Infrastructure	105,658,492	103,374,498	2,283,994
Totals	$ 166,062,115	$ 160,668,866	$ 5,393,249

Total capital assets increased $5,393,249, or 3.2% from 2024. This increase is due to the normal depreciation/amortization expense for all categories of $8,990,450 offset by increases of $10.4 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.

Debt and Other Long-Term Obligations

At December 31, 2025, the County's total long-term obligations were $31,373,339, a $3,693,118 (10.5%) decrease over the balance at December 31, 2024. 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 2025, and there were no changes in credit ratings. See Table 5 below and Note 3.C.2 for details.

Table 5
Long-Term Obligations

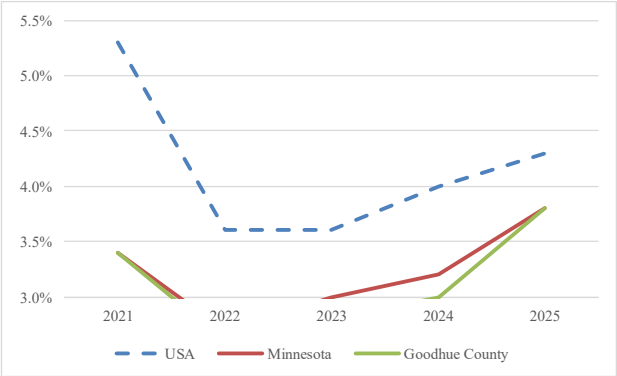


ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Unemployment

The 12-month averages for unemployment in 2025 for the U.S., Minnesota and Goodhue County were 4.3%, 3.8%, and 3.8%, respectively. This compares to 4.0%, 3.2%, and 3.0% for 2024. 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.

Table 6
Unemployment Rates - 5-Year Trend



Property Values & Taxes

The taxable market value of all property in the County increased 3.2% from 2024 to 2025. Values increased in all the categories, with the largest increase ($120,751,247 or 3.0%) 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 2025, the final estimated market value of these properties made up 8.6% of the County's total estimated market value for all properties, as compared to 8.2% for 2024. The tax rates increased from 40.832% for 2024, to 42.010% for 2025.

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 to be used for specific County transportation projects. Collections for the last three years of this tax have remained consistent with the budgeted amount - $13.3 million collected as compared to $13.1 million budgeted.

Personnel Costs

These expenses represent 51% of the County's 2025 budget. Personnel costs in the 2025 budget increased $4.2 million, or 9.5% from 2024 due to an overall increase in health insurance costs of 10.0%, 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 2026 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 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, 2025

Assets		
Cash and pooled investments	$	86,577,156
Petty cash and change funds		2,200
Taxes receivable - Delinquent		457,652
Special assessments - Current		39,882
Special assessments - Noncurrent		195,770
Accounts receivable		391,588
Accrued interest receivable		533,157
Lease receivable		709,141
Due from other governments		19,621,772
Prepaid items		1,192,815
Investment in joint venture		12,168,500
Net pension asset		815,513
Nondepreciable capital assets:		
Land		10,617,128
Construction-in-progress		9,641,442
Depreciable/Amortizable capital assets:		
Land improvements		441,388
Right-to-use assets (Net)		69,848
SBITA assets (Net)		867,168
Building (Net)		22,473,398
Machinery, vehicles, furniture, and equipment (Net)		16,293,251
Infrastructure (Net)		105,658,492
Total Assets	**$**	**288,767,261**
Deferred Outflows of Resources		
Deferred pension outflows	$	7,992,210
Deferred OPEB outflows		1,550,520
Total Deferred Outflows of Resources	**$**	**9,542,730**
Liabilities		
Accounts payable	$	901,961
Salaries payable		1,328,559
Contracts payable		636,362
Due to other governments		208,950
Accrued interest payable		119,428
Customer deposits		50,699
Long-term liabilities		
Due within one year		4,272,631
Due in more than one year		11,575,365
Net pension liability		12,228,506
OPEB liability		3,296,837
Total Liabilities	**$**	**34,619,298**

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

GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF NET POSITION (CONTINUED)
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2025

Deferred Inflows of Resources		
Taxes received for future periods	$	18,145
Lease related		637,760
Deferred pension inflows		12,947,125
Deferred OPEB inflows		464,166
Total Deferred Inflows of Resources	**$**	**14,067,196**
Net Position		
Net investment in capital assets	$	155,717,652
Restricted for		
General government		1,933,315
Public safety		753,947
Highways and streets		14,870,890
Human services		402,002
Conservation of natural resources		223,614
Economic development		328,273
Debt service		3,453,043
Gravel pit postclosure		402,292
Net pension asset		815,513
Opioid epidemic response		1,276,401
Unrestricted		69,446,555
Total Net Position	**$**	**249,623,497**

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

GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net (Expense)
	Expenses	Fees, Charges, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Functions/Programs					
Primary government					
Governmental activities					
General government	$ 16,437,448	$ 2,808,050	$ 649,208	$ -	$ (12,980,190)
Public safety	17,908,762	1,334,331	2,550,922	-	(14,023,509)
Highways and streets	14,711,515	57,597	10,325,474	2,565,757	(1,762,687)
Sanitation	1,129,916	146,415	169,488	-	(814,013)
Human services	16,675,983	1,735,233	9,045,711	-	(5,895,039)
Health	5,511,147	966,240	3,581,430	-	(963,477)
Culture and recreation	1,204,716	-	103,985	-	(1,100,731)
Conservation of natural resources	922,329	114,594	145,279	-	(662,456)
Economic development	46,326	-	-	-	(46,326)
Interest	284,299	-	-	-	(284,299)
Total Governmental Activities	**$ 74,832,441**	**$ 7,162,460**	**$ 26,571,497**	**$ 2,565,757**	**$ (38,532,727)**

General Revenues	
Property taxes	$ 45,334,488
Local option sales taxes	5,054,247
Gravel taxes	86,002
Mortgage registry and deed tax	71,904
Solar production tax	46,124
Wheelage tax	1,012,411
Payments in lieu of tax	350,066
Grants and contributions not restricted to specific programs	3,324,328
Unrestricted investment earnings	4,228,825
Miscellaneous	547,693
Gain on sale of capital assets	462,815
Total general revenues	**$ 60,518,903**
Change in net position	**$ 21,986,176**
Net Position - Beginning	**227,637,321**
Net Position - Ending	**$ 249,623,497**

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

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

GOODHUE COUNTY
RED WING, MINNESOTA
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Road and Bridge	Health and Human Services
Assets			
Cash and pooled investments	$ 43,117,079	$ 17,568,756	$ 20,514,844
Petty cash and change funds	1,775	50	300
Taxes receivable - Delinquent	276,145	65,053	89,285
Special assessments - Current	902	-	-
Special assessments - Noncurrent	2,480	-	-
Accounts receivable	32,051	12,370	325,823
Accrued interest receivable	533,157	-	-
Due from other funds	20,243	7,940	-
Due from other governments	481,638	16,178,320	2,949,550
Prepaid items	439,495	546,051	198,576
Advance to other funds	229,000	-	-
Lease receivable	624,063	85,078	-
Total Assets	**$ 45,758,028**	**$ 34,463,618**	**$ 24,078,378**
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	$ 408,370	$ 109,362	$ 361,783
Salaries payable	725,967	93,462	493,675
Contracts payable	-	430,352	-
Due to other funds	5,313	-	20,243
Due to other governments	41,377	19,846	145,487
Customer deposits	50,699	-	-
Advance from other funds	-	-	-
Total Liabilities	**$ 1,231,726**	**$ 653,022**	**$ 1,021,188**
Deferred Inflows of Resources			
Unavailable revenue	$ 317,768	$ 15,384,538	$ 1,185,321
Lease related	553,144	84,616	-
Taxes received for future periods	11,031	2,527	3,536
Total Deferred Inflows of Resources	**$ 881,943**	**$ 15,471,681**	**$ 1,188,857**
Fund Balances			
Nonspendable	$ 739,414	$ 546,504	$ 198,576
Restricted	3,313,168	-	912,481
Committed	6,086,841	104,999	150,300
Assigned	5,877,633	17,687,412	20,606,976
Unassigned	27,627,303	-	-
Total Fund Balances	**$ 43,644,359**	**$ 18,338,915**	**$ 21,868,333**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 45,758,028**	**$ 34,463,618**	**$ 24,078,378**

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

GOODHUE COUNTY
RED WING, MINNESOTA
BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2025

Economic Development Authority	Debt Service	Ditch	Nonmajor Fund Waste Management	Total
$ 481,187	$ 3,552,617	$ 19,944	$ 1,322,729	$ 86,577,156
-	-	-	75	2,200
610	20,653	-	5,906	457,652
-	-	38,980	-	39,882
-	-	193,290	-	195,770
-	-	-	21,344	391,588
-	-	-	-	533,157
-	-	-	-	28,183
-	-	-	12,264	19,621,772
-	2,175	-	6,518	1,192,815
-	-	-	-	229,000
-	-	-	-	709,141
$ 481,797	**$ 3,575,445**	**$ 252,214**	**$ 1,368,836**	**$ 109,978,316**
$ 1,012	$ -	$ -	$ 21,434	$ 901,961
-	-	-	15,455	1,328,559
-	-	-	206,010	636,362
-	-	-	2,627	28,183
-	-	-	2,240	208,950
-	-	-	-	50,699
-	-	229,000	-	229,000
$ 1,012	**$ -**	**$ 229,000**	**$ 247,766**	**$ 3,383,714**
$ 470	$ 15,333	$ 232,270	$ 18,506	$ 17,154,206
-	-	-	-	637,760
18	797	13	223	18,145
$ 488	**$ 16,130**	**$ 232,283**	**$ 18,729**	**$ 17,810,111**
$ -	$ 2,175	$ -	$ 6,518	$ 1,493,187
328,273	3,557,140	-	-	8,111,062
152,024	-	-	258,907	6,753,071
-	-	-	836,916	45,008,937
-	-	(209,069)	-	27,418,234
$ 480,297	**$ 3,559,315**	**$ (209,069)**	**$ 1,102,341**	**$ 88,784,491**
$ 481,797	**$ 3,575,445**	**$ 252,214**	**$ 1,368,836**	**$ 109,978,316**

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

GOODHUE COUNTY
RED WING, MINNESOTA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2025

Fund balances - total governmental funds		**$ 88,784,491**
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.		166,062,115
Investment in joint venture is not available to pay for current period expenditures and, therefore, is not reported in the governmental funds.		12,168,500
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		17,154,206
Deferred outflows of resources resulting from pension obligations are not available resources and, therefore, are not reported in the governmental funds.		7,992,210
Deferred outflows of resources resulting from OPEB obligations are not available resources and, therefore, are not reported in the governmental funds.		1,550,520
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	$ (9,360,000)	
Bond issuance discounts	1,512	
Bond issuance premiums	(63,038)	
Lease liability	(73,897)	
SBITA liability	(418,807)	
Net pension asset	815,513	
Net pension liability	(12,228,506)	
OPEB liability	(3,296,837)	
Compensated absences	(5,933,766)	
Accrued interest payable	(119,428)	(30,677,254)
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.		(12,947,125)
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.		(464,166)
Net Position of Governmental Activities		**$ 249,623,497**

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

GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	General	Road and Bridge	Health and Human Services
Revenues			
Taxes	$ 27,849,874	$ 11,942,867	$ 8,759,627
Special assessments	1,980	-	-
Licenses and permits	540,625	20,600	-
Intergovernmental	6,884,423	9,405,757	11,891,653
Charges for services	2,175,160	5,872	1,851,250
Fines and forfeits	6,814	-	-
Gifts and contributions	19,308	-	-
Investment earnings	4,237,268	720	34,412
Miscellaneous	1,795,368	30,479	1,519,238
Total Revenues	**$ 43,510,820**	**$ 21,406,295**	**$ 24,056,180**
Expenditures			
Current			
General government	$ 15,137,292	$ -	$ -
Public safety	18,211,903	-	-
Highways and streets	-	9,545,057	-
Sanitation	-	-	-
Human services	9,347	-	17,330,779
Health	-	-	5,770,674
Culture and recreation	944,225	207,981	-
Conservation of natural resources	918,295	-	-
Economic development	4,600	-	-
Capital outlay			
General government	1,152,571	-	-
Public Safety	1,176,791	-	-
Highways and streets	1,537,991	9,493,007	-
Sanitation	203,988	-	-
Debt service			
Principal	492,410	3,341	93,772
Interest	18,062	427	4,313
Administrative (fiscal) charges	-	-	-
Intergovernmental			
Highways and streets	-	736,458	-
Total Expenditures	**$ 39,807,475**	**$ 19,986,271**	**$ 23,199,538**
Excess of Revenues Over (Under) Expenditures	**$ 3,703,345**	**$ 1,420,024**	**$ 856,642**
Other Financing Sources (Uses)			
Transfers in	$ 57,500	$ 3,788	$ 208,730
Transfers out	(212,518)	(50,000)	(7,500)
Issuance of SBITAs	181,354	-	-
Sale of capital assets	320,192	-	-
Total Other Financing Sources (Uses)	**$ 346,528**	**$ (46,212)**	**$ 201,230**
Changes in Fund Balance	**$ 4,049,873**	**$ 1,373,812**	**$ 1,057,872**
Fund Balance - January 1	**39,594,486**	**16,965,103**	**20,810,461**
Fund Balance - December 31	**$ 43,644,359**	**$ 18,338,915**	**$ 21,868,333**

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

GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Economic Development Authority	Debt Service	Ditch	Nonmajor Fund Waste Management	Total
$ 45,578	$ 1,973,632	$ -	$ 553,169	$ 51,124,747
-	-	39,949	-	41,929
-	-	-	6,060	567,285
548	61,653	-	176,902	28,420,936
-	-	-	9,131	4,041,413
-	-	-	-	6,814
-	-	-	-	19,308
-	-	-	-	4,272,400
-	-	-	127,058	3,472,143
$ 46,126	**$ 2,035,285**	**$ 39,949**	**$ 872,320**	**$ 91,966,975**
$ -	$ -	$ -	$ -	$ 15,137,292
-	-	-	-	18,211,903
-	-	-	-	9,545,057
-	-	-	1,027,107	1,027,107
-	-	-	-	17,340,126
-	-	-	-	5,770,674
-	-	-	-	1,152,206
-	-	3,847	-	922,142
41,726	-	-	-	46,326
-	-	-	-	1,152,571
-	-	-	-	1,176,791
-	-	-	-	11,030,998
-	-	-	-	203,988
-	1,495,000	-	-	2,084,523
-	307,016	-	-	329,818
-	2,884	-	-	2,884
-	-	-	-	736,458
$ 41,726	**$ 1,804,900**	**$ 3,847**	**$ 1,027,107**	**$ 85,870,864**
$ 4,400	**$ 230,385**	**$ 36,102**	**$ (154,787)**	**$ 6,096,111**
$ -	$ -	$ -	$ -	$ 270,018
-	-	-	-	(270,018)
-	-	-	-	181,354
-	-	-	-	320,192
$ -	**$ -**	**$ -**	**$ -**	**$ 501,546**
$ 4,400	**$ 230,385**	**$ 36,102**	**$ (154,787)**	**$ 6,597,657**
475,897	**3,328,930**	**(245,171)**	**1,257,128**	**82,186,834**
$ 480,297	**$ 3,559,315**	**$ (209,069)**	**$ 1,102,341**	**$ 88,784,491**

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

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, 2025

Net change in fund balances - total governmental funds			**$**	**6,597,657**
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	$	17,154,206		
Unavailable revenue - January 1		(12,842,498)		4,311,708
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	$	14,438,523		
Net book value of assets sold		(54,824)		
Current year depreciation and amortization		(8,990,450)		5,393,249
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.				434,165
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				(181,354)
Principal repayments:				
General obligation bonds	$	1,495,000		
Lease liability		31,190		
SBITA liability		558,333		2,084,523
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	$	31,414		
Change in net pension liability (asset)		2,661,146		
Change in OPEB liability		37,573		
Change in accrued interest payable		16,989		
Change in compensated absences		(124,671)		
Change in deferred outflows of resources		(2,181,684)		
Change in deferred inflows of resources		2,905,461		3,346,228
Change in Net Position of Governmental Activities			**$**	**21,986,176**

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

FIDUCIARY FUNDS

GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2025

	Social Welfare Private-Purpose Trust Fund	Custodial Funds
Assets		
Cash and pooled investments	$ 105,273	$ 938,127
Accounts receivable	-	1,112,941
Due from other governments	-	1,346
Total Assets	**$ 105,273**	**$ 2,052,414**
Liabilities		
Due to individuals	$ -	$ 91
Due to other governments	-	920,100
Total Liabilities	**$ -**	**$ 920,191**
Deferred Inflows of Resources		
Unavailable revenue	$ -	$ 316
Total Deferred Inflows of Resources	**$ -**	**$ 316**
Net Position		
Restricted for individuals, organizations and other governments	$ 105,273	$ 1,131,907
Total Net Position	**$ 105,273**	**$ 1,131,907**

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

GOODHUE COUNTY
RED WING, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Social Welfare Private-Purpose Trust Find	Custodial Funds
Additions		
Contributions-individuals	$ -	$ 453,158
Contributions on behalf of others	1,009,363	-
Property tax collections for other governments	-	86,189,689
Contributions from governments	-	1,928,720
License fee collected for state government	-	166,067
Civil process collections	-	339,904
Other contributions	-	150,239
Total Additions	**$ 1,009,363**	**$ 89,227,777**
Deductions		
Payments on behalf of clients	$ 1,031,602	$ -
Payments to individuals	-	159,419
Payments of property tax to other governments	-	86,010,479
Other payments to other governments	-	2,469,780
Payments to other entities	-	394,473
Total Deductions	**$ 1,031,602**	**$ 89,034,151**
Net Increase (Decrease) in Fiduciary Net Position	$ (22,239)	$ 193,626
Net Position - Beginning	127,512	938,281
Net Position - Ending	**$ 105,273**	**$ 1,131,907**

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

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, 2025. 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.

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.

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 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

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.

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.

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.

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, 2025, 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 2025 were $4,272,400.

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.

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.

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 completed.

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:

Assets	Years
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 form the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the subscription term.

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.

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 (asset), 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.

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.

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 though 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.

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.

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.

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 December 2023, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide users of the financial statements with information about significant vulnerabilities arising from concentrations or constraints. This statement: (1) provides definitions and examples of a concentration or constraint; (2) defines the criteria that must be met for disclosing a concentration or constraint; (3) outlines the requirements for note disclosures.

   The County adopted the requirements of the guidance effective January 1, 2025, 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, 2025:

	Budget	Expenditures	Excess
Waste Management Fund	$ 869,629	$ 1,027,107	$ (157,478)

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

2. Stewardship, Compliance and Accountability (Continued)

B. Deficit Fund Balance

The following fund had a deficit fund balance as of December 31, 2025:

Special Revenue Funds		
County Ditch Fund	$	(209,069)

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	$	86,577,156
Petty cash and change funds		2,200
Total Governmental Funds		86,579,356
Fiduciary funds		
Cash and pooled investments		
Private-Purpose Trust Funds		105,273
Custodial Funds		938,127
Total Fiduciary Funds	$	1,043,400
Total Cash and Investments	$	87,622,756
Deposits	$	28,920,172
Petty cash and change funds		2,200
Investments		58,700,384
Total	$	87,622,756

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.

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, 2025, 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.

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, 2025, Goodhue County's investments were exposed to custodial credit risk of $16,973,473 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, 2025, and information relating to potential custodial and concentration credit risks:

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits and Investments (Continued)

c. Investments (Continued)

Investment - Issuer	Credit Risk: Credit Rating	Credit Risk: Rating Agency	Carrying (Fair) Value
Mutual Funds			
MAGIC - Cash management funds	N/A	N/A	$ 29,616,537
RBC - Prime Investment money market mutual funds	N/A	N/A	107,128
Total Mutual Funds			$ 29,723,665
Agency Securities			
RBC - Federal Home Loan Bank	AAA	Moody's	$ 2,482,901
U.S. Treasury Note	AAA	Moody's	$ 9,519,595
Series EE U.S. Savings Bonds	AAA	Moody's	$ 750
Negotiable Certificates of Deposit **	N/A	N/A	$ 16,973,473
Total Investments			$ 58,700,384

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	$ 2,482,901	$ 2,482,901	$ -	$ -
U.S. Treasury Notes				
Treasury Notes	$ 9,519,595	$ 7,258,771	$ 1,971,960	$ 288,864
Bonds				
Series EE U.S. Savings Bonds	$ 750	$ -	$ -	$ 750
Negotiable Certificates of Deposit	$ 16,973,473	$ 7,169,537	$ 5,395,356	$ 4,408,580
Total investments subject to interest rate risk	$ 28,976,719	$ 16,911,209	$ 7,367,316	$ 4,698,194
Investments not subject to interest rate risk	$ 29,723,665			
Total Investments	$ 58,700,384			

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.

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	$ -	$ 13,579,084	$ -	$ 13,579,084
Federal Home Loan Bank	-	2,482,901	-	2,482,901
U.S. Government Agencies	-	9,519,595	-	9,519,595
U.S. Savings Bonds	-	750	-	750
Total Investments at Fair Value	$ -	$ 25,582,330	$ -	$ 25,582,330
Investments Measured at Net Asset Value (NAV)				
MAGIC Fund Cash Management Mutual Fund				29,616,537
RBC Mutual Fund				102,829
MBS Inc				4,299
Investments Measured at Net Asset Value (NAV)				29,723,665
Investments at Amortized Cost				
Negotiable Certificates of Deposit (<1 Year)				3,394,389
Total Investments				$ 58,700,384
Deposits				28,920,172
Petty Cash				2,200
Total Deposits and Investments				$ 87,622,756

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.

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

2. Receivables

Receivables as of December 31, 2025 are as follows:

	Total Receivables	Amounts Not Scheduled for Collection During the Subsequent Year
Governmental Activities		
Taxes	$ 457,652	$ -
Special Assessments	235,652	195,770
Accounts	391,588	-
Interest	533,157	-
Lease related	709,141	-
Due from other governments	19,621,772	-
Total Governmental Activities	$ 21,948,962	$ 195,770

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, 2025, the County recognized $217,668 and $98,490 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
2026	$ 293,490	$ 73,448
2027	336,810	39,570
2028	3,346	644
2029	3,374	616
2030	3,401	589
2031-2035	18,030	2,518
2036-2040	19,823	1,753
2041-2045	21,741	913
2046-2048	9,126	112
Total	$ 709,141	$ 120,163

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

	Beginning Balance	Additions	Retirements	Ending Balance
Office Space	$ 838,651	$ -	$ 214,588	$ 624,063
Facility Space	88,158	-	3,080	85,078
Total Lease Receivable	$ 926,809	$ -	$ 217,668	$ 709,141

3. Detailed Notes on All Funds (Continued)

A. Assets (Continued)

3. Capital Assets

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not depreciated				
Land	$ 10,309,378	$ 307,750	$ -	$ 10,617,128
Construction in progress	6,864,212	10,514,788	7,737,558	9,641,442
Total capital assets not depreciated	$ 17,173,590	$ 10,822,538	$ 7,737,558	$ 20,258,570
Capital assets depreciated/amortized				
Land improvements	$ 572,019	$ 158,652	$ -	$ 730,671
Buildings	50,643,703	633,604	107,289	51,170,018
Machinery, furniture, and equipment	31,203,018	3,865,675	1,624,398	33,444,295
Infrastructure	212,431,010	6,514,258	-	218,945,268
Right-of-Use leased equipment	179,983	-	11,473	168,510
Right-of-Use software subscriptions	1,730,145	181,354	-	1,911,499
Total capital assets depreciated/ amortized	$ 296,759,878	$ 11,353,543	$ 1,743,160	$ 306,370,261
Less: accumulated depreciation/ amortization				
Land improvements	$ 260,139	$ 29,144	$ -	$ 289,283
Buildings	27,343,511	1,415,370	62,261	28,696,620
Machinery, furniture, and equipment	16,000,256	2,765,390	1,614,602	17,151,044
Infrastructure	109,056,512	4,230,264	-	113,286,776
Right-of-Use leased equipment	79,375	30,760	11,473	98,662
Right-of-Use software subscriptions	524,809	519,522	-	1,044,331
Total accumulated depreciation/ amortization	$ 153,264,602	$ 8,990,450	$ 1,688,336	$ 160,566,716
Total capital assets depreciated/ amortized, net	143,495,276	2,363,093	54,824	145,803,545
Capital Assets, Net	$ 160,668,866	$ 13,185,631	$ 7,792,382	$ 166,062,115

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	$ 1,841,669
Public Safety	1,471,720
Highways and streets, including depreciation of infrastructure assets	5,090,046
Health and human services	334,782
Sanitation	192,889
Culture and recreation	59,344
Total Depreciation/Amortization Expense - Governmental Activities	$ 8,990,450

B. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2025, is as follows:

1. Due To/From Other Funds

Receivable Fund	Payable Fund	Amount	
General	Health and Human Services	$ 20,243	Attorney fees related to child support
Road and Bridge	General	5,313	Fuel expenses
Road and Bridge	Waste Management	2,627	Fuel expenses
Total Due To/From Other Funds		$ 28,183	

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

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, 2025 consisted of the following:

Transfers to General Fund from Health and Human Services Fund	$ 7,500	Public health nuisances
Transfers to General Fund from Road and Bridge Fund	50,000	Supplement Capital Fund
Transfers to Health and Human Services Fund from General Fund	3,235	Grant funding
	182,947	Grant funding
	22,548	Termination payment
Transfers to Road and Bridge Fund from General Fund	3,788	Grant funding
Total Interfund Transfers	$ 270,018	

3. Advances to/from Other Funds

Advances made to/from other funds for the year ended December 31, 2025 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	$ 229,000
Total Advance to/From Other Funds		$ 229,000

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, 2025
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	8,065,000
Total General Obligation Bonds and Notes				$ 12,015,000	$ 9,360,000

Debt service requirements at December 31, 2025 were as follows:

	General Obligation CIP Bonds	
Year Ending December 31	Principal	Interest
2026	$ 1,520,000	$ 263,828
2027	2,860,000	195,214
2028	1,610,000	125,250
2029	1,660,000	76,200
2030	1,710,000	25,650
Total	$ 9,360,000	$ 686,142

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:

	Lease Liability	
Year Ending December 31	Principal	Interest
2026	$ 28,570	$ 1,302
2027	21,975	654
2028	11,382	321
2029	10,650	111
2030	1,320	2
Total	$ 73,897	$ 2,390

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

Governmental Activities	
Equipment	$ 168,510
Less: Accumulated Amortization	(98,662)
Total	$ 69,848

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:

	SBITA Liability	
Year Ending December 31	Principal	Interest
2026	$ 322,666	$ 11,206
2027	48,325	2,028
2028	23,532	807
2029	24,284	63
Total	$ 418,807	$ 14,104

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

Governmental Activities	
SBITAs	$ 1,911,499
Less: Accumulated Amortization	(1,044,331)
Total	$ 867,168

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, 2025, 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	$ 10,855,000	$ -	$ 1,495,000	$ 9,360,000	$ 1,520,000
Issuance premiums	95,207	-	32,169	63,038	-
Issuance discounts	(2,267)	-	(755)	(1,512)	-
Total bonds and notes payable	$ 10,947,940	$ -	$ 1,526,414	$ 9,421,526	$ 1,520,000
Lease liability	105,087	-	31,190	73,897	28,570
SBITA liability	795,786	181,354	558,333	418,807	322,666
Compensated absences *	5,809,095	124,671	-	5,933,766	2,401,395
Governmental Activity Long-Term Liabilities	$ 17,657,908	$ 306,025	$ 2,115,937	$ 15,847,996	$ 4,272,631

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

3. Detailed Notes on All Funds (Continued)

D. Deferred Inflows of Resources

As of December 31, 2025, the various components of unavailable revenue were as follows:

	Unavailable Revenue	Deferred for Future Period	Total
Deferred inflow due to prepaid taxes	$ -	$ 18,145	$ 18,145
Leases	-	637,760	637,760
Delinquent property taxes	316,981	-	316,981
Intergovernmental	14,870,890	-	14,870,890
Other	1,730,683	-	1,730,683
Special assessments	235,652	-	235,652
Total Governmental Funds	$ 17,154,206	$ 655,905	$ 17,810,111

E. Fund Balance

Nonspendable, Restricted, Committed, and Assigned Fund Balances

Fund balances of the governmental funds were designated as follows at December 31, 2025.

Nonspendable	General	Road and Bridge	Health and Human Services	Economic Development Authority	Debt Service	Waste Management Fund
Prepaid items	$ 439,495	$ 546,051	$ 198,576	$ -	$ 2,175	$ 6,518
Net lease receivable > deferred lease	70,919	453	-	-	-	-
Advance to other funds	229,000	-	-	-	-	-
Total Nonspendable Fund Balance	$ 739,414	$ 546,504	$ 198,576	$ -	$ 2,175	$ 6,518

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	$ 402,292	$ -	$ -	$ -	$ -	$ -
Statewide Affordable Housing Aid	154,360	-	-	-	-	-
Law library	485,244	-	-	-	-	-
Attorney's forfeiture activities	15,172	-	-	-	-	-
Attorney's victim assistance	4,555	-	-	-	-	-
Drug treatment court	308,191	-	-	-	-	-
Prosecution of prostitution fees (Attorney)	100	-	-	-	-	-
Recorder's technology equipment	113,209	-	-	-	-	-
Recorder's compliance fund	247,180	-	-	-	-	-
Veteran's VFW grant	8,118	-	-	-	-	-
Veteran's transportation	50,341	-	-	-	-	-
Buffer initiative	546,845	-	-	-	-	-
Aquatic invasive species prevention	223,614	-	-	-	-	-
Public safety funds	165,142	-	-	-	-	-
Sheriff's counteract	13,280	-	-	-	-	-
Sheriff's K-9 donations	12,556	-	-	-	-	-
Gun permit activities	15,143	-	-	-	-	-
Sheriff's contingency	219	-	-	-	-	-
E-911	370,086	-	-	-	-	-
Correction service fee	22,451	-	-	-	-	-
Local correctional fees	155,070	-	-	-	-	-
Opioid settlement	-	-	510,478	-	-	-
Family Service Collaborative	-	-	361,731	-	-	-
Supplemental medical assistance renewal	-	-	40,272	-	-	-
Debt (QECB lump sum due 2/1/2027)	-	-	-	-	3,557,140	-
EDA loan program (2010MIF)	-	-	-	328,273	-	-
Total Restricted Fund Balance	$ 3,313,168	$ -	$ 912,481	$ 328,273	$ 3,557,140	$ -

3. Detailed Notes on All Funds (Continued)

E. Fund Balance (Continued)

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

Committed	General	Road and Bridge	Health and Human Services	Economic Development Authority	Debt Service	Waste Management Fund
Petty cash and change funds	$ 1,775	$ 50	$ 300	$ -	$ -	$ 75
Economic development	-	-	-	152,024	-	-
Demolition landfill closure	-	-	-	-	-	258,832
Land use/environmental ordinance	154,004	-	-	-	-	-
Compensated absences	739,043	-	-	-	-	-
27th payroll	301,907	-	-	-	-	-
Tax court settlements	225,500	-	-	-	-	-
Natural, technological, human-caused hazards	1,000,000	-	-	-	-	-
Tax-forfeited property funding	130,331	-	-	-	-	-
Out-of-home placement budget deficits	-	-	150,000	-	-	-
Capital projects	3,534,281	-	-	-	-	-
TH 52 development and construction	-	104,949	-	-	-	-
Total Committed Fund Balance	$ 6,086,841	$ 104,999	$ 150,300	$ 152,024	$ -	$ 258,907
Assigned						
Subsequent year's appropriated budget	$ 1,719,216	$ -	$ -	$ -	$ -	$ -
ARP	808,380	-	-	-	-	-
Highways & streets	-	16,427,887	-	-	-	-
Health & human services	-	-	20,606,976	-	-	-
Sanitation (waste management)	-	-	-	-	-	836,916
Motor pool	109,969	-	-	-	-	-
MDT Agreement	11,312	-	-	-	-	-
Election activities	184,449	-	-	-	-	-
Energy Efficiency Upgrades	79,885	-	-	-	-	-
Inmate improvement	76,157	-	-	-	-	-
Sheriff-radio tower equipment	57,247	-	-	-	-	-
Rural identification funds	4,927	-	-	-	-	-
Employee training & development	60,619	-	-	-	-	-
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	$ 5,877,633	$ 17,687,412	$ 20,606,976	$ -	$ -	$ 836,916

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.

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 2025 annual increase was 1.25%. 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.

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% 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 years of service earned before July 1, 2025 and 2.2% of their highest average salary for years of service earned on or after July 1, 2025. 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 2025 annual increase was 2.5%. If the plan's funding status is less than or equal to 85% for two consecutive years or 80% for one year, the maximum will be lowered from 2.5% to 1.5%.

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

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2025 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, 2025, were $1,884,414. 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 2025 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, 2025, were $876,548. 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 2025 and the County was required to contribute 8.75% for Correctional Plan members. As of July 1, 2025, the required contribution increased to 6.83% for plan members and 10.25% for the County. The County's contributions to the Correctional Fund for the year ended December 31, 2025, were $340,372. The County's contributions were equal to the required contributions as set by state statute.

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs

General Employees Fund Pension Costs

At December 31, 2025 the County reported a liability of $8,592,060 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 $207,267.

County's proportionate share of the net pension liability (asset)	$	8,592,060
State of Minnesota's proportionate share of the net pension liability (asset) associated with the County		207,267
Total	$	8,799,327

The net pension liability was measured as of June 30, 2025, 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, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.2593% at the end of the measurement period and 0.2578% for the beginning of the period.

There were no provision changes during the measurement period.

For the year ended December 31, 2025, the County recognized pension expense of ($145,428) for its proportionate share of the General Employees Plan's pension expense. In addition, the County recognized an additional $31,792 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.

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

At December 31, 2025, 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	$ 818,635	$ -
Changes in Actuarial Assumptions	207,020	1,977,003
Net Collective Difference Between Projected and Actual Investment Earnings	-	3,418,863
Changes in Proportion	531,968	6,776
Contributions Paid to PERA Subsequent to the Measurement Date	991,707	-
Total	$ 2,549,330	$ 5,402,642

The $991,707 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, 2026. 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
2026	$ (713,457)
2027	(1,360,432)
2028	(1,156,155)
2029	(614,975)

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Police and Fire Fund Pension Costs

At December 31, 2025, the County reported a liability of $3,636,446 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2025, 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, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion share was 0.3104% at the end of the measurement period and 0.3171% for the beginning of the period.

The state of Minnesota contributed $18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2025. 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 aid was paid on October 1, 2025. The direct state aid payment will increase by $17.7 million which was paid on October 1, 2025. Thereafter, by October 1 of each year, the state will pay $26.7 million to the Police and Fire Fund until the fund is 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis). The $9 million in supplemental state aid will continue until the fund and the State Patrol Plan (administered by the Minnesota State Retirement System) are 100% funded for three consecutive years (on an actuarial value of assets basis). The State of Minnesota's proportionate share of the net pension liability associated with the County totaled $27,933.

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 (asset)	$	3,636,446
state of Minnesota's proportionate share of the net pension Liability (asset) associated with the County		27,933
Total	$	3,664,379

For the year ended December 31, 2025, the County recognized pension expense of $863,146 for its proportionate share of the Police and Fire Plan's pension expense. The County recognized $60,993 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 $9 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The County recognized $82,868 for the year ended December 31, 2025 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.

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

At December 31, 2025, 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	$ 1,680,154	$ -
Changes in Actuarial Assumptions	2,757,592	4,556,315
Net Collective Difference Between Projected and Actual	-	1,622,997
Changes in Proportion	152,408	147,979
Contributions Paid to PERA Subsequent to the Measurement Date	465,916	-
Total	$ 5,056,070	$ 6,327,291

The $465,916 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, 2026. 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
2026	$ 867,122
2027	(799,932)
2028	(1,788,519)
2029	(90,591)
2030	74,783

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Correctional Plan Pension Costs

At December 31, 2025, the County reported a liability (asset) of ($815,513) for its proportionate share of the Public Employees Correctional Plan's net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2025, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability (asset) was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The County's proportion share was 1.233% as the end of the measurement period and was 1.222% for the beginning of the period.

There were no provision changes during the measurement period.

For the year ended December 31, 2025, the County recognized pension expense of ($1,321,327) for its proportionate share of the Correctional Plan's pension expense.

At December 31, 2025, 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	$ 141,089	$ -
Changes in Actuarial Assumptions	-	534,766
Net Collective Difference Between Projected and Actual Investment Earnings	-	682,426
Changes in Proportion	51,568	-
Contributions Paid to PERA Subsequent to the Measurement Date	194,153	-
Total	$ 386,810	$ 1,217,192

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

4. Pension Costs (Continued)

Correctional Plan Pension Costs (Continued)

The $194,153 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 (asset) in the year ended December 31, 2026. 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
2026	$ (99,184)
2027	(548,560)
2028	(258,618)
2029	(118,173)

Summary for all Plans

The aggregate amount of net pension liability (asset), deferred outflows of resources, deferred inflows of resources and pension expense for the County's defined benefit pension plans are summarized below. Pension liabilities (assets) 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 (Asset)	$ 8,592,060	$ 3,636,446	$ (815,513)	$ 11,412,993
Deferred Outflows of Resources Related to Pension	2,549,330	5,056,070	386,810	7,992,210
Deferred Inflows of Resources Related to Pension	5,402,642	6,327,291	1,217,192	12,947,125
Pension Expense	(145,428)	863,146	(1,321,327)	(603,609)

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	100.0 %	

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, 2025, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7%. The 7% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan, Police and Fire Plan, and the Correctional Plan. Benefit increases after retirement are assumed to be 1.50% for the General Employees Plan, 1.0% for the Police and Fire Plan, and 2.0% for the Correctional Plan.

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 11.5% after one year of service to 3% after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 10.75% after one year of service to 3% after 23 years of service. In the Correctional Plan, salary growth assumptions range in annual increment from 8% after one year of service to 3% after 19 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police & Fire Plan and Correctional Plan were reviewed in 2024. The assumption changes were adopted by the board and became effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

General Employees Fund

Changes in Actuarial Assumptions:

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

General Employees Fund (Continued)

Changes in Plan Provisions:

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

Police and Fire Fund

Changes in Actuarial Assumptions:

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued used of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions:

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

Police and Fire Fund (Continued)

Changes in Plan Provisions (Continued):

- The threshold to end the $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional $17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

Correctional Fund

Changes in Actuarial Assumptions:

- Assumed rates of salary increases were reduced slightly and changed to service-based (vs. age based).
- Assumed rates of retirement were adjusted resulting in an overall increase in unreduced (full) retirements and reduced (early) retirements.
- Assumed rates of withdrawal were changed from age-based rates after three years of service to service-based for all years; the new rates result in an increase in predicted terminations for males and females.
- Minor changes were made to assumed rates of disability retirements.
- Continued use of the Pub-2010 Public Safety Mortality Table, with no adjustments.
- Minor changes were made to the assumed percent married, beneficiary age difference and form of payment assumptions for future retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load was changed from 35% to 9% for vested, terminated members, and from 1% to 119% for non-vested, terminated members.

4. Pension Plans (Continued)

A. Defined Benefit Plans (Continued)

6. Actuarial Methods and Assumptions (Continued)

Correctional Fund (Continued)

Changes in Plan Provisions:

- The benefit payable to a member who qualifies for a duty disability benefit was changed to 47.5% of average salary plus, for each year of service in excess of 25 years, 1.9% for each year of allowable service before July 1, 2025, and 2.2% for each year of allowable service beginning after June 30, 2025.
- Actuarial equivalent factors were updated to reflect changes in assumptions.

7. Discount Rate

The discount rate used to measure the total pension liability (asset) in 2025 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. 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 (asset).

8. Pension Liability (Asset) Sensitivity

The following presents the County's proportionate share of the net pension liability (asset) 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 (asset) 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 (Asset)	Discount Rate	Net Pension Liability (Asset)	Discount Rate	Net Pension Liability (Asset)
1% Lower	6.00%	$ 20,868,766	6.00%	$ 9,528,259	6.00%	$ 1,930,969
Current	7.00%	8,592,060	7.00%	3,636,446	7.00%	(815,513)
1% Higher	8.00%	(1,367,111)	8.00%	(1,201,662)	8.00%	(3,002,251)

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 percent) of the assets in each member's account annually.

Total contributions made by the County during fiscal year 2025 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer	Employee	Employer	Rate
$ 7,253	$ 7,253	5%	5%	5%

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.

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

C. Actuarial Methods and Assumptions

The County's OPEB liability of $3,296,837 was measured as of January 1, 2025, and the total OPEB liability was determined by an actuarial valuation as of January 1, 2025, 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	4.20%
Salary Increases	Service graded table, see sample rates
Inflation Rate	2.50%
Medical Trend Rate	6.25% as of January 1, 2025 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, 2025 based on a measurement date of January 1, 2025:

Balance as of January 1, 2025	$	3,334,410
Changes for the year:		
Service cost		152,726
Interest cost		125,692
Assumptions changes		(134,239)
Experience changes		-
Benefit payments		(181,752)
Net change in total OPEB liability		(37,573)
Balance as of December 31, 2025	$	3,296,837

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	3.20%	$ 3,599,512
Current	4.20%	3,296,837
1% Increase	5.20%	3,026,696

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 (5.25% decreasing to 4.00%)	$ 2,952,182
Current (6.25% decreasing to 5.00%)	3,296,837
1% Increase (7.25% decreasing to 6.00%)	3,698,091

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

D. Changes in the Total OPEB Liability (Continued)

For the year ended December 31, 2025, the County recognized OPEB expense of $277,652. The County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Actuarial Assumptions	$ 45,349	$ 455,171
Contributions Subsequent to the Measurement Date	134,246	-
Liability Gains/Losses	1,370,925	8,995
Total	$ 1,550,520	$ 464,166

$134,246 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, 2026. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	OPEB Expense Amount
2026	$ 202,468
2027	205,171
2028	205,168
2029	179,241
2030	179,237
Thereafter	(19,177)

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 $1,000,000 per claim in 2025. 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.

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 2025, 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.

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, 2025 was $12,168,500. 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 $26,140 to the Emergency Communications Board, $14,140 for membership dues and $12,000 of regional project funds. There is no accumulation of significant financial resources or fiscal stress for Goodhue County.

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 2025. 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 $8,115 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.

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 $484,040 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.

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 2025, the County paid $87,031 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 2025.

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 $3,750. 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 $3,750 for its 2025 membership dues.

Southeastern Minnesota Libraries Cooperative (SELCO)

The Southeastern Minnesota Libraries Cooperative provides library services within the County. During the year, the County contributed $591,747 to SELCO, noting this amount will increase to $606,600 in 2026.

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 2025.

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 2025.

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 2025.

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 $4,400 in 2025.

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 2024 and expires in 2029. 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 2025.

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 2025.

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 2025, the County received $158,521 in total fees under these agreements. The County did not make any payment to the entity in 2025. Each of these agreements self-renews for additional one-year periods unless terminated by the city with no less than a 90-day notice.

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 2025.

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, 2025, the bonds have an outstanding principal amount of $1,210,000, 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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	$ 27,798,649	$ 27,798,649	$ 27,849,874	$ 51,225
Special assessments	100,000	100,000	1,980	(98,020)
Licenses and permits	477,150	477,150	540,625	63,475
Intergovernmental	6,153,137	6,153,137	6,884,423	731,286
Charges for services	2,040,804	2,040,804	2,175,160	134,356
Fines and forfeits	12,900	12,900	6,814	(6,086)
Gifts and contributions	13,100	13,100	19,308	6,208
Investment earnings	2,207,500	2,207,500	4,237,268	2,029,768
Miscellaneous	1,364,117	1,364,117	1,795,368	431,251
Total Revenues	**$ 40,167,357**	**$ 40,167,357**	**$ 43,510,820**	**$ 3,343,463**
Expenditures				
Current				
General government				
Commissioners	$ 317,724	$ 317,724	$ 297,690	$ 20,034
Courts	173,000	173,000	225,921	(52,921)
County administration	723,261	723,261	715,519	7,742
County auditor-treasurer	1,130,805	1,130,805	1,118,282	12,523
County assessor	1,453,365	1,453,365	1,401,416	51,949
Elections	92,200	92,200	53,791	38,409
Information technology	1,657,242	1,657,242	1,348,394	308,848
Human resources	1,070,666	1,070,666	1,045,867	24,799
Attorney	2,877,230	2,877,230	2,746,998	130,232
Law library	100,000	100,000	66,687	33,313
Recorder	674,343	674,343	403,544	270,799
Surveyor	573,300	573,300	350,504	222,796
GIS	460,902	460,902	375,535	85,367
Building permits	809,874	809,874	670,463	139,411
Planning and zoning	337,159	337,159	212,927	124,232
Parks	50,000	160,000	-	160,000
Environmental health	411,174	411,174	305,339	105,835
Buildings and plant	1,867,371	1,867,371	1,887,988	(20,617)
Veterans service officer	431,762	431,762	376,144	55,618
Other general government	1,658,514	1,658,514	1,534,283	124,231
Total general government	**$ 16,869,892**	**$ 16,979,892**	**$ 15,137,292**	**$ 1,842,600**

The notes to the required supplementary information are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Expenditures (Continued)				
Current (Continued)				
Public safety				
Sheriff	$ 7,997,759	$ 7,997,759	$ 7,689,140	$ 308,619
Sheriff - seasonal	366,369	366,369	347,416	18,953
Emergency management	390,924	390,924	365,884	25,040
Coroner	157,510	157,510	157,510	-
Communication infrastructure	153,527	153,527	162,609	(9,082)
E-911 system	1,909,905	1,909,905	1,675,361	234,544
Adult detention center	5,983,898	5,983,898	5,879,597	104,301
Sentence to Serve	211,823	211,823	154,447	57,376
Court services	1,691,387	1,691,387	1,779,939	(88,552)
Total public safety	**$ 18,863,102**	**$ 18,863,102**	**$ 18,211,903**	**$ 651,199**
Human Services				
Hope Coalition	$ 7,500	$ 7,500	$ 7,500	$ -
Social Services	-	-	1,847	(1,847)
Total human services	**$ 7,500**	**$ 7,500**	**$ 9,347**	**$ (1,847)**
Culture and recreation				
Historical society	$ 137,000	$ 137,000	$ 137,000	$ -
Regional library	591,747	591,747	591,747	-
Byllesby Dam	7,169	7,169	5,956	1,213
Other culture and recreation	210,935	210,935	209,522	1,413
Total culture and recreation	**$ 946,851**	**$ 946,851**	**$ 944,225**	**$ 2,626**
Conservation of natural resources				
County extension	$ 300,967	$ 300,967	$ 293,489	$ 7,478
Soil and water conservation	629,000	629,000	624,806	4,194
Total conservation of natural resources	**$ 929,967**	**$ 929,967**	**$ 918,295**	**$ 11,672**
Economic development				
Regional Railroad Authority	$ 4,500	$ 4,500	$ 4,600	$ (100)

The notes to the required supplementary information are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Expenditures (Continued)				
Capital Outlay				
General government	$ 1,282,564	$ 1,955,797	$ 1,152,571	$ 803,226
Public safety	1,225,632	1,572,779	1,176,791	395,988
Highways and streets	1,525,896	2,067,135	1,537,991	529,144
Sanitation	307,196	347,418	203,988	143,430
Total capital outlay	**$ 4,341,288**	**$ 5,943,129**	**$ 4,071,341**	**$ 1,871,788**
Debt service				
Principal	$ -	$ -	$ 492,410	$ (492,410)
Interest	-	-	18,062	(18,062)
Total debt service	**$ -**	**$ -**	**$ 510,472**	**$ (510,472)**
Total Expenditures	**$ 41,963,100**	**$ 43,674,941**	**$ 39,807,475**	**$ 3,867,466**
Excess of Revenues Over (Under) Expenditures	**$ (1,795,743)**	**$ (3,507,584)**	**$ 3,703,345**	**$ 7,210,929**
Other Financing Sources (Uses)				
Transfers in	$ 905,286	$ 905,286	$ 57,500	$ (847,786)
Transfers out	(1,478,943)	(1,478,943)	(212,518)	1,266,425
Issuance of SBITAs	-	-	181,354	181,354
Sale of capital assets	-	-	320,192	320,192
Total Other Financing Sources (Uses)	**$ (573,657)**	**$ (573,657)**	**$ 346,528**	**$ 920,185**
Net Change in Fund Balance	**$ (2,369,400)**	**$ (4,081,241)**	**$ 4,049,873**	**$ 8,131,114**
Fund Balance - January 1	**39,594,486**	**39,594,486**	**39,594,486**	**-**
Fund Balance - December 31	**$ 37,225,086**	**$ 35,513,245**	**$ 43,644,359**	**$ 8,131,114**

The notes to the required supplementary information are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
ROAD AND BRIDGE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	$ 11,888,981	$ 11,888,981	$ 11,942,867	$ 53,886
Licenses and permits	12,850	12,850	20,600	7,750
Intergovernmental	9,863,373	9,863,373	9,405,757	(457,616)
Charges for services	2,700	2,700	5,872	3,172
Investment earnings	-	-	720	720
Miscellaneous	33,600	33,600	30,479	(3,121)
Total Revenues	**$ 21,801,504**	**$ 21,801,504**	**$ 21,406,295**	**$ (395,209)**
Expenditures				
Current				
Highways and streets				
Administration	$ 602,746	$ 602,746	$ 558,419	$ 44,327
Maintenance	5,099,529	5,099,529	4,439,560	659,969
Construction	3,410,420	3,410,420	3,342,845	67,575
Equipment maintenance and shop	1,070,708	1,093,978	1,204,233	(110,255)
Total highways and streets	**$ 10,183,403**	**$ 10,206,673**	**$ 9,545,057**	**$ 661,616**
Culture and recreation				
Parks	$ 333,355	$ 333,355	$ 207,981	$ 125,374
Intergovernmental				
Highways and streets	$ 625,845	$ 625,845	$ 736,458	$ (110,613)
Capital Outlay				
Highways and streets	$ 11,289,100	$ 11,289,100	$ 9,493,007	$ 1,796,093
Debt service				
Principal	$ -	$ -	$ 3,341	$ (3,341)
Interest	-	-	427	(427)
Total debt service	**$ -**	**$ -**	**$ 3,768**	**$ (3,768)**
Total Expenditures	**$ 22,431,703**	**$ 22,454,973**	**$ 19,986,271**	**$ 2,468,702**
Excess of Revenues Over (Under) Expenditures	**$ (630,199)**	**$ (653,469)**	**$ 1,420,024**	**$ 2,073,493**
Other Financing Sources (Uses)				
Transfers in	$ 114,139	$ 114,139	$ 3,788	$ (110,351)
Transfers out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	**$ 64,139**	**$ 64,139**	**$ (46,212)**	**$ (110,351)**
Net Change in Fund Balance	**$ (566,060)**	**$ (589,330)**	**$ 1,373,812**	**$ 1,963,142**
Fund Balance - January 1	**16,965,103**	**16,965,103**	**16,965,103**	**-**
Fund Balance - December 31	**$ 16,399,043**	**$ 16,375,773**	**$ 18,338,915**	**$ 1,963,142**

The notes to the required supplementary information are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	$ 8,770,690	$ 8,770,690	$ 8,759,627	$ (11,063)
Intergovernmental	11,711,177	11,711,177	11,891,653	180,476
Charges for services	1,644,300	1,644,300	1,851,250	206,950
Investment earnings	-	-	34,412	34,412
Miscellaneous	1,275,194	1,275,194	1,519,238	244,044
Total Revenues	**$ 23,401,361**	**$ 23,401,361**	**$ 24,056,180**	**$ 654,819**
Expenditures				
Current				
Human services				
Income maintenance	$ 6,248,708	$ 6,248,708	$ 5,716,248	$ 532,460
Social services	11,668,824	11,668,824	11,614,531	54,293
Total human services	**$ 17,917,532**	**$ 17,917,532**	**$ 17,330,779**	**$ 586,753**
Health				
Quality assurance - health services	$ 3,579,159	$ 3,579,159	$ 2,958,878	$ 620,281
Healthy communities/behaviors	2,105,339	2,105,339	1,863,040	242,299
Disaster preparedness	177,414	177,414	228,687	(51,273)
Infectious disease	105,954	105,954	102,572	3,382
Health services - administration	473,123	473,123	617,497	(144,374)
Total health	**$ 6,440,989**	**$ 6,440,989**	**$ 5,770,674**	**$ 670,315**
Debt service				
Principal	$ -	$ -	$ 93,772	$ (93,772)
Interest	-	-	4,313	(4,313)
Total debt service	**$ -**	**$ -**	**$ 98,085**	**$ (98,085)**
Total Expenditures	**$ 24,358,521**	**$ 24,358,521**	**$ 23,199,538**	**$ 1,158,983**
Excess of Revenues Over (Under) Expenditures	**$ (957,160)**	**$ (957,160)**	**$ 856,642**	**$ 1,813,802**
Other Financing Sources (Uses)				
Transfers in	$ 526,660	$ 526,660	$ 208,730	$ (317,930)
Transfers out	(7,500)	(7,500)	(7,500)	-
Total Other Financing Sources (Uses)	**$ 519,160**	**$ 519,160**	**$ 201,230**	**$ (317,930)**
Net Change in Fund Balance	**$ (438,000)**	**$ (438,000)**	**$ 1,057,872**	**$ 1,495,872**
Fund Balance - January 1	20,810,461	20,810,461	20,810,461	-
Fund Balance - December 31	**$ 20,372,461**	**$ 20,372,461**	**$ 21,868,333**	**$ 1,495,872**

The notes to the required supplementary information are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
BUDGETARY COMPARISON SCHEDULE
ECONOMIC DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	$ 45,494	$ 45,494	$ 45,578	$ 84
Intergovernmental	480	480	548	68
Total Revenues	**$ 45,974**	**$ 45,974**	**$ 46,126**	**$ 152**
Expenditures				
Current				
Economic development				
Community development	$ 45,974	$ 45,974	$ 41,726	$ 4,248
Net Change in Fund Balance	**$ -**	**$ -**	**$ 4,400**	**$ 4,400**
Fund Balance - January 1	**475,897**	**475,897**	**475,897**	**-**
Fund Balance - December 31	**$ 475,897**	**$ 475,897**	**$ 480,297**	**$ 4,400**

The notes to the required supplementary information are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2025

Measurement Date	Employer's Portion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability (Asset) Associated with Goodhue County	Employer's Proportionate Share of the Net Pension Liability (Asset) and the State's Related 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)
2025	0.259%	$ 8,592,060	$ 207,267	$ 8,799,327	$ 23,431,004	36.67%	90.78%
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%

The measurement date for each year is June 30.

SCHEDULE OF CONTRIBUTIONS
PERA GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2025

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
2025	$ 1,761,235	$ 1,761,235	$ -	$ 23,483,133	7.50%
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%

The County's year-end is December 31.

The notes to the required supplementary information are an integral part of this schedule.

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, 2025

POLICE AND FIRE PLAN - SCHEDULE OF PROPORTIONATE SHARE

Measurement Date	Employer's Portion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability (Asset) Associated with Goodhue County	Employer's Proportionate Share of the Net Pension Liability (Asset) and the State's Related 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)
2025	0.310%	$ 3,636,446	$ 27,933	$ 3,664,379	$ 4,713,337	77.15%	91.78%
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%

The measurement date for each year is June 30.

SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES POLICE AND FIRE PLAN
DECEMBER 31, 2025

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
2025	$ 833,731	$ 833,731	$ -	$ 4,710,345	17.70%
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%

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, 2025

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)
2025	1.233%	$ (815,513)	$ 3,370,106	-24.20%	105.18%
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%

The measurement date for each year is June 30.

SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN
DECEMBER 31, 2025

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
2025	$ 294,849	$ 294,849	$ -	$ 3,369,703	8.75%
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%

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, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 152,726	160,246	$ 165,035	$ 160,228	$ 120,113	$ 116,332	$ 91,331	$ 96,311
Interest cost	125,692	39,062	36,773	44,086	40,874	51,548	42,923	39,839
Assumption changes	(134,239)	(476,153)	-	91,133	-	44,080	(38,770)	-
Experience changes	-	1,865,075	-	90,374	-	(63,001)	-	-
Benefit payments	(181,752)	(92,883)	(72,377)	(71,789)	(108,654)	(90,934)	(38,918)	(36,543)
Net change in total OPEB liability	(37,573)	1,495,347	129,431	314,032	52,333	58,025	56,566	99,607
Total OPEB liability, beginning	3,334,410	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	$ 3,296,837	3,334,410	$ 1,839,063	$ 1,709,632	$ 1,395,600	$ 1,343,267	$ 1,285,242	$ 1,228,676
Covered-employee payroll	$ 29,787,437	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	11.07%	11.53%	7.27%	6.96%	5.79%	5.75%	5.62%	5.53%
Benefits payments as a percentage of covered-employee payroll	0.61%	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.

The notes to the required supplementary information are an integral part of this schedule.

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

2025

Changes in Actuarial Assumptions

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

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.

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

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.

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.

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

A. General Employees Fund (Continued)

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.

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 January1, 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.

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.

B. Police and Fire Fund

2025
Changes in Actuarial Assumptions

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued used of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.

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

B. Police and Fire Plan (Continued)

2025 (Continued)
Changes in Actuarial Assumptions (Continued)

- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional $17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

2024
Changes in Actuarial Assumptions

- There were no changes 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 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).

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

C. Police and Fire Plan (Continued)

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.

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.

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%.

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.

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

C. Correctional Fund

2025

Changes in Actuarial Assumptions

- Assumed rates of salary increases were reduced slightly and changed to service-based (vs. age based).
- Assumed rates of retirement were adjusted resulting in an overall increase in unreduced (full) retirements and reduced (early) retirements.
- Assumed rates of withdrawal were changed from age-based rates after three years of service to service-based for all years; the new rates result in an increase in predicted terminations for males and females.
- Minor changes were made to assumed rates of disability retirements.
- Continued use of the Pub-2010 Public Safety Mortality Table, with no adjustments.
- Minor changes were made to the assumed percent married, beneficiary age difference and form of payment assumptions for future retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load was changed from 35% to 9% for vested, terminated members, and from 1% to 119% for non-vested, terminated members.

Changes in Plan Provision

- The benefit payable to a member who qualifies for a duty disability benefit was changed to 47.5% of average salary plus, for each year of service in excess of 25 years, 1.9% for each year of allowable service before July 1, 2025, and 2.2% for each year of allowable service beginning after June 30, 2025.
- Actuarial equivalent factors were updated to reflect changes in assumptions.

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.

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

C. Correctional Fund (Continued)

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.

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 morality 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.

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.

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.

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:

   2025
   - The discount rate was changed from 3.70% to 4.20%.

   2024
   - The healthcare tend 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.

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).

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, 2025.

	Budget	Expenditures	Excess
Waste Management Fund	$ 869,629	$ 1,027,107	$ (157,478)

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	$ 1,975,865	$ 1,975,865	$ 1,973,632	$ (2,233)
Intergovernmental	58,376	58,376	61,653	3,277
Total Revenues	**$ 2,034,241**	**$ 2,034,241**	**$ 2,035,285**	**$ 1,044**
Expenditures				
Debt service				
Principal	$ 1,495,000	$ 1,495,000	$ 1,495,000	$ -
Interest	307,016	307,016	307,016	-
Administrative - fiscal charges	232,225	232,225	2,884	229,341
Total Expenditures	**$ 2,034,241**	**$ 2,034,241**	**$ 1,804,900**	**$ 229,341**
Net Change in Fund Balance	**$ -**	**$ -**	**$ 230,385**	**$ 230,385**
Fund Balance - January 1	**3,328,930**	**3,328,930**	**3,328,930**	**-**
Fund Balance - December 31	**$ 3,328,930**	**$ 3,328,930**	**$ 3,559,315**	**$ 230,385**

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	$ 553,627	$ 553,627	$ 553,169	$ (458)
Licenses and permits	7,000	7,000	6,060	(940)
Intergovernmental	168,844	168,844	176,902	8,058
Charges for services	4,700	4,700	9,131	4,431
Miscellaneous	117,500	117,500	127,058	9,558
Total Revenues	**$ 851,671**	**$ 851,671**	**$ 872,320**	**$ 20,649**
Expenditures				
Current				
Sanitation				
Solid waste	$ 49,039	$ 49,039	$ 35,051	$ 13,988
Recycling	668,323	668,323	632,336	35,987
Hazardous waste	106,970	106,970	71,970	35,000
Landfill	45,297	45,297	36,664	8,633
Landfill Closure	-	-	251,086	(251,086)
Total Expenditures	**$ 869,629**	**$ 869,629**	**$ 1,027,107**	**$ (157,478)**
Net Change in Fund Balance	**$ -**	**$ -**	**$ (154,787)**	**$ (154,787)**
Fund Balance - January 1	**1,257,128**	**1,257,128**	**1,257,128**	**-**
Fund Balance - December 31	**$ 1,257,128**	**$ 1,257,128**	**$ 1,102,341**	**$ (154,787)**

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, 2025

	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	$ 658,948	$ 202,458	$ 43,380	$ 100	$ 33,241	$ -	$ 938,127
Accounts receivable	1,098,566	14,375	-	-	-	-	1,112,941
Due from other governments	308	1,038	-	-	-	-	1,346
Total Assets	**$ 1,757,822**	**$ 217,871**	**$ 43,380**	**$ 100**	**$ 33,241**	**$ -**	**$ 2,052,414**
Liabilities							
Due to individuals	$ 91	$ -	$ -	$ -	$ -	$ -	$ 91
Due to other governments	659,165	217,555	43,380	-	-	-	920,100
Total Liabilities	**$ 659,256**	**$ 217,555**	**$ 43,380**	**$ -**	**$ -**	**$ -**	**$ 920,191**
Deferred Inflows of Resources							
Unavailable revenue	$ -	$ 316	$ -	$ -	$ -	$ -	$ 316
Total Deferred Inflows of Resources	**$ -**	**$ 316**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 316**
Net Position							
Restricted for individuals, organizations and other governments	$ 1,098,566	$ -	$ -	$ 100	$ 33,241	$ -	$ **1,131,907**
Total Net Position	**$ 1,098,566**	**$ -**	**$ -**	**$ 100**	**$ 33,241**	**$ -**	**$ 1,131,907**

GOODHUE COUNTY
RED WING, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	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	$ -	$ -	$ 19,078	$ -	$ 434,080	$ -	$ 453,158
Property tax collections for other governments	86,189,689	-	-	-	-	-	86,189,689
Contributions from governments	-	1,928,720	-	-	-	-	1,928,720
License fee collected for state government	-	166,067	-	-	-	-	166,067
Civil process collections	-	-	-	339,904	-	-	339,904
Other contributions	-	-	150,239	-	-	-	150,239
Total Additions	**$ 86,189,689**	**$ 2,094,787**	**$ 169,317**	**$ 339,904**	**$ 434,080**	**$ -**	**$ 89,227,777**
Deductions							
Payments to individuals	$ -	$ -	$ -	$ 69,032	$ 90,387	$ -	$ 159,419
Payments of property tax to other governments	86,010,479	-	-	-	-	-	86,010,479
Other payments to other governments	-	2,094,787	169,317	-	205,676	-	2,469,780
Payments to other entities	-	-	-	270,872	123,601	-	394,473
Total Deductions	**$ 86,010,479**	**$ 2,094,787**	**$ 169,317**	**$ 339,904**	**$ 419,664**	**$ -**	**$ 89,034,151**
Net Increase (Decrease) in Fiduciary Net Position	$ 179,210	$ -	$ -	$ -	$ 14,416	$ -	193,626
Net Position - Beginning	919,356	-	-	100	18,825	-	938,281
Net position - Ending	**$ 1,098,566**	**$ -**	**$ -**	**$ 100**	**$ 33,241**	**$ -**	**$ 1,131,907**

OTHER SCHEDULES

GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

		Governmental Funds
Shared Revenue and Appropriations		
State		
Highway users tax	$	8,046,878
PERA rate reimbursement		152,287
Disparity reduction aid		29,144
Police aid		617,859
County program aid		2,521,251
Market value credit		474,434
Aquatic invasive species aid		62,717
Treatment for Court Services		110,000
Indian casino aid		60,651
Riparian protection aid		108,935
Enhanced 911		256,836
SCORE		169,488
Homeless/Housing aid		124,712
Out of Home Placement Aid		6,469
Cannabis		5,454
Total Shared Revenue and Appropriations	**$**	**12,747,115**
Reimbursement for Services		
State		
Minnesota Department of Human Services	**$**	**2,686,073**
Payments		
Local		
Election reimbursements	$	6,103
Mobile crisis		18,127
Payments in lieu of taxes		350,066
Total Payments	**$**	**374,296**
Grants		
State		
Minnesota Department/Board of		
Children, Youth and Families	$	652,054
Corrections		875,868
Health		801,076
Human Services		2,487,920
Natural Resources		143,044
Public Safety		465,440
Water and Soil Resources		49,852
Peace Officer Standards and Training Board		45,744
Pollution Control Agency		95,427
Secretary of State		29,779
Total State	**$**	**5,646,204**

GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

		Governmental Funds
Grants (Continued)		
Federal		
Department of		
Agriculture	$	824,350
Interior		12,714
Justice		7,756
Transportation		1,287,679
Health and Human Services		4,662,819
Homeland Security		134,403
Total Federal	**$**	**6,929,721**
Total State and Federal Grants	**$**	**12,575,925**
Qualified Energy Conservation Bonds Interest Subsidy	**$**	**37,527**
Total Intergovernmental Revenue	**$**	**28,420,936**

GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

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	$ 196,486	$ -
WIC Grants to States (WGS)	10.578	H12H883P	1,320	-
Passed Through Minnesota Department of Human Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Total expenditures for SNAP Cluster $625,174)	10.561	252MN101S2514	592,594	-
Passed Through Minnesota Department of Agriculture				
WIC Farmers' Market Nutrition Program (FMNP)	10.572	242MN992Y8604	50	-
Passed Through Minnesota Department of Children, Youth and Families				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Total expenditures for SNAP Cluster $625,174)	10.561	252MN101S2514	33,900	-
Total U.S. Department of Agriculture			**$ 824,350**	**$ -**
U.S. Department of the Interior				
Direct				
Payments in Lieu of Taxes	15.226	N/A, Direct	**$ 12,714**	**$ -**
U.S. Department of Justice				
Direct				
Bulletproof Vest Partnership Program	16.607	N/A, Direct	**$ 7,756**	**-**
U.S. Department of Transportation				
Passed Through Minnesota Department of Transportation				
Highway Planning and Construction	20.205	1057582, 1058967	$ 1,240,000	$ -
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 $32,507)	20.600	A-SAFE25-2025-GOODHUPH-021	32,140	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC25-2025-GOODHUCO-015	16,300	-
National Priority Safety Programs (Total expenditures for Highway Safety Cluster $32,507)	20.616	A-ENFRC26-2026-GOODHUSD-046	367	-
Total U.S. Department of Transportation			**$ 1,288,807**	**$ -**

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

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	NU90TU000040	$ 37,354	$ -
Early Hearing Detection and Intervention	93.251	H6100035	9,575	-
COVID-19 Immunization Cooperative Agreements	93.268	NH23IP922628	4,682	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NH23IP922628	122,008	-
Temporary Assistance for Needy Families	93.558	2501MNTANF	77,981	-
(Total Temporary Assistance for Needy Families 93.558 $368,276)				
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	X1043589	126,265	-
Maternal and Child Health Services Block Grant to the States	93.994	B0452933	49,056	-
Passed Through Minnesota Department of Human Services				
Title IV-E Prevention Program	93.472	H5525PSGP	10,371	-
(Total expenditures for Title IV-E Prevention Program $14,857)				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	2401MNFPSS	6,233	-
Temporary Assistance for Needy Families	93.558	2501MNTANF	290,295	-
(Total Temporary Assistance for Needy Families 93.558 $368,276)				
Child Support Enforcement	93.563	2501MNSCSS	1,046,210	-
(Total Child Support Enforcement 93.563 $1,108,464)				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	2501MNRCMA	2,685	-
Child Care and Development Block Grant	93.575	2501MNCCDF	20,529	-
(Total expenditures for CCDF Cluster $18,886)				
Community-Based Child Abuse Prevention Grants	93.590	2402MNBCAP	30,472	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2401MNCWSS	2,938	-
Foster Care Title IV-E	93.658	2501MNFOST	405,663	-
(Total Foster Care Title IV-E 93.658 $636,361)				
Social Services Block Grant	93.667	2501MNSOSR	215,160	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2401MNCILP	1,099	-
Children's Health Insurance Program	93.767	2405MN5021	374	-
Grants to States for Medicaid	93.778	2505MN5ADM	2,057,592	-
(Total expenditures for Medicaid Cluster $2,057,592)				
Block Grants for Community Mental Health Services	93.958	SM085364	143,172	-
Passed Through Minnesota Department of Children, Youth and Families				
Title IV-E Prevention Program	93.472	H58261610	4,486	-
(Total expenditures for Title IV-E Prevention Program $14,857)				
Child Support Enforcement	93.563	2501MNSCSS	62,254	-
(Total Child Support Enforcement 93.563 $1,108,464)				
Foster Care Title IV-E	93.658	2501MNFOST	230,698	-
(Total Foster Care Title IV-E 93.658 $636,361)				
Total U.S. Department of Health and Human Services			**$ 4,957,152**	**$ -**
U.S. Department of Homeland Security				
Direct				
Port Security Grant Program	97.056	N/A, Direct	66,216	-
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012	R29G70CGBLA24	11,118	-
Emergency Management Performance Grants	97.042	EMC-2024-EP-05011	32,086	-
Passed Through Minnesota Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4797DR-MN	24,983	-
Total U.S. Department of Homeland Security			**$ 134,403**	**$ -**
Total Federal Expenditures			**$ 7,225,182**	**$ -**

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

GOODHUE COUNTY
RED WING, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

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, 2025. 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	$	6,929,721
Grants deferred in 2024, recognized as revenue in 2025		
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)
Grants received more than 60 days after year-end, deferred in 2025		
State and Community Highway Safety		1,128
Public Health Emergency Preparedness		8,735
MaryLee Allen Promoting Safe and Stable Families		824
Temporary Assistance for Needy Families		29,739
Child Support Enforcement		17,654
Community-Based Child Abuse Prevention Grants		7,618
Stephanie Tubbs Jones Child Welfare Services Program		1,469
Foster Care Title IV-E		87,673
John H. Chafee Foster Care Program for Successful Transition to Adulthood		19
Grants to States for Medicaid		149,298
Expenditures per Schedule of Expenditures of Federal Awards	**$**	**7,225,182**

OTHER INFORMATION SECTION

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

	2024		2025		2026	
	Amount	Net Tax Capacity Rate (%)	Amount	Net Tax Capacity Rate (%)	Amount	Net Tax Capacity Rate (%)
Tax Capacity						
Real property	$ 104,560,147		$ 111,438,854		$ 115,425,995	
Personal property	2,092,238		2,191,116		2,197,087	
Tax increment	(774,336)		(889,999)		(988,516)	
Powerline	(87,994)		(86,579)		(84,013)	
Net Tax Capacity	**$ 105,790,055**		**$ 112,653,392**		**$ 116,550,553**	
Taxes Levied for County Purposes						
General	$ 26,370,701	25.559	$ 27,516,463	25.032	$ 29,385,028	25.815
Road and Bridge	6,385,496	6.036	6,334,119	5.623	6,335,665	5.436
Health & Human Services	8,322,678	7.867	8,863,236	7.868	9,788,092	8.398
Economic Development Authority	97,990	0.093	45,974	0.041	46,750	0.040
Debt Service	1,995,886	1.886	1,996,714	1.772	1,977,616	1.697
Waste Management	614,625	0.581	559,469	0.496	728,353	0.625
Total Taxes Levied for County Purposes	**$ 43,787,376**	**42.022**	**$ 45,315,975**	**40.832**	**$ 48,261,504**	**42.011**
Tax Capacity - Light and Power						
Distribution	**$ 549,239**		**$ 607,808**		**$ 658,803**	
Light and Power Tax Levies (distributed in accordance with Minn. Stat. 273.40, as amended)						
Distribution	**$ 577,058**	**105.065**	**$ 627,734**	**103.278**	**$ 678,046**	**104.287**

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

	2024		2025		2026	
	Amount	Net Tax Capacity Rate (%)	Amount	Net Tax Capacity Rate (%)	Amount	Net Tax Capacity Rate (%)
Market Value - Light and Power						
Distribution	$ 27,479,000		$ 30,406,900		$ 32,953,400	
Light and Power Market Value Levies						
Distribution	$ 53,167	0.19348	$ 54,936	0.18067	$ 63,046	0.19132
Tax Capacity - State General Tax						
Distribution	$ 548,216		$ 606,816		$ 658,006	
State General Tax Capacity Levies						
Distribution	$ 160,595	29.294	$ 175,108	28.857	$ 186,300	28.313
Percentage of Tax Collections for All Purposes	99.70%		99.30%		Not Available	

STATISTICAL SECTION
(UNAUDITED)

STATISTICAL SECTION INDEX
DECEMBER 31, 2025

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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	$ 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	$ 155,717,652
Restricted	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	24,459,290 *
Unrestricted	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	69,446,555 *
Total Primary Government Net Position	$ 146,428,585	$ 144,372,608	$ 150,214,074	$ 155,923,193	$ 163,848,506	$ 177,991,379	$ 194,543,208	$ 215,783,940	$ 227,637,321	$ 249,623,497

* 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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
General Government	$ 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	$ 16,437,448
Public Safety	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	17,908,762
Highways and Streets	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	14,711,515
Sanitation	785,491	682,915	1,339,641	901,715	963,781	1,895,620	1,201,253	927,983	900,869	1,129,916
Human Services	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	16,675,983
Health	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	5,511,147
Culture and Recreation	643,907	744,733	806,522	1,501,690	1,206,060	1,038,833	1,024,644	1,436,411	1,026,076	1,204,716
Conservation of Natural Resources	718,033	772,220	722,000	676,100	811,272	989,335	1,143,107	997,850	860,108	922,329
Economic Development	27,672	28,365	37,736	62,997	2,739,358	974,027	125,501	95,246	648,285	46,326
Interest	559,537	499,107	531,756	476,084	435,098	401,429	379,094	354,566	317,798	284,299
Total Governmental Activities Expenses	$ 65,095,038	$ 60,854,113	$ 56,871,175	$ 66,043,492	$ 72,647,496	$ 62,510,199	$ 70,438,092	$ 76,684,550	$ 80,425,796	$ 74,832,441
Program Revenues										
Governmental Activities										
Fees, Charges, Fines and Other										
General Government	$ 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	$ 2,808,050
Public Safety	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	1,334,331
Highways and Streets	276,882	109,235	510,872	238,051	152,775	517,287	430,797	135,450	178,653	57,597
Sanitation	232,778	281,796	234,866	155,775	229,793	282,857	251,457	199,702	153,545	146,415
Human Services	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	1,735,233
Health	875,477	803,375	965,491	1,086,345	1,017,140	937,370	2,221,982	894,138	1,326,594	966,240
Conservation of Natural Resources	105,476	108,720	98,314	117,718	115,408	142,399	90,250	114,433	113,816	114,594
Economic Development	111,986	10,783	10,783	13,232	93,868	2,321	-	-	-	
Total Fees, Charges, Fines and Other	$ 6,754,739	$ 7,151,200	$ 7,270,257	$ 7,127,390	$ 7,738,555	$ 7,274,972	$ 8,794,284	$ 12,689,157	$ 6,995,212	$ 7,162,460
Operating Grants and Contributions										
General Government	$ 248,217	$ 261,106	$ 407,103	$ 366,200	$ 1,603,382	$ 493,657	$ 5,757,597	$ 4,299,583	$ 578,222	$ 649,208
Public Safety	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	2,550,922
Highways and Streets	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	10,325,474
Sanitation	515,745	139,486	132,347	136,396	139,223	144,066	149,201	140,489	167,401	169,488
Human Services	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	9,045,711
Health	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	3,581,430
Culture and Recreation	43,766	153,103	96,669	144,191	104,830	122,667	122,348	170,182	91,829	103,985
Conservation of Natural Resources	324,270	152,555	122,129	51,052	141,451	73,952	87,985	177,041	107,755	145,279
Economic Development	-	-	-	-	3,494,766	-	-	-	-	-
Total Operating Grants and Contributions	$ 18,799,976	$ 15,784,541	$ 18,031,747	$ 18,165,389	$ 26,368,406	$ 18,972,205	$ 26,852,040	$ 26,848,429	$ 25,117,491	$ 26,571,497

Goodhue County
Changes in Net Position

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Capital Grants and Contributions										
Public Safety	$ 256,250	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Highways and Streets	296,771	1,309,506	1,350,171	405,749	780,491	4,216,493	2,366,137	3,162,844	2,907,846	2,565,757
Culture and Recreation	-	-	-	668,767	321,611	-	-	503,100	-	-
Total Capital Grants and Contributions	$ 553,021	$ 1,309,506	$ 1,350,171	$ 1,074,516	$ 1,102,102	$ 4,216,493	$ 2,366,137	$ 3,665,944	$ 2,907,846	$ 2,565,757
Total Governmental Activities Program Revenues	$ 26,107,736	$ 24,245,247	$ 26,652,175	$ 26,367,295	$ 35,209,063	$ 30,463,670	$ 38,012,461	$ 43,203,530	$ 35,020,549	$ 36,299,714
Total Governmental Activities net (expense)/revenue	$ (38,987,302)	$ (36,608,866)	$ (30,219,000)	$ (39,676,197)	$ (37,438,433)	$ (32,046,529)	$ (32,425,631)	$ (33,481,020)	$ (45,405,247)	$ (38,532,727)
General Revenues and Other Change in Net Assets										
Property Taxes	$ 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	$ 45,334,488
Local Option Sales Taxes	-	-	-	3,376,562	3,510,393	4,077,054	4,425,752	4,550,162	4,088,160	5,054,247
Other Taxes	857,204	915,573	903,798	990,222	1,002,800	1,074,940	1,028,795	1,023,971	1,126,141	1,566,507
Grants and Contributions	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	3,324,328
Unrestricted Investment Earnings	235,490	162,724	373,231	1,796,320	1,106,192	440,153	60,026	3,771,010	3,790,824	4,228,825
Miscellaneous	529,876	559,808	606,187	632,955	550,435	393,081	751,258	505,126	532,230	547,693
Gain on Sale of Capital Assets	-	6,638	32,451	104,860	254,567	64,093	40,605	459,881	220,148	462,815
Total Governmental Activities	$ 32,897,009	$ 34,552,889	$ 37,189,535	$ 44,912,722	$ 45,363,746	$ 46,189,402	$ 48,977,460	$ 54,721,752	$ 57,258,628	$ 60,518,903
Change in Net Position, Governmental Activities	**$ (6,090,293)**	**$ (2,055,977)**	**$ 6,970,535**	**$ 5,236,525**	**$ 7,925,313**	**$ 14,142,873**	**$ 16,551,829**	**$ 21,240,732**	**$ 11,853,381**	**$ 21,986,176**

Goodhue County
Fund Balances of Governmental Funds

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	$ 349,935	$ 429,636	$ 241,676	$ 284,232	$ 258,520	$ 415,331	$ 616,266	$ 540,423	$ 664,834	$ 739,414
Restricted	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	3,313,168
Committed	4,765,685	2,382,839	5,451,214	3,286,673	-	3,931,952	5,402,395	5,963,999	6,453,059	6,086,841
Assigned	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	5,877,633
Unassigned	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	27,627,303
Total General Fund	$ 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	$ 43,644,359
All Other Governmental Funds										
Nonspendable, Reported in:										
Road and Bridge Fund	$ 466,525	$ 534,893	$ 487,508	$ 423,975	$ 720,756	$ 542,534	$ 508,659	$ 649,882	$ 643,913	$ 546,504
Health and Human Services Fund	113,053	159,254	33,723	32,547	41,218	51,572	229,311	55,980	163,884	198,576
Debt Service Fund	456	-	-	-	1,850	1,850	2,035	2,035	2,035	2,175
Waste Management Fund	4,066	4,322	31	-	-	-	6,678	-	5,097	6,518
Restricted, Reported in:										
Health and Human Services Fund	-	-	-	501,646	518,845	494,535	766,515	887,872	1,046,568	912,481
Economic Development Authority Fund	604,283	604,283	546,963	546,963	533,200	546,963	546,963	546,963	328,273	328,273
Debt Service Fund	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	3,557,140
Waste Management Fund	219,380	219,708	220,039	220,369	220,700	223,307	-	-	-	-
Committed, Reported in:										
Road and Bridge Fund	495,437	493,029	440,613	604,404	-	818,316	615,117	329,497	693,460	104,999
Health and Human Services Fund	150,550	150,550	150,550	150,550	-	148,715	150,500	156,619	153,273	150,300
Economic Development Authority Fund	163,892	182,615	242,173	259,548	-	209,389	135,519	141,921	147,624	152,024
Waste Management Fund	35,075	35,075	35,075	35,075	-	35,075	35,075	258,382	258,382	258,907
Assigned, Reported in:										
Road and Bridge Fund	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	17,687,412
Health and Human Services Fund	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	20,606,976
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	836,916
Unassigned, Reported in:										
Ditch Fund	-	-	-	-	-	(287,426)	(625,157)	(280,695)	(245,171)	(209,069)
Total All Other Governmental Funds	$ 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	$ 45,140,132

* 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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 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	$ 51,124,747
Special Assessments	19,038	7,180	4,940	16,272	293,063	231,197	70,283	464,135	40,956	41,929
Licenses and Permits	477,089	585,254	520,900	518,659	667,901	687,221	681,576	545,545	549,273	567,285
Intergovernmental	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	28,420,936
Charge for Services	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	4,041,413
Fines and Forfeits	12,512	12,177	13,010	11,594	9,810	10,142	11,982	10,272	7,740	6,814
Gifts and Contributions	89,924	113,720	39,478	42,192	65,914	39,527	31,724	34,582	30,683	19,308
Investment Earnings	236,131	162,950	373,773	1,797,613	1,107,535	448,451	76,856	3,801,588	3,837,522	4,272,400
Miscellaneous	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	3,472,143
Total Revenues	$ 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	$ 91,966,975
Expenditures										
General Government	$ 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	$ 15,137,292
Public Safety	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	18,211,903
Highways and Streets	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	9,545,057
Sanitation	735,911	688,106	721,532	775,618	821,243	928,321	3,392,593	821,788	770,150	1,027,107
Human Services	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	17,340,126
Health	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	5,770,674
Culture and Recreation	640,200	741,026	864,826	1,497,983	1,202,353	1,105,280	2,573,673	1,879,440	1,118,970	1,152,206
Conservation of Natural Resources	711,804	770,632	719,155	678,434	798,492	984,429	1,112,650	994,062	854,109	922,142
Economic Development	27,672	28,365	37,736	62,997	2,739,358	974,027	125,502	95,247	315,650	46,326
Capital Outlay										
General government	-	-	-	485,123	1,125,383	241,631	748,624	2,356,597	1,852,491	1,152,571
General government - COVID-19	-	-	-	-	515,900	256,742	-	-	-	-
Public safety	-	-	-	527,434	787,941	887,098	1,298,321	949,026	1,329,490	1,176,791
Highways and streets	-	-	-	1,333,392	819,757	511,317	119,036	1,588,313	1,453,742	11,030,998
Sanitation	-	-	-	-	98,273	47,150	376,445	207,538	536,779	203,988
Human Services	-	-	-	-	-	-	10,525	347,220	-	-
Health	-	-	-	-	-	-	5,290	-	-	-
Debt Service										
Principal	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	2,084,523
Interest	659,013	532,012	510,563	488,095	464,629	439,061	414,155	391,319	362,114	329,818
Administrative (fiscal) charges	14,207	4,941	59,501	26,722	9,613	2,852	6,000	5,683	2,785	2,884
Intergovernmental	462,724	464,177	542,701	538,457	560,839	515,859	771,290	-	-	
Highways and Streets	-	-	-	-	-	-	-	556,677	625,845	736,458
Total Expenditures	$ 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	$ 85,870,864
Excess of Revenues Over/(Under) Expenditures	$ (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	$ 6,096,111

(Unaudited)

Goodhue County
Changes in Fund Balances of Governmental Funds

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Other Financing Sources/(Uses)										
Issuance of Leases	$ -	$ -	$ -	$ -	$ -	$ -	$ 82,423	$ -	$ 17,557	$ -
Issuance of Subscription-Based IT Arrangements	-	-	-	-	-	-	-	508,686	800,855	181,354
Sale of Capital Assets	19,389	25,914	60,748	57,239	76,782	92,073	29,655	237,254	123,223	320,192
Total Other Financing Sources/(Uses)	$ 19,389	$ 25,914	$ 60,748	$ 57,239	$ 76,782	$ 92,073	$ 112,078	$ 745,940	$ 941,635	$ 501,546
Increase/(Decrease) in Inventories	(13,508)	66,888	(9,195)	(67,066)	299,809	(181,325)	-	-	-	-
Net Change in Fund Balances	$ (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	$ 6,597,657
Debt Service as a Percentage of Noncapital Expenditures	3.77%	3.38%	3.58%	3.01%	2.59%	3.04%	2.69%	3.14%	3.25%	3.38%
Expenditures for general cap assets + infrastructure	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	14,438,523

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											
Payble Year	Agriculture	Residential	Commercial/ Industrial	Railroad	Utilities	Personal Property	Tax Increment	Power Line	Total Net Tax Capacity	Total Estimated Market Value	Total Taxable Market Value	Total Net Tax Capacity as a Percentage of Taxable Market Value
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%
2025	29,172,100	49,739,927	14,137,300	209,168	18,180,388	2,191,116	(890,028)	(86,579)	112,653,392	11,033,837,000	10,697,391,021	1.05%

GOODHUE COUNTY
RED WING, MINNESOTA

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

	Goodhue County			Average rates within each classification		
Tax Year	**General**	**Bonds**	**Total**	**Cities/ Townships**	**School Districts**	**Special Districts**
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
2025	39.060	1.772	40.832	27.408	18.964	0.896
Tax Year 2025						
Number of taxing districts				31	12	5
Minimum levy rate				8.679	8.508	0.527
Maximum levy rate				81.762	32.745	1.333

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

2025 Tax Capacity Value

Taxpayer	Type of Business	Rank	Estimated Market Value	2025 Tax Capacity Value	Percentage of Total Tax Capacity Value
Northern States Power Company	Utilities	1	$ 957,623,400	$ 19,179,750	17.03%
Red Wing Shoe Co Inc	Commercial	2	16,580,100	326,384	0.29%
S MN Municipal Power Agency	Utilities	3	15,849,100	314,011	0.28%
Mayo Clinic Health System	Commercial	4	15,378,000	300,918	0.27%
MN Energy Resources Corp	Utilities	5	12,049,200	235,561	0.21%
Dairyconcepts LP	Industrial	6	11,401,800	227,286	0.20%
Hernke's Farm Land Inc	Agricultural	7	21,763,700	217,637	0.19%
Walmart	Commercial	8	10,781,400	214,878	0.19%
Scribe Propco Inc	Industrial	9	10,178,200	202,814	0.18%
Gemini Inc	Industrial	10	9,867,100	196,380	0.17%
	TOTALS		**$ 1,081,472,000**	**$ 21,415,619**	**19.01%**

Total Tax Capacity Value **$ 112,653,392**

2016 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	$ 839,868,200	$ 16,793,478	24.23%
Mayo Clinic Health System-RW	Commercial	2	15,505,500	261,858	0.38%
Wal-Mart Stores Inc	Commercial	3	9,472,800	188,706	0.27%
Menards Inc	Commercial	4	9,547,300	186,777	0.27%
Red Wing Shoe Co Inc	Commercial	5	9,483,900	186,249	0.27%
Inland American Zumbrota Atlas	Industrial	6	7,933,600	157,922	0.23%
Hernke's Farm Land Inc	Agricultural	7	13,876,500	138,765	0.20%
MN Energy Resources Corp	Utilities	8	6,704,100	133,332	0.19%
Soo Line Railroad Company	RR Land	9	6,269,600	124,642	0.18%
Convenience Store Investments	Commercial	10	6,402,800	124,306	0.18%
	TOTALS		**$ 925,064,300**	**$ 18,296,035**	**26.40%**

Total Tax Capacity Value **$ 69,299,891**

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
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%	192,530	43,181,805	99.7%
2025	45,351,672	(526,284)	(33,834)	44,791,554	44,498,643	98.1%	-	44,498,643	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

	Governmental Activities:								
Fiscal Year	General Obligation Bonds	Lease Liability	SBITA Liability	G.O Special Assessments	Total	Personal Income (1)	Ratio of Debt To Personal Income	Population (1)	Debt Per Capita
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	3,377,482,000	0.4%	47,982	247
2025	9,421,527	73,898	418,805	-	9,914,230	n/a	n/a	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

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
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%	47,982	205.33
2025	9,421,527	9,421,527	1,195,380	8,226,147	11,033,837,000	0.07%	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, 2025

	Debt Outstanding	Applicable to Goodhue County	
		Percent (1)	Amount
Cities			
City of Bellechester	$ -	81.25%	$ -
City of Cannon Falls	5,406,000	100.00%	5,406,000
City of Dennison	244,975	89.27%	218,689
City of Goodhue	1,950,000	100.00%	1,950,000
City of Kenyon	13,288,843	100.00%	13,288,843
City of Lake City	2,459,000	20.72%	509,505
City of Pine Island	10,279,527	74.17%	7,624,325
City of Red Wing	17,253,319	100.00%	17,253,319
City of Wanamingo	4,338,000	100.00%	4,338,000
City of Zumbrota	2,720,000	100.00%	2,720,000
Total Cities	57,939,664		53,308,681
Independent School Districts			
No. 195	8,305,000	11.54%	958,397
No. 200	42,586,288	0.11%	46,845
No. 252	21,295,000	95.25%	20,283,488
No. 253	22,535,000	94.93%	21,392,476
No. 255	41,225,000	45.23%	18,646,068
No. 256	16,475,000	100.00%	16,475,000
No. 656	13,917,578	0.04%	5,567
No. 659	78,955,000	0.97%	765,864
No. 813	19,996,510	26.33%	5,265,081
No. 2125	5,170,000	0.96%	49,632
No. 2172	13,425,000	89.52%	12,018,060
No. 2805	42,275,000	72.96%	30,843,840
Total Independent School Districts	326,160,376		126,750,318
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	2,185,000	100.00%	2,185,000
Toal Special Taxing Districts	2,185,000		2,185,000
Goodhue County	9,914,230	100.00%	9,914,230
Total	**$ 396,199,270**		**$ 192,158,229**

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Market Valuation of Taxable Property	$ 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	$11,033,837,000
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	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	331,015,110
Amount of Debt applicable to Debt Limit										
General Obligation Debt	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	9,421,527
Less: Amount Available in Debt Service Funds	298,845	398,460	498,075	597,692	697,308	796,920	896,535	996,150	1,095,765	1,195,380
Total Debt Applicable to Limit	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	8,226,147
Legal Debt Margin	$ 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	$ 322,788,963
Percent of Legal Debt Incurred	10.93%	9.98%	9.01%	8.01%	7.31%	6.38%	5.64%	4.41%	3.27%	2.85%

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

Fiscal Year	Population (1)	Personal Income (1)	Per Capita Income	Unemployment Rate (2)
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	47,982	3,377,482,000	70,391	3.0%
2025	n/a	n/a	n/a	3.9%

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

	2025			2015		
Industry	Annual Average		Percentage of Total County Employment	Annual Average		Percentage of Total County Employment
Natural Resources and mining		372	1.7%		373	1.7%
Construction		1,008	4.6%		779	3.6%
Manufacturing		4,757	21.8%		4,515	21.0%
Trade, transportation and utilities						
Utilities	765			860		
Wholesale trade	708			695		
Retail trade	2,283			2,188		
Transportation and warehousing	489			753		
		4,245	19.5%		4,496	20.9%
Information		80	0.4%		199	0.9%
Financial activities		434	2.0%		560	2.6%
Professional and business services						
Professional, scientific and technical services	455			344		
Management of companies and enterprises	162			273		
Administrative and waste management services	497			637		
		1,114	5.1%		1,254	5.8%
Education and health services		4,270	19.6%		4,354	20.3%
Leisure and hospitality		3,551	16.3%		3,070	14.3%
Other services		633	2.9%		692	3.2%
Public administration						
Executive, Legislative, other general governmer	1,042			945		
Justice, Public Order, Safety	219			211		
Environmental Quality	31			20		
Housing and Economic Development	31			26		
		1,323	6.1%		1,202	5.4%
Total Employment		21,787	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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Commissioners	5	5	6	5	5	5	5	5	5	5
Administration	3	3	3	3	3	3	4	4	3	4
Auditor/Treasurer	5	5	8	6	6	7	7	7	7	7
Assessor	11	11	15	10	11	9	8	10	10	11
Human Resources	3	4	4	4	4	4	5	6	6	6
Information Technology	6	6	6	5	6	4	5	7	7	7
Attorney	15	15	15	15	15	16	18	18	18	18
Recorder	4	4	4	4	4	4	4	4	3	3
Surveyor	4	4	4	4	4	4	3	4	4	3
GIS	3	2	4	3	3	3	3	3	3	3
Facility Maintenance	8	9	9	9	8	9	8	8	9	9
Veterans Service	2	2	2	2	2	1	2	3	3	2
Zoning	10	11	12	11	11	10	12	11	9	10
Sheriff	43	47	46	46	49	48	47	50	49	49
Boat & Water	2	2	3	2	1	2	2	2	2	2
Jail Operations	44	47	45	48	36	38	38	41	41	42
Dispatch	12	12	12	12	12	10	12	12	13	14
Court Services	12	11	11	11	11	11	10	11	11	14
OEM	1	1	1	1	1	1	1	2	2	2
Extention	1	1	1	1	1	1	1	1	1	1
Total General Fund	194	202	211	202	193	190	195	209	206	212
Road and Bridge Fund										
County Parks	-	-	-	-	-	-	-	-	-	1
Public Works Maintenance	18	18	17	17	18	18	16	18	17	17
Public Works Construction	5	6	6	6	5	5	6	7	8	7
Public Works Administration	3	3	3	3	3	3	4	4	4	3
Public Works Equipment Maintenance	1	1	1	1	1	1	1	1	1	1
Total Road and Bridge Fund	27	28	27	27	27	27	27	30	30	29
Health and Human Services Fund										
Income Maintenance	41	45	42	47	47	48	48	50	47	46
Social Services	24	26	26	28	29	31	30	34	36	36
LTCC/Waiver Mngmnt	15	14	16	15	15	17	17	18	22	24
Health Education	7	7	7	11	10	12	11	10	11	11
Office Administration	3	3	3	3	2	1	1	1	3	3
DP & C	-	-	-	-	-	-	1	1	-	
Total Health and Human Services Fund	90	95	94	104	103	109	108	114	119	120
Waste Management Fund										
Waste/Water Management	1	1	1	1	1	1	1		-	1
Recycling Center	4	4	4	3	5	5	5	5	4	4
Total Waste Management Fund	5	5	5	4	6	6	6	5	4	5
Total Employees	316	330	337	337	329	332	336	358	359	366
Population (1)	46,240	46,304	46,403	46,340	46,318	47,968	48,013	48,035	47,982	n/a
Number of FTE's per Department per 1,000 Population										
General Fund	4.20	4.36	4.55	4.36	4.17	3.96	4.06	4.35	4.29	-
Road and Bridge Fund	0.58	0.60	0.58	0.58	0.58	0.56	0.56	0.62	0.63	-
Health and Human Services Fund	1.95	2.05	2.03	2.24	2.22	2.27	2.25	2.37	2.48	-
Waste Management Fund	0.11	0.11	0.11	0.09	0.13	0.13	0.12	0.10	0.08	-
Number of FTE's per 1,000 Population	6.83	7.13	7.26	7.27	7.10	6.92	7.00	7.45	7.48	-

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
Number of parcels in county	30,490	30,571	30,604	30,617	30,652	30,735	30,705	30,740	30,290	30,181
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	9,131	9,129	8,457	9,002	10,836	12,054	8,851	6,743	6,905	7,634
Public Works										
Road miles maintained	400.14	400.14	400.14	400.14	400.14	401.57	401.57	401.57	401.57	401.07
Maintenance cost per mile	$ 10,045	$ 10,264	$ 11,410	$ 12,948	$ 11,595	$ 12,312	$ 13,285	$ 14,770	$ 11,710	$ 11,902
Public safety										
Calls for service	14,277	13,903	13,127	13,324	12,245	12,683	13,861	14,042	16,173	15,913
Average Daily Population - Detention	126	124	103	98	71	52	52	47	50	47
Health & Human Services										
Average Monthly WIC Participants	697	676	619	623	602	625	630	675	618	574
Average Monthly Food Support Households	1,006	1,117	1,092	1,002	1,092	1,145	1,252	1,283	1,507	1,067

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Municipal Buildings	12	12	12	12	12	12	12	12	12	12
Public Safety										
Patrol Vehicles	38	44	49	46	49	51	50	48	52	55
Public Works										
Road Miles	400.14	400.14	400.14	400.14	400.14	401.57	401.57	401.57	401.57	401.07
Snowplows	14	14	12	10	9	9	14	13	13	12

Source: Goodhue County Finance & Taxpayer Services