

Washington  
County  
MINNESOTA

**2024 Annual Comprehensive Financial Report**

*Year ending December 31, 2024*

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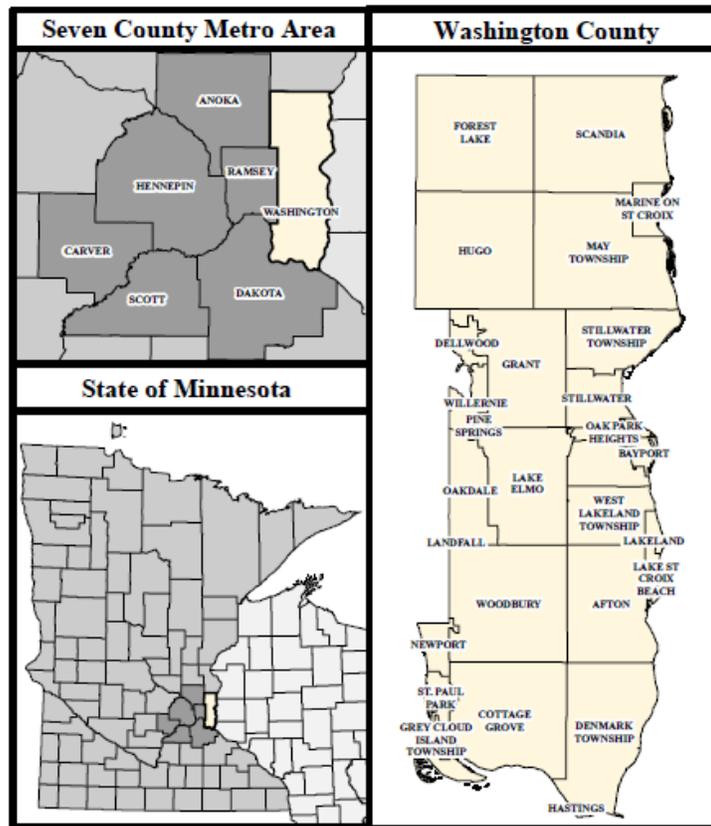
**Annual  
Comprehensive  
Financial Report  
of  
Washington County  
Minnesota**

**for the Year Ended December 31, 2024**



Accounting and Finance Department  
Issued June 2025

Washington County  
14949 – 62nd Street North  
Stillwater, Minnesota 55082  
651-430-6030  
Fax 651-430-6060



**Established:** October 27, 1849

**County Seat:** Stillwater

**Population:** 281,960

**Board Meetings:** Most Tuesdays

**Commissioners:** Fran Miron, District 1  
Stan Karwoski, District 2  
Gary Kriesel, District 3  
Karla Bigham, District 4  
Michelle Clasen, District 5

**Area:** 423 Square Miles

**Major Highways:** Interstate (I)-94,494/694,35  
State Roads (TH)-8,36,61/10,95,96,97,120,244  
County Roads (CSAH)-1 through 45  
(CR) 4A,13B,15A,17A,17B,19A,30A,38A,52 through 83

**Railroads:** BNSF  
Soo Line  
Union Pacific  
Wisconsin Central

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# Introductory Section



- Letter of Transmittal
- GFOA Certificate of Achievement
- County Organizational Chart
- List of Principal Officials



## Mission

We strive to provide exceptional services that enhance quality of life and promote a safe, healthy, and welcoming community for all.



## Vision

A vibrant county embracing the diversity of its communities, advancing equitable access to resources and opportunities, and prioritizing the sustainability of its natural environment.



## Values

- **Caring:** We serve all with dignity, respect, and understanding.
- **Collaborative:** We connect with each other and our community to make intentional decisions.
- **Equitable:** We are committed to fostering an inclusive community and delivering accessible services to achieve equitable outcomes.
- **Ethical:** We act with integrity and make transparent decisions to build public trust.
- **Fiscally Responsible:** We support current and future generations through prudent financial decisions that respect public investments and advance the long-term interest of the community.
- **Responsive:** We anticipate evolving community needs and embrace innovative approaches to solve problems and promote positive change.
- **Sustainable:** We recognize the significance of our natural environment and are proactive in protecting our resources.

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Accounting and Finance  
Department

Cat Piepho  
Director

June 11, 2025

The Citizens of Washington County  
Honorable Chair and Commissioners  
Washington County Board of Commissioners  
14949 – 62nd Street North  
Stillwater, Minnesota 55082

To whom it may concern:

This Annual Comprehensive Financial Report (ACFR) of Washington County has been prepared by the County’s Accounting & Finance Department and is hereby submitted for publication for the fiscal year-end December 31, 2024. We have prepared this report in conformity with Generally Accepted Accounting Principles to comply with the County Board’s policy and to meet Minnesota Statute chapter 375.17 requirements for local government annual financial reporting.

Generally Accepted Accounting Principles require 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. Washington County’s MD&A can be found immediately following the report of the independent auditors.

The responsibility for both the data presented including the accuracy, the completeness, and the fairness of the presentation, including all disclosures, rests with the County. 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 of the County’s various funds. All disclosures necessary to allow the reader to understand the County's financial activities have been included.

The County is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

This report includes all funds of the County. The County provides a full range of services that include health and human services; tax assessment and collection; law enforcement and jail services; the construction and maintenance of highways and infrastructure; recreational facilities; libraries; and general administrative services. The Regional Rail Authority is included in the reporting entity because it is a blended component unit. A blended component unit is a separate legal entity that exists primarily for the benefit of the primary government or has the same governing body as the primary government. If these characteristics exist, the component unit is reported as though it is part of the operations of the Primary Government. The Washington County Community Development Agency is included as a discretely presented component unit. A discretely presented component unit is also a separate legal entity. Its governing body is appointed by the Primary Government, and it can have varying degrees of financial dependence on the Primary Government.

It is presented in the financial reports of the Primary Government because exclusions of the information could be misleading for statement users. However, the Washington Conservation District, Carnelian Marine Watershed District, Ramsey Washington Metro Watershed District, Rice Creek Watershed District, and the Valley Branch Watershed District have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

This report is available to the public, elected officials, County management, bond rating agencies, and other financial institutions that have expressed an interest in Washington County's financial affairs. This report is also available through the County website.

**County Profile**

Washington County is located along the St. Croix River Valley in the east-central part of Minnesota on the eastern side of the Twin Cities metropolitan area. It is comprised of 423 square miles of land, and it was officially created on October 27, 1849, as one of nine original counties in the historic Minnesota Territory.

The County operates under the County Administrator form of government with five elected commissioners representing population defined districts within the County. The County’s original adopted 2025 budget employs a workforce of 1,448.27, which is a net increase of 21.5 FTE over the 2024 amended FTEs, including planned expenditures of \$361.6M representing a decrease of 2.7%, and a net levy of \$139.3M, which is an increase of 5.9% from 2024.

The estimated population of Washington County for 2024 was 281,960 which continues to place the County as the fifth largest population in Minnesota. The American Community Survey reports the County’s median household income at \$114,457 with an average age of 39.9 years. Although considered a “suburban” county, it has a diverse base of residential, commercial, industrial, agricultural, and natural resources.

**Economic Condition and Outlook**

Over the years, Washington County has consistently maintained and improved its quality of life in the areas of education, environment, safety, and recreation. The County is strategically located close to the metropolitan downtown area and enjoys several favorable characteristics including rural and natural surroundings with a significant portion of land that is still undeveloped. These qualities help the County to maintain its attractiveness to individuals and businesses. Washington County’s leaders truly value fiscal responsibility while promoting health, safety, and quality of life for citizens. The economic trends continue to show growth in construction and investments in the County. The County is experiencing steady growth in property values, adding to the level of optimism.

**Key Economic Indicators**

The economic condition of the County has been relatively stable, with evidence of some growth in areas such as per capita personal income. The County’s 2024 operating budget per capita was \$910, excluding the Gold Line Transit Project, ranking among the lowest of the seven metro counties. The number of households and overall population increased, while the County’s unemployment rate, as reflected in the table below, has remained below the statewide level of 3.0%. The following are some key items:

<u>Economic Indicator</u>	<u>Amount</u>	<u>Percentage Increase/(Decrease)</u>
Unemployment Rate (2024)	2.7%	0.3%
Number of Households (2024)	106,606	4.1%
Population (2024)	281,960	1.1%

*See Table 13 of the statistical section for further detail.*

Tax Payable Year	Estimated Market Value (000's)		Net Tax Capacity (000's)	
	Amount	Percent	Amount	Percent
		of Growth		of Growth
2020	\$ 36,222,848	8.1%	\$ 394,910	8.4%
2021	37,962,828	4.8%	416,210	5.4%
2022	39,873,578	5.0%	439,274	5.5%
2023	48,211,359	20.9%	531,332	21.0%
2024	53,535,430	11.0%	599,319	12.8%

See Table 5 of the statistical section for further detail.

### Economic and Taxation Trends

Washington County enjoys a tax base that is diverse in its mix of commercial, industrial, and residential property. The County is not overly reliant on a single or even a few large property owners for property taxes, and its commercial base is diverse, ranging from large shopping centers in Woodbury and Oakdale to many small businesses in its smaller cities like Afton, Mahtomedi, and Hugo. The County benefits from its proximity to the Minneapolis and St. Paul regional center, with the added benefit of sought-after environmental features including two rivers and many recreational lakes.

The housing market within Washington County continues to demonstrate positive momentum, with both average and median home prices experiencing upward trends. Recent reports describe the 2025 local market as marked by rising home prices, quick sales, and a competitive atmosphere, reflecting broader trends seen throughout the Twin Cities metropolitan area.

Countywide estimated market value decreased 0.3% from Pay 2024 to Pay 2025 and is projected to increase 3.6% from Pay 2025 to Pay 2026. Taxable market value continues to follow the estimated market value trends in the County. The estimated market value of all taxable property is approximately \$55.3 billion. From Pay 2021 to Pay 2025, the County's estimated market value posted a net increase of 40.6%. These measures, along with growth in new construction, are strong indicators of a healthy tax base in Washington County. The County's diverse tax base and strong underlying demographics position it for growth in the future. In addition to the appreciation in existing values, the County continues to experience moderate growth in taxable market value in new construction. For taxes payable in 2025, new construction added \$895 million in taxable value.

### Residential Development

In calendar year 2024, 1,346 new residential properties were started countywide. Of that total, 1,122 were single family units and the remaining 224 were townhomes and condominiums. The City of Woodbury experienced the most residential housing starts with 470 residential starts. The City of Cottage Grove was the second highest with 335 new residential starts.

### Commercial Development

The commercial real estate market in Washington County is stable with a 0.4% decrease in 2024 and adjustments over the last 5 years ranging from -0.4% to 19.8%. In 2024, there were fifteen new commercial properties started in the County. This is similar to the sixteen new starts in 2023 and a slight decrease from the twenty-three new starts in 2022.

### Tax Rate & Collections

Washington County continues to have the second-lowest county tax rate of all metropolitan counties. For taxes payable in 2025, a home valued at \$411,500 in Washington County would pay a county tax of \$968. By comparison, that same valued home in Dakota County would pay \$802 and would pay more than \$1,084 in Anoka, Carver, Hennepin, Ramsey, and Scott counties.

The delinquency rate for taxes payable in 2024 continues to remain low at 0.7%. The County's delinquency rate has been less than 1% since 2011. Minnesota's property tax laws related to penalties and interest on unpaid taxes, along with the potential for forfeiture if not paid within three years, contribute to very strong collection rates. Of the delinquent amounts, on average over 70% is normally collected in the following year and over 80% by the end of year two.

## **Tax Petitions**

Property owners who believe their property is overvalued have several informal local steps in which to appeal their value. Local boards meet in April and May and the County Board of Appeal and Equalization meets in June. If after those appeals, property owners still believe their property is overvalued, they may petition the tax court for a reduction. Most tax court petitions are commercial or industrial property and often these businesses do not appeal at the local level but instead appeal directly to the tax court.

A total of 230 tax petitions were filed to contest the value for taxes payable in 2024, which is an increase over the 155 petitions for taxes payable in 2023 and 170 petitions for taxes payable in 2022. The increase is attributable to a 19.8% increase in commercial and industrial values in 2023 for taxes payable in 2024 that prompted more owners to appeal their value. The total value under petition remains a manageable figure.

## **Other Operational Highlights**

- Completed a county-wide strategic plan with a new mission, vision, and values.
- Opened a new Environmental Services Center in Forest Lake to serve the northern half of the county. The Center offers household hazardous waste, recycling and yard waste drop off, as well as a free product room that puts useable items back in use.
- Broke ground on a new Central Service Center in Woodbury to provide licensing, public health and election services.
- Broke ground on the Emergency Services Housing Building to provide housing for single adults over the age of 18 without minor children. Wraparound services will be provided in the building, which may include employment, transportation, housing search, legal services, and case management.
- Administered a presidential election.
- Established a 15-member Opioid Settlement Council that includes community members, professionals, and individuals with lived experiences related to opioid use to advise the county board on the award of grants to organizations and projects that are addressing the opioid crisis.
- Obligated 100% of funds allocated to Washington County through the American Rescue Plan Act (ARPA).
- Converted to a .gov website domain and email addresses to increase cybersecurity.
- Established countywide service contracts for professional development, language translation and printing to create efficiency, cost savings and ease of access.
- Received the Triple Crown Award from the Government Financial Officers Association (GFOA) for the Annual County Financial Report (ACFR), the Popular Annual Financial Report (PAFR), and the county budget.
- Held over 35 various community events in collaboration with Public Health & Environment and Community Services aimed at connecting with our culturally specific communities and building trust within these communities.
- Added a new prevention unit to the Children's Social Services Division to focus on early intervention programs, such as the Parent Support Outreach Program (PSOP), educational neglect and truancy and kinship support services.
- Updated the county's Solid Waste Management Plan, the Groundwater Plan, and created the county's first ordinance related to Cannabis businesses.

## **Single Audit**

As a recipient of federal, state, and local financial assistance, the County must have adequate internal controls and procedures to ensure financial integrity and compliance with the applicable laws and regulations related to those programs. Our internal controls are evaluated periodically by management and the internal audit staff. In addition, our internal controls are subject to review annually by our external auditors.

The Uniform Guidance sets forth the 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 organizational-wide basis rather than a grant-by-grant basis. The grants for which these requirements apply are identified in the Schedule of Expenditures of Federal Awards.

### **Internal Controls**

The County's system of internal controls is supported by written policies and procedures and is continually reviewed, evaluated, and modified to meet current needs. The system is supplemented by an Internal Auditor, who reports to the Audit Advisory Committee on auditing matters and to the County Administrator on administrative matters. The Internal Auditor administers a broad scope auditing program to review and evaluate the adequacy and effectiveness of the County's internal controls.

The Audit Advisory Committee consists of a County Commissioner appointed by the Chair of the County Board, two private citizens who are not public officials, and the County Administrator. The Audit Advisory Committee reviews the annual audit report with the external auditors. The Internal Auditor, other County personnel, and representatives from our auditors meet periodically with the Audit Advisory Committee to discuss audit concerns.

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

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

### **Budgeting Controls**

The County's budget is appropriated annually by the County Board and is maintained at the fund level. Budgets are adopted in conformance with generally accepted accounting principles. The County adopts the budget on a fund level and maintains budgetary controls at a department level. Any unspent funds at the end of the fiscal year may be moved forward to a future year. Expenditures may not exceed budgeted appropriations at the fund level. Activities of the General, Special Revenue, Debt Service, and Capital Projects Funds are included in the annual appropriated budget.

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.

### **Debt Administration**

The County's bond rating was most recently reviewed in 2024 by both Moody's Investor Service (Moody's) and Standard & Poor's Ratings Services (S&P) rating agencies for the County's 2024A bond issuance. Both agencies maintained the County's rating at Aaa/AAA, the highest ratings attainable.

Under state statute chapter 475.53, the County's general obligation bonded debt issuances are subject to a legal limitation based on 3% of the market value of taxable property. Currently, Washington County complies with the state statute and with more conservative, self-imposed limitations. Tables 9-12 in the Statistical Section present more detailed information about the debt position of the County.

### **Long-Term Financial Planning**

The County Board, department heads, and other key staff members continue to engage in strategic planning to fulfill the County's vision, mission and values that reaffirm key County goals. Focusing on long-term financial planning, the County annually updates the 5-Year Financial Planning Document, Capital Improvement Plan, Debt Service Plan, and Capital Equipment and Technology Plan.

The County's commitment to financial planning has historically been identified as a particular strength when Moody's and S&P released the County's bond ratings.

### **Independent Audit**

Minnesota State Statutes require an audit to be made of the books of account, financial records, and transactions of the County by an independent auditor team. In addition to meeting the requirements in the state statutes, the audit must also meet the requirements of the federal Single Audit Act of 1984, the Single Audit Amendment of 1996, and the Uniform Guidance. The County has complied with these requirements and the Auditor's opinion has been included in this report. The Auditor will also issue a management and compliance letter covering the testing 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.

### **Awards**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. This was the 39th consecutive year that the County has received this prestigious award. To be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. The 2023 report satisfied both generally accepted accounting principles and applicable legal requirements.

In addition, each year since 1998, the GFOA has awarded Washington County the Distinguished Budget Presentation Award in recognition of solid budgetary practices.

The County was also recognized by the GFOA for the 2023 Popular Annual Financial Statement (PAFR), the sixth PAFR award received by the County. The PAFR is intended as a supplement to the Annual Comprehensive Financial Report with simpler reports designed to assist those who need or desire a less detailed overview of a government's financial activities.

### **Invitation and Acknowledgments**

We invite you to read the remainder of this Annual Comprehensive Financial Report. Washington County provides a variety of services financed with various funds. It must follow specific rules and policies in the administration of these resources. If you have questions regarding any of the materials presented, please contact the Accounting and Finance Department. Our goal is to keep you well informed about your county's government.

We would like to recognize the contributions made by the staff of County departments toward the completion of this Annual Comprehensive Financial Report. This report would not have been completed without the professional dedication of the entire staff.

Finally, we especially want to thank the County's Administration, the Department Heads, and the County Board of Commissioners for their interest and support in planning and conducting the financial activities in a responsible and progressive manner. The County's excellent financial status is a tribute to that discipline and vision.

Respectfully submitted,



Cat Piepho  
Accounting and Finance Director



Renee Vought  
Accounting and Finance Deputy Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Washington County  
Minnesota**

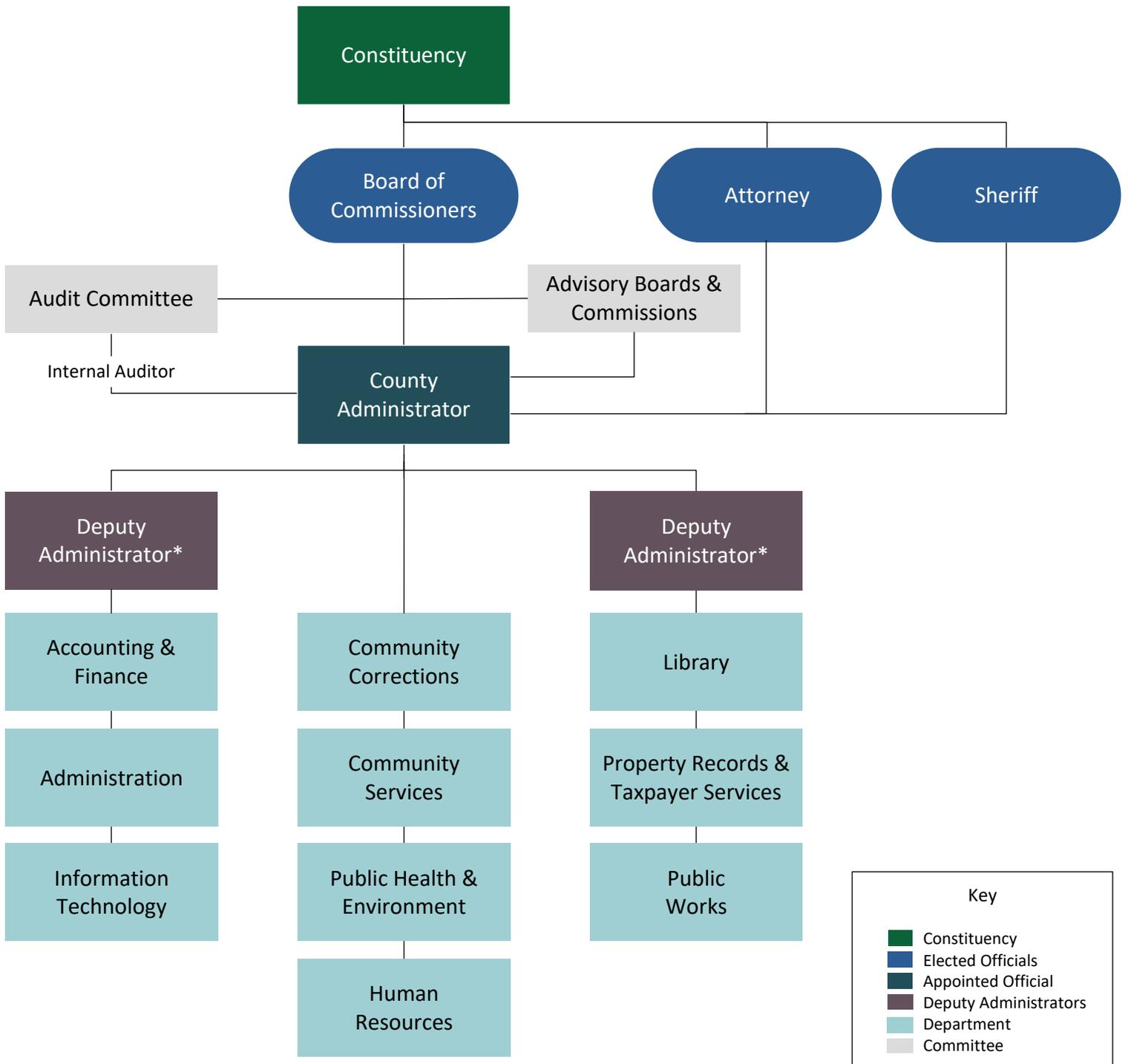
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2023

*Christopher P. Morill*

Executive Director/CEO

County Organizational Chart  
Fiscal Year 2024



Key	
<span style="color: green;">■</span>	Constituency
<span style="color: blue;">■</span>	Elected Officials
<span style="color: darkteal;">■</span>	Appointed Official
<span style="color: darkslategray;">■</span>	Deputy Administrators
<span style="color: lightteal;">■</span>	Department
<span style="color: lightgray;">■</span>	Committee

\* Assumes responsibility in absence of County Administrator

# Washington County, Minnesota

## List of Principal Officials

Office	Name	Term Expires
<b>Commissioners:</b>		
1st District	Fran Miron, Vice Chair	December 2024
2nd District	Stan Karwoski, Chair	December 2026
3rd District	Gary Kriesel	December 2024
4th District	Karla Bigham	December 2026
5th District	Michelle Clasen	December 2026
<b>Officers:</b>		
<b>Elected:</b>		
Attorney	Kevin Magnuson	December 2026
District Court Judge	Helen Brosnahan	January 2025 *
District Court Judge	Siv Mjanger	January 2025 *
District Court Judge	Patrick Flanagan	January 2027 *
District Court Judge	Juanita Freeman	January 2027 *
District Court Judge	Gregory Galler	January 2027 *
District Court Judge	Sheridan Hawley	January 2027 *
District Court Judge	Douglas Meslow	January 2027 *
District Court Judge	Laura Pietan	January 2027 *
District Court Judge	Viet-Hanh Winchell	January 2027 *
District Court Judge	Francis Green III	January 2029 *
Sheriff	Dan Starry	December 2026
<b>Appointed:</b>		
Administrator	Kevin Corbid	Indefinite
Auditor-Treasurer/Deputy Administrator	Jennifer Wagenius	Indefinite
Deputy Administrator	Jan Lucke	Indefinite
County Recorder/ Director Property Records & Taxpayer Services	Amy Stenftenagel	Indefinite
County Assessor	Lisa Young	December 2024
County Engineer	Wayne Sandberg	April 2027
County Surveyor	Samuel E. Gibson	September 2027
Accounting and Finance Director	Cat Piepho	Indefinite
Community Services Director	Jennifer Castillo	Indefinite
Community Corrections Director	Terry Thomas, Jr.	Indefinite
Human Resources Director	Angie Nalezny	Indefinite
Information Technology Director	Adam Larson	Indefinite
Library Director	Jacquie Kramer	Indefinite
Public Health & Environment Director	David Brummel	Indefinite
Public Works Director	Wayne Sandberg	Indefinite

\*Term expires the first Monday in January

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- Independent Auditors' Report
- Management's Discussion and Analysis

## ***Certificate of Achievement for Excellence in Financial Reporting***

The Certificate of Achievement for Excellence in Financial Reporting award was received by the county for 2023. This award recognizes the nation's finest examples of financial reporting and represents a significant accomplishment for a government and its management.

The certificate program was established by the Government Finance Officers Association (GFOA) in 1945. It instituted the program to encourage all governmental units to prepare and publish an easily readable, understandable document which covers all funds and financial transactions during the fiscal year. The GFOA believes that governments have a special responsibility to provide the public with a fair presentation of their financial affairs.

To be eligible for the certificate, a report must be published and include general purpose financial statements in conformity with generally accepted accounting principles (GAAP). The reports are also required to have been audited according to generally accepted auditing standards. Award-winning reports should enhance the reader's understanding of the financial statements, be efficiently organized, and adhere to certain generally accepted terminology and formatting conventions. The certificate program provides participants with extensive technical reference material on governmental accounting and financial reporting theory. This material provides finance officials with the tools they need to improve their financial reporting techniques.

Washington County has received the Certificate of Achievement for Excellence in Financial Reporting award for 2023 which is the thirty-ninth (39) consecutive year.

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## INDEPENDENT AUDITORS' REPORT

Board of County Commissioners and Audit Committee  
Washington County  
Stillwater, Minnesota

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

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

We did not audit the financial statements of the Washington County Community Development Agency, a discretely presented component unit, which statements represent 100% of the assets, net position and revenues of the discretely presented component unit. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Washington County Community Development Agency, is based solely on the report of other auditors.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 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, budgetary comparison schedules, other postemployment benefit liability and related ratios, schedule of proportionate share of net pension liability, and schedule of pension contributions 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 County's basic financial statements. The budgetary comparison schedules for the debt service and capital project funds, the combining statement of fiduciary net position, the combining statement of changes in fiduciary net position, capital assets schedules, and schedule of intergovernmental revenues are presented for purposes of additional analysis and are 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 budgetary comparison schedules, combining statement of fiduciary net position, combining statement of changes in fiduciary net position, capital assets schedules, and schedule of intergovernmental revenues 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 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 11, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
June 11, 2025

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**Management's Discussion and Analysis**  
**December 31, 2024**

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The Accounting & Finance Department of Washington County offers the readers of the financial statements this narrative overview and analysis of the financial activities of Washington County for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal and the notes to the financial statements.

**Financial Highlights**

- On the Statement of Net Position, the assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the fiscal year by \$772.6M (net position). Of this amount, the County has \$91.8M in unrestricted net position which can be used to meet the government's ongoing obligations to citizens and creditors.
- On the Statement of Activities, the County's total net position increased by \$67.0M or 9.5 percent over the previous year.
- The County's capital assets (net of accumulated depreciation and amortization) increased by \$59.2M or 9.3 percent over the previous year.
- Washington County's bonded debt increased by \$14.6M or 14.9 percent during the current fiscal year. This increase was due to the issuance of new debt in the amount of \$25.9M less payments on older debt in the amount of \$11.3M.
- The County's governmental fund financial statements reported a combined ending fund balance of \$385.3 million. Approximately 78.5 percent of this total amount, \$302.7M, is available for spending at the County's discretion (committed, assigned, and unassigned fund balances). \$216.9M of these funds are committed or assigned for specific purposes.
- The County's General Fund (the primary operating fund of the County) had a fund balance increase of \$29.0M over the previous year. The ending unassigned fund balance for the General Fund totaled \$85.7M.

**Overview of the Financial Statements**

The purpose of management's discussion and analysis is to introduce the reader to the basic financial statements and provide an analytical overview of the County's financial activities. The County's basic financial statements consist of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The management's discussion and analysis (this section), budgetary comparison schedules, and other supplemental schedules and disclosures are required to accompany the basic financial statements and, therefore, are included as required supplementary information. A brief description of the County's basic financial statement components are outlined below:

1. Government-wide financial statements – providing users with a broad overview of the County's finances similar to the financial statements of private-sector businesses.
2. Fund financial statements – providing users detailed information about the County's most significant components - *funds* - not the County as a whole. They are used to establish financial control over resources that have been segregated for various activities and objectives.

- a. The governmental fund financial statements tell how basic services such as public safety, health and human services, highways and streets, and administration were financed in the short term, as well as what remains for future spending.
  - b. Fiduciary fund statements provide information about the financial relationships in which the County acts solely as a trustee or agent for the benefit of others to whom the resources belong.
3. Notes to the financial statements – providing users the accounting methods, policies, and choices underlying the amounts in the financial statements. In addition, they provide additional details or explanations of the amounts in the financial statements.

The following table summarizes the major features of the County’s financial statements, including the portion of the County’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Description	Government-Wide Statements	Governmental Funds	Fiduciary Funds
<b>Scope</b>	Entire county government, except fiduciary funds	Activities of the county that are not proprietary or fiduciary	Instances in which the county is the trustee or agent for someone else’s resources
<b>Required Financial Statements</b>	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
<b>Accounting Basis and Measurement Focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<b>Type of Asset and Deferred Outflow of Resources/Liability and Deferred Inflow of Resources Information</b>	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, and short-term and long-term	Only assets or deferred outflows of resources expected to be used up and liabilities or deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both short-term and long-term; Fiduciary funds do not currently contain capital assets, although they can
<b>Type of Inflow/Outflow Information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year, or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid as applicable

## **Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the County's finances, in a manner similar to private-sector businesses. These statements are prepared using the full accrual, economic resource basis of accounting.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, to assess the overall health of the County, you need to consider additional non-financial factors, such as changes in the County's property tax base, the condition of the County's infrastructure and buildings, and other socio-economic factors.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements of the County are divided into two categories:

- **Governmental Activities** - Accounts for the County's services and operations, including public safety, health and human services, highways and streets, debt service, capital projects, and general administration. Property taxes and intergovernmental revenues finance most of these activities. Governmental activities exclude custodial funds, which are held in a fiduciary capacity and not available for County spending.
- **Discretely Presented Component Unit** - These statements of the County include the Washington County Community Development Agency (CDA). Although legally separate, it is a component unit because of the substantial role Washington County plays in providing the CDA the County's pledge of full faith-credit for some of their bond issuances. The complete financial statements of the CDA can be obtained by writing to the Washington County Community Development Agency, 7465 Currell Blvd, Woodbury, MN 55125.

The government-wide financial statements can be found on pages 29 through 32 of this report.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the County's most significant components – funds – not the County as a whole. Fund financial statements include a balance sheet and statement of revenues, expenditures, and changes in fund balance. These statements are prepared using the modified accrual basis of accounting, focusing more on the short-run perspective and current financial resources. Funds are accounting devices the County uses to keep track of specific sources of funding and spending on particular programs. Most funds are established by county policy, state law, or bond covenants. However, the County Board can also establish other funds to control and manage money for specific purposes or to show that it is properly using certain monies. The County has two kinds of funds:

1. **Governmental funds** — Many of the activities that are normally associated with County government are included in governmental funds, which focus on 1) how cash and other financial assets can readily be converted to cash flow in and out, and 2) the constraints on balances at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance county programs. This information does not include the additional long-term focus of the government-wide statements, so we provide additional information on the subsequent page that explains the relationship (or differences) between them. The following governmental funds are reported on the fund financial statements:
  - a. **General Fund** – The primary operating fund of the County. The General Fund includes all financial resources not accounted for or reported in another fund.

- b. Special Revenue Funds – Account for proceeds of specific revenue resources having a substantial portion of their revenues from a restricted or committed source. These funds account for specific purposes other than capital projects or debt service. The Regional Rail Authority and Metro Gold Line are reported as Special Revenue Funds.
  - c. Debt Service Fund – Accounts for annual payments of principal, interest, and fiscal charges of long-term debt obligations of the County.
  - d. Capital Projects Fund – Accounts and tracks infrastructure and other capital asset related activities of the County. These projects are part of the County’s five-year Capital Improvement Plan (CIP).
2. Fiduciary funds – These funds are reported when the County acts in a trustee capacity or as custodian of funds. All the County’s fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position. We exclude these activities from the County’s government-wide financial statements, because the County cannot use these assets to finance its operations.

The fund financial statements can be found on pages 33 and 35, and the reconciliation of fund balances to net position can be found on pages 34 and 36 of this report.

### Financial Analysis of the County as a Whole (Government-Wide)

#### Net Position

As discussed earlier, net position is a measure of “net worth” which may serve over time as an indicator of the County’s financial status. At the close of 2024, assets and deferred outflows exceeded liabilities and deferred inflows by \$772.6M, as outlined below:

Summary of Net Position				
	2024	2023	\$ Change	% Change
<b>Assets and Deferred Outflows of Resources *</b>				
Current and Other Assets	\$ 464,699,896	\$ 469,168,013	\$ (4,468,117)	(1.0)%
Capital Assets	696,557,323	637,404,208	59,153,115	9.3%
Total Assets	1,161,257,219	1,106,572,221	54,684,998	4.9%
Deferred Outflows of Resources	48,379,394	66,775,353	(18,395,959)	(27.5)%
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 1,209,636,613</b>	<b>\$ 1,173,347,574</b>	<b>\$ 36,289,039</b>	<b>3.1%</b>
<b>Liabilities and Deferred Inflows of Resources **</b>				
Long-Term Liabilities	\$ 286,669,328	\$ 287,647,791	\$ (978,463)	(0.3)%
Other Liabilities	49,750,243	71,414,690	(21,664,447)	(30.3)%
Total Liabilities	336,419,571	359,062,481	(22,642,910)	(6.3)%
Deferred Inflows of Resources	100,592,167	108,641,241	(8,049,074)	(7.4)%
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>437,011,738</b>	<b>467,703,722</b>	<b>(30,691,984)</b>	<b>(6.6)%</b>
<b>Net Position</b>				
Net Investment in Capital Assets	584,551,124	530,215,227	54,335,897	10.2%
Restricted	96,291,914	64,695,531	31,596,383	48.8%
Unrestricted	91,781,837	110,733,094	(18,951,257)	(17.1)%
<b>Total Net Position</b>	<b>772,624,875</b>	<b>705,643,852</b>	<b>66,981,023</b>	<b>9.5%</b>
<b>Total Liabilities, Deferred Inflows of Resources and and Net Position</b>	<b>\$ 1,209,636,613</b>	<b>\$ 1,173,347,574</b>	<b>\$ 36,289,039</b>	<b>3.1%</b>

\* 2023 figures for Current and Other Assets and Capital assets were updated from prior year MD&A to reclass Right-of-Use leased assets into the Capital Assets category.

\*\* 2023 figures for liabilities were updated from prior year MD&A to include the current portion of long-term debt under Long-Term Liabilities.

The largest portion of net position consists of the County's net investment in capital assets, totaling \$584.6M or 75.7 percent of the total net position. This represents the County's capital assets net of accumulated depreciation and amortization (\$696.6M) less the remaining balances of debt used to finance the acquisition of these assets (\$112.0M). Washington County utilizes these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of \$96.3M or 12.4 percent of the total net position is subject to external restrictions on how it may be used. This includes funds that are restricted according to grant requirements, debt service, capital projects, and other statutory requirements.

The remaining balance of net position totaling \$91.8M or 11.9 percent of total net position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

In comparison to the prior year:

- Assets increased by \$54.7M or 4.9 percent over the previous year. This increase was due to a variety of surplus and deficits, but some of the primary changes include:
  - Capital assets increased by \$59.2M over the previous year due to major projects being completed and ongoing at fiscal year end 2024. Some major projects include the completion of the North Environmental Center, completed and ongoing road projects, and ongoing construction costs for the West Central Service Center.
  - A reduction in cash and pooled investments due to the County utilizing American Rescue Plan Act (ARPA) related funding during the year of \$25.9M.
  - The County's Other Postemployment Benefits Investments increased in market value by \$18.6M.
- Liabilities decreased overall by \$22.6M or 6.3 percent. This decrease was mainly due to the following factors:
  - A reduction in the unearned revenues (accounted for under other liabilities) of \$25.9M from the County utilizing ARPA funding during the year.
  - A decrease in the allocated net pension liability from the annual actuarial report provided by the Public Employees Retirement System (PERA) of \$23.2M.
  - These decreases were then offset by an increase in general obligation bonds and unamortized premiums on bonds of \$16.8M over the previous year. This increase was due to the County issuing a general obligation bond during 2024 less principal payments on older bonds.
- The County's deferred outflows of resources decreased by 27.5 percent and deferred inflows of resources decreased by 7.4 percent. These changes were mainly due to Other Postemployment Benefits and PERA actuarial reports and the related inflows and outflows of resources.
- The net position increased by \$67.0M or 9.5 percent over the previous year. This increase was due to a variety of surpluses and deficits, but some of the primary changes include:
  - Capital asset additions exceeded the current year depreciation and amortization expenses, causing an increase in the net investment in capital assets over the previous year of \$54.3M (net of additional debt related financing).
  - The general obligation bond issued in 2024 had unspent proceeds of \$17.8M on December 31, 2024. These unspent funds increased the restricted net position by \$15.4M over the previous year.

## Changes in Net Position

For the year ended December 31, 2024, net position increased by \$67.0M over the prior year. A summary table displaying the change in net position is outlined below:

Summary of Changes in Net Position				
	2024	2023	\$ Change	% Change
<b>Program Revenues</b>				
Fees, Charges, Fines and Other	\$ 29,685,716	\$ 22,195,269	\$ 7,490,447	33.7%
Operating Grants	101,924,578	79,340,600	22,583,978	28.5%
Capital Grants	16,551,212	22,891,411	(6,340,199)	(27.7)%
<b>General Revenues *</b>				
Property Taxes	142,853,494	140,395,499	2,457,995	1.8%
Other Taxes	33,602,171	31,016,136	2,586,035	8.3%
Unrestricted Grants & Contributions	15,133,296	12,256,906	2,876,390	23.5%
Investment Earnings	39,056,684	35,495,376	3,561,308	10.0%
Other Revenues	5,713,051	4,192,354	1,520,697	36.3%
<b>Total Revenues</b>	<b>384,520,202</b>	<b>347,783,551</b>	<b>36,736,651</b>	<b>10.6%</b>
<b>Expenses</b>				
General Government	113,757,272	67,581,378	46,175,894	68.3%
Public Safety	56,805,476	57,112,693	(307,217)	(0.5)%
Highway and Streets	25,888,755	25,604,089	284,666	1.1%
Health and Human Services	106,177,970	76,595,307	29,582,663	38.6%
Culture and Recreation	11,687,740	11,957,382	(269,642)	(2.3)%
Conservation of Natural Resources	441,064	734,111	(293,047)	(39.9)%
Interest	2,780,902	5,580,447	(2,799,545)	(50.2)%
<b>Total Expenses</b>	<b>317,539,179</b>	<b>245,165,407</b>	<b>72,373,772</b>	<b>29.5%</b>
<b>Change in Net Position</b>	<b>66,981,023</b>	<b>102,618,144</b>	<b>(35,637,121)</b>	<b>(34.7)%</b>
<b>Net Position – Beginning of Year</b>	<b>705,643,852</b>	<b>603,025,708</b>	<b>102,618,144</b>	<b>17.0%</b>
<b>Net Position – End of Year</b>	<b>\$ 772,624,875</b>	<b>\$ 705,643,852</b>	<b>\$ 66,981,023</b>	<b>9.5%</b>

\* 2023 General Revenue details have been updated with additional revenue sources that were not presented in the previous year MD&A. This was done to help the County provide more detailed explanations for revenue changes.

Total revenues increased \$36.7M or 10.6 percent from the prior year. After taxes, the second largest revenue source the County receives are state and federal grants for various county programs including public safety, health and human services, and highways and streets. These intergovernmental grants can be restricted (to be used for a specific purpose or program) or unrestricted (used for any program or activity). These grants and contributions allow the County to continue providing exceptional services to County stakeholders. Operating, capital, and unrestricted grants and contributions provided revenues of \$133.6M for 2024, which was a \$19.1M or 16.7 percent increase from 2023, this increase is mainly due to the following reasons:

- An increase in the recognition of ARPA funding over the prior year that was previously unearned revenue of \$18.5M.
- A Land and Water Legacy grant being received from the Metropolitan Council for the purchase of land for \$3.6M.
- The County received an increase in County Program Aid of \$3.5M.
- Fiscal year 2023 intergovernmental revenue included a one-time Public Safety Aid funding payment from the State of Minnesota for \$3.3M with no similar funding in 2024.

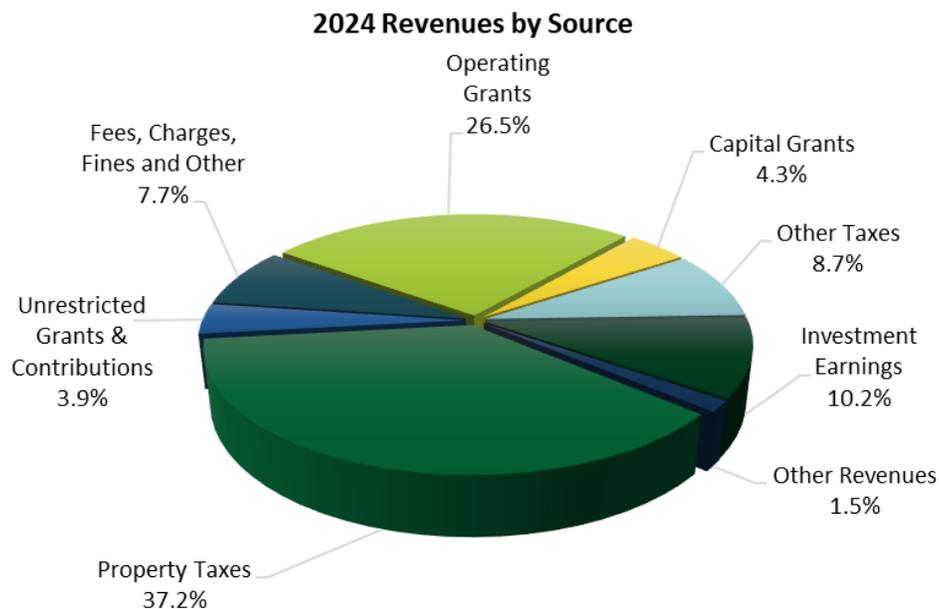
A detailed breakdown of the intergovernmental revenues received by the County during the year can be found on pages 129 and 130. Other revenue increases over the previous year include:

- Fees, Charges, Fines and Other revenue increased by \$7.5M or 33.7 percent. The primary reason for this change is the revenue received from the County Environmental Charge (CEC) which is being presented as charge for service revenue for fiscal year 2024. CEC revenue is derived from a 35 percent charge on garbage services and is to be used for various solid and hazardous waste programs and services. 2024 CEC revenue increased overall by \$3.0M and increased charge for service revenue by \$4.9M since it was previously presented under property taxes. Other major revenue changes include an increase in charges for election-related services and license center fees, which together increased revenue by \$1.3M over the previous year.
- Other taxes increased \$2.6M or 8.3 percent mainly due to increases in sales tax. Sales tax revenues are generated from the 0.5 percent local option sales tax and increased by \$1.6M.
- Investment earnings increased \$3.6M or 10.0 percent mainly due to favorable market conditions increasing interest earnings and reducing the unrealized mark-to-market loss on investments the County had to recognize in previous years.
- Other revenues increased by \$1.5M or 36.3 percent mainly due to an increase in opioid settlement fund distributions of \$1.7M.

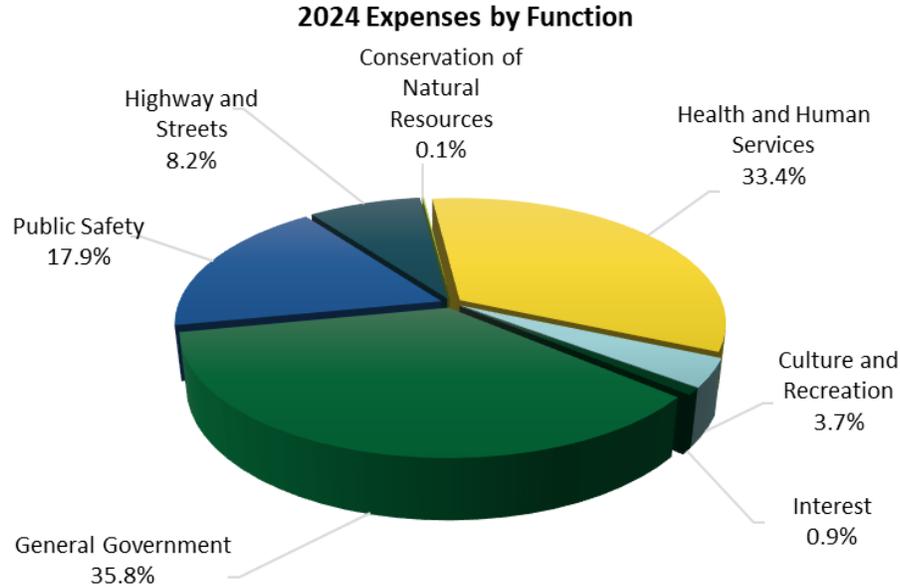
Total expenses increased by \$72.4M from 2023, an overall increase of 29.5 percent. The statement of activities includes all the costs from the fund financial statements plus additional non-cash adjustments for capital assets, debt obligations, pensions, compensated absences, and other postemployment benefits. In comparison to the prior year, many of the increases in expenses were derived from the general government and health and human services functions.

- The increase in general government is mainly due to the Metro Gold Line construction project taking place during 2024, which accounts for \$39.7M of the \$46.2M increase. Other expense increases include settlement payments approved in early 2025 but pertained to activities during and prior to 2024 of \$2.6M and personnel service increases over the previous year.
- The increase in health and human services is mainly due to additional ARPA grant spending of \$18.5M, increases in personnel services of \$5.7M, and payments to the Washington County CDA for state grant funding received for homelessness and housing aid in the amount of \$3.0M.

The following pie chart illustrates the County’s 2024 revenues sources:



The following pie chart illustrates the County’s 2024 expenses by function:



**Capital Assets**

The County's capital assets (net of accumulated depreciation and amortization) as of December 31, 2024, totaled \$696.6M, as outlined below:

**County Capital Assets  
(Net of Depreciation and Amortization)**

Description	2024	2023	\$ Change	% Change
Land and Works of Art	\$ 124,806,279	\$ 118,104,847	\$ 6,701,432	5.7%
Construction in Progress	43,175,059	32,952,329	10,222,730	31.0%
Infrastructure	335,906,881	322,757,900	13,148,981	4.1%
Buildings and Improvements	157,153,339	138,391,607	18,761,732	13.6%
Improvements Other than Buildings	13,639,952	8,530,284	5,109,668	59.9%
Machinery and Equipment	18,587,802	15,995,688	2,592,114	16.2%
Right-of-Use Leased Assets *	764,070	671,553	92,517	13.8%
Right-of-Use Software Subscriptions	2,523,941	-	2,523,941	100.0%
<b>Total Capital Assets, Net</b>	<b>\$ 696,557,323</b>	<b>\$ 637,404,208</b>	<b>\$ 59,153,115</b>	<b>9.3%</b>

\* 2023 figure updated to include Right-of-Use Leased Assets in capital asset totals.

In comparison to the prior year, the County’s net capital assets increased by \$59.2M or 9.3 percent. Major capital asset activity during the year included the following:

- Completed road and bridge projects for the current year totaled \$35.1M. This amount included current year infrastructure costs (\$27.7M) and the use of prior year construction in progress (\$7.4M).
- The County also completed the North Environmental Center with a total cost of \$17.3M. This amount included current year construction costs (\$11.8M) and the use of prior year construction in progress (\$5.5M).
- Ongoing construction of the West Central Service Center added \$10.2M in construction in progress during the year.
- Parks projects completed during the year totaled \$6.8M. This amount included current year costs (\$1.4M) and the use of prior year construction in progress (\$5.4M).

- The County recorded GASB 96 software subscription assets of \$6.4M during the year which includes various software programs and applications.
- A major renovation was completed for the historic Courthouse for a total of \$4.8M. This included a new dome roof replacement and various other exterior renovations.
- Land purchases completed for the Land and Water Legacy Program totaled \$4.6M.
- Current year depreciation and amortization expense during the year totaled \$41.8M.

Additional information on the County’s capital assets can be found under Note III section D of the notes to the financial statements.

### Debt Administration

At year-end, the County had \$112.7M in outstanding general obligation bonds compared to \$98.1M at the end of 2023, as outlined in the table below:

#### Outstanding Long-Term General Obligation Bonds

Description	2024	2023	\$ Change	% Change
General Obligation Bonds	\$ 112,695,000	\$ 98,060,000	\$ 14,635,000	14.9%

This \$14.6M increase (14.9 percent) is the result of the issuance of a new general obligation bond during the year less the scheduled payments on older bonded debt outstanding. More detailed information about the County’s long-term obligations can be found under Note III section G of the notes to the financial statements.

The County is legally limited on how much debt can be issued. Per the State of Minnesota, the legal debt limit of the County is 3.0 percent of the taxable market value. As of December 31, 2024, this legal debt limit was approximately \$1.57 billion. However, the County Board has established two additional conservative debt limit options whereas: 1) the debt service levy cannot exceed either 12.5 percent of annual budgeted general expenditures, and/or 2) 15.0 percent of the annual total budgeted levy. The table below outlines how the County is staying within both of these additional debt limits approved by the county board for fiscal year 2024.

Description	Amount
<i>Board Approved Option 1:</i>	
12.5% of General Expenditures (Based on 2024 Budget)	\$ 29,589,113
2024 Debt Service Levy	(16,851,900)
Available Debt Service Levy - Option 1	<u>\$ 12,737,213</u>
<i>Board Approved Option 2:</i>	
15% of the total gross levy (Based on 2024 Budget)	\$ 22,225,650
2024 Debt Service Levy	(16,851,900)
Available Debt Service Levy - Option 2	<u>\$ 5,373,750</u>

## Financial Analysis of the County at the Fund Level (Fund Financial Statements)

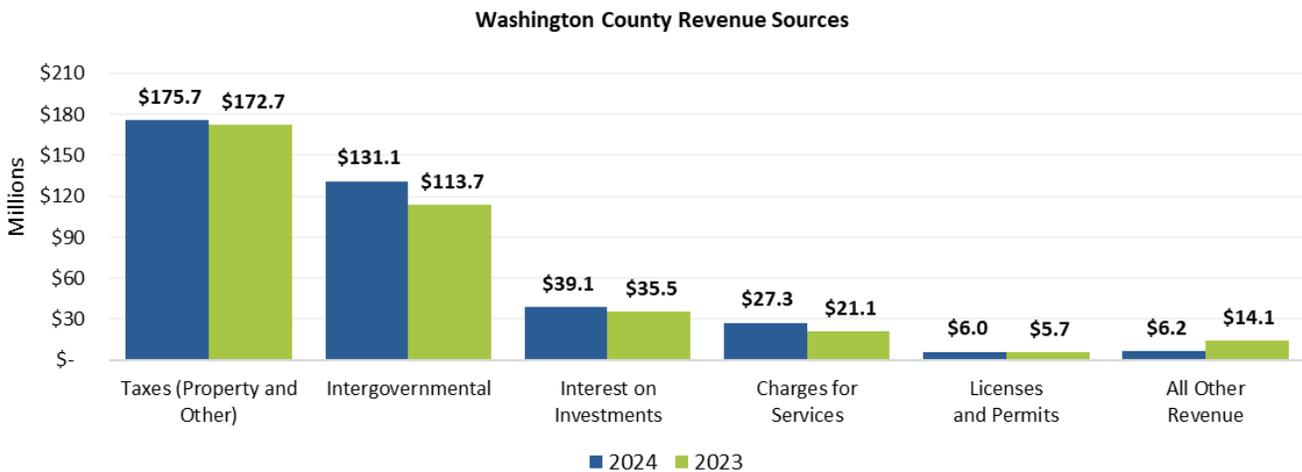
### Basis of Accounting

As mentioned earlier, it's important to note the different basis of accounting being presented in the remaining management discussion and analysis. Fund financial statements are prepared on the modified accrual basis of accounting and focus more on the short run prospective and current financial resources. Revenues are recorded when measurable and available (collected within the current reporting period or within 60 days of fiscal year end) while expenditures are recorded when incurred or matured.

### Revenue and Expenditure Analysis

#### County Revenues

The County's total revenues for all governmental funds for 2024 totaled \$385.4M, an increase of \$22.6M (6.2 percent) compared to 2023. A summary of the major revenue sources in comparison to the prior year are outlined below:



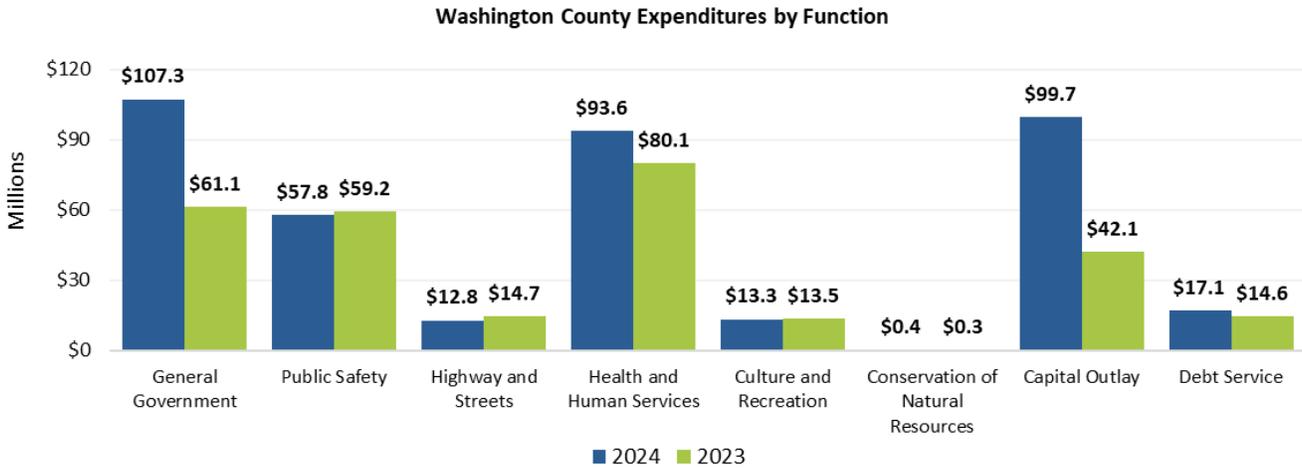
Major changes in comparison to the prior year include the following:

- Taxes (property and Other) increased by \$3.0M or 1.7 percent due to a property tax levy increase (a 3.95 percent levy increase was approved for fiscal year 2024) and additional sales tax collections of \$1.6M. These increases were then offset due to the County's CEC revenue being reclassified to charges for services revenue in 2024.
- Intergovernmental revenue increased \$17.4M or 15.3 percent mainly due to an increase in ARPA revenue recognition over the previous year of \$18.5M and additional County Program Aid of \$3.5M. These increases were then offset by one-time Public Safety Aid funding received from the State of Minnesota in 2023 for \$3.3M, with no similar funding received in 2024.
- Interest on investments increased by \$3.6M or 10.0 percent due to favorable market conditions yielding higher returns on investments. These favorable market conditions have helped reduce the unrealized mark-to-market loss on investments the County had to recognize in previous years.
- Charges for Services revenue increased \$6.2M or 29.3 percent mainly due to CEC revenues being classified as charges for services revenue in 2024, adding \$4.9M in revenue over the previous year. Other increases include election related service fees and license center fees which had a combined increase of \$1.3M over the previous year.
- Miscellaneous revenue reflects a decrease of \$8.1M or 60.2 percent due to the removal of internal charges for rent by \$9.0M. In previous years, this elimination entry was made only on the government-wide financial statements. However, this decrease was slightly offset due to an additional \$1.7M in opioid settlement funds being received from the ongoing national opioid settlement.

The two largest sources of revenue for the County continue to be in the areas of taxes (property and other) and intergovernmental revenues. In 2024, property and other taxes totaled 45.6 percent of the County’s revenues and intergovernmental revenues totaled 34.0 percent of revenue. In comparison to 2023, property and other taxes totaled 47.6 percent of the County’s revenues and intergovernmental revenues totaled 31.3 percent of revenue.

**County Expenditures**

The County’s total expenditures for all governmental funds for 2024 totaled \$401.9M, an increase of \$116.4M (40.8 percent) compared to 2023. A summary of the major expenditures by county function to the prior year are outlined below:



Major changes in comparison to the prior year include the following:

- The Metro Gold Line construction and development continued through 2024 for completion in early 2025. This was an increase in expenditures of \$39.7M over the previous year.
- An increase in ARPA-related expenditures of \$18.5M.
- Personnel service increases totaled \$11.9M over the previous year. This includes the cost-of-living adjustment, merit increases, fulfilling vacant positions, benefit related increases, and additional payroll related taxes.
- The County contracted with the CDA to help the County utilize relatively new funding from the State of Minnesota for homelessness and housing aid. Since the CDA’s primary focus is providing housing, redevelopment and economic development services to the County, these dollars were assumed to be best utilized by the CDA. During the year, the County paid \$3.0M of this state funding to the CDA.
- The 2024 expenditures include settlement payments which were approved in early 2025 but pertained to activities during and prior to 2024 of \$2.6M
- Capital outlay expenditures increased due to various projects being completed and ongoing during 2024:
  - Road and Bridge capital outlay increased by \$16.2M due to major projects including County Road 65 reconstruction and County State Aid Highway 12.
  - An increase in construction costs for the West Central Service Center totaled \$7.9M.
  - An increase in construction costs for the North Environmental Service Center totaled \$6.4M.
  - The purchase of property for Land and Water Legacy projects totaled \$4.1M.
  - The County recorded additional capital outlay for the lease and subscription issuances for GASB 87 and 96 of \$3.1M.
  - An increase in construction costs for the Law Enforcement Center interior modifications project totaled \$2.6M.

**Financial Analysis of the County's Funds**

For the year ended 2024, the County's governmental fund balance totaled \$385.3M, an overall increase of \$15.9M from the prior year. This increase was mainly recognized within the General Fund (\$29.0M increase), the Capital Projects Fund (\$8.5M increase), and being offset by the Metro Gold Line Special Revenue Fund (\$23.6M decrease). A summary table of the statement of revenues, expenditures, and changes in fund balance is outlined below:

Washington County Governmental Fund Analysis

	General Fund	Regional Rail Authority	Metro Gold Line	Debt Service	Capital Projects	Total
<b>Beginning Fund Balance</b>	\$ 241,698,561	\$ 2,727,581	\$ 27,538,776	\$ 16,097,243	\$ 81,378,149	\$ 369,440,310
<u>2024 Activity</u>						
Total Revenues	297,455,856	764,413	17,490,675	16,851,900	52,847,571	385,410,415
Less: Total Expenditures	(264,102,386)	(1,175,041)	(41,044,870)	(14,492,616)	(81,127,618)	(401,942,531)
Other Financing Sources (Uses)	(4,390,676)	-	-	-	36,827,559	32,436,883
Change in Fund Balance	<u>28,962,794</u>	<u>(410,628)</u>	<u>(23,554,195)</u>	<u>2,359,284</u>	<u>8,547,512</u>	<u>15,904,767</u>
<b>Ending Fund Balance</b>	<u>\$ 270,661,355</u>	<u>\$ 2,316,953</u>	<u>\$ 3,984,581</u>	<u>\$ 18,456,527</u>	<u>\$ 89,925,661</u>	<u>\$ 385,345,077</u>

The General Fund had a total fund balance of \$270.7M at the end of the current fiscal year. The fund balance increased by \$29.0M primarily due to an increase in interest on investments and mark-to-market gains on County investments. This is an annual adjustment made for the audited financial statements to book County investments at fair market value.

The Regional Rail Authority Special Revenue Fund had a total fund balance of \$2.3M at the end of the current fiscal year. The fund balance decreased by \$0.4M due to costs associated with the Red Rock Corridor project.

The Metro Gold Line Special Revenue Fund had a total fund balance of \$4.0M at the end of the current fiscal year. The fund balance decreased by \$23.6M as the project has progressed during 2024 to near completion.

The Debt Service fund had a total fund balance of \$18.5M at the end of the current fiscal year. The fund balance increased by \$2.4M to provide funding for the scheduled bond payments due in February 2025.

The Capital Projects fund had a total fund balance of \$89.9M at the end of the current fiscal year. The fund balance increased by \$8.5M mainly due to the issue of bonds (with premium) and an interfund transfer from the General Fund.

**General Fund Budgetary Highlights**

Throughout the year, the County Board amends the adopted budget due to the timing of projects changing, variations in intergovernmental revenues, budget carryforwards, or other supplemental or unforeseen events. For 2024, the total effect on expenditures was an increase of \$19.2M from the adopted budget of \$241.0M to the final budgeted expenditures of \$260.2M. See the table below for budgeted expenditures by county function:

**2024 Adopted and Final Budget Expenditures - General Fund**

County Function	Budget		Actual	Actual vs. Final
	Original	Final		
General Government	\$ 68,515,100	\$ 77,021,981	\$ 65,111,799	\$ (11,910,182)
Public Safety	59,060,000	60,107,820	57,763,572	(2,344,248)
Highways and Streets	14,608,900	14,785,700	12,775,493	(2,010,207)
Health and Human Services	78,819,300	87,279,217	93,645,710	6,366,493
Culture and Recreation	14,286,100	14,305,900	13,187,420	(1,118,480)
Conservation of Natural Resources	353,800	353,800	353,641	(159)
Capital Outlay	5,151,100	6,109,218	20,093,681	13,984,463
Debt Service	200,000	200,000	1,171,070	971,070
<b>Total</b>	<b>\$ 240,994,300</b>	<b>\$ 260,163,636</b>	<b>\$ 264,102,386</b>	<b>\$ 3,938,750</b>

Many factors can influence the variances in actual expenditures versus the final budgeted figures. In 2024, actual expenditures were \$3.9M more than anticipated. Some of the largest variations include:

- Unbudgeted ARPA spending (representing many of the over budgeted purchases in the health and human services function and capital outlay).
- Debt service was over budgeted on expenditures due to the payments for leases and subscriptions being budgeted out of the County’s functional expenditures, but the costs being reclassified to principal and interest payments for financial statement reporting.
- The general government under budgeted expenditures of \$11.9M is mainly due to the Mission Directed Budget (MDB), which had an under budgeted variance of \$10.7M. The budgeted amount includes the historical accumulated carryforward of budget savings under this approved savings plan and actual spending during the year.
- Many of the other variations in under budgeted expenditures are due to the elimination of internal charges on the fund financial statements for financial statement reporting. The actual expenditures for these items such as internal rent, medical reimbursements, and internal fees for County collections are eliminated, but the budgeted funding still remains.

**Economic Factors and Next Year’s Budgets and Rates**

The County’s budget balances its fiscal responsibility with the need to ensure quality county services. Each year the County Board adopts principles and guidelines used to develop its budget that focus on core services and programs, tangible outcomes, and excellence in customer service while maintaining a stable property tax levy.

For 2025, the County’s budget includes \$139.3M in net tax levy, which is an increase of 5.9 percent from the 2024 level, and an operating budget of \$361.6M, a decrease of 2.7 percent from 2024. This decrease is the net effect of increases in personnel services, materials and supplies, and debt service offset by a decrease in budgeted construction costs for the Metro Gold Line Project. Increases in personnel services include wage adjustments, benefit related increases, additional payroll taxes, and additional FTE requests being approved. Materials and supplies are increasing due to rising costs from inflation, which is increasing the cost of the supplies needed to perform our work. Debt service payments are increasing mainly due to the additional bond the county issued in 2024, and the related debt service payments associated with it. The Metro Gold Line Project is expected to be completed in 2025, so our cost for the project will diminish as the project nears completion.

Within the 2025 adopted budget we have included funds for 1,448.27 full-time employees, which is a net increase of 21.5 FTEs from the adopted 2024 budget. This change includes 12.5 FTEs that were added into the amended 2024 budget and 9.0 FTE's being added into the adopted budget for 2025. These additional 9.0 FTEs include 5.0 FTEs for the community services department. These additional staff will help support our social workers and clients struggling with mental health, with the primary focus being on mental health stabilization. The remaining 4.0 FTEs will provide staffing support to help increase organizational efficiency. These four additional staff are being added under various county functions including public safety, public works, regional rail, and internal services.

***Contacting the County's Financial Management***

This financial report was designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional information, contact the Washington County Accounting and Finance Department, 15015 62nd Street North Stillwater, MN 55082; (651) 430-6033 or by accessing our website at [www.washingtoncountymn.gov](http://www.washingtoncountymn.gov).

The complete financial statements of the discretely presented component unit can be obtained by writing to the Washington County Community Development Agency, 7645 Currell Boulevard, Woodbury, MN 55125, or on their website at [www.wccda.com](http://www.wccda.com).

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# Basic Financial Statements



- Government-wide Financial Statements:
  - Statement of Net Position
  - Statement of Activities
- Fund Financial Statements:
  - Balance Sheet - Governmental Funds
  - Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position - Governmental Activities
  - Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
  - Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities - Governmental Activities
  - Statement of Fiduciary Net Position
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- Notes to the Financial Statements

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Washington County, Minnesota

Statement of Net Position  
December 31, 2024

	Primary Government	
	Governmental Activities	Discretely Presented Component Unit
<b>Assets</b>		
Cash and Pooled Investments	\$ 283,851,472	\$ 39,242,069
Petty Cash and Change Funds	25,700	-
Other Postemployment Benefits Investments	120,143,962	-
Deposits Receivable	-	330,000
Property Taxes Receivable	1,222,784	89,546
Sales Tax Receivable	4,535,746	-
Special Assessments Receivable		
Current	286,001	-
Noncurrent	1,296,773	-
Accounts Receivable - Net	4,517,244	150,068
Lease Receivable		
Current	116,480	45,417
Noncurrent	652,041	805,833
Notes or Mortgages Receivable		
Current	366,227	-
Noncurrent	6,799,258	16,632,127
Accrued Interest Receivable	1,436,429	848,252
Due from Other Governments	35,040,437	472,169
Due from Component Unit - (County)		
Current	79,459	-
Noncurrent	987,187	-
Due from Component Unit - (WCCDA)		
Current	-	223,445
Noncurrent	-	11,849,190
Supplies	2,962,959	-
Prepaid Items	379,737	795,932
Restricted Cash and Pooled Investments	-	15,507,012
Investment in Limited Partnerships	-	1,857,385
Other Assets	-	369,740
Capital Assets, Not Being Depreciated		
Land and Works of Art	124,806,279	7,967,740
Construction in Progress	43,175,059	519,857
Capital Assets, Net of Depreciation or Amortization		
Infrastructure	335,906,881	-
Building and Improvements	157,153,339	65,501,428
Improvements Other than Buildings	13,639,952	-
Machinery and Equipment	18,587,802	168,130
Right-of-Use Leased Assets	764,070	-
Right-of-Use Software Subscriptions	2,523,941	-
<b>Total Assets</b>	<b>1,161,257,219</b>	<b>163,375,340</b>

Continued on next page

The Notes to the Financial Statements are an integral part of this statement.

Washington County, Minnesota

Statement of Net Position (Continued)  
December 31, 2024

	<u>Primary Government</u>	
	<u>Governmental</u>	<u>Discretely Presented</u>
	<u>Activities</u>	<u>Component Unit</u>
<b>Deferred Outflows of Resources</b>		
Other Postemployment Benefits Related	\$ 16,845,217	\$ -
Pension Related	30,785,142	-
Unamortized Loss on Refunding	749,035	297,465
<b>Total Deferred Outflows of Resources</b>	<b>48,379,394</b>	<b>297,465</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>1,209,636,613</b>	<b>163,672,805</b>
<b>Liabilities</b>		
Accounts Payable	5,709,693	1,467,876
Contracts Payable	11,964,087	61,760
Accrued Salaries & Payroll Taxes	9,657,346	97,931
Accrued Interest Payable	1,912,997	1,269,437
Due to Other Governments	5,582,963	718,139
Unearned Revenue	14,038,460	855,329
Customer Deposits	452,990	512,939
Gravel Pit Restoration	431,707	-
Noncurrent Liabilities		
<i>Due within one year:</i>		
General Obligation Bonds Payable	13,345,000	-
Revenue Bonds Payable	-	5,262,320
Notes and Mortgages Payable	-	517,534
AgBMP Loans Payable	210,325	-
Lease Liability	229,037	-
Software Subscription Liability	905,455	-
Due to Primary Government (County)	-	79,459
Due to Primary Government (WCCDA)	-	223,445
Compensated Absences Payable	13,878,628	25,684
Other Postemployment Benefits Payable	4,259,851	-
<i>Due in more than one year:</i>		
General Obligation Bonds Payable	105,536,924	-
Revenue Bonds Payable	-	17,511,779
Notes and Mortgages Payable	-	16,996,019
AgBMP Loans Payable	826,890	-
Lease Liability	575,562	-
Software Subscription Liability	1,258,553	-
Due to Primary Government (County)	-	987,189
Due to Primary Government (WCCDA)	-	11,729,044
Compensated Absences Payable	47,059	231,158
Other Postemployment Benefits Payable	92,293,293	-
Net Pension Liability	53,302,751	-
<b>Total Liabilities</b>	<b>336,419,571</b>	<b>58,547,042</b>

Continued on next page

The Notes to the Financial Statements are an integral part of this statement.

Washington County, Minnesota

Statement of Net Position (Continued)  
December 31, 2024

	<u>Primary Government</u>	
	<u>Governmental</u>	<u>Discretely Presented</u>
	<u>Activities</u>	<u>Component Unit</u>
<b>Deferred Inflows of Resources</b>		
Other Postemployment Benefits Related	\$ 45,523,411	\$ -
Pension Related	54,110,079	-
Unamortized Gain on Refunding	219,248	-
Lease Receivable	739,429	851,250
<b>Total Deferred Inflows of Resources</b>	<b>100,592,167</b>	<b>851,250</b>
<b>Net Position (See Note J - Section 1)</b>		
Net Investment in Capital Assets	584,551,124	30,516,847
Restricted for:		
General Government	3,313,522	-
Public Safety	4,286,350	-
Culture and Recreation	5,863,813	-
Health and Human Services	15,764,424	-
Capital Projects	46,525,641	-
Debt Service	16,553,583	13,602,340
Transit Projects	3,984,581	-
Grant Funded Housing Purposes	-	14,253,426
Unrestricted	91,781,837	45,901,900
<b>Total Net Position</b>	<b>772,624,875</b>	<b>104,274,513</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 1,209,636,613</b>	<b>\$ 163,672,805</b>

The Notes to the Financial Statements are an integral part of this statement.

Washington County, Minnesota

Statement of Activities  
Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Fees, Fines, Charges, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Total Primary Government	Discretely Presented Component Unit
<b>Primary Government</b>						
Governmental Activities:						
General Government	\$ 113,757,272	\$ 9,668,097	\$ 4,515,375	\$ 539,393	\$ (99,034,407)	\$ -
Public Safety	56,805,476	9,041,809	9,237,896	-	(38,525,771)	-
Highways and Streets	25,888,755	329,413	17,437,640	12,180,404	4,058,702	-
Health and Human Services	106,177,970	9,556,085	70,266,136	-	(26,355,749)	-
Culture and Recreation	11,687,740	1,090,312	407,979	712,973	(9,476,476)	-
Conservation of Natural Resources	441,064	-	59,552	3,118,442	2,736,930	-
Interest	2,780,902	-	-	-	(2,780,902)	-
<b>Total Primary Government</b>	<b>\$ 317,539,179</b>	<b>\$ 29,685,716</b>	<b>\$ 101,924,578</b>	<b>\$ 16,551,212</b>	<b>(169,377,673)</b>	<b>-</b>
<b>Component Unit:</b>						
Community Development Agency	\$ 28,445,105	\$ 14,761,127	\$ 20,718,757	\$ 454,669	-	7,489,448
<b>General Revenues:</b>						
Property Taxes					142,853,494	6,147,579
Tax Increments					-	276,483
Mortgage Registry and Deed Tax					485,094	-
Wheelage Tax					4,854,346	-
Sales Tax					27,459,132	-
Payments in Lieu of Tax					803,599	-
Grants and Contributions not Restricted for a Particular Purpose					15,133,296	-
Investment Earnings					39,056,684	2,685,324
Miscellaneous					5,685,453	-
Gain on Disposal of Capital Assets					27,598	3,521
<b>Total General Revenues</b>					<b>236,358,696</b>	<b>9,112,907</b>
<b>Change in Net Position</b>					<b>66,981,023</b>	<b>16,602,355</b>
<b>Net Position - Beginning of Year</b>					<b>705,643,852</b>	<b>87,672,158</b>
<b>Net Position - End of Year</b>					<b>\$ 772,624,875</b>	<b>\$ 104,274,513</b>

The Notes to the Financial Statements are an integral part of this statement.

Washington County, Minnesota

Balance Sheet  
Governmental Funds  
December 31, 2024

	Major Funds					Total Governmental Funds
	General	Regional Rail Authority	Metro Gold Line	Debt Service	Capital Projects	
<b>Assets</b>						
Cash and Pooled Investments	\$ 166,888,488	\$ 2,298,039	\$ 651,104	\$ 18,456,527	\$ 95,557,314	\$ 283,851,472
Petty Cash and Change Funds	25,700	-	-	-	-	25,700
Other Postemployment Benefits Investments	120,143,962	-	-	-	-	120,143,962
Property Taxes Receivable	1,216,574	6,210	-	-	-	1,222,784
Sales Tax Receivable	-	-	2,267,873	-	2,267,873	4,535,746
Special Assessments Receivable						
Current	286,001	-	-	-	-	286,001
Noncurrent	1,286,720	-	-	10,053	-	1,296,773
Accounts Receivable	4,517,244	-	-	-	-	4,517,244
Lease Receivable						
Current	116,480	-	-	-	-	116,480
Noncurrent	652,041	-	-	-	-	652,041
Notes Receivable						
Current	366,227	-	-	-	-	366,227
Noncurrent	6,799,258	-	-	-	-	6,799,258
Accrued Interest Receivable	1,436,429	-	-	-	-	1,436,429
Due from Other Governments	7,124,660	48,240	1,934,106	-	25,933,431	35,040,437
Due from Component Unit						
Current	79,459	-	-	-	-	79,459
Noncurrent	987,187	-	-	-	-	987,187
Supplies	2,962,959	-	-	-	-	2,962,959
Prepaid Items	323,288	-	-	-	56,449	379,737
<b>Total Assets</b>	<b>\$ 315,212,677</b>	<b>\$ 2,352,489</b>	<b>\$ 4,853,083</b>	<b>\$ 18,466,580</b>	<b>\$ 123,815,067</b>	<b>\$ 464,699,896</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 5,191,000	\$ 6,521	\$ -	\$ -	\$ 512,172	\$ 5,709,693
Contracts Payable	3,522,366	2,055	-	-	8,439,666	11,964,087
Accrued Salaries & Payroll Taxes	9,625,724	22,160	9,462	-	-	9,657,346
Due to Other Governments	5,582,963	-	-	-	-	5,582,963
Unearned Revenue	13,179,420	-	859,040	-	-	14,038,460
Customer Deposits	452,990	-	-	-	-	452,990
Gravel Pit Restoration	431,707	-	-	-	-	431,707
<b>Total Liabilities</b>	<b>37,986,170</b>	<b>30,736</b>	<b>868,502</b>	<b>-</b>	<b>8,951,838</b>	<b>47,837,246</b>
<b>Deferred Inflows of Resources</b>						
Unavailable Revenue	5,825,723	4,800	-	10,053	24,937,568	30,778,144
Lease Receivable	739,429	-	-	-	-	739,429
<b>Total Deferred Inflows of Resources</b>	<b>6,565,152</b>	<b>4,800</b>	<b>-</b>	<b>10,053</b>	<b>24,937,568</b>	<b>31,517,573</b>
<b>Fund Balances (See Note J - Section 2)</b>						
Nonspendable	11,518,378	-	-	-	56,449	11,574,827
Restricted	26,554,088	-	3,984,581	18,456,527	22,096,025	71,091,221
Committed	131,345,006	-	-	-	-	131,345,006
Assigned	15,507,628	2,316,953	-	-	67,773,187	85,597,768
Unassigned	85,736,255	-	-	-	-	85,736,255
<b>Total Fund Balances</b>	<b>270,661,355</b>	<b>2,316,953</b>	<b>3,984,581</b>	<b>18,456,527</b>	<b>89,925,661</b>	<b>385,345,077</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 315,212,677</b>	<b>\$ 2,352,489</b>	<b>\$ 4,853,083</b>	<b>\$ 18,466,580</b>	<b>\$ 123,815,067</b>	<b>\$ 464,699,896</b>

The Notes to the Financial Statements are an integral part of this statement.

**Washington County, Minnesota**

**Reconciliation of Governmental Funds Balance Sheet to  
The Government-Wide Statement of Net Position - Governmental Activities  
December 31, 2024**

<b>Fund Balances - Total Governmental Funds</b>		\$ 385,345,077
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Balances at year end include:		
Non-Depreciable Capital Assets	\$ 167,981,338	
Capital Assets, being Depreciated	997,439,891	
Capital Assets, being Amortized	7,666,353	
Less - Accumulated Depreciation and Amortization	<u>(476,530,259)</u>	696,557,323
Governmental fund financial statements recognize revenue that is measurable and available (collected within the current reporting period or within 60 days of fiscal year end). Revenues received outside this 60-day collection window are classified as deferred inflows of resources and offset with a receivable. These deferred inflows (mainly consisting of delinquent taxes, special assessments and grants) are recognized as revenue on the government-wide financial statements since these statements recognize revenue when earned regardless of the timing of related cash flows.		
		30,778,144
The net pension liability and related inflows and outflows of resources are recorded only on the statement of net position. Balances at year-end include:		
Net Pension Liability	(53,302,751)	
Deferred Outflows of Resources Related to Pensions	30,785,142	
Deferred Inflows of Resources Related to Pensions	<u>(54,110,079)</u>	(76,627,688)
The Other Postemployment Benefit (OPEB) liability and related inflows and outflows of resources are recorded only on the statement of net position. Balances at year-end include:		
Other Postemployment Benefit Liability	(96,553,144)	
Deferred Outflows of Resources Related to OPEB	16,845,217	
Deferred Inflows of Resources Related to OPEB	<u>(45,523,411)</u>	(125,231,338)
Other Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds. Balances at year-end include:		
General Obligation Bonds Payable	(112,695,000)	
Unamortized Bond Premium	(6,186,924)	
AgBMP Loans Payable	(1,037,215)	
Lease Liability	(804,599)	
Software Subscription Liability	(2,164,008)	
Compensated Absences Payable	(13,925,687)	
Accrued Interest Payable	<u>(1,912,997)</u>	(138,726,430)
The unamortized gain/loss related to the refunding of bonds are not financial resources and, therefore, are not reported in the governmental funds. Balances at year end include:		
Deferred Outflows of Resources Related to Unamortized Loss on Refunding	749,035	
Deferred Inflows of Resources Related to Unamortized Gain on Refunding	<u>(219,248)</u>	<u>529,787</u>
<b>Net Position of Governmental Activities</b>		<u><u>\$ 772,624,875</u></u>

The Notes to the Financial Statements are an integral part of this statement.

# Washington County, Minnesota

## Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds Year Ended December 31, 2024

	General	Regional Rail Authority	Metro Gold Line	Debt Service	Capital Projects	Total Governmental Funds
<b>Revenues</b>						
Property Taxes	\$ 118,959,605	\$ 657,764	\$ -	\$ 16,851,900	\$ 6,422,000	\$ 142,891,269
Other Taxes	1,485,094	103,600	13,625,966	-	17,583,912	32,798,572
Special Assessments	377,627	-	-	-	-	377,627
Intergovernmental	103,099,832	3,049	3,864,709	-	24,169,823	131,137,413
Charges for Services	23,386,734	-	-	-	3,950,400	27,337,134
Licenses and Permits	6,010,141	-	-	-	-	6,010,141
Fines and Forfeits	335,211	-	-	-	-	335,211
Gifts and Contributions	115,177	-	-	-	6,983	122,160
Interest on Investments	38,476,356	-	-	-	580,328	39,056,684
Miscellaneous	5,210,079	-	-	-	134,125	5,344,204
<b>Total Revenues</b>	<b>297,455,856</b>	<b>764,413</b>	<b>17,490,675</b>	<b>16,851,900</b>	<b>52,847,571</b>	<b>385,410,415</b>
<b>Expenditures</b>						
Current						
General Government	65,111,799	644,103	41,044,870	-	498,821	107,299,593
Public Safety	57,763,572	-	-	-	-	57,763,572
Highways and Streets	12,775,493	-	-	-	15,448	12,790,941
Health and Human Services	93,645,710	-	-	-	-	93,645,710
Culture and Recreation	13,187,420	-	-	-	66,942	13,254,362
Conservation of Natural Resources	353,641	-	-	-	-	353,641
Capital Outlay						
General Government	2,995,662	530,938	-	-	31,996,281	35,522,881
Public Safety	2,084,780	-	-	-	-	2,084,780
Highways and Streets	2,377,543	-	-	-	37,822,859	40,200,402
Health and Human Services	12,329,541	-	-	-	-	12,329,541
Culture and Recreation	306,155	-	-	-	4,627,436	4,933,591
Conservation of Natural Resources	-	-	-	-	4,637,142	4,637,142
Debt Service						
Principal	1,134,749	-	-	11,280,000	1,313,221	13,727,970
Interest	36,321	-	-	3,209,668	31,803	3,277,792
Bond Issue Costs	-	-	-	-	117,665	117,665
Administrative (Fiscal) Charges	-	-	-	2,948	-	2,948
<b>Total Expenditures</b>	<b>264,102,386</b>	<b>1,175,041</b>	<b>41,044,870</b>	<b>14,492,616</b>	<b>81,127,618</b>	<b>401,942,531</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>33,353,470</b>	<b>(410,628)</b>	<b>(23,554,195)</b>	<b>2,359,284</b>	<b>(28,280,047)</b>	<b>(16,532,116)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	-	-	-	-	6,722,267	6,722,267
Transfers Out	(6,722,267)	-	-	-	-	(6,722,267)
Issuance of Lease/Subscription Liability	2,096,607	-	-	-	984,863	3,081,470
Issuance of Loans	234,984	-	-	-	-	234,984
Issuance of Bonds	-	-	-	-	25,915,000	25,915,000
Premium on Bonds Issued	-	-	-	-	3,205,429	3,205,429
<b>Total Other Financing Sources (Uses)</b>	<b>(4,390,676)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,827,559</b>	<b>32,436,883</b>
<b>Net Change in Fund Balance</b>	<b>28,962,794</b>	<b>(410,628)</b>	<b>(23,554,195)</b>	<b>2,359,284</b>	<b>8,547,512</b>	<b>15,904,767</b>
<b>Fund Balance - Beginning of Year</b>	<b>241,698,561</b>	<b>2,727,581</b>	<b>27,538,776</b>	<b>16,097,243</b>	<b>81,378,149</b>	<b>369,440,310</b>
<b>Fund Balance - End of Year</b>	<b>\$ 270,661,355</b>	<b>\$ 2,316,953</b>	<b>\$ 3,984,581</b>	<b>\$ 18,456,527</b>	<b>\$ 89,925,661</b>	<b>\$ 385,345,077</b>

The Notes to the Financial Statements are an integral part of this statement.

**Washington County, Minnesota**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities  
Year Ended December 31, 2024**

**Net Change in Fund Balances - Total Governmental Funds** \$ 15,904,767

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

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/amortization expense. Expenditures for General Capital Assets, Infrastructure, and Other Related Assets include:

Expenditures for Capital Assets	\$ 100,043,002	
Net Book Value of Capital Assets Disposed	(407,401)	
Current Year Depreciation/Amortization	<u>(41,809,598)</u>	57,826,003

Delinquent taxes, special assessments, and grants receivable are reported as unavailable revenue in the fund financial statements (when received outside 60 days of fiscal year end) but are recognized as revenue when earned on the government-wide financial statements. Due to this difference in revenue recognition there is an overall increase/(decrease) in revenue on the government wide statements based on the change in unavailable revenues from year to year.

Unavailable Revenue - Beginning of Year	(29,256,740)	
Unavailable Revenue - End of Year	<u>30,778,144</u>	1,521,404

Other Postemployment Benefit (OPEB) and Pension expenditures on the governmental funds are measured by current year employer contributions. In the statement of activities, these expenditures are measured by the change in liability obligations, and the related deferred inflows and outflows of resources.

Change in Net Pension Liability and Related Deferred Inflows and Outflows of Resources	4,769,075	
Change OPEB Liability and Related Deferred Inflows and Outflows of Resources	<u>7,819,995</u>	12,589,070

The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Bonds Issued	(25,915,000)	
Premium on Bonds Issued	(3,205,429)	
Lease/Subscription Liability Issued	(3,081,470)	
Loans Issued	<u>(234,984)</u>	(32,436,883)

The repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Principal repayments include:

General Obligation Bonds Payable	11,280,000	
AgBMP Loans Payable	295,676	
Lease Liability	220,491	
Software Subscription Liability	<u>1,931,803</u>	13,727,970

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Amortization of Premiums and Discounts	994,684	
Change in Compensated Absences	(2,651,146)	
Change in Accrued Interest Payable	(464,933)	
Change in Unamortized Loss on Bond Refunding	(105,746)	
Change in Unamortized Gain on Bond Refunding	<u>75,833</u>	<u>(2,151,308)</u>

**Change in Net Position of Governmental Activities** \$ 66,981,023

The Notes to the Financial Statements are an integral part of this statement.

Washington County, Minnesota

**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**December 31, 2024**

	<b>Custodial Funds</b>
<b>Assets</b>	
Cash and Pooled Investments	\$ 4,258,404
Accounts Receivable	475,151
Due from Other Governments	160,042
Taxes Receivable	4,060,943
Special Assessments Receivable	3,186,955
<b>Total Assets</b>	<b>\$ 12,141,495</b>
<b>Liabilities</b>	
Accounts Payable	\$ 58,378
Contracts Payable	196,428
Due to Other Governments	1,322,684
<b>Total Liabilities</b>	<b>1,577,490</b>
<b>Deferred Inflows of Resources</b>	
Taxes Collected in Advance of Levy	1,096,691
<b>Net Position</b>	
Restricted for:	
Individuals, Organizations, and Other Governments	9,467,314
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 12,141,495</b>

The Notes to the Financial Statements are an integral part of this statement.

Washington County, Minnesota

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**Year Ended December 31, 2024**

	<b>Custodial Funds</b>
<b>Additions</b>	
Contributions - Individuals	\$ 2,488,079
Property Tax Collections for Other Governments	541,764,682
Special Assessments	1,561,461
License and Fees Collected for State	49,214,210
Intergovernmental Revenue	76,809,080
Fees for Services	195,000
Fines & Forfeitures	39,115
Interest Earnings	74,305
Miscellaneous	4,209
<b>Total Additions</b>	<b>672,150,141</b>
<b>Deductions</b>	
Beneficiary Payments to individuals	758,272
Administrative Expense	1,182,157
Payments to State	51,020,975
Operating Expense	77,484,784
Property Tax Payments to Other Governments	537,577,132
<b>Total Deductions</b>	<b>668,023,320</b>
<b>Net Increase (Decrease) In Fiduciary Net Position</b>	4,126,821
<b>Fiduciary Net Position - Beginning of Year</b>	5,340,493
<b>Fiduciary Net Position - End of Year</b>	<b>\$ 9,467,314</b>

The Notes to the Financial Statements are an integral part of this statement.

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**Note I - Summary of Significant Accounting Policies**

The accompanying financial statements present the activities of Washington County (the County) and its component units, legally separate organizations for which the County is financially accountable. The blended component unit is intertwined with the County so that it is, in substance, part of the County and, therefore, blended and reported as part of the County operations. The financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America as applied to governmental units by the Governmental Accounting Standards Board (GASB).

**A. Reporting Entity**

Washington County was founded on October 27, 1849, and is an organized County having the powers, duties and privileges granted counties by Minnesota State Statute Chapter 373. The County is governed by a five-member board of commissioners 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. The County Administrator, appointed by the Board, serves as the clerk of the board of commissioners but has no vote.

**Blended Component Unit**

The Regional Railroad Authority (known as Regional Rail Authority) is reflected as a blended component unit of the County because the component unit's governing body is substantively the same as the governing body of the County and management of the County has operational responsibility for the Regional Rail Authority. A five-member board consisting of the County commissioners with the power to levy taxes, issue bonds, and enter into contracts governs the Regional Rail Authority. The Regional Rail Authority was established for the preservation and improvement of local rail service. The Authority may purchase abandoned railroad lines within the county to preserve them for plans that may include light rail transportation or to improve the County's trail system. Separate financial statements are not available.

**Discretely Presented Component Unit**

The Washington County Community Development Agency (CDA) is included in the County's reporting entity because: 1) the Board appoints a voting majority of the component unit's governing body, and 2) the potential for the organization to impose specific financial burdens on the County. It is reported in a separate column in the County's governmental-wide financial statements to emphasize that the CDA is legally separate from Washington County. The CDA operates as a local government unit for the purpose of providing housing and redevelopment services to Washington County. The financial statements included are as of and for the year ended December 31, 2024. The complete CDA financial statements can be obtained by writing to the Washington County Community Development Agency, 7645 Currell Boulevard, Woodbury, MN 55125.

**B. Basic Financial Statements**

**Government-Wide Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the primary government and its component unit. These statements include the financial activities of the overall County government, except for fiduciary activities. Eliminations have been made in the statement of activities to minimize the double-counting of internal activities between governmental funds such as rent, computer replacement allocations, and transfers. Inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities generally are financed through taxes and intergovernmental revenues.

In the government-wide statement of net position, the governmental activities column 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; 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 a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) 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 taxes and investment earnings, are presented as general revenues.

### **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. Each fund is considered to be a separate accounting entity by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund equity, revenues and expenditures/deductions.

Funds are organized as major funds or nonmajor funds within the governmental fund statements. The emphasis of fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets and deferred outflows of resources, total liabilities and deferred inflows of resources, revenues or expenditures/expenses of the individual fund are at least 10% of the corresponding totals of assets, liabilities, revenues, or expenditures for all funds of that category or type.

However, even if a fund does not meet the specific criteria above, a fund may be permitted to be reported as major if governing officials believe the fund is particularly important to financial statement users.

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

- The *General Fund* is the primary operating fund of the County. It is used to account for all financial resources except those accounted for in another fund.
- The *Regional Rail Authority Special Revenue Fund* is used to account for the tax receipts, restricted grants, and other revenues and expenditures of the Regional Rail Authority, which is a blended component unit of the County.
- The *Metro Gold Line Special Revenue Fund* is used to account for the tax receipts, restricted grants, and other revenues and expenditures of the Metro Gold Line Transit Project.
- The *Debt Service Fund* is used to account for and report financial resources, that are restricted, committed, or assigned to expenditure for principal, interest, and related costs of long-term debt.
- The *Capital Projects Fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities, highway projects, and other assets.

Additionally, the County reports the following Fiduciary Fund:

- *Custodial Funds.* Custodial funds are used to account for and report assets controlled by the County and the assets are for the benefit of individuals, private organizations and/or other governmental units. These include: Sheriff's Inmate Account, Gold Line Joint Powers, Sheriff Forfeiture Fund, Red Rock Corridor, Medical Assistance Estate Recovery, Other Custodial, Taxes and Penalties, and Metropolitan Emergency Services Board (MESB).

**C. Measurement Focus and Basis of Accounting**  
**Government-Wide Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Revenue from property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current period. Property taxes, other taxes, 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 long-term debt, compensated absences, and claims and judgments, which are recognized based on specific accounting rules applicable to each, generally when payment is due. Proceeds of general long-term debt and acquisitions under leases or subscriptions are reported as other financing sources.

Fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

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 they are needed.

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

**1. Deposits and Investments**

Cash balances of all funds are pooled and invested by the Accounting and Finance Department for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value on December 31, 2024, based on market prices. The individual funds' portions of the pool's fair value are presented as "Cash and Pooled Investments." Earnings on the pooled funds are apportioned and paid or credited to the funds monthly, based on the average monthly cash balance of each participating fund.

**2. Property Tax Calendar**

The County levies and collects property taxes and special assessments for all governmental units within the County (i.e. schools, cities, townships, and special districts). The County is required to distribute the collections to the various governmental units three times each year on a schedule prescribed in Minnesota State Statute 276. Property tax collections and payments to other governmental units are accounted for in custodial funds.

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 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 property taxes receivable. No allowance for uncollectible delinquent taxes has been provided because of the County's demonstrated ability to recover any losses through the sale of the applicable property.

**3. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent maturities of interfund loans). No interfund receivables or payables are reported in these financial statements for the current year.

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts receivable are offset by an allowance for doubtful accounts, if any. The County develops an estimate of this allowance based on specific identification. All other accounts receivable are considered to be collectible in full.

**4. Supplies and Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund level financial statements. These costs will be recorded as expenditures when goods or services are consumed. Additionally, the County has prepaid supplies that will be used for highway operations including parts, signs, and salt/sand.

Both supplies and prepaid items are offset by nonspendable fund balances in the fund financial statements to indicate they are not available, spendable resources.

**5. Capital Assets**

**Government-Wide Statements**

Capital assets, which include property, equipment, and infrastructure are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an estimated useful life in excess of one year and an initial cost of \$5,000 or more. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their acquisition value at the time of the donation. 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.

Property, equipment, and infrastructure of the governmental activities of the county are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Infrastructure	10-50
Buildings and Improvements	25-50
Land Improvements	25
Machinery and Equipment	4-18

Lease and subscription type assets are typically amortized over the lease term or the useful life of the underlying asset, whichever is shorter.

### **Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

#### **6. Deferred Outflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate section represents a consumption of net assets (expense/expenditure) that apply to future periods.

The County has three items that qualify for reporting in this category that appear only on the government-wide financial statements. These include Other Postemployment Benefits (OPEB) outflows, pension related deferred outflows, and an unamortized loss on refunding. OPEB and pension deferred outflows are based on actuarial reports that amortize a loss or expense over time, rather than all at once. This helps smooth out the variations that can happen due to market value or assumption changes. More detailed information about OPEB and pensions can be found in Note III section H and I of the financial statement notes. A refunding loss on bonds results from the difference in the carrying value debt and its re-acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

#### **7. Unearned Revenue**

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received but not yet earned.

#### **8. Long-Term Obligations**

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. 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 discounts on debt issuances are reported as other financing uses. Payments of principal and interest are reported as debt service expenditures.

#### **9. Leases**

The County determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position when the County is the lessor, and as a right-of-use leased asset and lease liabilities when the County is the lessee.

##### **Lessor**

Lease receivables represent the County's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement date of the lease term that relate to future periods, less any incentives paid to, or on behalf of, the lessee at or before the commencement date of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if: a) a guarantee payment is required and b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

**Lessee**

Right-of-use assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange like transaction. Right-of-use leased assets are recognized at the commencement date based on the measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Leased assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, the County treats the components as a single lease unit.

In the governmental fund financial statements, the County recognizes lease proceeds and capital outlay at the initiation of the lease. Payments of principal and interest for leases are reported as debt service expenditures.

**10. Subscription-Based Information Technology Agreements (SBITA)**

The County determines if an arrangement is a SBITA at inception. SBITA assets (known as software subscription assets) are included in right-of-use subscription assets and SBITA liabilities (known as software subscription liability) in the statement of net position. Software subscription assets represent the County's control of the right to use an underlying asset for the subscription term, as specified in the contract, in an exchange or exchange-like transaction. Software subscription assets are recognized at the commencement date based on the initial measurement of the subscription liability, plus any payments made at, or before, the commencement of the subscription term and certain direct costs. These assets are amortized in a systemic and rational manner over the shorter of the subscription term or the useful life of the underlying asset.

Software subscription liabilities represent the County's obligation to make lease payments arising from the subscription. Software subscription liabilities are recognized at the commencement date based on the net present value of the expected subscription payments over the subscription term, less any subscription incentives. Interest expense is recognized ratably over the contract term.

In the governmental fund financial statements, the County recognizes subscription proceeds and capital outlay at the initiation of the subscription. Payments of principal and interest for subscriptions are reported as debt service expenditures.

**11. Compensated Absences**

Under the County's personnel policies and union contracts, employees are granted paid time off (PTO), vacation, sick leave, compensatory time, or a combination of these benefits in varying amounts.

The liability for compensated absences reported in the government-wide statement 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.

On the governmental fund financial statements, a liability for these amounts is only reported when there are employee resignations and retirements, and the amounts are payable with expendable available resources.

**12. Other Postemployment Benefits (OPEB)**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**13. Pensions**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**14. Deferred Inflows of Resources**

In addition to liabilities, the County's government-wide and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets (revenue) that applies to future periods. The County will not recognize the related revenue until a future event occurs. The County has five types of items which occur relating to revenue recognition.

The first type of deferred inflow is unavailable revenue and appears only on the County's fund financial statements. This is due to fund financial statements being prepared on the modified accrual basis of accounting and recognizing revenue that is measurable and available (collected within 60 days after the end of the fiscal year). Revenues received for the current year after this 60-day collection window are classified as deferred inflows of resources and offset with a receivable. These deferred inflows are then eliminated on the government-wide financial statements since these statements recognize revenue when earned regardless of the timing of related cash flows.

The second type of deferred inflow relates to lease receivable, which appears in both government-wide and fund financial statements. Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement date of the lease term that relate to future periods, less any incentives paid to, or on behalf of, the lessee at or before the commencement date of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The third and fourth types of deferred inflows relate to OPEB and pension related inflows, which appear only on the government-wide financial statements. These inflows are based on actuarial reports that amortize a gain or revenue over time, rather than all at once. This helps smooth out the variations that can happen due to market value or assumption changes. More detailed information about OPEB and pensions can be found in Note III section H and I of the financial statement notes.

The fifth type of deferred inflow relates to an unamortized gain on refunding of bonds, which appear only on the government-wide financial statements. A refunding loss on bonds results from the difference in the carrying value debt and its re-acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

#### **15. Classification of Net Position**

Equity balances on the government-wide statement of net position are displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted Net Position - Consists of net position with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

#### **16. Classification of Fund Balances**

Equity balances on the governmental fund balance sheet are displayed in five components:

- Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- Restricted - Consists of fund balances with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (resolution) of the County Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed required the same formal action of the County board that originally created the commitment.
- Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) the County Board or County Administrator, who has been delegated that authority and 2) all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- Unassigned - Includes residual positive fund balance within the General Fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

When restricted, committed, assigned, or unassigned resources are available for use for the same purpose, it is the County's policy to use resources in the following order: restricted, committed, assigned, and unassigned.

The County receives a majority of its property tax payments based on the property tax calendar disclosure as described in Note I.D.2. As a result of the unequal timing of the tax receipts, it is necessary for the County to maintain adequate fund balance to meet the operational expenditure needs of the County.

It is the County's policy to maintain a minimum unassigned fund balance, equal to 20 to 50 percent of the subsequent year's budgeted annual total expenditures of the General Fund. At December 31, 2024, the unassigned fund balance in the General Fund was approximately 32.2 percent of the subsequent year's budgeted expenditures.

#### **17. 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

#### **E. Adoption of New Accounting Standards**

In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections. The objective of this statement is to enhance, clarify, streamline, and provide more consistent reporting of accounting changes and error corrections. This statement: 1) updates the categories and definitions of accounting changes and error corrections; 2) updates how the changes or corrections should be presented (prospectively or retroactively); 3) updates the disclosure requirements needed. This standard was implemented during the 2024 reporting period, but no material accounting changes or errors have been identified over the previous reporting period.

In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this statement is to update the recognition and measurement guidance for compensated absences and provide more unified guidance. This statement: 1) replaces the previous "probable" threshold with "more likely than not" (MLTN) threshold for recognizing liabilities for unused leave; 2) provides consistent accounting treatment for all types of compensated absences; 3) updates the disclosure requirements needed. This standard was implemented during the 2024 reporting period. As of the date of implementation of GASB Statement No. 101, the change in liability for compensated absences over the previous year was deemed immaterial. Therefore, implementation is presented as current year activity.

**Washington County, Minnesota**  
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**Note II – Stewardship, Compliance, and Accountability**

**A. Excess of Expenditures Over Budget**

The legal level of budgetary control exists at the fund level. The following funds have expenditures in excess of budget for the year ended December 31, 2024.

Fund	Final Budget	Actual Expenditures	Expenditures in Excess of Budget
General Fund	\$ 260,163,636	\$ 264,102,386	\$ 3,938,750
Metro Gold Line Fund	41,042,800	41,044,870	2,070

The General Fund excess budget spending was mainly due to unbudgeted funds for emergency operations, which includes the spending of American Rescue Plan Act (ARPA) funds.

The Metro Gold Line Fund excess expenditures were due to construction related costs for the Gold Line Project. These costs were offset by additional grantor revenues.

**B. Tax Abatements**

The County is subject to tax abatements granted by Cities within the County pursuant to Minnesota Statutes 469.174 to 469.1794 Tax Increment Financing (TIF) through a pay-as-you-go note program. TIF can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to-moderate-income housing, and economic development within a City. TIF captures the increase in tax capacity and property taxes (of all taxing jurisdictions, including the County) from development or redevelopment to provide funding for the related project.

The pay-as-you-go note provides for payment to the developer of a percentage of all tax increment received in the prior six months. The payment reimburses the developer for certain public improvements. During 2024, there were 17 of these TIF districts within the County. The tax increment collected during 2024 totaled \$7,549,542. The County’s portion of the captured tax capacity and related property taxes was approximately 22.0 percent.

TIF agreements of other local governments have resulted in reductions of the County property tax revenues for the year ended December 31, 2024, as shown below:

Tax Abatement Program	Number of Pay-As-You- Go TIF	Taxes Abated	Impact to Washington County
Tax Increment Financing (TIF)			
City of:			
Cottage Grove	4	\$ 845,014	\$ 204,251
Forest Lake	3	211,345	51,452
Oak Park Heights	1	235,064	53,646
Oakdale	3	912,218	211,077
Stillwater	4	5,269,490	1,150,081
Woodbury	2	76,411	19,410
Total	<u>17</u>	<u>\$ 7,549,542</u>	<u>\$ 1,689,917</u>

**Note III – Detailed Notes on All Funds**

**A. Cash and Investments**

A reconciliation of the County’s cash and pooled investments to the basic financial statements is outlined below:

Description	Amount
County Cash and Pooled Investments:	
County Investment Portfolio	\$ 131,434,055
State Board of Investments	120,143,962
Magic Fund Portfolio	32,045,746
Money Market Mutual Funds	122,745,227
Cash for Operations and Petty Cash	1,910,548
Total Cash and Pooled Investments	<u>\$ 408,279,538</u>
Reconciliation to Basic Financial Statements:	
Per the Statement of Net Position:	
Cash and Pooled Investments	\$ 283,851,472
Petty Cash and Change Funds	25,700
Other Postemployment Benefits Investments	120,143,962
Per the Statement of Fiduciary Net Position:	
Cash and Pooled Investments	4,258,404
Total Cash and Pooled Investments	<u>\$ 408,279,538</u>

**1. Cash Deposits**

The County maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed on the combined balance sheet as “Cash and Pooled Investments.” In accordance with Minnesota Statutes the County maintains deposits at financial institutions which are authorized by the County Board. The County’s policy on custodial credit risk follows Minnesota Statutes for deposits, which requires that the County’s deposits be protected by the Federal Deposit Insurance Corporation’s (FDIC) limit of \$250,000. Minnesota statutes require securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or at an account with the trust departments of a commercial bank or other financial institution not owned or controlled by the depository.

As of December 31, 2024, the County’s bank balances were covered by federal depository insurance or by surety bonds and collateralized in accordance with Minnesota statutes or collateralized with securities held by the pledging financial institution’s agent in the County’s name or stand-by letters of credit.

**Custodial Credit Risk - Deposits**

The risk that in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County follows Minnesota Statutes for proper collateral and insurance on all deposits. As noted above, the County designates depositories that are covered by the FDIC insurance limits of \$250,000. When these funds exceed the federal deposit insurance limit, the County requires that the financial institution provide additional collateral by pledging sufficient securities to equal at least 110.0 percent of the assessed market value of the deposit.

**2. Investments**

The County’s investment policy is in compliance with Minnesota State Statutes and authorizes the Accounting and Finance Department to carry out this policy. Certain risks that the investments may be exposed to are addressed in the County’s policy, as follows:

**Credit Risk**

The risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County follows Minnesota Statute 118A with regard to the legality and safety of money market instruments allowed by law for investment purposes. The County’s credit quality limitations are noted in parenthesis next to each type of instrument. The County’s investment policy allows the following investment instruments:

- A. United States Securities including bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other 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.
- B. General obligations bonds of any state or local government with taxing powers which is rated “A” or better by national bond rating service.
- C. Revenue obligations bonds of any state and local governments rated “AA” or better by a national bond rating service.
- D. General obligation bonds of the Minnesota Housing Finance Agency which is a moral obligation of the state of Minnesota and is rated “A” or better by a national bond rating service.
- E. Commercial paper issues by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less.
- F. Certificates of Deposits (Time Deposits) that are fully insured by the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), or bankers acceptances of United States banks.
- G. Minnesota Association of Governments Investing for Counties (MAGIC) is a local government investment pool that is a joint powers entity for the purpose of allowing Minnesota Counties and instrumentalities of Counties to pool their investment funds to seek the highest possible investment yield, while maintaining liquidity and preserving capital.

In addition, the County has an investment pool referred to as OPEB Revocable Trust where funds are invested with the Minnesota State Board of Investments (SBI). All investments managed by the SBI are governed by Minnesota Statutes, Chapter 11A, Section 356A.06, Subdivision 7. Chapter 11A restricts investments to obligations of the United States and Canadian governments, their agencies and registered corporations, and short-term obligations of specified high quality. Additionally, the statutes limit investments to those rated within the top four quality rating categories of a nationally recognized rating agency. The fair value of the County’s position in the pool is the same as the value of the pool’s shares.

At December 31, 2024 the County had the following investments:

Description	Amount
SBI Internal Fixed Pool	\$ 36,633,274
SBI Internal Equity Pool	83,510,688
Total	<u>\$ 120,143,962</u>

**Washington County, Minnesota**  
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**Concentration of Credit Risk**

The County’s investment policy does not specifically limit investments issuer, with the exception of commercial paper purchases which may not exceed four million dollars per issuer. See the table below for detailed disclosure of concentration of credit risk.

**Custodial Credit Risk in Investments**

The risk that in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The County’s policy addresses the services of a custodial agent to monitor and hold its securities in the County’s name. The majority of the County’s assets are held by a safekeeping agent, with the exception of \$122,745,227 in external money market mutual funds. The County’s shares in the pool are at fair value and are the same value as the pool’s shares.

The following schedule classifies the fair value of the County’s cash and investments by credit risk:

Type of Security	Credit Risk	Custody Credit Risk	Par Value	Fair Value	% of Total Portfolio
U.S. Treasury Securities					
Series EE Bonds	N/R	Collateralized	\$ 5,100	\$ 5,100	0.0%
US Treasury Notes	AA+	Custodian	26,865,070	26,698,117	6.6%
U.S. Government Instrumentalities					
Federal Home Loan Bank	AA+	Custodian	4,992,100	4,927,243	1.2%
Federal Farm Credit Bank*	AA+	Custodian	24,135,681	24,387,054	6.0%
Municipal Securities	A-AAA	Custodian	70,572,295	67,966,387	16.7%
Negotiable Certificates of Deposit	N/R	Custodian	7,396,000	7,450,154	1.8%
State Board of Investments	N/R	County Held	62,426,153	120,143,962	29.6%
External Investment Pool					
MAGIC Fund - Portfolio	N/R	County Held	32,045,746	32,045,746	7.9%
Mutual Fund Money Markets	N/R	Custodian/Broker	122,745,227	122,745,227	30.2%
Total Investments			<u>351,183,371</u>	<u>406,368,990</u>	100.0%
Cash for Operations					
	N/R	Collateralized	1,884,848	1,884,848	
Petty Cash and Change Funds					
	N/R	County Held	25,700	25,700	
Total Cash and Investments			<u>\$ 353,093,919</u>	<u>\$ 408,279,538</u>	

\* Investments in any one issue that represent 5.0 percent or more of the County's investments: Federal Farm Credit Bank (6.0 percent)  
N/R = Not Rated

**Interest Rate Risk**

The risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County’s policy defines short-term investments as 90 days or less and long-term investments as one year or more. Investments in long-term securities are limited to a maturity of five years, unless otherwise approved by the Auditor-Treasurer. The County’s policy manages interest rate risk by recognizing that liquidity is a priority in meeting cash obligations. Given that the County’s cash position fluctuates throughout the fiscal year, a sufficient portion of the investments will remain short-term, while assuring that maturity dates coincide with expenditure needs.

**Washington County, Minnesota**  
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The following table shows the segmented time distribution of the County’s investments by maturity indicating the sensitivity of the fair values of the County’s investments to market interest rate fluctuations:

Investment Type	Fair Value	Investment Maturity		
		Under 1 Year	1 to 5 Years	Over 5 Years
U.S. Treasury Securities				
Series EE Bonds	\$ 5,100	\$ -	\$ -	\$ 5,100
US Treasury Notes	26,698,117	7,012,961	14,790,625	4,894,531
U.S. Government Instrumentalities				
Federal Home Loan Bank	4,927,243	-	-	4,927,243
Federal Farm Credit Bank	24,387,054	4,233,021	20,154,033	-
Municipal Securities	67,966,387	32,373,851	32,269,458	3,323,078
Negotiable Certificates of Deposit	7,450,154	-	7,425,154	25,000
State Board of Investments	120,143,962	120,143,962	-	-
External Investment Pool				
MAGIC Fund - Portfolio	32,045,746	32,045,746	-	-
Mutual Fund Money Markets	122,745,227	122,745,227	-	-
Total Investments	<u>406,368,990</u>	<u>318,554,768</u>	<u>74,639,270</u>	<u>13,174,952</u>
Cash for Operations	1,884,848	1,884,848	-	-
Petty Cash and Change Funds	25,700	25,700	-	-
Total Cash and Investments	<u>\$ 408,279,538</u>	<u>\$ 320,465,316</u>	<u>\$ 74,639,270</u>	<u>\$ 13,174,952</u>

**Fair Value**

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable. The County has the following recurring fair value measurements as of December 31, 2024:

Type of Security	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
U.S. Agencies	\$ 56,017,514	\$ -	\$ 56,017,514	\$ -
Municipal Securities	67,966,387	-	67,966,387	-
Negotiable Certificates of Deposit	7,450,154	-	7,450,154	-
Total	<u>131,434,055</u>	<u>\$ -</u>	<u>\$ 131,434,055</u>	<u>\$ -</u>
Investments Measured at Amortized Cost:				
MAGIC Fund - Portfolio	32,045,746			
Mutual Fund Money Markets	122,745,227			
Total Investments Measured at Amortized Cost	<u>154,790,973</u>			
Investments Measured at Net Asset Value (NAV):				
State Board of Investments	120,143,962			
Total Investments	<u>\$ 406,368,990</u>			

Note: Cash for operations, petty cash, and change funds are not leveled per GASB 72. The County had \$1,910,548 in these categories as of December 31, 2024.

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Debt and equity securities classified as Level 1 are valued using a market approach quoted in active markets for identical assets or liabilities. Debt securities classified in Level 2 are valued using the following approaches:

- U.S. Agencies, Municipal/Public Bonds, Corporate Bonds, Asset-Backed Securities: a market approach by utilizing quoted prices for identical securities in markets that are not active;
- Negotiable Certificates of Deposit: a market approach using quoted prices for similar securities in markets that are not active

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

The SBI investment pools are reported at net asset value (NAV) per share, the fair value established by the pool. Investments in and redemptions from these investments require a five-day notice by the County.

**B. Receivables**

The County has the following receivables as of December 31, 2024:

Description	Total Receivable	Amount Not Scheduled for Collection in the Subsequent Year
Property Taxes Receivable	\$ 1,222,784	\$ -
Sales Tax Receivable	4,535,746	-
Special Assessments Receivable	1,582,774	1,296,773
Accounts Receivable	4,517,244	-
Lease Receivable	768,521	652,041
Notes Receivable	7,165,485	6,799,258
Accrued Interest Receivable	1,436,429	-
Due from Other Governments	35,040,437	-
Due from Component Unit	1,066,646	987,187
Total County Receivables - Governmental Funds	<u>\$ 57,336,066</u>	<u>\$ 9,735,259</u>

A brief description of the County’s outstanding receivable balances are outlined below:

- Property Tax Receivable – uncollected real and personal property taxes as of December 31, 2024.
- Sales Tax Receivable – taxes receivable from the State of Minnesota generated from the 0.5 percent local option sales tax.
- Special Assessments Receivable – property tax assessments uncollected as of December 31, 2024. These balances are from outstanding property tax assessments and Agriculture Best Management Practices (AgBMP) loan assessments that are not yet due.
- Accounts Receivable – accrued payment receipts owed from non-governmental entities paid in 2025 but related to fiscal year 2024.

**Washington County, Minnesota**  
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- Lease Receivable – funds to be received due to the County acting as a lessor leasing property, land or tower space. See note 1 below for more information.
- Note Receivable – funds to be received from the Ramsey/Washington Recycling and Energy Board. See note 2 below for more information.
- Accrued Interest Receivable – Interest income earned, but not yet received as of December 31, 2024. This includes interest from the County’s investment portfolio, leases receivable, notes receivable, and due from component unit.
- Due from Other Governments – accrued payment receipts owed from governmental entities paid in 2025 but related to fiscal year 2024.
- Due from Component Unit – Funds to be received from the Washington County Community Development Agency (CDA). See note 3 below for more information.

**1. Lease Receivable**

The County, acting as a lessor, leases land, office space, and tower space under long-term non-cancelable lease agreements. As of December 31, 2024, the County has 13 active leases. These leases expire at various dates through 2044. The leases have receipts that range from \$1,624 to \$32,423 and interest rates that range from 2.41 percent to 3.41 percent. During the year ended December 31, 2024, the County recognized \$126,398 and \$22,683 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Current year activity and total future minimum lease payments to be received under the lease agreements are outlined below:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Lease Receivable	\$ 526,336	\$ 368,583	\$ (126,398)	\$ 768,521	\$ 116,480

Governmental Activities Lease Receivable		
Year Ending December 31	Principal	Interest
2025	\$ 116,480	\$ 22,889
2026	56,669	20,929
2027	43,570	19,197
2028	47,024	17,698
2029	36,101	16,261
2030-2034	193,932	63,057
2035-2039	150,410	33,659
2040-2044	124,335	8,210
Total	<u>\$ 768,521</u>	<u>\$ 201,900</u>

**2. Notes Receivable**

**Ramsey/Washington Recycling and Energy Board**

In December 2015, the Ramsey/Washington Recycling and Energy Board Joint Venture purchased the former Resource Recovery facility from private owners. To fund this facility purchase, Washington County issued a \$6,588,000 note to the Recycling and Energy Board while Ramsey County issued bonds for their portion of the purchase. Repayment of this note is over 25 years at an interest rate to be determined by the bond issued by

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Ramsey County. See Note IV section E for additional information about the Ramsey/Washington Recycling and Energy Board.

Since 2015, three additional notes have been made to the Recycling and Energy Board but only two notes have outstanding balances, including:

- A 2016 note for working capital totaling \$1,107,000. This is a zero-interest loan and has no set repayment term, the funds are to be paid back based on future operations.
- A 2019 note totaling \$1,350,000. The note was issued in 2019, but the repayment terms of the note start in 2024. This note has zero percent interest and is to be paid back over 6 years.

As of December 31, 2024, the balance of all notes outstanding is \$7,165,485. Current year activity and remaining payments related to the Recycling and Energy Board notes receivable are summarized below:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Ramsey/Washington Recycling and Energy Board	\$ 6,178,071	\$ 1,350,000	\$ (362,586)	\$ 7,165,485	\$ 366,227

Governmental Activities		
Ramsey/Washington Recycling and Energy Board		
Year Ending	Principal	Interest
December 31		
2025	\$ 366,227	\$ 135,444
2026	370,343	131,127
2027	374,862	126,289
2028	650,019	120,831
2029	655,777	114,755
2030-2034	1,360,498	463,392
2035-2039	1,577,688	241,328
2040-2041	1,810,071	22,997
Total	<u>\$ 7,165,485</u>	<u>\$ 1,356,163</u>

Note: Since the note outstanding of \$1,107,000 has no set payment plan, it has been accounted for under the 2040-2041 payment category.

**3. Due from Component Unit**

**Washington County Community Development Agency (CDA) Loans**

On November 18, 2009, Washington County disbursed two loans to what was then known as the Washington County Housing and Redevelopment Authority (HRA). The loan agreement was approved by formal board action on May 8, 2007. These loans provided the CDA with the ability to retire a loan from a local bank that was used to acquire the real property included in the Red Oak Preserve Project. The loan is in two parts totaling \$2,200,000 and carries an annual interest rate of 5 percent. The first part is in the amount of \$1,587,577 for a term of 25 years and the second part is in the amount of \$612,423 for a term of 10 years. The loans are to be repaid in semi-annual installments on January 15 and July 15 of each year of the term. As of December 31, 2024, the balance of this advance is \$1,066,646, and \$987,187 of this amount is considered long-term.

The structure of the two separate loan terms with different repayment schedules is intended to match the revenue capacity of the project. The loans are to be repaid from available tax increment from the project. Any

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excess tax increment is also pledged as a prepayment for the loan applied to interest and unpaid principal in inverse order of maturity. If the resources from the tax increment financing are not sufficient to meet the loan obligations, the CDA has pledged to seek a special levy authorized under Minnesota State Statute Section 469.033, subd. 6 to repay the debt.

Current year activity and remaining payments related to the CDA loans are summarized below:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Washington County CDA Loan	\$ 1,142,276	\$ -	\$ (75,630)	\$ 1,066,646	\$ 79,459

Governmental Activities Washington County CDA Loan		
Year Ending December 31	Principal	Interest
2025	\$ 79,459	\$ 52,351
2026	83,482	48,329
2027	87,708	44,102
2028	92,148	39,662
2029	96,813	34,997
2030-2034	562,738	93,138
2035	64,298	1,607
Total	<u>\$ 1,066,646</u>	<u>\$ 314,186</u>

**C. Unearned and Unavailable Revenues**

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also postpone revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

Governmental Fund	Unavailable, Delinquent, or Unearned Taxes and Special Assessments	Unavailable Grants Receivable	Unavailable Accounts Receivable	Lease Receivable	Unearned Revenues
General Fund	\$ 2,507,134	\$ 3,173,821	\$ 144,768	\$ 739,429	\$ 13,179,420
Regional Rail Authority	4,800	-	-	-	-
Metro Gold Line	-	-	-	-	859,040
Debt Service	10,053	-	-	-	-
Capital Projects	-	24,937,568	-	-	-
Total	<u>\$ 2,521,987</u>	<u>\$ 28,111,389</u>	<u>\$ 144,768</u>	<u>\$ 739,429</u>	<u>\$ 14,038,460</u>

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**D. Capital Assets**

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

Governmental Activities	Beginning Balances	Increases	Decreases	Ending Balances
<b>Capital Assets, not being Depreciated:</b>				
Land	\$ 117,825,733	\$ 6,701,432	\$ -	\$ 124,527,165
Works of Art	279,114	-	-	279,114
Construction in Progress	32,952,329	82,305,936	(72,083,206)	43,175,059
<b>Total Capital Assets, not being Depreciated</b>	<b>151,057,176</b>	<b>89,007,368</b>	<b>(72,083,206)</b>	<b>167,981,338</b>
<b>Capital Assets, being Depreciated:</b>				
Infrastructure	606,357,492	37,494,095	(8,896,134)	634,955,453
Buildings and Improvements	237,457,542	23,819,759	(450,392)	260,826,909
Improvements Other than Buildings	22,967,250	6,481,855	-	29,449,105
Machinery and Equipment	64,719,214	9,766,009	(2,276,799)	72,208,424
<b>Total Capital Assets, being Depreciated</b>	<b>931,501,498</b>	<b>77,561,718</b>	<b>(11,623,325)</b>	<b>997,439,891</b>
<b>Less Accumulated Depreciation for:</b>				
Infrastructure	(283,599,592)	(24,345,114)	8,896,134	(299,048,572)
Buildings and Improvements	(99,065,935)	(5,058,027)	450,392	(103,673,570)
Improvements Other than Buildings	(14,436,966)	(1,372,187)	-	(15,809,153)
Machinery and Equipment	(48,723,526)	(6,904,626)	2,007,530	(53,620,622)
<b>Total Accumulated Depreciation</b>	<b>(445,826,019)</b>	<b>(37,679,954)</b>	<b>11,354,056</b>	<b>(472,151,917)</b>
<b>Total Capital Assets being Depreciated, Net</b>	<b>485,675,479</b>	<b>39,881,764</b>	<b>(269,269)</b>	<b>525,287,974</b>
<b>Right-of-Use Assets, being Amortized:</b>				
Leased Infrastructure	43,178	70	-	43,248
Leased Buildings	708,743	-	-	708,743
Leased Machinery and Equipment	193,896	314,213	-	508,109
Software Subscriptions	-	6,569,951	(163,698)	6,406,253
<b>Total Right-of-Use Assets, being Amortized</b>	<b>945,817</b>	<b>6,884,234</b>	<b>(163,698)</b>	<b>7,666,353</b>
<b>Less Accumulated Amortization for:</b>				
Leased Infrastructure	(22,528)	(11,318)	-	(33,846)
Leased Buildings	(188,202)	(94,101)	-	(282,303)
Leased Machinery and Equipment	(63,534)	(116,347)	-	(179,881)
Software Subscriptions	-	(3,907,878)	25,566	(3,882,312)
<b>Total Accumulated Amortization</b>	<b>(274,264)</b>	<b>(4,129,644)</b>	<b>25,566</b>	<b>(4,378,342)</b>
<b>Total Right-of-Use Assets being Amortized, Net</b>	<b>671,553</b>	<b>2,754,590</b>	<b>(138,132)</b>	<b>3,288,011</b>
<b>Total Governmental Activity Capital Assets, Net</b>	<b>\$ 637,404,208</b>	<b>\$ 131,643,722</b>	<b>\$ (72,490,607)</b>	<b>\$ 696,557,323</b>

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Depreciation and amortization expense was charged to county functions as follows:

County Function	Amount
General Government	\$ 11,247,782
Public Safety	3,146,707
Highways and Streets	24,842,016
Health and Human Services	186,690
Culture and Recreation	2,386,403
Total Depreciation/Amortization Expense	<u>\$ 41,809,598</u>

**E. Payables**

The County has the following payables as of December 31, 2024:

Description	Total Payable
Accounts Payable	\$ 5,709,693
Contracts Payable	11,964,087
Accrued Salaries & Payroll Taxes	9,657,346
Due to Other Governments	5,582,963
Total County Payables - Governmental Funds	<u>\$ 32,914,089</u>

A brief description of the County’s outstanding payable balances are outlined below:

- Accounts Payable – accrued payments owed to non-governmental entities for goods and/or services paid in 2025 but related to fiscal year 2024.
- Contracts Payable – accrued payments owed to entities for goods or services paid in 2025 that are related to a 2024 ongoing contract commitment. In addition, this balance includes retainage being held by the County for ongoing contracts.
- Accrued Salaries & Payroll Taxes – accrued salary and payroll related taxes for County employees paid during 2025 but related to fiscal year 2024.
- Due to Other Governments – accrued payments owed to governmental entities for goods and/or services paid in 2025 but related to fiscal year 2024.

**F. Interfund Balances and Activities**

**Transfers**

Transfers to/from other funds for the year ended December 31, 2024, consisted of the following:

Transferred To	Transferred From	Amount	Purpose
Capital Projects	General Fund	\$ 4,400,000	To Fund Land and Water Legacy Program Projects
Capital Projects	General Fund	1,947,267	To Fund Building Projects and Renovations
Capital Projects	General Fund	225,000	To Fund Supplemental Project for Park Grove Library
Capital Projects	General Fund	150,000	To Fund Supplemental Project for Antenna System
Total - Capital Projects Transfers In		6,722,267	
Less - General Fund Transfers Out		(6,722,267)	
Total - Government-Wide Financial Statements		<u>\$ -</u>	

**Washington County, Minnesota**  
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**G. Long-Term Obligations**

Changes in long-term obligations for the year December 31, 2024 are as follows:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
General Obligation Bonds	\$ 98,060,000	\$ 25,915,000	\$ (11,280,000)	\$ 112,695,000	\$ 13,345,000
Unamortized Premium on Bonds	3,976,179	3,205,429	(994,684)	6,186,924	-
Direct Borrowing - AgBMP Loans	1,097,907	234,984	(295,676)	1,037,215	210,325
Lease Liability	712,319	314,415	(222,135)	804,599	229,037
Software Subscription Liability	-	4,206,840	(2,042,832)	2,164,008	905,455
Compensated Absences*	11,274,541	2,651,146	-	13,925,687	13,878,628
Other Postemployment Benefits	96,061,219	9,826,570	(9,334,645)	96,553,144	4,259,851
Total Long-Term Liabilities	<u>\$ 211,182,165</u>	<u>\$ 46,354,384</u>	<u>\$ (24,169,972)</u>	<u>\$ 233,366,577</u>	<u>\$ 32,828,296</u>

\* The change in compensated absences liability is presented as a net change.

For governmental activities general obligation bonds are liquidated by the Debt Service Fund. The net pension liability, OPEB liability, lease liability and AgBMP loans are generally liquidated by the General Fund. Software subscription liabilities are liquidated by the General Fund and Capital Projects Fund.

**1. General Obligation Debt**

All general obligation bonds and notes payable are backed by the full faith and credit of the County. General obligation bonds will be retired by future property tax levies accumulated by the debt service fund. The County is also subject to federal arbitrage regulations but does not have any arbitrage liability as of December 31, 2024.

In accordance with Minnesota Statutes, net indebtedness of the County may not exceed 3.0 percent of the market value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2024, was approximately \$1.57 billion. General obligation debt outstanding at year-end subject to the debt limit was \$105,326,599.

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Outstanding general obligation long-term debt at December 31, 2024, consists of the following:

Type of Indebtedness	Final Maturity	Installment Amounts	Interest Rates %	Original Issue Amount	Outstanding Balance 12/31/2024	Balance Due Within One Year
Series 2014A GO Capital Improvement Refunding Bonds	2026	\$975,000 to \$7,275,000	1.00 - 5.00	\$ 39,155,000	\$ 14,395,000	\$ 7,120,000
Series 2016A GO Capital Improvement Bonds	2031	\$805,000 to \$2,480,000	2.00 - 5.00	20,000,000	7,610,000	1,110,000
Series 2017A GO Capital Improvement Refunding Bonds (Refunded 2007A)	2028	\$7,570,000 to \$7,990,000	2.25 - 5.00	15,560,000	15,560,000	-
Series 2017A GO Capital Improvement Refunding Bonds (Refunded 2011A CIP)	2032	\$1,575,000 to \$3,085,000	2.25 - 5.00	26,075,000	19,285,000	1,865,000
Series 2019A GO Land and Water Legacy Bonds	2030	\$25,000 to \$300,000	4.00 - 5.00	2,075,000	1,610,000	235,000
Series 2019A GO Capital Improvement Bonds	2039	\$615,000 to \$3,005,000	2.00 - 5.00	29,240,000	21,750,000	1,365,000
Series 2020A GO Capital Improvement Refunding Bonds (Refunded 2012A)	2024	\$2,690,000 to \$3,110,000	0.71	8,790,000	-	-
Series 2022A GO Land and Water Legacy Bonds	2032	\$470,000 to \$1,165,000	3.74	7,670,000	6,570,000	650,000
Series 2024A GO Capital Improvement Bonds	2044	\$200,000 to \$2,135,000	5.00	25,915,000	25,915,000	1,000,000
Total General Obligation Bonds				<u>\$ 174,480,000</u>	<u>112,695,000</u>	<u>\$ 13,345,000</u>
Plus: Unamortized Premium					6,186,924	
Total General Obligation Bonds, Net					<u>\$ 118,881,924</u>	

Debt service requirements on general obligation long-term debt at December 31, 2024, are as follows:

Governmental Activities General Obligation Bonds		
Year Ending December 31	Principal	Interest
2025	\$ 13,345,000	\$ 3,209,667
2026	13,135,000	4,092,712
2027	13,610,000	3,422,992
2028	14,720,000	2,846,364
2029	6,375,000	2,322,321
2030-2034	26,025,000	7,097,561
2035-2039	15,770,000	3,941,643
2040-2044	9,715,000	1,261,375
Total	<u>\$ 112,695,000</u>	<u>\$ 28,194,635</u>

**Washington County, Minnesota**  
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**2. Refunding Bonds**

During 2017, the County issued \$42,380,000 of General Obligation Refunding Bonds, Series 2017A. These bonds were issued to crossover refund \$17,220,000 of General Obligation Bonds, Series 2007A, \$28,115,000 of General Obligation Bonds, Series 2011A, and \$775,000 of General Obligation Bonds, Series 2011A Land and Water Legacy. The refunding proceeds were placed in an irrevocable trust account with an escrow agent and used to purchase U.S. Government Securities to provide for all future debt service payments for the specified bonds. As a result, the specified bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position. The total cash flow savings to the County attributable to the refunding of these bonds was \$5,698,396 with a net present value of approximately \$4,623,692. In February 2018, \$17,220,000 was disbursed to retire the 2007A bonds, with the remaining \$28,890,000 disbursed in February 2021 to retire the designated portions of the 2011A bonds.

**3. Direct Borrowing – Agriculture Best Management Practices (AgBMP) Loans Payable**

Beginning in 2014, the County agreed to act as a local lender for loan agreements made under the AgBMP loan program from the Minnesota Department of Agriculture. Proceeds from the loans can be used to replace or repair eligible sub-surface sewage treatment systems (SSTS) or make qualified improvements to private wells. The loans are secured by special assessments placed on the individual parcels requesting the loans. Loans are managed under the County’s General Fund. Principal repayment requirements on AgBMP loans at December 31, 2024, are as follows:

Governmental Activities	
AgBMP Loans	
Year Ending	Principal
December 31	
2025	\$ 210,325
2026	199,143
2027	178,124
2028	140,238
2029	82,151
2030-2034	219,547
2035-2037	7,687
Total	<u>\$ 1,037,215</u>

**4. Lease Liability**

As of December 31, 2024, the County had 21 active long-term lease obligations for vehicles, equipment, buildings, and infrastructure. These leases expire at various dates through 2029. The leases have payments that range from \$2,291 to \$55,900 and interest rates that range from 2.28 percent to 3.27 percent.

Principal and interest requirements to maturity are as follows:

Governmental Activities		
Lease Liability		
Year Ending	Principal	Interest
December 31		
2025	\$ 229,037	\$ 21,354
2026	193,813	14,975
2027	176,185	9,299
2028	139,488	4,405
2029	66,076	1,081
Total	<u>\$ 804,599</u>	<u>\$ 51,114</u>

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Right-of-use leased assets acquired through outstanding leases are shown below:

Asset Class	Asset Value
Infrastructure	\$ 43,248
Buildings	708,743
Machinery and Equipment	508,109
Less: Accumulated Amortization	(496,030)
Right-of-Use Leased Assets, Net	<u>\$ 764,070</u>

**5. Software Subscription Liability**

As of December 31, 2024, the County had 22 active software subscription liabilities for security, software applications, and financial reporting. These software subscriptions expire at various dates through 2028. The software subscriptions have payments that range from \$8,352 to \$898,747 and interest rates that range from 2.00 percent to 4.00 percent.

Principal and interest requirements to maturity are as follows:

Governmental Activities Software Subscription Liability		
Year Ending December 31	Principal	Interest
2025	\$ 905,455	\$ 53,294
2026	670,828	32,408
2027	324,532	16,570
2028	263,193	7,505
Total	<u>\$ 2,164,008</u>	<u>\$ 109,777</u>

Right-of-use software subscriptions acquired through these outstanding liabilities include:

Asset Class	Asset Value
Software Subscriptions	\$ 6,406,253
Less: Accumulated Amortization	(3,882,312)
Right-of-Use Software Subscriptions, Net	<u>\$ 2,523,941</u>

**H. Postemployment Benefits Other than Pensions (OPEB)**

**1. Plan Description**

The County provides health insurance benefits for certain retired employees under a single-employer fully-insured plan. The County provides benefits for retirees as required by Minnesota State Statute 471.61 subdivision 2b. Active employees who retire from the County when eligible to receive a retirement benefit from the Public Employees Retirement Association (PERA) of Minnesota (or similar plan) and do not participate in any other health benefits program providing coverage similar to that herein described, will be eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the County's health benefits program.

Pursuant to the provisions of the plan, retirees are required to pay varying percentages of the total premium cost. Retirees hired after January 1, 2002, are required to pay 100% of the total premium cost. The County contributed \$5,264,814 towards retiree health insurance during 2024. Since the premium is a blended rate and determined on the entire active and retiree population, the retirees are receiving an implicit rate subsidy.

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As of January 1, 2024, the actuarial valuation report date, the following employees were covered under the OPEB plan:

Participants Eligible for OPEB	Total
Active Employees Electing Coverage	1,123
Active Employees Waiving Coverage	262
Retirees Electing Coverage	601
Total Participants	1,986

**2. 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 for future health benefits. Therefore, the actuarial value of assets is zero. Separate stand-alone financial statements are not issued for the plan.

**3. Actuarial Methods and Assumptions**

The County’s OPEB liability was measured as of January 1, 2024, and the total OPEB liability was determined by an actuarial valuation as of the same date.

The total OPEB liability was determined by an actuarial valuation as of January 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Description	Assumption
Plan Type	Single Employer
Discount Rate	3.77 percent
Inflation Rate	2.50 percent
Mortality - General Employees	From the July 1, 2023 PERA of Minnesota General Employees Retirement Plan actuarial valuation, mortality rates were based on the Pub-2010 General mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.
Mortality - Police, Fire, and Corrections	From the July 1, 2023 PERA of Minnesota Public Employees' Police & Fire Plan and Local Government Correctional Service Employees' Plan actuarial valuations, mortality rates were based on the Pub-2010 Public Safety mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.
Healthcare Cost Trend Rate - Non Medicare and Carve Out Plans	6.9 percent for FY2024, gradually decreasing over several decades to an ultimate rate of 3.9 percent in FY2075 and later years.
Healthcare Cost Trend Rate - Medicare Advantage (RNC)	5.1 percent for FY2024, gradually decreasing over several decades to an ultimate rate of 3.9 percent in FY2075 and later years.

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Since the most recent GASB 75 valuation, the following assumption changes have been made:

- The discount rate was changed from 4.05 percent to 3.77 percent based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings.
- Withdrawal, retirement, mortality, disability, and salary increase rates were updated from the rates used in the 7/1/2021 PERA General Employees Plan, 7/1/2021 Police & Fire Plan, and 7/1/2021 PERA Correctional Plan valuations to the rates used in the 7/1/2023 valuations.
- The percent of future Medicare eligible retirees electing each medical plan changed to reflect plan experience and a change in plan offerings.
- The inflation assumption was changed from 2.25 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

**4. Changes in the Total OPEB Liability**

Description	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at December 31, 2023	\$ 96,061,219	\$ -	\$ 96,061,219
Changes for the year:			
Service Cost	1,251,122	-	1,251,122
Interest	3,834,537	-	3,834,537
Differences Between Expected and Actual Economic Experience	(3,653,361)	-	(3,653,361)
Changes of assumptions	4,324,441	-	4,324,441
Employer contributions	-	5,264,814	(5,264,814)
Benefit payments	(5,264,814)	(5,264,814)	-
Net changes	491,925	-	491,925
Balance at December 31, 2024	<u>\$ 96,553,144</u>	<u>\$ -</u>	<u>\$ 96,553,144</u>

**5. Sensitivity of the Total OPEB Liability**

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate one percentage point lower (2.77 percent) or one percentage point higher (4.77 percent) than the current discount rate (3.77 percent):

Description	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
1 Percent Decrease in Discount Rate	\$ 108,596,209	\$ -	\$ 108,596,209
Current Discount Rate	96,553,144	-	96,553,144
1 Percent Increase in Discount Rate	86,518,943	-	86,518,943

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The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1.0 percent lower (5.9 percent decreasing over several decades to an ultimate rate of 2.9 percent in fiscal year 2075) or 1.0 percent higher (7.9 percent decreasing over several decades to an ultimate rate of 4.9 percent in fiscal year 2075) than the current healthcare cost trend rates:

Description	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
1 Percent Decrease in Healthcare Trend Rate	\$ 86,129,627	\$ -	\$ 86,129,627
Current Healthcare Trend Rate	96,553,144	-	96,553,144
1 Percent Increase in Healthcare Trend Rate	109,070,154	-	109,070,154

**6. OPEB Costs**

For the year ended December 31, 2024, the County recognized OPEB expense of \$(7,819,995). At December 31, 2024, the County reported the following deferred inflows and outflows related to OPEB:

Description	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between Expected and Actual Liability	\$ 923,992	\$ 15,556,042
Change of Assumptions	11,661,374	29,967,369
Contributions between Measurement Date and Reporting Date	4,259,851	-
Total	\$ 16,845,217	\$ 45,523,411

Contributions made between measurement date and reporting date of \$4,259,851 will be recognized as a reduction of the OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31:	OPEB Expense Amount
2025	\$ (7,519,229)
2026	(10,741,685)
2027	(11,140,852)
2028	(3,619,724)
2029	83,445

**I. Defined Benefit Pension 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.

**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 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by 0.25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989, or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least

one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

**Police and Fire Plan Benefits**

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

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

**Correctional Plan Benefits**

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

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

**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 percent of their annual covered salary in fiscal year 2024 and the County was required to contribute 7.50 percent for General Plan members. The County's contributions to the General Employees Fund for the year ended December 31, 2024, were \$7,079,638. Contributions were equal to the required contributions as set by state statute.

**Police and Fire Fund Contributions**

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 and the County was required to contribute 17.70 percent for Police and Fire Plan members. The County’s contributions to the Police and Fire Fund for the year ended December 31, 2024, were \$2,624,691. Contributions were equal to the required contributions as set by state statute.

**Correctional Fund Contributions**

Correctional Plan members were required to contribute 5.83 percent of their annual covered salary in fiscal year 2024 and the County was required to contribute 8.75 percent for Correctional Plan members. The County’s contributions to the Correctional Fund for the year ended December 31, 2024, were \$604,707. Contributions were equal to the required contributions as set by state statute.

**4. Pension Costs**

**General Employees Fund Pension Costs**

At December 31, 2024, the County reported a liability of \$39,281,903 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 \$1,015,750.

State and County Share of Net Pension Liability	
Description	Amount
County’s proportionate share of the net pension liability	\$ 39,281,903
State of Minnesota’s proportionate share of the net pension liability associated with the County	1,015,750
Total	<u>\$ 40,297,653</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County’s proportion of the net pension liability was based on County contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA’s participating employers. The County’s proportionate share was 1.0626 percent at the end of the measurement period and 1.0405 percent for the beginning of the period.

For the year ended December 31, 2024, the County recognized pension expense of \$4,031,736 for its proportionate share of the General Employees Plan’s pension expense. In addition, the County recognized an additional \$(19,502) as pension expense (and grant revenue) for its proportionate share of the State of Minnesota’s contribution of \$16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The County recognized \$1,807,332 for the year ended December 31, 2024, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota’s on-behalf contributions to the General Employees Fund.

**Washington County, Minnesota**  
**Notes to the Financial Statements**  
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At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 3,668,146	\$ -
Changes in Actuarial Assumptions	187,808	14,642,200
Net Difference Between Projected and Actual		
Investment Earnings	-	11,420,334
Changes in Proportion	924,967	572,680
County Contributions Subsequent to the Measurement Date	3,609,480	-
Total	<u>\$ 8,390,401</u>	<u>\$ 26,635,214</u>

County contributions made subsequent to the measurement date of \$3,609,480 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	Pension Expense Amount
2025	\$ (12,351,516)
2026	(2,014,234)
2027	(4,477,822)
2028	(3,010,721)

**Police and Fire Fund Pension Costs**

At December 31, 2024, the County reported a liability of \$13,219,210 for its proportionate share of the Police and Fire Fund’s net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County’s proportionate share of the net pension liability was based on the County contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA’s participating employers. The County’s proportionate share was 1.0048 percent at the end of the measurement period and 0.9902 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9.0 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9.0 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9.0 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9.0 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9.0 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota’s proportionate share of the net pension liability associated with the County totaled \$503,911.

**Washington County, Minnesota**  
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State and County Share of Net Pension Liability	
Description	Amount
County's proportionate share of the net pension liability	\$ 13,219,210
State of Minnesota's proportionate share of the net pension liability associated with the County	509,911
Total	<u>\$ 13,729,121</u>

For the year ended December 31, 2024, the County recognized pension expense of \$2,442,944 for its proportionate share of the Police and Fire Plan's pension expense. In addition, the County recognized \$48,933 as grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9.0 million to the Police and Fire Fund special funding situation.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The County recognized \$194,901 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 5,098,924	\$ -
Changes in Actuarial Assumptions	14,320,228	19,182,829
Net Difference Between Projected and Actual		
Investment Earnings	-	4,301,782
Changes in Proportion	706,529	148,562
County Contributions Subsequent to the Measurement Date	1,383,499	-
Total	<u>\$ 21,509,180</u>	<u>\$ 23,633,173</u>

County contributions made subsequent to the measurement date of \$1,383,499 are reported as deferred outflows of resources related and will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	Pension Expense Amount
2025	\$ (573,921)
2026	3,496,661
2027	(1,776,017)
2028	(5,000,852)
2029	346,637

**Correctional Plan Pension Costs**

At December 31, 2024, the County reported a liability of \$801,638 for its proportionate share of the Correctional Plan’s net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County’s proportionate share of the net pension liability was based on the County contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA’s participating employers. The County’s proportionate share was 2.6302 percent at the end of the measurement period and 2.6160 percent for the beginning of the period.

For the year ended December 31, 2024, the County recognized pension expense of \$1,176,327 for its proportionate share of the Correctional Plan’s pension expense.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$5.3 million to the Correctional Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the Correctional Plan pension allocation schedules for the \$5.3 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The County recognized \$138,244 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota’s on-behalf contributions to the Correctional Employees Fund.

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 567,004	\$ -
Changes in Actuarial Assumptions	-	2,697,497
Net Difference Between Projected and Actual		
Investment Earnings	-	1,113,571
Changes in Proportion	12,882	30,624
County Contributions Subsequent to the Measurement Date	305,675	-
Total	<u>\$ 885,561</u>	<u>\$ 3,841,692</u>

County contributions made subsequent to the measurement date of \$305,675 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	Pension Expense Amount
2025	\$ (2,969,106)
2026	429,908
2027	(422,987)
2028	(299,621)

**Washington County, Minnesota**  
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**5. Total Pension Expense**

The total pension expense for all plans recognized by the County for the year ended December 31, 2024, was \$7,680,438.

**6. Summary of Pension Plans**

The aggregate amount of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for the County’s defined benefit pension plans are summarized below. These liabilities are typically liquidated by the individual activity in 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	\$ 39,281,903	\$ 13,219,210	\$ 801,638	\$ 53,302,751
Deferred Outflows of Resources Related to Pensions	8,390,401	21,509,180	885,561	30,785,142
Deferred Inflows of Resources Related to Pensions	26,635,214	23,633,173	3,841,692	54,110,079
Total Pension Expense:				
Current Year County Contributions	\$ 7,079,638	\$ 2,624,691	\$ 604,707	\$ 10,309,036
Government-Wide Pension Adjustment	(3,067,404)	(132,814)	571,620	(2,628,598)
Total Pension Expense	<u>\$ 4,012,234</u>	<u>\$ 2,491,877</u>	<u>\$ 1,176,327</u>	<u>\$ 7,680,438</u>
Pension Revenues From State Contributions	\$ 1,807,332	\$ 194,901	\$ 138,244	\$ 2,140,477

**7. 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%	5.1%
International Equity	16.5%	5.3%
Fixed Incomes	25.0%	0.8%
Private Markets	25.0%	5.9%
Total	<u>100.0%</u>	

**8. Actuarial Methods and Assumptions**

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

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

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3 percent after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 11.75 percent after one year of service to 3 percent after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11 percent at age 20 to 3 percent at age 60.

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

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

#### **General Employees Fund**

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

#### **Police and Fire Fund**

Changes in Plan Provisions:

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

**Correctional Fund**

Changes in Plan Provisions:

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

**9. Discount Rate**

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

**10. Pension Liability Sensitivity**

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

Description	Sensitivity Analysis					
	Net Pension Liability (Asset) at Different Discount Rates					
	General Employees Fund		Police and Fire Fund		Correctional Fund	
1 Percent Lower	6.00%	\$ 85,797,998	6.00%	\$ 31,239,574	6.00%	\$ 6,514,292
Current Discount Rate	7.00%	39,281,903	7.00%	13,219,210	7.00%	801,638
1 Percent Higher	8.00%	1,018,172	8.00%	(1,579,281)	8.00%	(3,749,379)

**11. Pension Plan Fiduciary Net Position**

Detailed information about each pension plan’s fiduciary’s 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](http://www.mnpera.org).

**J. Public Employees Defined Contribution Plan**

**Deferred Compensation Description**

Five County Board members of the County are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until 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 5.0 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

**Washington County, Minnesota**  
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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 2024 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer	Employee	Employer	Rates
\$ 19,903	\$ 19,903	5.0%	5.0%	5.0%

**K. Net Position and Fund Balance**

**1. Government Wide Financial Statements**

Net position reported on the government wide statement of net position at December 31, 2024, includes the County's net investment in capital assets, calculated as follows:

Description	2024 Amount
Total Capital Assets	\$ 1,173,087,582
Less - Accumulated Depreciation and Amortization	(476,530,259)
Total Capital Assets - Net	<u>696,557,323</u>
Net Outstanding Debt Obligations	
Reductions	
General Obligation Debt Outstanding	(112,695,000)
Lease Liability Outstanding	(804,599)
Subscription Liability Outstanding	(2,164,008)
Unamortized Gain on Refunding (DI)	(219,248)
Bond Premium Balance	(6,186,924)
Contracts Retainage for Capital Projects	(8,439,666)
Additions	
Unspent Bond Proceeds	17,754,211
Unamortized Loss on Refunding (DO)	749,035
Total Net Outstanding Debt	<u>(112,006,199)</u>
Total Net Investment in Capital Assets	<u>\$ 584,551,124</u>

**Washington County, Minnesota**  
**Notes to the Financial Statements**  
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Restricted net position of the Government wide financial statements is outlined by county function or project, details of the fund balances included in these balances is outlined below:

Description	County Function						
	General Government	Public Safety	Culture and Recreation	Health and Human Services	Capital Projects	Debt Service	Transit Projects
Recorder's Technology Fund	\$ 1,860,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Sheriff	-	909,824	-	-	-	-	-
Attorney Forfeitures	370,050	-	-	-	-	-	-
Parks	-	-	1,062,791	-	-	-	-
Inmate Services Fund	-	9,741	-	-	-	-	-
Law Library and County Library	142,587	-	4,801,022	-	-	-	-
E-911 Funding Technology	-	1,057,528	-	-	-	-	-
Septic Loans	-	-	-	563,613	-	-	-
Recorders Initiatives	698,664	-	-	-	-	-	-
Public Safety Aid Funding	-	2,309,257	-	-	-	-	-
Public Health & Environment	-	-	-	8,853,692	-	-	-
Opioid Settlement	-	-	-	6,347,119	-	-	-
County Elections	241,323	-	-	-	-	-	-
Transit Project	-	-	-	-	-	-	3,984,581
Debt Service	-	-	-	-	-	16,553,583	-
Unspent Bond Proceeds	-	-	-	-	17,754,211	-	-
Capital Projects	-	-	-	-	4,341,814	-	-
MNDOT Allotments	-	-	-	-	24,429,616	-	-
<b>Total Restricted Net Position</b>	<b>\$ 3,313,522</b>	<b>\$ 4,286,350</b>	<b>\$ 5,863,813</b>	<b>\$ 15,764,424</b>	<b>\$ 46,525,641</b>	<b>\$ 16,553,583</b>	<b>\$ 3,984,581</b>

**Washington County, Minnesota**  
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**December 31, 2024**

**2. Fund Financial Statements**

Governmental fund balances reported on the fund financial statements at December 31, 2024, include the following:

	Major Funds					Total Governmental Fund Balance
	General	Regional Rail Authority	Metro Gold Line	Debt Service	Capital Projects	
<b>Nonspendable Fund Balance</b>						
Supplies	\$ 2,962,959	\$ -	\$ -	\$ -	\$ -	\$ 2,962,959
Prepays	323,288	-	-	-	56,449	379,737
Note Receivable	7,165,485	-	-	-	-	7,165,485
Due from Component Unit	1,066,646	-	-	-	-	1,066,646
<b>Total</b>	<b>11,518,378</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,449</b>	<b>11,574,827</b>
<b>Restricted Fund Balance</b>						
Recorder's Technology Fund	1,860,898	-	-	-	-	1,860,898
County Sheriff	909,824	-	-	-	-	909,824
Attorney Forfeitures	370,050	-	-	-	-	370,050
Parks	1,062,791	-	-	-	-	1,062,791
Inmate Services Fund	9,741	-	-	-	-	9,741
Law Library and County Library	4,943,609	-	-	-	-	4,943,609
E-911 Funding Technology	1,057,528	-	-	-	-	1,057,528
Septic Loans	563,613	-	-	-	-	563,613
Recorders Initiatives	698,664	-	-	-	-	698,664
Public Safety Aid Funding	2,309,257	-	-	-	-	2,309,257
Public Health & Environment	8,853,692	-	-	-	-	8,853,692
Opioid Settlement	3,673,098	-	-	-	-	3,673,098
County Elections	241,323	-	-	-	-	241,323
Transit Project	-	-	3,984,581	-	-	3,984,581
Debt Service	-	-	-	18,456,527	-	18,456,527
Unspent Bond Proceeds	-	-	-	-	17,754,211	17,754,211
Capital Projects	-	-	-	-	4,341,814	4,341,814
<b>Total</b>	<b>26,554,088</b>	<b>-</b>	<b>3,984,581</b>	<b>18,456,527</b>	<b>22,096,025</b>	<b>71,091,221</b>
<b>Committed Fund Balance</b>						
Other Postemployment Benefits	120,143,962	-	-	-	-	120,143,962
Mission Directive Budget (MDB)	10,215,644	-	-	-	-	10,215,644
Equipment and Projects	985,400	-	-	-	-	985,400
<b>Total</b>	<b>131,345,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131,345,006</b>
<b>Assigned Fund Balance</b>						
Compensated Absences	13,925,687	-	-	-	-	13,925,687
Employer Liability Fund	324,687	-	-	-	-	324,687
Public Safety	1,257,254	-	-	-	-	1,257,254
Regional Rail Authority	-	2,316,953	-	-	-	2,316,953
Capital Projects	-	-	-	-	67,773,187	67,773,187
<b>Total</b>	<b>15,507,628</b>	<b>2,316,953</b>	<b>-</b>	<b>-</b>	<b>67,773,187</b>	<b>85,597,768</b>
<b>Unassigned Fund Balance</b>						
	85,736,255	-	-	-	-	85,736,255
<b>Total Fund Balance</b>	<b>\$ 270,661,355</b>	<b>\$ 2,316,953</b>	<b>\$ 3,984,581</b>	<b>\$ 18,456,527</b>	<b>\$ 89,925,661</b>	<b>\$ 385,345,077</b>

**Note IV – Other Information**

**A. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has entered into a joint powers agreement with other Minnesota counties to form the Minnesota Counties Intergovernmental Trust (MCIT) to cover its liabilities for workers compensation and property and casualty. There were no significant reductions of insurance coverage from the previous year. There have been no settlements in excess of insurance for any of the past three years. In 1982 and 1986, the County joined the MCIT Workers’ Compensation and Property and Casualty Divisions, respectively.

On December 31, 1988, the MCIT established Trust II to handle workers’ compensation losses that occurred after 1988. In establishing this fund, MCIT moved from a cash flow loss funding approach to workers’ compensation to a fully funded approach, a method used by the insurance industry. This meant the 1989 premiums and those thereafter could not be used to fund prior year losses. The County has no remaining liability for pre-1989 losses.

As of January 1, 1989, the Workers’ Compensation Division was self-sustaining based on the payments charged, so that total payments plus compounded earnings on these payments will equal the amount needed to satisfy claims, liabilities, and other expenses. MCIT participates in the Workers’ Compensation Reinsurance Association with coverage at \$500,000 per claim for plan year 2024. Should the MCIT Workers’ Compensation Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT. The County is self-insured for the first \$50,000 of each claim to an aggregate of \$200,000 for any one year.

The Property and Casualty Division is self-sustaining and the County pays an annual premium to cover current and future losses. The 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. Premiums are paid by the General Fund, which is reimbursed from other funds for their share.

**B. Contingencies**

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

**C. Construction Commitments**

The County has several active construction projects as of December 31, 2024. These projects are being funded by County tax dollars, bonds, and intergovernmental revenues from the state and federal governments. A summary of the County’s construction commitments is shown in the table below:

Project Type	Spent To Date	Remaining Commitment
Highway Projects	\$ 45,832,377	\$ 20,898,440
Building Projects	24,065,279	12,467,463
Parks Projects	4,168,498	2,875,357
Total	<u>\$ 74,066,154</u>	<u>\$ 36,241,260</u>

**D. Washington County CDA (formerly HRA) Bonds**

Washington County has guaranteed several Washington County Community Development Agency (CDA) Governmental Housing Revenue Bonds. This general obligation pledge has allowed the CDA to obtain lower borrowing costs for the purpose of financing the construction of housing facilities within the County. As of December 31, 2024, the principal balance of these revenue bonds totaled \$22,485,000; as outlined below:

Issues	Balance
Governmental Taxable Housing Revenue Bonds Series 2010B	\$ 5,765,000
Governmental Housing Revenue Refunding Bonds Series 2012A	3,355,000
Taxable Qualified Energy Conservation Revenue Bonds Series 2012B	695,000
Governmental Housing Revenue Refunding Bonds Series 2012C	5,305,000
Governmental Facility Lease Revenue Bonds Series 2013C	855,000
Governmental Multi-Family Housing Revenue Bonds Series 2015A	6,510,000
Total	<u>\$ 22,485,000</u>

Debt service requirements for the CDA Revenue bonds are as follows:

Washington County CDA Revenue Bonds		
Year Ending December 31	Principal	Interest
2025	\$ 5,265,000	\$ 844,883
2026	1,245,000	717,354
2027	1,290,000	672,093
2028	1,330,000	623,637
2029	1,375,000	573,016
2030-2034	4,925,000	2,147,116
2035-2039	3,790,000	1,192,919
2040-2044	2,420,000	375,628
2045-2046	845,000	34,100
Total	<u>\$ 22,485,000</u>	<u>\$ 7,180,746</u>

**E. Joint Ventures**

**1. Resource Recovery Project Board - Ramsey/Washington Recycling and Energy Board**

Ramsey and Washington Counties have a Joint Powers Agreement for the Ramsey/Washington Recycling and Energy Board (Ramsey/Washington R&E Board)

The mission of the Ramsey/Washington R&E Board was to modernize the East Metro’s trash handling system. After more than two years of studying, the Ramsey/Washington R&E Board purchased a facility from private owners in December 2015 at 100 Red Rock Rd. At the time of purchase, the facility was funded based on a 27.0 percent share from Washington County and a 73.0 percent share from Ramsey County.

Washington County issued a \$6,588,000 note for its share of the facility purchase while Ramsey County issued bonds for their portion of the purchase. The joint powers agreement designates Ramsey County to serve as the administrative entity for the Energy Board. The term of this loan was over 25 years and at an interest rate to be determined by the bond issued by Ramsey County.

Since the initial purchase, three additional notes have been issued to the Ramsey/Washington R&E Board to provide working capital and to fund capital purchases. The first note was in 2016 for working capital

which totaled \$1,107,000. These funds are to be paid back based on future performance at zero percent interest. The second note was in 2018, with an additional \$414,500 being paid to fund capital renovations and has been repaid in full. The final note was in 2019 with an additional \$1,350,000 being paid by Washington County for working capital. Although the funds were given in 2019, repayment of this loan did not start until 2024. The term of this loan was over 6 years and at zero percent interest.

Washington County's ongoing financial interest in the Ramsey/Washington R&E Board is 27.0 percent of the obligations or resources upon termination of the agreement. For 2023, the Ramsey/Washington R&E Board reported a net position of \$23.7M with annual operating revenues of \$59.7M, operating expenditures of \$55.8M, and an overall increase in net position of \$3.9M.

In March of 2021, Ramsey County issued \$32,720,000 of Series 2021A General Obligation Solid Waste Facility Revenue Bonds (Green Bonds) and loaned the proceeds to the Energy Board to fund enhancements to the facility. The bonds will be repaid with revenues generated by the facility, backed by pledges from Ramsey and Washington County should revenues from the facility not be sufficient to cover debt service. Final maturity of the bonds will occur in February of 2041. There is no accumulation of resources or fiscal stress related to this entity.

Complete financial statements for the Resource Recovery Project Board may be obtained from the administrative offices at 2785 White Bear Ave, Suite 350, Maplewood MN, 55109, or calling (651) 266-1195.

## **2. I-35 WE Coalition**

The I-35 WE Coalition (Coalition) includes cities and counties along the I-35W and I-35E corridors in Anoka and Washington Counties. The Goals of the I-35 WE Coalition are to:

- Develop a cohesive transportation system in the area.
- Balance land use and the transportation system.
- Identify, develop, and support regional transportation system improvements.

To accomplish these goals, the counties and cities entered into a joint powers agreement under the authority provided by Minnesota State Statute 471.59. This agreement was signed by Washington County in 2005. The Coalition strives to coordinate programming of transportation systems by an interactive process such that the transportation system is capable of supporting land use and development in the northeast metropolitan area.

The parties agree to hold regular meetings for the purpose of monitoring progress on the planning activities, providing guidance for such planning activities, and coordinating between governing bodies, including Mn/DOT and the Metropolitan Council.

Currently, there are no direct costs associated with the work to be performed. Therefore, no financial statements are issued. However, if the parties agree that costs are to be incurred, the parties will amend the existing joint powers agreement or prepare a new agreement for that purpose. Any party may withdraw from the agreement upon thirty days written notice to the other parties of the agreement.

The County retains no fiscal interest and has no stake in the accumulation of resources or fiscal stress of the entity.

For more information contact the project coordinator: Michele Landau, City Clerk, City of Hugo, 14669 Fitzgerald Avenue North, Hugo, MN 55038; [mlindau@ci.hugo.mn.us](mailto:mlindau@ci.hugo.mn.us).

**3. Counties Transit Improvement Board (CTIB)**

Pursuant to Laws of Minnesota 2008, Chapter 152, Article 4, Section 2, metro counties were authorized to impose a Metropolitan Transportation Area Sales Tax for the purpose of facilitating investment in transit-ways, to cooperatively plan and develop policies for transit investments, to advocate for state and federal funding and transportation policies supportive of transit ways, and to provide for public education and information.

The counties of Anoka, Dakota, Hennepin, Ramsey, and Washington officially formed the Counties Transit Improvement Board (CTIB). Each participating county had to approve the statutorily required joint powers agreement establishing a new board. Each county had to approve the imposition of the ¼ cent sales tax and \$20 motor vehicle excise tax effective July 1, 2008.

CTIB provided grant funding to transit projects across the Metro area, including funding for a number of transit projects in Washington County. CTIB operated through significant county staff involvement, specifically on transit, communications, finance and legal issues, and through county collaboration. Hennepin County provided fiscal agent service with private consultants providing administration, financial advice, and legal counsel.

The CTIB organization was dissolved effective September 30, 2017, by resolution of the CTIB Board and each of its member counties. As a part of the dissolution process, the remaining assets of CTIB were divided among the member counties to be used for transit related projects. Washington County’s allocation of these distributed funds totaled \$19,974,685; and was recognized in the Metro Gold Line Special Revenue Fund, to be used to fund the Metro Gold Line Project. There have been additional distributions to the County since 2017, including:

Year	Amount
2018	\$ 381,460
2019	317,184
2020	143,312
2021	-
2022	90,486
2023	84
2024	353,694

All of these fund distributions were recognized in the Gold Line Special Revenue Fund.

Due to the dissolution of CTIB and the ending of the ¼ cent sales and use tax and \$20 motor vehicle excise tax on September 30, 2017, Washington County imposed a ¼ cent sales and use tax and a wheelage tax of \$20 per motor vehicle, effective October 1, 2017. These tax revenues are restricted for transportation and transit related projects and are reflected in the Metro Gold Line Special Revenue Fund.

Further information is available by contacting Washington County’s Public Works Department: Aaron Zellmer, Internal Services Division Manager, at [Aaron.Zellmer@washingtoncountymn.gov](mailto:Aaron.Zellmer@washingtoncountymn.gov) or Lyssa Leitner, Public Works Planning Director, at [Lyssa.Leitner@washingtoncountymn.gov](mailto:Lyssa.Leitner@washingtoncountymn.gov).

**4. Gold Line Partners / Gold Line Joint Powers Board**

The Gateway Corridor Commission (the GCC) was established in March 2010, under a Joint Powers Agreement in accordance with Minnesota State Statute 471.59. The GCC’s primary purpose was to study and plan alternative transportation options for the area along Interstate 94, within Ramsey and

Washington Counties. In early 2018, the Metro Gold Line Project transitioned from the GCC to the state under the leadership of Metro Transit. As of April 12, 2018, the GCC was known as Gold Line Partners (GLP).

The County's participation in the GLP involved a modest periodic membership contribution which were assessed by the Board. However, the primary funding sources for these activities was grant funding from other organizations. The County retained no fiscal interest and had no stake in the accumulation of resources or fiscal stress of the entity.

On July 23, 2019, the Ramsey County Regional Railroad Authority, Ramsey County, Washington County Regional Railroad Authority and Washington County entered into a new Joint Powers Agreement to receive and distribute local funding for the pre-engineering, engineering and construction phases of the Metro Gold Line Project.

Following the creation of the new Joint Powers Agreement, all involved parties agreed to the termination of the Joint Powers Agreement Establishing the GLP, and recommend that Ramsey County Regional Railroad Authority and Washington County Regional Railroad Authority transfer the remaining assets of the GLP to the newly formed Gold Line Joint Powers Board. The termination was effective December 31, 2019.

The Gold Line Joint Powers Board bills the member counties in advance for the following month's costs of the project as billed by the Metropolitan Council and remits member contributions to Metropolitan Council on their behalf.

Separately issued financial statements are available for the years ending December 31, 2012-2024.

For more information contact the Gold Line Joint Powers Board staff lead: Sara Allen, Washington County Senior Planner, at [Sara.Allen@washingtontcountymn.gov](mailto:Sara.Allen@washingtontcountymn.gov).

##### **5. Red Rock Corridor Commission**

The Red Rock Corridor Commission (RRCC) is comprised of 11 members representing the counties and communities within the corridor. Member communities are; Washington County Regional Rail Authority, Hennepin, Ramsey and Dakota County Regional Railroad Authorities, Minneapolis, St. Paul, Newport, Cottage Grove, St. Paul Park, Denmark Township, and Hastings. In addition to the 11 members, representatives from Goodhue County, the City of Red Wing, Prairie Island Indian Community, and the Canadian Pacific Railway serve as ex-officio members.

To pursue the goal of developing further transit in the corridor, the counties and cities entered into a joint powers agreement under the authority provided by Minnesota Statute 471.59. This agreement was signed by Washington County in 2004. The RRCC will work with corridor municipalities, the Metropolitan Council (Met Council), Metro Transit, the Minnesota Department of Transportation (MNDOT) and the Minnesota High Speed Rail Commission (MNHSRC) to continue the advancement of the Red Rock Corridor.

The County's participation involves modest periodic membership contribution which may be assessed by the Board. However, the primary funding sources for these activities is grant funding for other organizations. The County retains no fiscal interest and has no stake in the accumulation of resources or fiscal stress of the entity.

The Red Rock Corridor Commission meets the 4th Thursday of each month at 4:00 p.m. at the Cottage Grove City Hall.

Ramsey, Washington, Hennepin, and Dakota Counties are the joint funding partners for the Commission. For 2024, WCRRA had no direct contributions to the Commission.

For more information contact the Red Rock Corridor staff lead: Lyssa Leitner, Washington County Public Works Planning Director, at [Lyssa.Leitner@washingtoncountymn.gov](mailto:Lyssa.Leitner@washingtoncountymn.gov) or Andrea Rehm, Washington County Public Works Planner II, at [Andrea.Rehm@washingtoncountymn.gov](mailto:Andrea.Rehm@washingtoncountymn.gov).

**6. Rush Line Corridor Task Force**

The Rush Line Corridor Task Force is made up of 21 elected officials from counties and municipalities along the corridor, which stretches from Hinckley to St. Paul. Communities include; Ramsey, Chisago, Pine and Washington Counties, Centerville, Forest Lake, Harris, Hinckley, Hugo, Little Canada, Maplewood, North Branch, Pine City, Rock Creek, Rush City, St. Paul, Sandstone, Stacy, White Bear Lake, White Bear Township, and Wyoming.

To pursue the goal of developing further transit in the Corridor, the counties and cities entered into a joint powers agreement under the authority provided by Minnesota Statute 471.59. This agreement was signed by Washington County in 2006. The task force will work with Corridor municipalities, counties, transit agencies, and the Minnesota Department of Transportation and Metro Transit and the Metropolitan Council to coordinate improved transit service including potential park-and-ride/pool facilities and new express bus routes along the Corridor.

The County's participation involves modest periodic membership contribution which may be assessed by the Board. However, the primary funding sources for these activities is grant funding for other organizations. The County retains no fiscal interest and has no stake in the accumulation of resources or fiscal stress of the entity.

Rush Line Task Force meets every other month at the Maplewood Community Center.

For more information contact the Rush Line Corridor staff lead: Stephen Smith, Ramsey County Senior Transportation Planner, at [Stephen.Smith@co.ramsey.mn.us](mailto:Stephen.Smith@co.ramsey.mn.us).

**7. Metropolitan Library Service Agency (MELSA)**

The County entered into a joint powers agreement with the other six metropolitan area counties and the cities of Saint Paul and Minneapolis to improve public library services within the various jurisdictions. The Board of Directors of MELSA consists of one representative from each member entity. Financing is provided by gifts, grants, and other assistance from the federal government, the State of Minnesota, or any person or agency for MELSA. Washington County received grants from MELSA totaling \$229,041 in 2024. The County retains no fiscal interest and has no stake in the accumulation of resources or fiscal stress of the entity. The MELSA agency handles the accounting function for the Board. Current financial statements are available from the MELSA office, 1619 Dayton Avenue, Suite 314, St. Paul, MN 55104-6276.

**F. Jointly Governed Organizations**

**1. ImmuLink**

The County is was a participant in the Minnesota Immunization Information Connection (MIIC), which is a system that stores electronic immunization records. MIIC established regions within the state, and the seven-county metro area makes up the region known as ImmuLink. The County has no operational or financial control over ImmuLink, and no direct expenditures were associated with the program in 2024. During 2024, ImmuLink dissolved and transitioned to IQIP Consultants.

**2. Minnesota Criminal Justice Data Communications Network (MCJDCN)**

The County is a participant in the Minnesota Criminal Justice Data Communications Network. Minnesota criminal justice agencies must provide certain incident and arrest data to the Bureau of Criminal Apprehension (BCA) to meet state and federal reporting requirements, and the MCJDCN is a vital part of that information sharing process. Washington County has no operational or financial control over the MCJDCN, and no direct expenditures were associated with the program in 2024.

**3. Minnesota Counties Computer Cooperative (MCCC)**

The County participates in the Minnesota Counties Computer Cooperative (MCCC), a joint powers agreement with all Minnesota Counties. MCCC works as a joint powers organization in facilitating services and training, providing software and other cost-effective measures to substantially reduce technology costs for counties, cities, and agencies. For 2024, the County paid MCCC \$448,424 for services received. The County has no operational or financial control over MCCC.

**4. Minnesota Sentence to Service Program**

The County has a joint powers agreement with the State of Minnesota to operate a community work program known as the "Sentencing to Service" Program. The County received \$104,002 for services performed under this agreement in 2024.

**G. Related Organization - Watershed Districts**

The County Commissioners appoint managers to the watershed district boards. The appointments are not considered substantive because the County Commissioners must select district managers from a list of nominees submitted by the municipalities that are wholly or partially in the watershed district. The Watershed District comprises a geographic area, which is affected by the watershed from a particular source. The Watershed District Board is responsible for initiating and overseeing certain actions which control or alleviate damage from flooding, control or alleviate damage to water basins, regulate improvements of riparian areas, provide ditch maintenance, or ditch repair, and protect or enhance surface water and groundwater quality and quantity. The costs of these actions, plus the associated administrative costs, must be borne by the "benefited" property owner within the district, through a special assessment against the benefited property. Watershed Improvement Bonds typically finance costs of major capital investments.

More information including record availability and access may be obtained from the Minnesota Association of Watershed Districts. Their office is located at 540 Diffley Road, Saint Paul MN 55123, or calling (651) 452-8506.

**Note V – Washington County Community Development Agency - Discretely Presented Component Unit**

The Washington County Community Development Agency (CDA) is a local governmental unit created in 1981 by a special act of Minnesota State Legislature, pursuant to the Laws of Minnesota for 1974, Chapter 475. Originally named the Washington County Housing and Redevelopment Authority (HRA), the CDA had all the powers of a housing and redevelopment authority. In 2016, the Minnesota Legislature enacted House File No. 2956, amending Laws of Minnesota for 1974, Chapter 475, to allow the HRA to assume certain economic development authority powers. After June 28, 2016, the HRA became known as a CDA. The CDA operates for the purpose of providing housing, redevelopment and economic development services to the Washington County, Minnesota area. The governing body of the CDA consists of a seven member Board of Commissioners (Board) appointed by the county commissioners to serve three-year terms.

Several of the CDA's bond issues have been backed by the full faith and credit of the County. This general obligation pledge has allowed the CDA to obtain lower borrowing costs for the purpose of financing the construction of housing facilities within the County. As such, the CDA is considered a discretely presented component unit of the County and is included in the County's basic financial statements.

**A. Deposits and Investments**

**Governmental and Business-Type Activities of the CDA**

the CDA considers unrestricted cash and highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

The CDA invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which is created under a joint powers agreement pursuant to Minnesota Statute 471.59 and regulated by the Board of Trustees of the MAGIC Fund. The CDA's external investment pool investment MAGIC Fund is a short-term portfolio rated AAAM by S&P Global and the fair value of the position in the pool are the same as the value of pool shares. The pool is managed to maintain a dollar-weighted average portfolio maturity of 60 days or less and seeks to maintain a constant net asset value (NAV) per share of \$1. The pool measures their investments in accordance with Government Accounting Standards Board Statement No. 79, at amortized cost. The MAGIC Fund has no redemption requirements and no maximum transaction amounts. A copy of the funds statement is available at [www.magicfund.org](http://www.magicfund.org).

**Deposits**

Minnesota Statutes require that all deposits with financial institutions must be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance. Deposits include checking, savings and certificates of deposits.

The December 31, 2024 carrying amount of the CDA's deposits with financial institutions was \$3,015,079 all of which is covered by FDIC insurance or pledged collateral.

**Investments**

The CDA's investment policy requires compliance with State statutes which allow investments in obligation guaranteed by the U.S. Treasury or its agencies, mutual funds, general obligations of state and local governments, bankers' acceptances, commercial paper, repurchase agreements, and the Minnesota Association of Governments Investing for Counties.

**Washington County, Minnesota**  
**Notes to the Financial Statements**  
**December 31, 2024**

As of December 31, 2024 the CDA had the following investments and maturities:

Description	Rating	Fair Value	Investment Maturities (in Years)		
			Less than 1	1-5	Over 5
Mutual Fund	AAAm	\$ 23,912,008	\$ 23,912,008	\$ -	\$ -
External Investment Pools	AAAm	15,280,664	15,280,664	-	-
Brokered CD's	N/R	7,164,266	1,188,433	5,975,833	-
Brokered GAB's	AA+	429,296	35	429,261	-
Brokered MB's	AAA	1,284,194	446,670	837,524	-
Brokered MB's	AA+	327,336	327,336	-	-
Brokered MB's	AA	859,083	761,850	97,233	-
Brokered MB's	AA-	485,451	485,451	-	-
Total Investments		49,742,298	\$ 42,402,447	\$ 7,339,851	\$ -
Deposits	N/R	3,015,079			
Total Cash and Investments		\$ 52,757,377			

N/R - Not Rated

**Fair Value**

The CDA's investments that are not recorded at amortized cost are recorded at fair value as of December 31, 2024. GASB Statement No. 72, Fair Value Measurement and Application, defines fair value as the price that would be received to sell an asset between market participants at the measurement date. This statement established a hierarchy of valuation inputs based on the extent to which the inputs are observable in the market place.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measure. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable.

The CDA has the following recurring fair value measurements as of December 31, 2024:

Investment Type	12/31/2024	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments at Fair Value:				
Brokered CD's	\$ 7,164,266	\$ -	\$ 7,164,266	\$ -
Brokered GAB's	429,296	-	429,296	-
Brokered MB's	2,956,064	-	2,956,064	-
Total/Subtotal	10,549,626	\$ -	\$ 10,549,626	\$ -
Investments Not Categorized:				
Mutual fund	23,912,008			
External investment pool - Magic fund	15,280,664			
Total	\$ 49,742,298			

**Deposit and Investment Risks**

- Custodial credit risk – For investments in securities, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the CDA will not be able to recover the value of its investment securities that are in the possession of an outside party. Investments in investment pools and money markets are not evidenced by securities that exist in physical or book entry form, and therefore are not subject to custodial credit risk disclosures.
- Interest rate risk – Interest rate risk is the risk that changes in interest rates of debt investments could adversely affect the fair value of an investment. The CDA's investment policy limits its investments to maturities of less than five (5) years as a means of managing its exposure to fair value losses arising from increasing interest rates.
- Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. The CDA's investment policy does not impose limits greater than those required by state law.
- Concentration of credit risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The CDA places no limit on the amount the CDA may invest in any one issuer. Investments in a single issuer exceeding 5.0 percent of the CDA's overall cash and investment portfolio are as follows:

Description	Percentage
First American Government Obligations	19.8%
Federated Homes Government Obligation	25.6%

**Discretely Presented Component Units of the CDA**

The year end balances of unrestricted and restricted cash and pooled investments for the CDA Discretely Present Component units were as follows:

Description	The Groves	Piccadilly	Glen at Valley	Total
	Apartments, LLC	Square of Mahtomedi, LLC	Creek, LLC	
Cash and Pooled Investments	\$ 138,994	\$ 150,665	\$ 88,288	\$ 377,947
Restricted Cash and Investments	528,415	420,038	665,304	1,613,757
Total	<u>\$ 667,409</u>	<u>\$ 570,703</u>	<u>\$ 753,592</u>	<u>\$ 1,991,704</u>

**Summary of Deposits and Investments**

Cash and pooled investments presented on the County's Statement of Net Position are as follows:

Description	CDA Discretely Presented		
	CDA	Component Units	Total CDA
Cash and Pooled Investments	\$ 38,864,122	\$ 377,947	\$ 39,242,069
Restricted Cash and Investments	13,893,255	1,613,757	15,507,012
Total Cash and Investments	<u>\$ 52,757,377</u>	<u>\$ 1,991,704</u>	<u>\$ 54,749,081</u>

**B. Receivables**

The Community Development Fund has receivable balances of \$19,013,549 which are not expected to be collected within one year of December 31, 2024. These receivables relate to several deferred loans made to finance privately-owned affordable housing projects. A majority of the funding for the loans come from federal programs.

The Managing Member Partnership Fund has receivable balances of \$9,691,213 of which, \$9,467,768 is not expected to be collected within one year of December 31, 2024. These receivables are the seller note receivable from The Groves Apartments, LLC, the developer fees, loan receivable, and mortgage receivable from Piccadilly Square of Mahtomedi, LLC, and the developer fees, loan receivables, and mortgage receivable from The Glen at Valley Creek, LLC.

**Lease Receivable**

The CDA entered into a lease with Washington Conservation District. Under terms of the lease, monthly payments are equal to one-sixth of the amount of interest due on the Series 2013 Bonds on the next succeeding interest payment date, plus one-twelfth of the amount of principal due on the Series 2013 Bonds on the next principal payment date.

Lessee	Non-cancelable Term	Monthly Payments
Washington County Conservation District	24 Months	\$3,750-\$7,500

The above lease does not have a renewal option. It is measured at the present value of the future minimum lease payments expected to be received during the lease term at a discount rate of 3.45 percent, which is based on the rate available to finance acquisitions over the same time period.

At December 31, 2024, the CDA reported a \$851,250 lease receivable and deferred inflow of resources for this arrangement. Total revenues recognized in relation to the lease receivable for the year ended December 31, 2024, were \$45,000 in lease principal and \$31,227 in interest income.

Future minimum lease receipts are as follows:

Washington County CDA Lease Receivable		
Year Ending December 31	Principal	Interest
2025	\$ 45,417	\$ 29,967
2026	50,000	28,696
2027	50,417	27,287
2028	55,417	25,775
2029	60,000	24,100
2030-2034	341,668	88,403
2035-2037	248,331	19,950
Total	<u>\$ 851,250</u>	<u>\$ 244,178</u>

**C. Investment in Limited Partnerships**

The CDA is the general partner and managing member of The Groves Apartments, LLC, Piccadilly Square of Mahtomedi, LLC, and Glen at Valley Creek, LLC, low income housing tax credit limited partnerships. The limited partnerships were formed to construct and operate or rehabilitate and operate family and senior housing property in Washington County and were financed, in part, with low-income housing tax credits

**Washington County, Minnesota**  
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which place certain restrictions on rental rates and require tenants to qualify for occupancy based on income levels. Contributions and distributions, if any, are recorded as direct adjustments to the investment in limited partnerships on the statement of net position. Any income or loss from the operation of this limited partnership is also recorded as a direct adjustment to the investment in limited partnerships based on the CDA's ownership percentage, which is 0.01 percent.

Additional information on the limited partnerships is provided as follows:

Description	Year	Units	Beginning			Allocation of	Ending
	Built		Balance	Additions	Reductions		
The Groves Apartments, LLC	2014	67	\$ 500,506	\$ -	\$ -	\$ (14)	\$ 500,492
Piccadilly Square of Mahtomedi, LLC	2015-2016	79	1,344,041	-	-	(7)	1,344,034
Glen at Valley Creek, LLC	2018	42	12,897	-	-	(38)	12,859
<b>Totals</b>		<b>188</b>	<b>\$ 1,857,444</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (59)</b>	<b>\$ 1,857,385</b>

As General Partner, the CDA is no longer obligated to fund development or operating deficits for Piccadilly Square of Mahtomedi, LLC and Glen at Valley Creek, LLC, as the terms for such obligations have expired. However, the CDA continues to provide guarantees related to the delivery of housing tax credits and payment of development fees.

**D. Capital Assets**

**Governmental Activities of the CDA**

Capital asset activity of the CDA governmental activities for the year ended December 31, 2024 was as follows:

Governmental Activities	Beginning Balances	Increases	Decreases	Ending Balances
<b>Capital Assets, not being Depreciated:</b>				
Land	\$ 424,186	\$ -	\$ -	\$ 424,186
Construction in Progress	4,052	448,920	-	452,972
<b>Total Capital Assets, not being Depreciated</b>	<b>428,238</b>	<b>448,920</b>	<b>-</b>	<b>877,158</b>
<b>Capital Assets, being Depreciated:</b>				
Buildings and Improvements	2,132,563	-	-	2,132,563
Machinery and Equipment	366,206	7,182	(23,097)	350,291
<b>Total Capital Assets, being Depreciated</b>	<b>2,498,769</b>	<b>7,182</b>	<b>(23,097)</b>	<b>2,482,854</b>
<b>Less Accumulated Depreciation for:</b>				
Buildings and Improvements	(561,722)	(53,315)	-	(615,037)
Machinery and Equipment	(222,942)	(36,154)	9,931	(249,165)
<b>Total Accumulated Depreciation</b>	<b>(784,664)</b>	<b>(89,469)</b>	<b>9,931</b>	<b>(864,202)</b>
<b>Total Capital Assets Being Depreciated - Net</b>	<b>1,714,105</b>	<b>(82,287)</b>	<b>(13,166)</b>	<b>1,618,652</b>
<b>Governmental Activities Capital Assets - Net</b>	<b>\$ 2,142,343</b>	<b>\$ 366,633</b>	<b>\$ (13,166)</b>	<b>\$ 2,495,810</b>

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Depreciation expense was charged to the functions/programs:

Governmental Activities	Amount
General Government	\$ 89,469
Total Depreciation Expense - Governmental Activities	<u>\$ 89,469</u>

**Business-Type Activities of the CDA**

Capital asset activity of the CDA business-type activities for the year ended December 31, 2024 was as follows:

Business-Type Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets, not being Depreciated:				
Land	\$ 4,773,053	\$ -	\$ -	\$ 4,773,053
Construction in Progress	342,408	1,316,688	(1,592,211)	66,885
Total Capital Assets, not being Depreciated	<u>5,115,461</u>	<u>1,316,688</u>	<u>(1,592,211)</u>	<u>4,839,938</u>
Capital Assets, being Depreciated:				
Buildings and Improvements	75,731,525	1,538,998	(769,499)	76,501,024
Machinery and Equipment	532,676	53,214	(20,101)	565,789
Total Capital Assets, being Depreciated	<u>76,264,201</u>	<u>1,592,212</u>	<u>(789,600)</u>	<u>77,066,813</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(38,284,661)	(2,018,915)	769,499	(39,534,077)
Machinery and Equipment	(516,510)	(2,425)	20,101	(498,834)
Total Accumulated Depreciation	<u>(38,801,171)</u>	<u>(2,021,340)</u>	<u>789,600</u>	<u>(40,032,911)</u>
Total Capital Assets Being Depreciated - Net	<u>37,463,030</u>	<u>(429,128)</u>	<u>-</u>	<u>37,033,902</u>
Business-Type Activities Capital Assets - Net	<u>\$ 42,578,491</u>	<u>\$ 887,560</u>	<u>\$ (1,592,211)</u>	<u>\$ 41,873,840</u>

Depreciation expense was charged to the functions/programs:

Business-Type Activities	Amount
Housing	\$ 2,021,340
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,021,340</u>

**Washington County, Minnesota**  
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**Discretely Presented Component Units of the CDA Capital Assets**

Capital asset activity of the CDA’s discretely presented component units for the year ended December 31, 2024 was as follows:

CDA Discretely Presented Component Units	Beginning Balance	Increase	Decrease	Ending Balance
Capital Assets, not being Depreciated:				
Land	\$ 2,770,501	\$ -	\$ -	\$ 2,770,501
Capital Assets, being Depreciated:				
Buildings and Improvements	33,955,109	11,597	-	33,966,706
Machinery and Equipment	1,014,705	-	-	1,014,705
Total Capital Assets, being Depreciated	<u>34,969,814</u>	<u>11,597</u>	<u>-</u>	<u>34,981,411</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(6,044,876)	(904,875)	-	(6,949,751)
Machinery and Equipment	(927,808)	(86,848)	-	(1,014,656)
Total Accumulated Depreciation	<u>(6,972,684)</u>	<u>(991,723)</u>	<u>-</u>	<u>(7,964,407)</u>
Total Capital Assets being Depreciated - Net	<u>27,997,130</u>	<u>(980,126)</u>	<u>-</u>	<u>27,017,004</u>
CDA Discretely Presented Component Unit				
Capital Assets - Net	<u>\$ 30,767,631</u>	<u>\$ (980,126)</u>	<u>\$ -</u>	<u>\$ 29,787,505</u>

Depreciation expense was charged to the functions/programs:

CDA Discretely Presented Component Units	Amount
Housing	\$ 991,723
Total Depreciation Expense - CDA Discretely Presented Component Unit	<u>\$ 991,723</u>

**Summary of Capital Assets**

The following table displays a summary of the capital assets of the CDA for the year ending December 31, 2024:

Description	CDA		CDA Discretely Presented	Total
	Governmental Activities	Business-Type Activities	Component Units	
Summary of Capital Assets, Net				
Land	\$ 424,186	\$ 4,773,053	\$ 2,770,501	\$ 7,967,740
Construction in Progress	452,972	66,885	-	519,857
Buildings and Improvements	1,517,526	36,966,947	27,016,955	65,501,428
Machinery and Equipment	101,126	66,955	49	168,130
Total Capital Assets, Net	<u>\$ 2,495,810</u>	<u>\$ 41,873,840</u>	<u>\$ 29,787,505</u>	<u>\$ 74,157,155</u>

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**E. Long Term Debt**

The CDA issues long-term debt to finance the acquisition and construction of housing developments. The reporting entity's long-term debt is segregated between the amount to be repaid from governmental activities, business-type activities, and the Discretely Presented Component Unit of the CDA.

**Governmental and Business-Type Activities of the CDA**

Changes in long-term debt of the CDA governmental and business-type activity were as follows:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences *	\$ 207,885	\$ 48,957	\$ -	\$ 256,842	\$ 25,684
<b>Direct Borrowings:</b>					
Notes Payable	931,661	-	(139,589)	792,072	143,856
Due to Primary Government	1,142,278	-	(75,630)	1,066,648	79,459
<b>Total</b>	<b>2,281,824</b>	<b>48,957</b>	<b>(215,219)</b>	<b>2,115,562</b>	<b>248,999</b>
<b>Business-Type Activities:</b>					
<b>Direct Borrowings:</b>					
Notes Payable	\$ 1,976,094	\$ -	\$ -	\$ 1,976,094	\$ -
Mortgage Payable	8,020,141	-	(267,034)	7,753,107	273,404
Revenue Bonds Payable	25,260,000	-	(2,775,000)	22,485,000	5,265,000
Bond Issuance Premium/(Discount)	326,975	-	(37,876)	289,099	(2,680)
<b>Total</b>	<b>\$ 35,583,210</b>	<b>\$ -</b>	<b>\$ (3,079,910)</b>	<b>\$ 32,503,300</b>	<b>\$ 5,535,724</b>

\* The change in compensated absences liability is presented as a net change.

Annual debt service requirements to maturity for notes payable, mortgage payable, due to primary government and revenue bonds are outlined below:

Year Ending December 31	Governmental Activities		Business Type Activities			
	Notes Payable & Due to Primary Government		Notes and Mortgages Payable		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 223,315	\$ 59,123	\$ 273,404	\$ 180,029	\$ 5,265,000	\$ 844,883
2026	231,698	50,738	279,926	173,506	1,245,000	717,354
2027	87,708	44,103	286,605	166,828	1,290,000	672,093
2028	92,148	39,662	293,442	159,990	1,330,000	623,637
2029	96,813	34,997	300,443	152,990	1,375,000	573,016
2030-2034	562,740	96,314	2,113,210	653,952	4,925,000	2,147,116
2035-2039	64,298	1,607	2,086,045	452,118	3,790,000	1,192,919
2040-2044	-	-	2,628,432	225,030	2,420,000	375,628
2045-2049	500,000	-	1,467,694	20,178	845,000	34,100
<b>Total</b>	<b>\$ 1,858,720</b>	<b>\$ 326,544</b>	<b>\$ 9,729,201</b>	<b>\$ 2,184,621</b>	<b>\$ 22,485,000</b>	<b>\$ 7,180,746</b>

The notes, mortgages and bonds issued contain various covenants and escrow requirements. As of December 31, 2024, the CDA was in compliance with all such covenants and reserve requirements.

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**CDA Discretely Presented Component Unit Long Term Debt**

The year end balances of long-term debt issued by the CDA Discretely Present Component units were as follows:

Description	Ending 2024 Balance	Due Within One Year
Discretely Presented Component Units of the CDA:		
The Groves Apartments, LLC		
Notes Payable (Net of Finance Fees)	\$ 1,311,227	\$ 30,274
Due to Primary Government	758,841	-
Piccadilly Square of Mahtomedi, LLC		
Due to Primary Government (Net of Finance Fees)	8,293,429	223,445
Glen at Valley Creek, LLC		
Notes Payable (Net of Finance Fees)	5,681,053	70,000
Due to Primary Government	2,900,219	-
Total Discretely Presented Component Unit Debt	<u>\$ 18,944,769</u>	<u>\$ 323,719</u>

Annual debt service requirements to maturity are outlined below:

Year Ending December 31	The Groves Apartments, LLC Principal	Piccadilly Square of Mahtomedi, LLC Principal	Glen at Valley Creek, LLC Principal	Total
2025	\$ 30,274	\$ 223,445	\$ 70,000	\$ 323,719
2026	32,051	227,955	75,000	335,006
2027	33,933	232,556	75,000	341,489
2028	35,752	237,250	80,000	353,002
2029	38,024	242,039	80,000	360,063
Thereafter	1,920,423	6,864,109	7,837,003	16,621,535
Total	<u>\$ 2,090,457</u>	<u>\$ 8,027,354</u>	<u>\$ 8,217,003</u>	<u>\$ 18,334,814</u>

A reconciliation between the annual debt service requirements to maturity and the long-term debt presented on the balance sheet is outlined below:

Description	The Groves Apartments, LLC	Piccadilly Square of Mahtomedi, LLC	Glen at Valley Creek, LLC	Total
Total Debt Service Outstanding	\$ 2,090,457	\$ 8,027,354	\$ 8,217,003	\$ 18,334,814
Less - Unamortized Financing Fees	(20,389)	(120,146)	(196,668)	(337,203)
Add - Accrued Developer Fees	-	386,221	560,937	947,158
Debt Service Presented on Balance Sheet	<u>\$ 2,070,068</u>	<u>\$ 8,293,429</u>	<u>\$ 8,581,272</u>	<u>\$ 18,944,769</u>

**Summary of Outstanding Debt**

A summary of outstanding debt for the CDA And CDA Discretely Presented Component Unit is outlined below:

Description	CDA	CDA Discretely	Total CDA	Due Within
		Presented Component Units		One Year
Summary of Outstanding Debt				
Compensated Absences	\$ 256,842	\$ -	\$ 256,842	\$ 25,684
Notes and Mortgages Payable	10,521,273	6,992,280	17,513,553	517,534
Revenue Bonds Payable	22,774,099	-	22,774,099	5,262,320
Due to Primary Government	1,066,648	11,952,489	13,019,137	302,904
Total Long Term Debt	<u>\$ 34,618,862</u>	<u>\$ 18,944,769</u>	<u>\$ 53,563,631</u>	<u>\$ 6,108,442</u>

**F. Revenues Pledged**

The CDA and Washington County (the County) entered into an agreement dated July 24, 2007 relating to the refinancing of a bank loan. Pursuant to Section 3.2 of the agreement, the County issued the \$1,587,577 Tax Increment Revenue Note and the \$612,423 loan. The proceeds of which were used to retire the bank loan. The CDA has pledged future tax increment revenues from TIF District 2.1 for the repayment of the loan. TIF collections in 2024 totaled \$233,438.

The 2010B Government Housing Revenue Bonds are special obligations of the CDA, payable solely from project revenues and tax rebates. As additional security, the County has provided a general obligation pledge. In exchange for the County’s pledge, the CDA and County entered into a Custodial Agreement, dated July 1, 2010. The Custodial Agreement requires the establishment of debt service and reserve accounts, held in trust, funded by project revenues of the Trailside Senior Living facility and which are to be used for principal and interest payments on the 2010 Bonds and establishing and maintaining required reserve accounts. Property tax revenues may also be allocated to the project in order to supplement operations and ensure compliance with debt service coverage requirements. Principal and interest remaining to be paid on the bonds is \$8,818,104. For the current year, principal and interest paid, total gross operating revenues, tax rebate revenues, property tax revenues and account balances held in trust were \$613,603, \$728,939, \$144,524, \$376,000 and \$2,323,916, respectively.

The 2010C Government Housing Revenue Refunding Bonds are general obligations of the CDA, payable solely from project revenues. As additional security, the County has provided a general obligation pledge. In exchange for the County’s pledge, the CDA and County entered into a Custodial Agreement, dated November 1, 1997, amended August 1, 2010. The Custodial Agreement requires the establishment of debt service and reserve accounts, held in trust, funded by payments from the Landfall Village Housing and Redevelopment Authority and which are to be used for principal and interest payments on the 2010C Bonds and establishing and maintaining required reserve accounts. Principal and interest remaining to be paid on the bond is \$0. For the current year, principal and interest paid, total lease payments received, and account balances held in trust were \$680,610, \$22,035, and \$0, respectively.

The 2012A Government Housing Revenue Refunding Bonds are general obligations of the CDA, payable solely from project revenues. As additional security, the County has provided a general obligation pledge. In exchange for the County’s pledge, the CDA and County entered into a Custodial Agreement, dated March 1, 2012. The Custodial Agreement requires the establishment of debt service and reserve accounts, held in trust, funded by all project revenues of Oakhill Cottages, Muller Manor, Park Place I, Ann Bodlovick, John Jergens Estates, Cobble Hill, and Raymie Johnson Estates facilities and which are to be used for principal and interest payments on the 2012A Bonds and establishing and maintaining required reserve

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accounts. Property tax revenues may also be allocated to a project in order to supplement operations and ensure compliance with debt service coverage requirements. Principal and interest remaining to be paid on the bond is \$3,424,239. For the current year, principal and interest paid, total gross operating revenues, property tax revenues and account balances held in trust were \$836,031, \$3,880,532, \$83,029, and \$3,628,447, respectively.

The 2012B Taxable Qualified Energy Conservation Revenue Bonds are special obligations of the CDA, payable from allocated property tax revenues and tax rebates. As additional security, the County has provided a general obligation pledge. The Agency includes in its annual budget, which is submitted to the County, property tax revenues in an amount sufficient to pay principal and interest on the 2012B Bonds. Property tax revenues are deposited in trust until time of payment. Principal and interest remaining to be paid on the bond is \$710,763. For the current year, principal and interest paid, tax rebate revenues, property tax revenues and account balances held in trust were \$164,400, \$18,956, \$142,988, and \$172,241, respectively.

The 2012C Government Housing Revenue Bonds are general obligations of the CDA, payable solely from project revenues. As additional security, the County has provided a general obligation pledge. In exchange for the County's pledge, the CDA and County entered into a Custodial Agreement, dated October 1, 2012. The Custodial Agreement requires the establishment of debt service and reserve accounts, held in trust, funded by all project revenues of Woodland Park and Brick Pond facilities and which are to be used for principal and interest payments on the 2012C Bonds and establishing and maintaining required reserve accounts. Property tax revenues may also be allocated to a project in order to supplement operations and ensure compliance with debt service coverage requirements. Principal and interest remaining to be paid on the bond is \$5,880,325. For the current year, principal and interest paid, total gross operating revenues, property tax revenues and account balances held in trust were \$910,250, \$2,696,167, \$262,899, and \$3,744,158, respectively.

The 2013 Governmental Facility Lease Revenue Bonds are limited obligations of the CDA. The bonds are secured by rent payments, additional rent, and if any, rents derived from the building after the termination of the lease. Rent payments are deposited into trust until time of payment. Principal and interest remaining to be paid on the bonds is \$1,101,685. For the current year, principal and interest paid, total lease payments received, and account balances held in trust were \$76,333, \$76,227 and \$11,494, respectively.

The 2015A Multifamily Housing Revenue Bonds are general obligations of the CDA, payable solely from project revenues and surplus cash. As additional security, the County has provided a general obligation pledge. In exchange for the County's pledge, the CDA and County entered into a Reserve Agreement, dated August 1, 2015. The Reserve agreement requires the establishment of a debt service reserve account, held in an account as determined by the CDA. The reserve shall be maintained as long as the bonds are outstanding. In addition, the bond indenture requires the establishment of a debt service account, held in trust, funded by loan payments from the Piccadilly Square of Mahtomedi, LLC and which are to be used for principal and interest payments on the 2015A bonds. Property tax revenues may also be allocated to the project in order to supplement operations and ensure compliance with debt service coverage requirements. Principal and interest remaining to be paid on the bond is \$9,730,644. For the current year, principal and interest paid, total lease payments received, property tax revenues and account balances held in reserve were \$446,738, \$344,223, \$46,010 and \$1,410,341, respectively.

The CDA has entered into an operating subsidy agreement with the Glen at Valley Creek, a discretely presented component unit. Beginning July 31, 2021, the CDA will allocate property tax revenues to the Glen at Valley Creek. The subsidy payments will be in the amount of \$97,500 each January 31 and July 31

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and will continue through July 31, 2042. The amount pledged over the life of the agreement totals \$4,345,000. The Glen at Valley Creek will use the subsidy payments to pay operating expenses, including debt service on its Series 2018A Bonds. Principal and interest remaining on the Glen at Valley Creeks Series 2018A bonds is \$6,993,742. For the current year, property tax used for subsidy payments was \$195,000.

# Required Supplementary Information



- Budgetary Comparison Schedules:
  - General Fund
  - Regional Rail Authority Fund
  - Metro Gold Line Fund
- Other Postemployment Benefit Related Schedules:
  - Changes in Total OPEB Liability, Related Ratios, and Notes
- Pension Related Schedules:
  - Proportionate Share of Net Pension Liability
  - Contributions
- Notes to the Required Supplementary Information

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# Washington County, Minnesota

## Budgetary Comparison Schedule General Fund Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 134,274,500	\$ 134,274,500	\$ 118,959,605	\$ (15,314,895)
Other Taxes	1,667,000	1,667,000	1,485,094	(181,906)
Special Assessments	260,000	260,000	377,627	117,627
Intergovernmental	62,330,100	91,722,877	103,099,832	11,376,955
Charges for Services	21,862,800	22,948,481	23,386,734	438,253
Licenses and Permits	5,754,800	5,754,800	6,010,141	255,341
Fines and Forfeits	285,400	285,400	335,211	49,811
Gifts and Contributions	42,000	113,638	115,177	1,539
Interest on Investments	6,265,400	9,765,400	38,476,356	28,710,956
Miscellaneous	12,227,000	14,734,740	5,210,079	(9,524,661)
<b>Total Revenues</b>	<b>244,969,000</b>	<b>281,526,836</b>	<b>297,455,856</b>	<b>15,929,020</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General Government</b>				
Assessment, Taxation and Elections	13,154,400	13,880,481	13,272,199	(608,282)
Administration	7,197,800	7,743,700	9,379,221	1,635,521
Accounting and Finance	3,117,400	3,153,200	4,182,486	1,029,286
County Attorney	8,804,000	8,878,600	8,719,307	(159,293)
Commissioners	681,900	681,900	603,437	(78,463)
Facilities	8,816,800	8,816,800	9,663,392	846,592
General Operation	12,260,100	6,638,800	3,622,851	(3,015,949)
Human Resources	3,055,700	3,079,900	2,968,798	(111,102)
Information Technologies	9,094,500	9,401,900	8,850,604	(551,296)
Internal Auditor	-	-	25,250	25,250
Law Library	296,600	298,000	192,140	(105,860)
Mission Directed Budget Program	-	12,412,800	1,714,759	(10,698,041)
Surveyor	1,523,900	1,523,900	1,398,180	(125,720)
Veteran's Services	512,000	512,000	519,175	7,175
<b>Total General Government</b>	<b>68,515,100</b>	<b>77,021,981</b>	<b>65,111,799</b>	<b>(11,910,182)</b>
<b>Public Safety</b>				
Sheriff	44,434,000	45,391,420	44,607,812	(783,608)
Community Corrections	13,226,500	13,316,900	11,762,655	(1,554,245)
Other Public Safety	1,399,500	1,399,500	1,393,105	(6,395)
<b>Total Public Safety</b>	<b>59,060,000</b>	<b>60,107,820</b>	<b>57,763,572</b>	<b>(2,344,248)</b>
<b>Highway and Streets</b>				
Administration	2,477,800	2,649,400	1,889,237	(760,163)
Engineering	3,648,600	3,648,600	3,187,231	(461,369)
Maintenance	3,707,500	3,769,600	3,401,288	(368,312)
Equipment and Maintenance Shops	2,023,200	2,002,400	2,007,566	5,166
Transportation Planning Unit	398,400	383,600	394,318	10,718
Traffic	2,206,200	2,184,900	1,641,995	(542,905)
Work for Others	147,200	147,200	253,858	106,658
<b>Total Highways and Streets</b>	<b>14,608,900</b>	<b>14,785,700</b>	<b>12,775,493</b>	<b>(2,010,207)</b>

Continued on next page

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

# Washington County, Minnesota

## Budgetary Comparison Schedule (Continued)

### General Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Health and Human Services</b>				
Public Health and Environment	\$ 20,995,900	\$ 21,804,700	\$ 20,005,236	\$ (1,799,464)
Emergency Operations	-	-	8,714,940	8,714,940
Social Services	34,863,900	36,332,917	36,695,216	362,299
Workforce Center	2,664,600	2,969,900	2,928,378	(41,522)
Economic Support	13,416,700	14,731,200	14,530,040	(201,160)
Community Services Administration	6,878,200	11,440,500	10,771,900	(668,600)
<b>Total Health and Human Services</b>	<b>78,819,300</b>	<b>87,279,217</b>	<b>93,645,710</b>	<b>6,366,493</b>
<b>Culture and Recreation</b>				
Parks	4,568,000	4,477,500	4,591,927	114,427
County/Regional Library	9,718,100	9,828,400	8,595,493	(1,232,907)
<b>Total Culture and Recreation</b>	<b>14,286,100</b>	<b>14,305,900</b>	<b>13,187,420</b>	<b>(1,118,480)</b>
<b>Conservation of Natural Resources</b>				
County Extension	353,800	353,800	353,641	(159)
<b>Total Conservation of Natural Resources</b>	<b>353,800</b>	<b>353,800</b>	<b>353,641</b>	<b>(159)</b>
<b>Capital Outlay</b>				
General Government	136,300	136,300	2,995,662	2,859,362
Public Safety	2,718,000	3,238,200	2,084,780	(1,153,420)
Highways and Streets	1,717,700	2,159,100	2,377,543	218,443
Health and Human Services	579,100	420,500	12,329,541	11,909,041
Culture and Recreation	-	155,118	306,155	151,037
<b>Total Capital Outlay</b>	<b>5,151,100</b>	<b>6,109,218</b>	<b>20,093,681</b>	<b>13,984,463</b>
<b>Debt Service</b>				
Principal	200,000	200,000	1,134,749	934,749
Interest	-	-	36,321	36,321
<b>Total Debt Service</b>	<b>200,000</b>	<b>200,000</b>	<b>1,171,070</b>	<b>971,070</b>
<b>Total Expenditures</b>	<b>240,994,300</b>	<b>260,163,636</b>	<b>264,102,386</b>	<b>3,938,750</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>3,974,700</b>	<b>21,363,200</b>	<b>33,353,470</b>	<b>11,990,270</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,184,200	2,184,200	-	(2,184,200)
Transfers Out	(6,858,500)	(8,936,200)	(6,722,267)	2,213,933
Issuance of Lease/Subscription Liability	-	-	2,096,607	2,096,607
Issuance of Loans	-	-	234,984	234,984
<b>Total Other Financing Sources (Uses)</b>	<b>(4,674,300)</b>	<b>(6,752,000)</b>	<b>(4,390,676)</b>	<b>2,361,324</b>
<b>Net Change in Fund Balance</b>	<b>\$ (699,600)</b>	<b>\$ 14,611,200</b>	<b>28,962,794</b>	<b>\$ 14,351,594</b>
<b>Fund Balance - Beginning of Year</b>			<b>241,698,561</b>	
<b>Fund Balance - End of Year</b>			<b>\$ 270,661,355</b>	

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

Washington County, Minnesota

Budgetary Comparison Schedule  
Regional Rail Authority Fund  
Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 660,000	\$ 660,000	\$ 657,764	\$ (2,236)
Other Taxes	103,600	103,600	103,600	-
Intergovernmental	-	-	3,049	3,049
License and Permits	24,000	24,000	-	(24,000)
<b>Total Revenues</b>	<b>787,600</b>	<b>787,600</b>	<b>764,413</b>	<b>(23,187)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General Government</b>				
Regional Rail Authority	720,700	700,000	644,103	(55,897)
<b>Total General Government</b>	<b>720,700</b>	<b>700,000</b>	<b>644,103</b>	<b>(55,897)</b>
<b>Capital Outlay</b>				
General Government	-	800,000	530,938	(269,062)
<b>Total Capital Outlay</b>	<b>-</b>	<b>800,000</b>	<b>530,938</b>	<b>(269,062)</b>
<b>Total Expenditures</b>	<b>720,700</b>	<b>1,500,000</b>	<b>1,175,041</b>	<b>(324,959)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 66,900</b>	<b>\$ (712,400)</b>	<b>(410,628)</b>	<b>\$ 301,772</b>
<b>Fund Balance - Beginning of Year</b>			<b>2,727,581</b>	
<b>Fund Balance - End of Year</b>			<b>\$ 2,316,953</b>	

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

Washington County, Minnesota

Budgetary Comparison Schedule  
Metro Gold Line Fund  
Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Other Taxes	\$ 14,137,900	\$ 14,131,900	\$ 13,625,966	\$ (505,934)
Intergovernmental	-	3,327,400	3,864,709	537,309
<b>Total Revenues</b>	<u>14,137,900</u>	<u>17,459,300</u>	<u>17,490,675</u>	<u>31,375</u>
<b>Expenditures</b>				
<b>Current</b>				
<b>General Government</b>				
Metro Gold Line	48,202,000	41,042,800	41,044,870	2,070
<b>Total General Government</b>	<u>48,202,000</u>	<u>41,042,800</u>	<u>41,044,870</u>	<u>2,070</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(34,064,100)</u>	<u>(23,583,500)</u>	<u>(23,554,195)</u>	<u>29,305</u>
<b>Other Financing Sources (Uses)</b>				
Issuance of Bonds	13,921,400	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>13,921,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (20,142,700)</u>	<u>\$ (23,583,500)</u>	<u>(23,554,195)</u>	<u>\$ 29,305</u>
<b>Fund Balance - Beginning of Year</b>			<u>27,538,776</u>	
<b>Fund Balance - End of Year</b>			<u>\$ 3,984,581</u>	

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

**Washington County, Minnesota**

**Schedule of Changes in the Total OPEB Liability, Related Ratios, and Notes  
Last Ten Fiscal Years**

Description	Measurement Date January 1, 2024	Measurment Date January 1, 2023	Measurment Date January 1, 2022	Measurment Date January 1, 2021	Measurment Date January 1, 2020	Measurment Date January 1, 2019	Measurment Date January 1, 2018
Total OPEB Liability							
Service Cost	\$ 1,251,122	\$ 2,121,301	\$ 3,391,725	\$ 2,563,368	\$ 2,373,290	\$ 2,502,766	\$ 2,045,750
Interest	3,834,537	2,324,318	3,477,170	4,201,083	4,868,170	4,533,431	4,737,191
Differences Between Expected and Actual Economic Experience	(3,653,361)	117,826	(26,376,833)	(73,944)	5,503,691	-	-
Changes of Assumptions	4,324,441	(30,173,747)	(21,833,607)	18,568,220	13,595,467	(7,971,384)	9,825,777
Benefit Payments	(5,264,814)	(5,057,626)	(4,792,208)	(5,198,203)	(4,764,951)	(4,594,000)	(4,285,587)
<b>Net Change in Total OPEB Liability</b>	<b>491,925</b>	<b>(30,667,928)</b>	<b>(46,133,753)</b>	<b>20,060,524</b>	<b>21,575,667</b>	<b>(5,529,187)</b>	<b>12,323,131</b>
<b>Total OPEB Liability - Beginning of Year</b>	<b>96,061,219</b>	<b>126,729,147</b>	<b>172,862,900</b>	<b>152,802,376</b>	<b>131,226,709</b>	<b>136,755,896</b>	<b>124,432,765</b>
<b>Total OPEB Liability - End of Year</b>	<b>\$ 96,553,144</b>	<b>\$ 96,061,219</b>	<b>\$ 126,729,147</b>	<b>\$ 172,862,900</b>	<b>\$ 152,802,376</b>	<b>\$ 131,226,709</b>	<b>\$ 136,755,896</b>
Covered-Employee Payroll	\$ 108,031,882	\$ 100,399,437	\$ 97,750,175	\$ 94,325,480	\$ 89,981,126	\$ 84,313,565	\$ 78,550,599
County's OPEB Liability as a Percentage of Covered-Employee Payroll	89.4%	95.7%	129.6%	183.3%	169.8%	155.6%	174.1%

Note 1: The County implemented GASB Statement No. 75 in fiscal year 2018, and the above table will be expanded to 10 years of information as the information becomes available.

Note 2: No assets are accumulated in a trust.

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

# Washington County, Minnesota

## Schedule of Proportionate Share of Net Pension Liability PERA General Employee Fund December 31, 2024

Measurement Date (State Fiscal Year End)	Employer's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the County (b)	Employer's	Employer's Covered-Employee Payroll (c)	Employer's	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
				Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated With the County (a+b)		Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll (a/c)	
6/30/2015	0.896%	\$ 46,419,823	\$ -	\$ 46,419,823	\$ 54,726,269	88.20%	78.20%
6/30/2016	0.898%	72,888,787	951,929	73,840,716	55,705,850	130.85%	68.90%
6/30/2017	0.960%	61,260,231	770,295	62,030,526	61,819,795	99.09%	75.90%
6/30/2018	0.953%	52,840,796	1,733,195	54,573,991	64,023,955	82.53%	79.53%
6/30/2019	0.974%	53,861,336	1,673,927	55,535,263	68,928,226	78.14%	80.23%
6/30/2020	1.024%	61,375,494	1,892,661	63,268,155	72,927,181	84.16%	79.06%
6/30/2021	1.070%	45,672,441	1,394,666	47,067,107	76,931,720	59.37%	87.00%
6/30/2022	1.051%	83,231,626	2,440,081	85,671,707	78,714,981	105.74%	76.70%
6/30/2023	1.041%	58,183,595	1,603,945	59,787,540	82,744,725	70.32%	83.10%
6/30/2024	1.063%	39,281,903	1,015,750	40,297,653	89,833,100	43.73%	89.10%

## Schedule of Contributions PERA General Employee Fund December 31, 2024

County Fiscal Year End	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered-Employee Payroll (d)	Contributions as a
					Percentage of Covered-Employee Payroll (b/d)
12/31/2015	\$ 4,215,086	\$ 4,215,086	\$ -	\$ 56,201,053	7.50%
12/31/2016	4,325,573	4,325,573	-	57,674,263	7.50%
12/31/2017	4,626,293	4,626,293	-	61,684,567	7.50%
12/31/2018	4,971,715	4,971,715	-	66,300,144	7.50%
12/31/2019	5,338,808	5,338,808	-	71,184,143	7.50%
12/31/2020	5,602,999	5,602,999	-	74,706,741	7.50%
12/31/2021	5,867,849	5,867,849	-	78,237,991	7.50%
12/31/2022	6,009,561	6,009,561	-	80,126,752	7.50%
12/31/2023	6,451,431	6,451,431	-	86,019,080	7.50%
12/31/2024	7,079,638	7,079,638	-	94,395,198	7.50%

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

**Washington County, Minnesota**

**Schedule of Proportionate Share of Net Pension Liability  
PERA Police and Fire Fund  
December 31, 2024**

Measurement Date (State Fiscal Year End)	Employer's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the County (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated With the County (a+b)	Employer's Covered-Employee Payroll (c)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2015	0.879%	\$ 9,987,497	\$ -	\$ 9,987,497	\$ 8,360,052	119.47%	86.60%
6/30/2016	0.871%	34,954,746	-	34,954,746	8,389,874	416.63%	63.90%
6/30/2017	0.954%	12,880,135	-	12,880,135	9,795,576	131.49%	85.43%
6/30/2018	0.922%	9,827,570	-	9,827,570	9,716,848	101.14%	88.84%
6/30/2019	0.968%	10,304,273	-	10,304,273	10,210,558	100.92%	89.26%
6/30/2020	0.933%	12,292,666	289,602	12,582,268	10,525,881	116.79%	87.19%
6/30/2021	0.924%	7,132,301	320,635	7,452,936	11,376,196	62.69%	93.66%
6/30/2022	0.978%	42,554,346	1,858,973	44,413,319	11,879,072	358.23%	70.50%
6/30/2023	0.990%	17,099,467	688,788	17,788,255	13,003,205	131.50%	86.50%
6/30/2024	1.005%	13,219,210	503,911	13,723,121	13,913,838	95.01%	90.20%

**Schedule of Contributions  
PERA Police and Fire Fund  
December 31, 2024**

County Fiscal Year End	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered-Employee Payroll (d)	Contributions as a Percentage of Covered-Employee Payroll (b/d)
12/31/2015	\$ 1,375,775	\$ 1,375,775	\$ -	\$ 8,493,225	16.20%
12/31/2016	1,463,323	1,463,323	-	9,032,862	16.20%
12/31/2017	1,543,127	1,543,127	-	9,525,831	16.20%
12/31/2018	1,617,808	1,617,808	-	9,986,468	16.20%
12/31/2019	1,758,620	1,758,620	-	10,375,338	16.95%
12/31/2020	1,927,285	1,927,285	-	10,888,614	17.70%
12/31/2021	2,064,445	2,064,445	-	11,663,532	17.70%
12/31/2022	2,177,591	2,177,591	-	12,304,795	17.70%
12/31/2023	2,397,950	2,397,950	-	13,547,740	17.70%
12/31/2024	2,624,691	2,624,691	-	14,828,767	17.70%

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

Washington County, Minnesota

Schedule of Proportionate Share of Net Pension Liability  
PERA Correctional Fund  
December 31, 2024

Measurement Date (State Fiscal Year End)	Employer's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered-Employee Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2015	2.670%	\$ 412,785	\$ 4,977,788	8.29%	96.90%
6/30/2016	2.670%	9,753,884	5,039,988	193.53%	58.20%
6/30/2017	2.650%	7,552,527	5,297,904	142.56%	67.89%
6/30/2018	2.628%	432,161	5,366,457	8.05%	97.64%
6/30/2019	2.615%	362,007	5,575,899	6.49%	98.17%
6/30/2020	2.613%	708,929	5,677,568	12.49%	96.67%
6/30/2021	2.521%	(414,181)	5,574,611	(7.43)%	101.61%
6/30/2022	2.667%	8,866,105	5,859,384	151.31%	74.60%
6/30/2023	2.616%	1,182,564	6,133,921	19.28%	95.90%
6/30/2024	2.630%	801,638	6,695,037	11.97%	97.50%

Schedule of Contributions  
PERA Correctional Fund  
December 31, 2024

County Fiscal Year End	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered-Employee Payroll (d)	Contributions as a Percentage of Covered-Employee Payroll (b/d)
12/31/2015	\$ 448,524	\$ 448,524	\$ -	\$ 5,126,363	8.75%
12/31/2016	440,226	440,226	-	5,031,510	8.75%
12/31/2017	458,216	458,216	-	5,237,026	8.75%
12/31/2018	480,457	480,457	-	5,490,931	8.75%
12/31/2019	490,900	490,900	-	5,610,284	8.75%
12/31/2020	499,150	499,150	-	5,704,580	8.75%
12/31/2021	490,113	490,113	-	5,601,512	8.75%
12/31/2022	523,795	523,795	-	5,986,234	8.75%
12/31/2023	563,393	563,393	-	6,438,777	8.75%
12/31/2024	604,707	604,707	-	6,910,931	8.75%

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

## Washington County, Minnesota

### Notes to the Required Supplementary Information December 31, 2024

#### A. General Budget Policies

The County Board adopts budgets for the general, special revenue, debt service, and capital projects Funds by December 20th of the previous year. The County's budget is appropriated annually by County Board resolution at the fund level, while budgetary controls are maintained at a department level. All budgets are adopted in conformance with generally accepted accounting principles. Each appropriation lapses at the close of the fiscal year to the extent it has not been expended, with the exception of County Board approved capital projects that have not been finalized. Transfers to capital objects are limited to \$10,000 per item or project. Transfers for road and building projects require County Board approval. Expenditures may not exceed budgeted appropriations at the fund level.

Departments may request carry-forward of fund balance from one fiscal year to the next for projects that were started but not completed in the current fiscal year. Any requests for carryover of fund balance for those items with a contractual obligation that was not fulfilled in the current fiscal year must also be forwarded to the County Administrator.

The County Board is responsible for amending budgets during the year to reflect changes in financial condition and in revenue sources. Additional budget appropriations were made throughout the year for the General Fund (\$19,169,336 increase) and the Regional Rail Authority Fund (\$779,300 increase). Reasons for these additional budget appropriations are outlined below:

- The General Fund increase includes the carryforward of the Mission Directive Budget which added an additional \$12,412,800 in supplemental budget appropriations. This reflects the accumulated carryforward of this board approved departmental savings plan. Other major changes include the payment of state grant dollars to the Washington County CDA for homelessness and housing affordability aid, additional election-related costs, additional grant-related expenditures due to additional revenue being received, and a budgeted increase for personnel services due to additional staffing requests.
- The Regional Rail Authority Fund increase includes additional costs being added for the Red Rock Corridor Project.

#### B. Excess of Expenditures Over Budget

The legal level of budgetary control exists at the fund level. The following funds have expenditures in excess of budget for the year ended December 31, 2024.

Fund	Final Budget	Actual Expenditures	Expenditures in Excess of Budget
General Fund	\$ 260,163,636	\$ 264,102,386	\$ 3,938,750
Metro Gold Line Fund	41,042,800	41,044,870	2,070

The General Fund excess budget spending was mainly due to unbudgeted funds for emergency operations, which includes the spending of American Rescue Plan Act (ARPA) funds.

The Metro Gold Line Fund excess expenditures were due to construction related costs for the Gold Line Project. These costs were offset by additional grantor revenues.

## Washington County, Minnesota

### C. Postemployment Benefits Other than Pensions (OPEB) - Assumption Changes

Since the most recent GASB 75 valuation, the following assumption changes have been made:

#### 2024 Changes:

- The discount rate was changed from 4.05 percent to 3.77 percent based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings.
- Withdrawal, retirement, mortality, disability, and salary increase rates were updated from the rates used in the 7/1/2021 PERA General Employees Plan, 7/1/2021 Police & Fire Plan, and 7/1/2021 PERA Correctional Plan valuations to the rates used in the 7/1/2023 valuations.
- The percent of future Medicare eligible retirees electing each medical plan changed to reflect plan experience and a change in plan offerings.
- The inflation assumption was changed from 2.25 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

#### 2023 Changes:

- The discount rate was changed from 2.00 percent to 4.05 percent based on updated 20-year municipal bond rates.

#### 2022 Changes:

- The discount rate was changed from 2.00 percent to 1.84 percent based on updated 20-year municipal bond rates.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings.
- Withdrawal, retirement, mortality, disability, and salary increase rates were updated from the rates used in the 7/1/2019 PERA General Employees Plan, 7/1/2019 Police & Fire Plan, and 7/1/2019 PERA Correctional Plan valuations to the rates used in the 7/1/2021 valuations.
- The percent of future Medicare eligible retirees electing each medical plan changed to reflect plan experience and a change in plan offerings.
- The inflation assumption was changed from 2.50 percent to 2.25 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

#### 2021 Changes:

- The discount rate changed from 2.75 percent to 2.00 percent due to changes in the municipal bond reference index rate.
- There were no changes to plan provisions.

#### 2020 Changes:

- The actuarial cost method changed from using the Entry Age Normal level dollar cost method to the Entry Age Normal level percent of pay cost method due to new GASB 74/75 accounting rules.
- Healthcare trend rates were reset to reflect updated cost increase expectations, including the repeal of the Affordable Care Act's Excise Tax on high-cost health insurance plans.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings, including an adjustment to reflect age/gender based risk scores published by the Society of Actuaries.
- Mortality and salary increase rates were updated from the rates used in the 7/1/2017 PERA General Employees Plan, 7/1/2017 Police & Fire Plan, and 7/1/2017 PERA Correctional Plan valuations to the rates used in the 7/1/2019 valuations.
- The percent of future non Medicare eligible retirees electing each medical plan changed to reflect recent plan experience.

## Washington County, Minnesota

- The percent of future Medicare eligible retirees electing each medical plan changed to reflect plan experience and a change in plan offerings.
- The inflation assumption was changed from 2.75 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.

### 2019 Changes:

- The discount rate changed from 3.31 percent to 3.71 percent due to changes in the municipal bond reference index rate.
- There were no changes to plan provisions.

## D. Defined Benefit Pension Plans - Changes in Actuarial Assumptions and Plan Provisions

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

### PERA General Employees Fund

#### 2024 Changes:

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

#### 2023 Changes:

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:

Changes in Actuarial Assumptions

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

## Washington County, Minnesota

### Changes in Plan Provisions

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

### 2021 Changes:

#### Changes in Actuarial Assumptions

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

### Changes in Plan Provisions

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

### 2020 Changes:

#### Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- 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 percent 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 percent Joint & Survivor option changed from 35 percent to 45 percent. The assumed number of married female new retirees electing the 100 percent Joint & Survivor option changed from 15 percent to 30 percent. 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 percent for the period July 1, 2020 through December 31, 2023 and 0.0 percent after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

### 2019 Changes:

#### Changes in Actuarial Assumptions

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

### Changes in Plan Provisions

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

## Washington County, Minnesota

### 2018 Changes:

#### Changes in Actuarial Assumptions

- The morality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

#### Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.505 upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

### 2017 Changes:

#### Changes in Actuarial Assumptions

- The combined service annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA load are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.
- The assumed postretirement benefit increase rate was changed for 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

#### Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

### 2016 Changes:

#### Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

## Washington County, Minnesota

### 2015 Changes:

#### Changes in Actuarial Assumptions

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

#### Changes in Plan Provisions:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892.0 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

## PERA Police and Fire Fund

### 2024 Changes:

#### Changes in Plan Provisions

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

### 2023 Changes:

#### Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.5 percent to 7.0 percent.
- The single discount rate was 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 requirements for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years, increasing incrementally to 100 percent after 10 years.
- A one-time, non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased effective July 1, 2023.

### 2022 Changes:

#### Changes in Actuarial Assumptions:

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

#### Changes in Plan Provisions:

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

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### 2021 Changes:

#### Changes in Actuarial Assumptions

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

#### Changes in Actuarial Assumptions

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

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2019 Changes:

#### Changes in Actuarial Assumptions

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

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2018 Changes:

#### Changes in Actuarial Assumptions

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

#### Changes in Plan Provisions

- Postretirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier.

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- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

### 2017 Changes:

#### 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 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed postretirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.
- The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2016 Changes:

#### Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

## Washington County, Minnesota

### 2015 Changes:

#### Changes in Actuarial Assumptions

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

#### Changes in Plan Provisions:

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

## PERA Correctional Fund

### 2024 Changes:

#### Changes in Plan Provisions:

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

### 2023 Changes:

#### 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 Provisions

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

### 2022 Changes:

#### Changes in Actuarial Assumptions

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

#### Changes in Plan Provisions

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

### 2021 Changes:

#### Changes in Actuarial Assumptions

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

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

### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2020 Changes:

#### Changes in Actuarial Assumptions

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

### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2019 Changes:

#### Changes in Actuarial Assumptions

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

### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2018 Changes:

#### Changes in Actuarial Assumptions

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

## Washington County, Minnesota

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

### 2017 Changes:

#### Changes in Actuarial Assumptions

- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016, and is applied to healthy and disabled members. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to MP-2016).
- The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 35.00 percent for vested members and 1.00 percent for non-vested members.
- The single discount rate was changed from 5.31 percent per annum to 5.96 percent per annum.

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2016 Changes:

#### Changes in Actuarial Assumptions

- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 5.31 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

### 2015 Changes:

#### Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

#### Changes in Plan Provisions

- There have been no changes since the prior valuation.

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# Supplementary Information



- Budgetary Comparison Schedules:
  - Debt Service Fund
  - Capital Projects Fund
- Combining Statement of Fiduciary Net Position
- Combining Statement of Changes in Fiduciary Net Position

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Budgetary Comparison Schedule  
 Debt Service Fund  
 Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 16,851,900	\$ 16,851,900	\$ 16,851,900	\$ -
<b>Total Revenues</b>	<u>16,851,900</u>	<u>16,851,900</u>	<u>16,851,900</u>	<u>-</u>
<b>Expenditures</b>				
<b>Debt Service</b>				
Principal	11,280,000	11,280,000	11,280,000	-
Interest	4,062,600	4,062,600	3,209,668	(852,932)
Administrative (Fiscal) Charges	3,700	3,700	2,948	(752)
<b>Total Expenditures</b>	<u>15,346,300</u>	<u>15,346,300</u>	<u>14,492,616</u>	<u>(853,684)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,505,600</u>	<u>\$ 1,505,600</u>	2,359,284	<u>\$ 853,684</u>
<b>Fund Balance - Beginning of Year</b>			16,097,243	
<b>Fund Balance - End of Year</b>			<u>\$ 18,456,527</u>	

# Washington County, Minnesota

## Budgetary Comparison Schedule Capital Projects Fund Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 6,022,000	\$ 6,422,000	\$ 6,422,000	\$ -
Other Taxes	16,250,000	14,053,100	17,583,912	3,530,812
Intergovernmental	28,501,500	26,128,900	24,169,823	(1,959,077)
Charges for Services	3,950,400	3,950,400	3,950,400	-
Gifts and Contributions	25,000	26,250	6,983	(19,267)
Interest on Investments	-	-	580,328	580,328
Miscellaneous	-	-	134,125	134,125
<b>Total Revenues</b>	<b>54,748,900</b>	<b>50,580,650</b>	<b>52,847,571</b>	<b>2,266,921</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General Government</b>				
Facilities	-	9,200	498,821	489,621
<b>Total General Government</b>	<b>-</b>	<b>9,200</b>	<b>498,821</b>	<b>489,621</b>
<b>Highway and Streets</b>				
Administration	-	-	15,448	15,448
<b>Total Highways and Streets</b>	<b>-</b>	<b>-</b>	<b>15,448</b>	<b>15,448</b>
<b>Culture and Recreation</b>				
Parks	-	-	66,942	66,942
<b>Total Culture and Recreation</b>	<b>-</b>	<b>-</b>	<b>66,942</b>	<b>66,942</b>
<b>Capital Outlay</b>				
General Government	10,872,400	33,634,450	31,996,281	(1,638,169)
Highways and Streets	44,172,800	44,884,200	37,822,859	(7,061,341)
Culture and Recreation	4,110,900	4,150,000	4,627,436	477,436
Conservation of Natural Resources	-	8,902,300	4,637,142	(4,265,158)
<b>Total Capital Outlay</b>	<b>59,156,100</b>	<b>91,570,950</b>	<b>79,083,718</b>	<b>(12,487,232)</b>
<b>Debt Service</b>				
Principal	-	-	1,313,221	1,313,221
Interest	-	-	31,803	31,803
Bond Issue Costs	-	-	117,665	117,665
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>1,462,689</b>	<b>1,462,689</b>
<b>Total Expenditures</b>	<b>59,156,100</b>	<b>91,580,150</b>	<b>81,127,618</b>	<b>(10,452,532)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(4,407,200)</b>	<b>(40,999,500)</b>	<b>(28,280,047)</b>	<b>12,719,453</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,375,000	6,559,800	6,722,267	162,467
Transfers Out	-	(3,638,800)	-	3,638,800
Issuance of Lease/Subscription Liability	-	-	984,863	984,863
Issuance of Bonds	-	27,744,000	25,915,000	(1,829,000)
Premium on Bonds Issued	-	-	3,205,429	3,205,429
<b>Total Other Financing Sources (Uses)</b>	<b>1,375,000</b>	<b>30,665,000</b>	<b>36,827,559</b>	<b>6,162,559</b>
<b>Net Change in Fund Balance</b>	<b>\$ (3,032,200)</b>	<b>\$ (10,334,500)</b>	<b>8,547,512</b>	<b>\$ 18,882,012</b>
<b>Fund Balance - Beginning of Year</b>			<b>81,378,149</b>	
<b>Fund Balance - End of Year</b>			<b>\$ 89,925,661</b>	

## Washington County, Minnesota

### Custodial Funds

The County reports the following Custodial Funds:

1. **Sheriff's Inmate Account** - used to account for the collection and payment of funds related to county inmates.
2. **Gold Line Joint Powers Board** - used to account for the collection and payment of funds related to Gold Line Joint Powers Board, funding the Metro Gold Line Project.
3. **Sheriff Forfeiture Fund** - used to maintain compliance with State guidelines regarding the proper handling of seized currency. The State of Minnesota Drug-Gang Oversight Council provides guidelines and procedures for local law enforcement whereas Washington County deposits and retains these funds until such time as a ruling is made by the courts.
4. **Red Rock Corridor** - The County's Regional Rail Authority, which is a blended component unit, acts as fiscal agent for the Red Rock Corridor Commission. This fund is used to account for the collection and payment of funds for the commission.
5. **Medical Assistance Estate Recovery** - used to account for funds collected from estates to repay Medical Assistance costs of deceased residents. These amounts reflected will be remitted to the State.
6. **Other Custodial** - used to account for the collection and payment of funds of various other entities.
7. **Taxes and Penalties** - used to account for the collection of taxes and penalties and their payment to various taxing districts.
8. **Metropolitan Emergency Services Board (MESB)** - used to account for the collection and payment of funds relating to the Metropolitan Emergency Services Board.

Washington County, Minnesota

Combining Statement of Fiduciary Net Position  
 Custodial Funds  
 December 31, 2024

	Custodial Funds								Total Custodial Funds
	Sheriff's Inmate Account	Gold Line Joint Powers	Sheriff Forfeiture Fund	Red Rock Corridor	Medical Assistance Estate Recovery	Other Custodial	Taxes and Penalties	MESB Funds	
<b>Assets</b>									
Cash and Pooled Investments	\$ 197,487	\$ 95,065	\$ 438,423	\$ 39,380	\$ 56,575	\$ 1,278,381	\$ 1,172,416	\$ 980,677	\$ 4,258,404
Accounts Receivable	-	-	-	-	-	458,176	-	16,975	475,151
Due from Other Governments	-	-	-	-	-	-	-	160,042	160,042
Taxes Receivable	-	-	-	-	-	-	4,060,943	-	4,060,943
Special Assessments Receivable	-	-	-	-	-	-	3,186,955	-	3,186,955
<b>Total Assets</b>	<b>\$ 197,487</b>	<b>\$ 95,065</b>	<b>\$ 438,423</b>	<b>\$ 39,380</b>	<b>\$ 56,575</b>	<b>\$ 1,736,557</b>	<b>\$ 8,420,314</b>	<b>\$ 1,157,694</b>	<b>\$ 12,141,495</b>
<b>Liabilities</b>									
Accounts Payable	-	1,783	-	20	56,575	-	-	-	58,378
Contracts Payable	-	-	-	-	-	-	-	196,428	196,428
Due to Other Governments	-	-	-	-	-	1,246,959	75,725	-	1,322,684
<b>Total Liabilities</b>	<b>-</b>	<b>1,783</b>	<b>-</b>	<b>20</b>	<b>56,575</b>	<b>1,246,959</b>	<b>75,725</b>	<b>196,428</b>	<b>1,577,490</b>
<b>Deferred Inflows of Resources</b>									
Taxes Collected in Advance of Levy	-	-	-	-	-	-	1,096,691	-	1,096,691
<b>Net Position</b>									
Restricted for:									
Individuals, Organizations, and Other Governments	197,487	93,282	438,423	39,360	-	489,598	7,247,898	961,266	9,467,314
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 197,487</b>	<b>\$ 95,065</b>	<b>\$ 438,423</b>	<b>\$ 39,380</b>	<b>\$ 56,575</b>	<b>\$ 1,736,557</b>	<b>\$ 8,420,314</b>	<b>\$ 1,157,694</b>	<b>\$ 12,141,495</b>

Washington County, Minnesota

**Combining Statement of Changes in Fiduciary Net Position  
Custodial Funds  
Year Ended December 31, 2024**

	Custodial Funds								Total Custodial Funds
	Sheriff's Inmate Account	Gold Line Joint Powers	Sheriff Forfeiture Fund	Red Rock Corridor	Medical Assistance Estate Recovery	Other Custodial	Taxes and Penalties	MESB Funds	
<b>Additions</b>									
Contributions - Individuals	\$ 858,566	\$ -	\$ -	\$ -	\$ 1,629,513	\$ -	\$ -	\$ -	\$ 2,488,079
Property Tax Collections for Other Governments	-	-	-	-	-	-	541,764,682	-	541,764,682
Special Assessments	-	-	-	-	-	-	-	1,561,461	1,561,461
License and Fees Collected for State	-	-	-	-	-	49,214,210	-	-	49,214,210
Intergovernmental Revenue	-	74,719,194	-	-	-	-	-	2,089,886	76,809,080
Fees for Services	-	-	-	-	-	-	-	195,000	195,000
Fines & Forfeitures	-	-	39,115	-	-	-	-	-	39,115
Interest Earnings	-	-	-	2,064	-	-	-	72,241	74,305
Miscellaneous	-	-	-	72	-	-	-	4,137	4,209
<b>Total Additions</b>	<b>858,566</b>	<b>74,719,194</b>	<b>39,115</b>	<b>2,136</b>	<b>1,629,513</b>	<b>49,214,210</b>	<b>541,764,682</b>	<b>3,922,725</b>	<b>672,150,141</b>
<b>Deductions</b>									
Beneficiary Payments to individuals	758,272	-	-	-	-	-	-	-	758,272
Administrative Expense	-	-	-	-	-	-	-	1,182,157	1,182,157
Payments to State	-	-	-	-	1,629,513	49,391,462	-	-	51,020,975
Operating Expense	-	74,719,157	18,572	15,132	-	-	-	2,731,923	77,484,784
Property Tax Payments to Other Governments	-	-	-	-	-	-	537,577,132	-	537,577,132
<b>Total Deductions</b>	<b>758,272</b>	<b>74,719,157</b>	<b>18,572</b>	<b>15,132</b>	<b>1,629,513</b>	<b>49,391,462</b>	<b>537,577,132</b>	<b>3,914,080</b>	<b>668,023,320</b>
<b>Net Increase (Decrease) In Fiduciary Net Position</b>	<b>100,294</b>	<b>37</b>	<b>20,543</b>	<b>(12,996)</b>	<b>-</b>	<b>(177,252)</b>	<b>4,187,550</b>	<b>8,645</b>	<b>4,126,821</b>
<b>Fiduciary Net Position - Beginning of Year</b>	<b>97,193</b>	<b>93,245</b>	<b>417,880</b>	<b>52,356</b>	<b>-</b>	<b>666,850</b>	<b>3,060,348</b>	<b>952,621</b>	<b>5,340,493</b>
<b>Fiduciary Net Position - End of Year</b>	<b>\$ 197,487</b>	<b>\$ 93,282</b>	<b>\$ 438,423</b>	<b>\$ 39,360</b>	<b>\$ -</b>	<b>\$ 489,598</b>	<b>\$ 7,247,898</b>	<b>\$ 961,266</b>	<b>\$ 9,467,314</b>

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# Capital Assets



- Capital Assets Used in the Operation of Governmental Funds:  
Comparative Schedule by Source  
Schedule by Function and Activity  
Schedule of Changes by Function and Activity

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**Washington County, Minnesota**

**Capital Assets Used in the Operation of Governmental Funds  
Comparative Schedule by Source  
December 31, 2024 and 2023**

<u>Governmental Funds Capital Assets</u>	<u>2024</u>	<u>2023</u>	<u>Percent Change</u>
Land and Works of Art	\$ 124,806,279	\$ 118,104,847	5.7%
Construction in Progress	43,175,059	32,952,329	31.0%
Infrastructure	634,955,453	606,357,492	4.7%
Buildings and Improvements	260,826,909	237,457,542	9.8%
Improvements Other than Buildings	29,449,105	22,967,250	28.2%
Machinery and Equipment	72,208,424	64,719,214	11.6%
Right-of-Use Leased Assets *	1,260,100	945,817	33.2%
Right-of-Use Software Subscriptions	6,406,253	-	100.0%
<b>Total Governmental Fund Capital Assets</b>	<u><u>\$ 1,173,087,582</u></u>	<u><u>\$ 1,083,504,491</u></u>	8.3%
<b>Investments in Capital Assets By Fund Type</b>			
General Fund (GFG) *	\$ 1,007,101,461	\$ 970,740,020	3.7%
Special Revenue Fund (SRF)	10,285,432	10,285,432	0.0%
Capital Projects Fund (CPF)	155,700,689	102,479,039	51.9%
<b>Total Investments in Capital Assets</b>	<u><u>\$ 1,173,087,582</u></u>	<u><u>\$ 1,083,504,491</u></u>	8.3%

\* 2023 figures were updated to include Right-of-Use Leased Assets in capital asset totals.

# Washington County, Minnesota

## Capital Assets Used in the Operation of Governmental Funds Schedule by Function and Activity December 31, 2024

	Land and Works of Art	Construction In Progress	Infrastructure	Buildings and Improvements	Improvements Other than Buildings	Machinery and Equipment	Right-of-Use Leased Asset	Right-of-Use Software Subscriptions	Total
<b>General Government</b>									
Accounting & Finance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,696,788	\$ 26,480	\$ 125,906	\$ 2,849,174
Administration	-	-	-	-	-	187,363	-	506,939	694,302
Attorney	-	-	-	-	-	225,567	-	311,487	537,054
Property Records & Taxpayer Services	-	-	-	1,223,764	61,425	1,722,883	387,888	527,146	3,923,106
Building Maintenance	-	-	1,246,301	84,718,928	2,290,694	568,765	-	-	88,824,688
Commissioners	35,200	-	-	-	-	1,200	-	-	36,400
Court Administration	-	-	-	137,959	-	221,829	-	-	359,788
General Operations	6,270,991	16,948,437	-	54,597,458	931,303	3,521,317	87,776	-	82,357,282
Historic Courthouse	282,614	-	-	5,684,785	304,366	198,088	-	-	6,469,853
Human Resources	-	-	-	-	-	1,406,759	-	874,433	2,281,192
Information Technology	-	-	1,589,722	4,366	-	6,930,900	-	3,296,041	11,821,029
Law Library	-	-	-	-	-	58,291	8,061	-	66,352
Recorder	-	-	-	-	-	727,167	-	-	727,167
Surveyor	-	-	-	-	-	180,918	-	-	180,918
Veterans Services	-	-	-	-	-	6,400	-	-	6,400
<b>Total General Government</b>	<b>6,588,805</b>	<b>16,948,437</b>	<b>2,836,023</b>	<b>146,367,260</b>	<b>3,587,788</b>	<b>18,654,235</b>	<b>510,205</b>	<b>5,641,952</b>	<b>201,134,705</b>
<b>Public Safety</b>									
Community Corrections	-	-	-	1,469,212	-	869,533	-	-	2,338,745
Sheriff	1,543,256	-	-	35,669,750	4,979,164	29,593,952	341,542	764,301	72,891,965
<b>Total Public Safety</b>	<b>1,543,256</b>	<b>-</b>	<b>-</b>	<b>37,138,962</b>	<b>4,979,164</b>	<b>30,463,485</b>	<b>341,542</b>	<b>764,301</b>	<b>75,230,710</b>
<b>Highways and Streets</b>									
Administration	3,467,380	-	513,437	21,493,333	1,708,427	319,086	-	-	27,501,663
Equipment	-	-	-	-	-	18,734,465	-	-	18,734,465
Infrastructure	47,089,860	24,591,591	622,354,720	4,000	166,481	41,910	-	-	694,248,562
<b>Total Highways and Streets</b>	<b>50,557,240</b>	<b>24,591,591</b>	<b>622,868,157</b>	<b>21,497,333</b>	<b>1,874,908</b>	<b>19,095,461</b>	<b>-</b>	<b>-</b>	<b>740,484,690</b>
<b>Health and Human Services</b>									
Public Health and Environment	1,779,510	-	-	17,735,396	148,089	1,141,934	-	-	20,804,929
Social Services	-	-	-	-	-	484,069	-	-	484,069
Workforce Center	-	-	-	914	-	221,564	-	-	222,478
<b>Total Health and Human Services</b>	<b>1,779,510</b>	<b>-</b>	<b>-</b>	<b>17,736,310</b>	<b>148,089</b>	<b>1,847,567</b>	<b>-</b>	<b>-</b>	<b>21,511,476</b>
<b>Culture and Recreation</b>									
Library	572,391	-	-	20,183,955	456,052	1,480,322	408,353	-	23,101,073
Parks	63,765,077	1,635,031	9,251,273	17,903,089	18,403,104	647,830	-	-	111,605,404
<b>Total Culture and Recreation</b>	<b>64,337,468</b>	<b>1,635,031</b>	<b>9,251,273</b>	<b>38,087,044</b>	<b>18,859,156</b>	<b>2,128,152</b>	<b>408,353</b>	<b>-</b>	<b>134,706,477</b>
<b>Conservation of Natural Resources</b>									
Agriculture Extension	-	-	-	-	-	19,524	-	-	19,524
<b>Total Capital Assets</b>	<b>\$ 124,806,279</b>	<b>\$ 43,175,059</b>	<b>\$ 634,955,453</b>	<b>\$ 260,826,909</b>	<b>\$ 29,449,105</b>	<b>\$ 72,208,424</b>	<b>\$ 1,260,100</b>	<b>\$ 6,406,253</b>	<b>\$ 1,173,087,582</b>

Washington County, Minnesota

Capital Assets Used in the Operation of Governmental Funds  
 Schedule of Changes by Function and Activity  
 Year Ended December 31, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
<b>General Government</b>				
Accounting & Finance *	\$ 2,718,682	\$ 294,190	\$ (163,698)	\$ 2,849,174
Administration	170,132	524,170	-	694,302
Attorney	171,262	365,792	-	537,054
Property Records & Taxpayer Services *	3,305,747	624,629	(7,270)	3,923,106
Building Maintenance	88,742,760	83,728	(1,800)	88,824,688
Commissioners	35,200	1,200	-	36,400
Court Administration	343,001	16,787	-	359,788
General Operations *	74,644,445	40,283,781	(32,570,944)	82,357,282
Historic Courthouse	1,874,447	5,052,316	(456,910)	6,469,853
Human Resources	1,404,442	876,750	-	2,281,192
Information Technology	8,257,871	3,782,864	(219,706)	11,821,029
Law Library	48,793	17,559	-	66,352
Recorder	688,063	39,104	-	727,167
Surveyor	227,154	-	(46,236)	180,918
Veteran Services	5,000	1,400	-	6,400
<b>Total General Government</b>	<b>182,636,999</b>	<b>51,964,270</b>	<b>(33,466,564)</b>	<b>201,134,705</b>
<b>Public Safety</b>				
Community Corrections	2,325,979	50,853	(38,087)	2,338,745
Sheriff *	66,377,279	7,107,115	(592,429)	72,891,965
<b>Total Public Safety</b>	<b>68,703,258</b>	<b>7,157,968</b>	<b>(630,516)</b>	<b>75,230,710</b>
<b>Highways and Streets</b>				
Administration	26,381,209	1,120,454	-	27,501,663
Equipment	13,960,896	5,700,472	(926,903)	18,734,465
Infrastructure	659,706,067	76,168,379	(41,625,884)	694,248,562
<b>Total Highways and Streets</b>	<b>700,048,172</b>	<b>82,989,305</b>	<b>(42,552,787)</b>	<b>740,484,690</b>
<b>Health and Human Services</b>				
Public Health and Environment	3,009,232	17,844,912	(49,215)	20,804,929
Social Services	430,496	59,047	(5,474)	484,069
Workforce Center	195,313	27,165	-	222,478
<b>Total Health and Human Services</b>	<b>3,635,041</b>	<b>17,931,124</b>	<b>(54,689)</b>	<b>21,511,476</b>
<b>Culture and Recreation</b>				
Library *	22,890,767	462,418	(252,112)	23,101,073
Parks	105,578,854	12,939,755	(6,913,205)	111,605,404
<b>Total Culture and Recreation</b>	<b>128,469,621</b>	<b>13,402,173</b>	<b>(7,165,317)</b>	<b>134,706,477</b>
<b>Conversation of Natural Resources</b>				
Agriculture Extension	11,400	8,480	(356)	19,524
<b>Total Governmental Funds Capital Assets</b>	<b>\$ 1,083,504,491</b>	<b>\$ 173,453,320</b>	<b>\$ (83,870,229)</b>	<b>\$ 1,173,087,582</b>

\* Beginning balance figures were updated to include Right-of-Use Leased Assets in capital asset totals.

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# Governmental Revenue Schedule



- Schedule of Intergovernmental Revenue

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**Schedule of Intergovernmental Revenue**  
**Year Ended December 31, 2024**

Description	General Fund	Regional Rail Authority Fund	Metro Gold Line Fund	Capital Projects Fund	Total All Funds
<b>Shared Revenues</b>					
State					
Disparity Reduction Aid	\$ 363	\$ -	\$ -	\$ -	\$ 363
Highway Users Tax	5,437,358	-	3,325,000	12,889,546	21,651,904
Transportation Advancement	-	-	-	3,872,536	3,872,536
County Program Aid	14,796,026	-	-	-	14,796,026
Market Value Credit - Real	102,894	-	-	-	102,894
Local Homeless Aid	3,602,985	-	-	-	3,602,985
Local Performance Aid	25,000	-	-	-	25,000
PERA Rate Increase Aid	349,917	640	316	-	350,873
State Police Aid	1,450,360	-	-	-	1,450,360
County Aquatic ISP Aid	134,174	-	-	-	134,174
Out of Home Placement Aid	19,352	-	-	-	19,352
Riparian Aid	40,000	-	-	-	40,000
Local Cannabis Aid	2,114	-	-	-	2,114
Enhanced E-911	796,750	-	-	-	796,750
<b>Total Shared Revenues</b>	<b>26,757,293</b>	<b>640</b>	<b>3,325,316</b>	<b>16,762,082</b>	<b>46,845,331</b>
<b>Reimbursement for Services</b>					
State					
Minnesota Dept. of Human Services	7,133,001	-	-	-	7,133,001
<b>Total Reimbursements for Services</b>	<b>7,133,001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,133,001</b>
<b>State Grants</b>					
Minnesota Department of					
Agriculture	247,284	-	-	-	247,284
Commerce Department	52,410	-	-	-	52,410
Corrections	4,221,426	-	-	-	4,221,426
Environmental Assistance	1,440,636	-	-	-	1,440,636
Housing Finance Agency	1,327,997	-	-	-	1,327,997
Health	1,500,725	-	-	-	1,500,725
Secretary of State	435,320	-	-	-	435,320
Human Services	9,403,116	-	-	-	9,403,116
Natural Resources	134,229	-	-	10,972	145,201
Peace Officers (POST)	119,610	-	-	-	119,610
Public Safety	688,961	-	-	-	688,961
Trade and Economic Development	714,283	-	-	-	714,283
Transportation	-	-	-	383,998	383,998
Veteran's Affairs	17,500	-	-	-	17,500
Water and Soil Resources	156,294	-	-	-	156,294
<b>Total State</b>	<b>20,459,791</b>	<b>-</b>	<b>-</b>	<b>394,970</b>	<b>20,854,761</b>

Continued on next page

**Schedule of Intergovernmental Revenue (Continued)**  
**Year Ended December 31, 2024**

Description	General Fund	Regional Rail Authority Fund	Metro Gold Line Fund	Capital Projects Fund	Total All Funds
<b>Federal Grants</b>					
Federal Department of					
Agriculture	\$ 2,450,769	\$ -	\$ -	\$ -	\$ 2,450,769
Housing and Development	191,211	-	-	-	191,211
Justice	719,340	-	-	-	719,340
Labor	401,158	-	-	-	401,158
Transportation	471,380	-	-	1,192,147	1,663,527
Treasury	25,858,010	-	-	-	25,858,010
Education	2,100	-	-	-	2,100
Health and Human Services	15,995,822	-	-	-	15,995,822
Executive Office of the President	146,032	-	-	-	146,032
Homeland Security	684,996	-	-	-	684,996
<b>Total Federal</b>	<u>46,920,818</u>	<u>-</u>	<u>-</u>	<u>1,192,147</u>	<u>48,112,965</u>
<b>Local Grants</b>					
Cities	-	-	185,699	2,074,184	2,259,883
Metropolitan Council	873,355	-	-	3,497,992	4,371,347
Miscellaneous Agencies	103,706	1,400	353,694	248,448	707,248
Counties	4,920	-	-	-	4,920
Tax Forfeited Land	44,358	-	-	-	44,358
<b>Total Local</b>	<u>1,026,339</u>	<u>1,400</u>	<u>539,393</u>	<u>5,820,624</u>	<u>7,387,756</u>
<b>Total Grants</b>	102,297,242	2,040	3,864,709	24,169,823	130,333,814
Payment in Lieu of Taxes (PILT)	802,590	1,009	-	-	803,599
<b>Total Intergovernmental Revenues</b>	<u>\$ 103,099,832</u>	<u>\$ 3,049</u>	<u>\$ 3,864,709</u>	<u>\$ 24,169,823</u>	<u>\$ 131,137,413</u>

# Statistical Section



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- Net Position by Component
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- Changes in Fund Balances of Governmental Funds
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Washington County, Minnesota

Table 1

Net Position by Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 335,867,717	\$ 360,876,722	\$ 373,703,127	\$ 396,970,242	\$ 441,545,633	\$ 465,442,708	\$ 482,426,118	\$ 512,790,771	\$ 530,215,227	\$ 584,551,124
Restricted	35,599,589	44,572,087	60,043,112	56,814,163	88,219,863	79,760,937	66,139,123	56,935,573	64,695,531	96,291,914
Unrestricted	55,455,284	28,686,647	35,972,130	(41,140,387)	(42,209,111)	(741,889)	41,415,318	33,299,364	110,733,094	91,781,837
<b>Total Governmental Activities Net Position</b>	<b>\$ 426,922,590</b>	<b>\$ 434,135,456</b>	<b>\$ 469,718,369</b>	<b>\$ 412,644,018</b>	<b>\$ 487,556,385</b>	<b>\$ 544,461,756</b>	<b>\$ 589,980,559</b>	<b>\$ 603,025,708</b>	<b>\$ 705,643,852</b>	<b>\$ 772,624,875</b>
Percentage Increase or (Decrease)	(1.5)%	1.7%	8.2%	(12.2)%	18.2%	11.7%	8.4%	2.2%	17.0%	9.5%

Source: Washington County Accounting and Finance Department, prior years' Annual Comprehensive Financial Report and current year government-wide Statement of Net Position.

Washington County, Minnesota

Table 2

Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
<b>Total Primary Government</b>										
Governmental Activities:										
General Government	\$ 47,017,013	\$ 55,002,909	\$ 59,516,867	\$ 36,860,431	\$ 21,803,552	\$ 36,260,974	\$ 43,572,359	\$ 28,002,396	\$ 67,581,378	\$ 113,757,272
Public Safety	40,004,487	49,095,388	45,931,833	44,569,866	47,434,648	36,601,459	43,291,338	64,370,140	57,112,693	56,805,476
Highways and Streets	19,142,890	22,121,135	28,299,033	50,825,645	82,221,937	69,925,992	72,699,254	79,091,184	25,604,089	25,888,755
Health and Human Services	54,021,113	57,758,157	61,637,749	60,810,502	62,361,430	97,675,098	81,444,888	86,182,417	76,595,307	106,177,970
Culture and Recreation	3,935,750	6,137,767	6,098,761	7,033,085	994,660	9,740,150	11,607,651	6,253,586	11,957,382	11,687,740
Conservation of Natural Resources	162,894	537,621	575,586	354,938	446,336	518,241	381,972	487,617	734,111	441,064
Economic Development	136,164	176,935	-	-	-	-	5,577,104	-	-	-
Interest	6,130,486	6,424,584	4,634,114	3,147,217	3,032,465	3,341,197	1,239,906	5,542,246	5,580,447	2,780,902
<b>Total Primary Government Expenses</b>	<b>170,550,797</b>	<b>197,254,496</b>	<b>206,693,943</b>	<b>203,601,684</b>	<b>218,295,028</b>	<b>254,063,111</b>	<b>259,814,472</b>	<b>269,929,586</b>	<b>245,165,407</b>	<b>317,539,179</b>
<b>Program Revenues</b>										
<b>Total Primary Government</b>										
Governmental Activities:										
Fees, Fines, Charges, and Other										
General Government	16,352,719	18,749,720	27,185,578	21,725,129	41,974,256	31,447,915	12,788,434	14,250,088	20,249,078	9,668,097
Public Safety	2,185,060	3,152,629	3,121,523	3,044,290	3,425,632	1,504,001	8,335,533	6,966,997	1,887,756	9,041,809
Highways and Streets	61,760	-	-	-	-	-	23,347,939	5,353,245	-	329,413
Health and Human Services	-	-	-	-	-	-	-	-	-	9,556,085
Culture and Recreation	71,651	71,252	69,997	73,569	75,419	42,319	1,233,652	122,282	58,435	1,090,312
Operating Grants and Contributions	61,641,977	34,571,660	51,261,327	54,445,861	71,727,125	99,074,060	65,290,880	74,705,352	79,340,600	101,924,578
Capital Grants and Contributions	12,302,421	10,747,375	30,010,513	6,441,239	557,104	6,637,810	13,515,748	11,478,662	22,891,411	16,551,212
<b>Total Primary Government Program Revenues</b>	<b>92,615,588</b>	<b>67,292,636</b>	<b>111,648,938</b>	<b>85,730,088</b>	<b>117,759,536</b>	<b>138,706,105</b>	<b>124,512,186</b>	<b>112,876,626</b>	<b>124,427,280</b>	<b>148,161,506</b>
<b>Total Primary Government Net Expense</b>	<b>(77,935,209)</b>	<b>(129,961,860)</b>	<b>(95,045,005)</b>	<b>(117,871,596)</b>	<b>(100,535,492)</b>	<b>(115,357,006)</b>	<b>(135,302,286)</b>	<b>(157,052,960)</b>	<b>(120,738,127)</b>	<b>(169,377,673)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Total Primary Government</b>										
Governmental Activities:										
Property Taxes	98,569,307	101,495,977	106,291,250	112,908,250	118,926,756	126,170,144	125,705,996	134,298,472	140,395,499	142,853,494
Mortgage Registry and Deed Tax	368,986	441,311	462,199	438,592	558,384	731,177	922,747	647,530	407,731	485,094
Wheelage Tax	2,238,700	2,199,651	2,233,961	2,431,035	4,562,413	4,500,926	4,805,053	4,653,738	4,713,204	4,854,346
Sales Tax	-	-	2,294,693	10,230,308	10,720,638	10,735,494	15,670,281	28,350,694	25,895,201	27,459,132
Payments in Lieu of Tax	-	-	-	-	-	-	-	-	-	803,599
Unrestricted Grants & Contributions	18,143,387	25,995,607	6,736,929	8,274,230	16,563,400	11,794,555	12,324,384	11,994,008	12,256,906	15,133,296
Investment Earnings (Loss)	2,251,818	5,029,984	10,438,194	1,397,202	21,568,141	14,776,368	18,470,283	(19,940,132)	35,495,376	39,056,684
Miscellaneous	1,324,909	1,459,296	1,969,146	2,484,295	2,486,902	3,526,437	2,824,771	9,900,609	3,867,120	5,685,453
Gain on Sale of Capital Assets	-	552,900	201,546	55,963	61,225	27,276	97,574	193,190	325,234	27,598
<b>Total Primary Government</b>	<b>122,897,107</b>	<b>137,174,726</b>	<b>130,627,918</b>	<b>138,219,875</b>	<b>175,447,859</b>	<b>172,262,377</b>	<b>180,821,089</b>	<b>170,098,109</b>	<b>223,356,271</b>	<b>236,358,696</b>
<b>Change in Net Position - Total Primary Government</b>	<b>\$ 44,961,898</b>	<b>\$ 7,212,866</b>	<b>\$ 35,582,913</b>	<b>\$ 20,348,279</b>	<b>\$ 74,912,367</b>	<b>\$ 56,905,371</b>	<b>\$ 45,518,803</b>	<b>\$ 13,045,149</b>	<b>\$ 102,618,144</b>	<b>\$ 66,981,023</b>

Source: Washington County Accounting and Finance Department, prior years' Annual Comprehensive Financial Report and current year government-wide Statement of Activities.

Washington County, Minnesota

Table 3

<b>Fund Balances of Governmental Funds</b>										
<b>Last Ten Fiscal Years</b>										
<b>(Modified Accrual Basis of Accounting)</b>										
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>General Fund</b>										
Nonspendable	\$ 9,314,657	\$ 10,540,443	\$ 10,465,589	\$ 11,253,933	\$ 10,110,940	\$ 9,778,827	\$ 9,597,145	\$ 9,853,583	\$ 9,918,145	\$ 11,518,378
Restricted	65,342,465	63,724,399	72,815,196	74,750,978	91,388,812	112,473,896	128,636,720	100,845,152	121,185,831	26,554,088
Committed	-	-	-	-	-	-	-	-	-	131,345,006
Assigned	19,898,602	17,980,227	17,277,974	15,812,868	15,623,260	18,067,227	16,666,528	18,279,567	21,173,837	15,507,628
Unassigned	51,545,604	58,860,087	60,573,615	61,552,428	71,027,263	85,346,344	85,069,857	83,940,962	89,420,748	85,736,255
<b>Total General Fund</b>	<b>\$ 146,101,328</b>	<b>\$ 151,105,156</b>	<b>\$ 161,132,374</b>	<b>\$ 163,370,207</b>	<b>\$ 188,150,275</b>	<b>\$ 225,666,294</b>	<b>\$ 239,970,250</b>	<b>\$ 212,919,264</b>	<b>\$ 241,698,561</b>	<b>\$ 270,661,355</b>
Percentage Increase or (Decrease)	3.7%	3.4%	6.6%	1.4%	15.2%	19.9%	6.3%	(11.3)%	13.5%	12.0%
<b>All Other Governmental Funds</b>										
Nonspendable *										
Special Revenue Funds	\$ -	\$ -	\$ -	\$ 662,201	\$ 899,873	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Funds	-	-	13,495	-	61,589	-	-	-	142,013	56,449
Restricted										
Special Revenue Funds	61,865	61,865	22,246,478	26,321,512	29,680,462	31,195,118	22,834,531	15,364,162	27,538,776	3,984,581
Debt Service Funds	53,671,223	54,090,986	12,525,992	14,260,879	15,303,045	13,327,385	16,959,091	14,641,853	16,097,243	18,456,527
Capital Project Funds	2,658,106	18,109,307	10,466,071	1,171,291	26,552,472	8,878,808	2,510,686	6,517,972	2,384,170	22,096,025
Committed										
Capital Project Funds	500,000	500,000	-	-	-	-	-	-	-	-
Assigned										
Special Revenue Funds	849,231	1,355,539	1,437,941	1,622,281	1,826,080	2,018,327	2,106,218	2,297,223	2,727,581	2,316,953
Capital Project Funds	14,738,704	7,258,303	9,421,824	7,554,021	9,979,075	9,898,127	15,410,266	39,615,074	78,851,966	67,773,187
<b>Total All Other Governmental Funds</b>	<b>\$ 72,479,129</b>	<b>\$ 81,376,000</b>	<b>\$ 56,111,801</b>	<b>\$ 51,592,185</b>	<b>\$ 84,302,596</b>	<b>\$ 65,317,765</b>	<b>\$ 59,820,792</b>	<b>\$ 78,436,284</b>	<b>\$ 127,741,749</b>	<b>\$ 114,683,722</b>
Percentage Increase or (Decrease)	8.0%	12.3%	(31.0)%	(8.1)%	63.4%	(22.5)%	(8.4)%	31.1%	62.9%	(10.2)%

\* Prior year nonspendable fund balances were split into specific governmental funds for fiscal years 2017, 2018, 2019, and 2023 to be consistent with other fund balance presentations.

Source: Washington County Accounting and Finance Department.

**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Taxes	\$ 101,306,879	\$ 104,281,459	\$ 111,471,329	\$ 125,889,156	\$ 134,757,330	\$ 142,010,111	\$ 148,036,647	\$ 168,968,683	\$ 172,696,359	\$ 142,891,269
Other Taxes	-	-	-	-	-	-	-	-	-	32,798,572
Special Assessments	35,534	99,105	114,767	162,803	146,664	288,646	326,723	235,277	254,644	377,627
Intergovernmental	88,742,444	78,600,735	87,885,635	74,338,750	86,488,578	113,455,146	79,307,823	94,358,943	113,744,117	131,137,413
Charges for Services	14,720,253	17,922,789	26,977,588	21,855,830	42,624,823	30,449,156	44,165,083	25,131,063	21,148,423	27,337,134
Licenses and Permits	4,458,106	4,543,640	4,673,770	4,731,513	4,945,232	4,263,931	4,836,255	5,034,523	5,675,689	6,010,141
Fines and Forfeits	289,104	306,249	393,776	401,370	462,730	273,862	319,493	257,499	274,462	335,211
Gifts and Contributions	-	-	-	-	-	-	-	214,796	100,525	122,160
Interest on Investments	2,251,818	5,029,984	10,438,194	1,397,202	21,582,833	14,777,060	18,470,693	(19,940,132)	35,495,376	39,056,684
Miscellaneous	9,775,376	9,992,986	10,465,891	10,742,810	11,119,828	12,240,465	12,095,264	14,116,943	13,440,596	5,344,204
<b>Total Revenues</b>	<b>221,579,514</b>	<b>220,776,947</b>	<b>252,420,950</b>	<b>239,519,434</b>	<b>302,128,018</b>	<b>317,758,377</b>	<b>307,557,981</b>	<b>288,377,595</b>	<b>362,830,191</b>	<b>385,410,415</b>
<b>Expenditures</b>										
General Government	36,895,242	40,870,481	43,215,122	49,752,217	55,806,380	60,409,133	72,386,021	75,617,718	61,100,387	107,299,593
Public Safety	40,178,346	42,079,961	44,621,029	47,105,533	48,717,173	39,580,439	52,312,840	55,249,621	59,212,946	57,763,572
Highways and Streets	10,606,025	10,703,310	11,474,939	12,402,526	13,161,452	13,099,930	12,304,880	12,351,720	14,662,887	12,790,941
Health and Human Services	53,865,396	56,818,492	60,728,658	61,134,051	63,418,317	96,569,088	80,878,823	78,980,024	80,077,732	93,645,710
Culture and Recreation	10,435,800	10,876,956	10,768,274	11,162,155	11,265,551	10,982,281	12,664,822	12,851,183	13,520,957	13,254,362
Conservation of Natural Resources	160,968	170,482	168,741	177,993	163,451	199,381	201,313	265,146	286,934	353,641
Economic Development	176,978	181,388	-	-	-	-	5,577,104	-	-	-
Capital Outlay	43,891,100	52,656,963	40,748,515	46,550,046	71,145,597	60,029,928	48,998,982	52,582,882	42,084,964	99,708,337
Debt Service:										
Principal	6,150,284	7,075,948	64,549,863	9,847,229	11,188,226	13,957,022	9,462,777	13,241,384	10,948,010	13,727,970
Interest	6,324,442	6,750,119	8,988,944	3,832,013	3,984,934	4,705,763	4,127,045	3,738,450	3,640,490	3,277,792
Bond Issue Costs	1,142	183,652	259,632	-	196,504	56,790	-	-	-	117,665
Other Charges	3,875	8,300	2,923	14,400	6,100	16,295	17,050	1,550	2,310	2,948
<b>Total Expenditures</b>	<b>208,689,598</b>	<b>228,376,052</b>	<b>285,526,640</b>	<b>241,978,163</b>	<b>279,053,685</b>	<b>299,606,050</b>	<b>298,931,657</b>	<b>304,879,678</b>	<b>285,537,617</b>	<b>401,942,531</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>12,889,916</b>	<b>(7,599,105)</b>	<b>(33,105,690)</b>	<b>(2,458,729)</b>	<b>23,074,333</b>	<b>18,152,327</b>	<b>8,626,324</b>	<b>(16,502,083)</b>	<b>77,292,574</b>	<b>(16,532,116)</b>

Continued on next page

**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Other Financing Sources (Uses)</b>										
Transfers In	\$ 5,489,100	\$ 2,240,105	\$ 1,648,200	\$ 1,507,500	\$ 1,292,300	\$ 1,296,811	\$ 4,162,800	\$ 12,687,400	\$ 11,217,900	\$ 6,722,267
Transfers Out	(5,489,100)	(2,240,105)	(1,648,200)	(1,507,500)	(1,292,300)	(1,296,811)	(4,162,800)	(12,687,400)	(11,217,900)	(6,722,267)
Issuance of Lease/Subscription Liability	-	-	-	-	-	-	-	174,118	19,777	3,081,470
Sources from Sale of Assets	-	552,900	-	-	-	-	-	-	325,234	-
Issuance of Loans	114,933	367,139	406,845	176,946	282,885	318,861	180,659	222,471	447,177	234,984
Issuance of Bonds	4,775,000	20,000,000	-	-	31,315,000	-	-	7,670,000	-	25,915,000
Issuance of Refunding Bonds	-	-	42,380,000	-	-	8,790,000	-	-	-	-
Payment on Refunded Bonds	(7,380,000)	-	-	-	-	(8,730,000)	-	-	-	-
Premium on Bonds/Notes Issued	237,923	579,765	4,345,427	-	2,818,261	-	-	-	-	3,205,429
Payment to Refunded Bond Escrow Agent	-	-	(29,263,563)	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,252,144)</b>	<b>21,499,804</b>	<b>17,868,709</b>	<b>176,946</b>	<b>34,416,146</b>	<b>378,861</b>	<b>180,659</b>	<b>8,066,589</b>	<b>792,188</b>	<b>32,436,883</b>
<b>Net Change in Fund Balance</b>	<b>\$ 10,637,772</b>	<b>\$ 13,900,699</b>	<b>\$ (15,236,981)</b>	<b>\$ (2,281,783)</b>	<b>\$ 57,490,479</b>	<b>\$ 18,531,188</b>	<b>\$ 8,806,983</b>	<b>\$ (8,435,494)</b>	<b>\$ 78,084,762</b>	<b>\$ 15,904,767</b>
Expenditures for Capital Assets *	\$ 49,617,692	\$ 51,007,089	\$ 37,696,968	\$ 48,149,351	\$ 69,862,133	\$ 54,393,006	\$ 45,044,080	\$ 51,202,800	48,329,475	\$ 100,043,002
Debt Service as a Percentage of Noncapital Expenditures	7.84%	7.80%	29.67%	7.06%	7.25%	7.61%	5.35%	6.69%	6.15%	5.63%

\* Debt Service and a Percentage of Noncapital Expenditures is calculated using Capital Asset Adjustments amount from the Reconciliation of the Statement of Revenues, Expenses, and Changes in Fund Balance to the Government-Wide Statement of Activities. Title changed in 2024 to correlate with the financial statement reporting, previously known as Capital Asset Adjustment.

Source: Washington County Accounting and Finance Department.

**Market Value and Tax Capacity of Taxable Property**  
**Taxable Property (in \$000)**  
**Last Ten Fiscal Years**

Tax Payable Year	Estimated Market Value	Taxable Market Value	Referendum Market Value	Tax Capacity					Total Direct Tax Rate	Direct Referendum Tax Rate	Tax Capacity as a percentage of Estimated Market Value
				Real Property			Personal Property	Total Tax Capacity			
				Residential	Commercial	All Other					
2015	\$ 27,767,177	\$ 26,277,082	\$ 26,417,930	\$ 224,626	\$ 61,027	\$ 7,395	\$ 4,485	\$ 297,533	30.19%	0.0040%	1.07%
2016	28,527,184	27,046,954	27,170,439	231,914	62,265	7,323	4,705	306,207	30.56%	0.0039%	1.07%
2017	29,341,812	27,852,002	27,985,596	239,776	64,446	7,244	4,942	316,408	30.45%	0.0038%	1.08%
2018	31,420,940	29,961,364	30,012,385	258,029	69,215	7,985	5,256	340,485	29.98%	0.0353%	1.08%
2019	33,499,306	32,095,424	32,059,708	278,620	72,943	7,416	5,244	364,223	29.68%	0.0330%	1.09%
2020	36,222,848	34,866,679	34,738,127	306,299	75,891	7,435	5,285	394,910	28.94%	0.0342%	1.09%
2021	37,962,828	36,632,740	36,443,354	320,606	81,892	7,952	5,760	416,210	27.44%	0.0325%	1.10%
2022	39,873,578	38,598,523	38,369,090	338,663	88,750	7,917	3,944	439,274	27.53%	0.0031%	1.10%
2023	48,211,359	47,020,313	46,357,812	425,822	92,102	9,212	4,196	531,332	23.63%	0.0026%	1.10%
2024	53,535,430	52,452,433	51,581,767	474,388	110,229	10,355	4,347	599,319	21.99%	0.0023%	1.12%

**Notes:**

- Estimated Market Value is the fair market value of all taxable property and does not include exempt property.
- Certain state programs allow reductions from Estimated Market Value to arrive at Taxable Market Value, which is what taxes are based on.
- Referendum Market Value is the tax base for referendum levies. Certain property classifications are excluded or receive a value reduction.
- TMV on each parcel of property is multiplied by class rates based on property classification to arrive at Tax Capacity. Class rates are uniform statewide, which for tax year 2024 were:
  - Residential Homestead - 1.00% up to \$500,000, 1.25% over \$500,000
  - Commercial/Industrial - 1.50% up to \$150,000 and 2.00% over \$150,000
  - Agricultural Homestead - 0.50% up to \$1,890,000 and 1.00% over \$1,890,000
- Tax capacity is multiplied by the tax capacity tax rate to arrive at the tax liability. Referendum market value is multiplied by the referendum rate to arrive at the referendum tax.

**Source:** Washington County Department of Property Records and Taxpayer Services.

**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

**Tax Rates Based on Percentage of Tax Capacity**

Jurisdiction	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Washington County:</b>										
General	16.255%	16.352%	16.335%	15.426%	15.543%	15.362%	14.282%	15.424%	13.180%	12.200%
Debt	3.821%	3.979%	4.015%	3.895%	3.746%	3.419%	3.413%	2.671%	2.455%	2.392%
Road and Bridge	1.693%	1.729%	1.824%	2.173%	2.104%	2.033%	1.959%	2.035%	1.739%	1.603%
Social Services	4.892%	4.999%	4.876%	5.058%	4.847%	4.706%	4.451%	4.178%	3.658%	3.136%
Social Services Administration	0.786%	0.751%	0.742%	0.738%	0.756%	0.777%	0.818%	0.845%	0.587%	0.757%
Library	2.373%	2.579%	2.486%	2.419%	2.309%	2.186%	2.145%	2.054%	1.754%	1.679%
Library Debt	0.366%	0.174%	0.170%	0.274%	0.377%	0.461%	0.368%	0.325%	0.252%	0.224%
Total - County	30.186%	30.563%	30.448%	29.983%	29.682%	28.944%	27.436%	27.532%	23.625%	21.991%
<b>Overlapping Rates:</b>										
<b>Cities of:</b>										
Afton	27.737%	29.373%	32.300%	32.255%	32.983%	30.795%	32.025%	32.007%	27.111%	23.533%
Bayport	40.468%	37.107%	39.410%	36.017%	33.954%	31.644%	33.792%	33.463%	28.965%	27.725%
Birchwood	27.627%	23.893%	24.302%	24.904%	23.012%	28.068%	29.231%	28.692%	21.270%	24.708%
Cottage Grove (Urban)	41.591%	43.140%	43.012%	40.583%	38.959%	39.182%	37.351%	37.251%	33.899%	32.909%
Dellwood	17.853%	16.757%	15.102%	14.614%	10.361%	21.005%	19.204%	19.248%	15.724%	16.360%
Forest Lake	42.839%	43.385%	43.473%	41.871%	39.580%	40.333%	40.641%	40.991%	35.450%	37.616%
Grant	13.321%	13.755%	13.789%	13.907%	13.916%	13.096%	13.609%	13.426%	11.054%	10.330%
Hastings	62.581%	63.577%	62.518%	60.964%	59.612%	57.391%	57.351%	58.807%	53.267%	55.230%
Hugo (Urban)	36.318%	36.323%	36.360%	36.330%	36.274%	39.279%	39.294%	39.403%	36.371%	36.522%
Lake Elmo	23.798%	23.121%	20.018%	22.442%	22.927%	23.477%	23.638%	30.546%	24.064%	24.631%
Lake St Croix Beach	48.039%	45.774%	47.619%	47.497%	41.130%	41.083%	40.728%	39.902%	31.126%	30.790%
Lakeland	43.489%	42.451%	44.213%	36.540%	31.800%	36.149%	33.408%	29.525%	26.189%	30.360%
Lakeland Shores	24.969%	25.696%	24.949%	24.653%	23.022%	23.060%	23.382%	23.224%	20.742%	19.658%
Landfall	48.731%	55.903%	56.649%	80.743%	50.012%	51.212%	64.491%	57.567%	58.843%	47.766%
Mahtomedi	38.022%	34.657%	37.580%	33.971%	38.892%	36.473%	37.308%	39.119%	34.410%	33.936%
Marine on St Croix	55.427%	56.752%	60.678%	55.060%	56.705%	56.338%	56.172%	59.002%	42.747%	47.855%
Newport	69.973%	61.660%	60.304%	58.736%	57.383%	54.335%	54.007%	55.852%	49.690%	46.197%
Oak Park Heights	56.804%	57.725%	56.143%	54.462%	50.031%	50.176%	50.838%	51.753%	48.985%	49.502%
Oakdale	39.131%	39.492%	39.721%	38.544%	39.227%	37.617%	38.821%	39.533%	38.217%	38.132%

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Property Tax Rates (Continued)										
Direct and Overlapping Governments										
Last Ten Fiscal Years										
Tax Rates Based on Percentage of Tax Capacity										
Jurisdiction	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Overlapping Rates:</b>										
<b>Cities of:</b>										
Pine Springs	6.850%	7.235%	9.110%	8.730%	9.285%	9.193%	9.034%	9.427%	7.484%	7.764%
Scandia	34.619%	36.722%	36.594%	35.058%	32.396%	31.466%	30.815%	30.945%	26.459%	26.704%
St. Mary's Point	24.677%	24.743%	24.163%	22.517%	23.725%	23.833%	24.112%	22.034%	18.287%	17.045%
St. Paul Park	45.677%	45.560%	43.919%	42.591%	43.475%	38.689%	39.112%	39.726%	36.930%	37.347%
Stillwater (Urban)	55.225%	57.016%	56.927%	53.421%	54.288%	53.474%	52.486%	52.152%	49.389%	47.085%
White Bear Lake	20.368%	19.690%	18.969%	19.058%	20.190%	20.629%	20.355%	22.271%	24.054%	27.319%
Willernie	45.054%	53.691%	48.807%	49.748%	48.206%	46.042%	51.675%	49.194%	46.245%	48.031%
Woodbury	34.657%	35.287%	35.122%	33.670%	33.177%	32.489%	32.298%	32.217%	28.599%	27.601%
<b>Townships of:</b>										
Baytown	10.352%	9.245%	14.540%	13.729%	15.398%	14.635%	16.373%	16.443%	14.290%	13.266%
Denmark	12.490%	11.236%	11.264%	11.063%	13.600%	15.919%	15.892%	14.650%	11.680%	11.892%
Grey Cloud Island	23.581%	23.481%	22.455%	21.834%	20.238%	23.494%	20.852%	21.214%	14.810%	19.660%
May	10.151%	10.645%	11.108%	10.832%	10.947%	10.541%	11.518%	12.426%	9.820%	9.402%
Stillwater	18.542%	20.672%	22.674%	21.759%	21.433%	18.454%	20.185%	20.105%	17.560%	16.938%
West Lakeland	6.643%	8.183%	7.870%	8.157%	8.701%	10.496%	10.877%	12.017%	11.439%	12.772%
<b>School Districts of:</b>										
SD 200 Hastings	20.965%	20.938%	20.305%	20.545%	19.079%	17.924%	16.757%	16.214%	14.207%	16.733%
SD 622 N St Paul/Mpwd/Oakdale	35.864%	35.569%	33.582%	30.089%	29.039%	32.504%	31.840%	32.173%	29.825%	29.550%
SD 624 White Bear Lake	26.660%	26.236%	23.476%	23.685%	26.081%	36.777%	37.075%	34.805%	32.398%	34.006%
SD 831 Forest Lake	21.146%	24.902%	31.213%	26.230%	24.856%	25.097%	25.090%	24.425%	22.267%	23.215%
SD 832 Mahtomedi	34.496%	34.107%	34.093%	32.161%	31.894%	29.926%	29.555%	29.032%	23.941%	23.316%
SD 833 South Washington County	35.675%	36.812%	34.309%	33.303%	34.926%	33.904%	34.181%	33.739%	31.296%	32.613%
SD 834 Stillwater	21.124%	19.849%	30.390%	19.349%	18.442%	15.321%	17.278%	19.502%	17.143%	22.033%
SD 2144 Chisago Lakes	26.764%	25.700%	24.323%	29.998%	28.193%	26.676%	24.738%	23.437%	19.090%	17.412%

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Property Tax Rates (Continued)										
Direct and Overlapping Governments										
Last Ten Fiscal Years										
Tax Rates Based on Percentage of Tax Capacity										
Jurisdiction	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Overlapping Rates:</b>										
<b>Special Districts of:</b>										
Washington County HRA/CDA	1.181%	1.529%	1.475%	1.469%	1.423%	1.356%	1.289%	1.287%	1.093%	1.024%
Washington County Regional Rail	0.212%	0.247%	0.243%	0.224%	0.175%	0.165%	0.157%	0.149%	0.122%	0.109%
Metro Council	0.943%	0.932%	0.858%	0.816%	0.651%	0.584%	0.628%	0.630%	0.537%	0.590%
Metro Mosquito Control	0.490%	0.487%	0.463%	0.440%	0.424%	0.390%	0.379%	0.361%	0.309%	0.301%
Metro Airports	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Metro Council Transit District	1.357%	1.373%	1.307%	1.226%	1.322%	1.243%	1.139%	1.056%	0.912%	0.809%
Browns Creek WS	4.769%	5.111%	5.275%	0.819%	5.263%	4.850%	4.835%	4.437%	3.867%	3.497%
Carnelian-Marine WS	2.815%	2.843%	3.150%	5.021%	3.454%	3.993%	3.841%	4.133%	3.502%	3.689%
Comfort Lake-Forest Lake WS	4.173%	4.159%	5.012%	2.323%	5.658%	5.835%	5.781%	5.999%	4.781%	4.778%
Ramsey-Washington Metro WS	4.494%	4.460%	4.067%	5.707%	3.557%	3.289%	3.212%	2.918%	2.758%	2.532%
Rice Creek WS	2.185%	2.192%	2.088%	3.878%	1.924%	1.926%	1.918%	1.805%	1.559%	1.612%
South Washington WS	0.693%	0.753%	0.839%	3.292%	0.808%	0.766%	0.742%	0.718%	0.654%	0.632%
Valley Branch WS	1.701%	1.761%	1.887%	1.838%	3.980%	3.425%	4.074%	3.747%	2.977%	2.575%
Hastings HRA	1.379%	1.551%	1.500%	1.454%	1.453%	1.455%	1.472%	1.491%	1.310%	1.531%
Woodbury HRA	0.295%	0.289%	0.276%	0.255%	0.237%	0.218%	0.207%	0.195%	0.162%	0.000%
<b>State of Minnesota:</b>										
Commercial/Industrial property	50.840%	48.641%	45.802%	43.865%	42.416%	38.846%	35.978%	36.289%	33.003%	29.294%
Seasonal Property	21.703%	21.167%	20.845%	20.779%	19.962%	17.997%	17.306%	16.306%	12.321%	10.640%

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**Property Tax Rates (Continued)**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

**Tax Rates Based on Percentage of Referendum Market Value**

Jurisdiction	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Washington County:</b>	0.004%	0.004%	0.004%	0.004%	0.003%	0.003%	0.003%	0.003%	0.003%	0.002%
<b>Overlapping Rates:</b>										
City of Woodbury	0.013%	0.012%	0.012%	0.011%	0.007%	0.006%	0.006%	0.006%	0.005%	0.004%
<b>School Districts of:</b>										
SD 200 Hastings	0.253%	0.260%	0.247%	0.274%	0.267%	0.245%	0.230%	0.225%	0.223%	0.212%
SD 622 N St Paul/Mpwd/Oakdale	0.144%	0.137%	0.216%	0.195%	0.187%	0.185%	0.168%	0.156%	0.150%	0.148%
SD 624 White Bear Lake	0.240%	0.235%	0.230%	0.223%	0.232%	0.224%	0.181%	0.193%	0.183%	0.164%
SD 831 Forest Lake	0.134%	0.140%	0.129%	0.114%	0.202%	0.173%	0.167%	0.153%	0.128%	0.122%
SD 832 Mahtomedi	0.292%	0.266%	0.254%	0.241%	0.274%	0.259%	0.254%	0.287%	0.216%	0.208%
SD 833 South Washington County	0.210%	0.340%	0.313%	0.371%	0.349%	0.326%	0.316%	0.337%	0.290%	0.283%
SD 834 Stillwater	0.200%	0.206%	0.195%	0.189%	0.194%	0.176%	0.166%	0.184%	0.151%	0.141%
SD 2144 Chisago Lakes	0.167%	0.170%	0.173%	0.172%	0.164%	0.162%	0.144%	0.140%	0.111%	0.105%

- Notes:**
- Overlapping rates are those of other governments that apply to property owners within Washington County. Not all overlapping rates apply to all Washington County property owners.
  - Tax capacity rates are multiplied by the tax capacity of a property to arrive at the tax capacity based tax. Referendum market value rates are multiplied by the referendum market value to arrive at the market value based tax. The total tax liability is the tax capacity based tax plus the market value based tax.

**Source:** Washington County Department of Property Records and Taxpayer Services.

**Principal Property Taxpayers  
Taxes Payable in 2024 and Nine Years Ago**

Taxpayer	Property Classification	Rank	2024				2015				
			Net Tax	Taxable Market Value	Tax Capacity	% of County Total Tax Capacity	Net Tax	Taxable Market Value	Tax Capacity	% of County Total Tax Capacity	
Xcel Energy	Public Utility	1	\$ 11,617,871	\$ 454,977,900	\$ 9,098,717	1.5%	1	\$ 14,673,652	\$ 439,957,300	\$ 8,793,363	3.0%
Tamarack Village Shopping Center LP	Commercial	2	2,847,881	107,169,600	2,142,642	0.4%	2	3,008,273	81,432,300	1,627,896	0.5%
Ramco-Gershenson Properties LP	Commercial	3	2,487,443	93,613,500	1,871,520	0.3%	3	2,095,613	56,845,600	1,133,912	0.4%
IRPF Woodbury City Place LLC	Commercial	4	2,087,926	78,587,500	1,571,000	0.3%		-	-	-	
NP BGO Cottage Grove Logistics Park LLC	Industrial	5	1,615,586	56,598,100	1,127,607	0.2%		-	-	-	
3M Company	Industrial	6	1,478,795	76,349,600	1,187,818	0.2%	7	1,283,664	56,631,500	810,907	0.3%
Woodbury Village Shopping Center LP	Commercial	7	1,385,603	48,520,500	969,513	0.2%	5	1,401,090	36,831,100	735,731	0.2%
Wal-Mart Real Estate Business Trust	Commercial	8	1,382,859	49,842,400	994,598	0.2%	9	1,236,534	33,139,500	660,540	0.2%
10285 Grand Forest Owner LLC	Apartment	9	1,372,687	100,927,500	1,261,594	0.2%		-	-	-	
Dayton Hudson Corp	Commercial	10	1,328,234	47,408,900	945,178	0.2%	6	1,323,124	35,111,900	699,238	0.2%
Menard Inc	Commercial		-	-	-		4	1,466,137	39,051,300	778,026	0.3%
Imation Corp	Commercial		-	-	-		8	1,241,440	42,004,400	711,146	0.2%
AX Oakdale Village LP	Commercial		-	-	-		10	1,157,709	30,842,600	616,102	0.2%
<b>Totals</b>			<u>\$ 27,604,885</u>	<u>\$ 1,113,995,500</u>	<u>\$ 21,170,187</u>	<u>3.7%</u>		<u>\$ 28,887,236</u>	<u>\$ 851,847,500</u>	<u>\$ 16,566,861</u>	<u>5.5%</u>

**Note:** If a taxpayer has property consisting of more than one classification, only one classification is shown. This list does not reflect tax reductions due to abatements or court petitions.

**Source:** Washington County Department of Property Records and Taxpayers Services.

**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	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 90,738,000	\$ (118,005)	\$ (502,098)	\$ 90,117,897	\$ 89,880,354	99.7%	\$ 231,994	\$ 90,112,348	100.0%
2016	93,871,900	(117,857)	(300,359)	93,453,684	93,025,272	99.5%	421,281	93,446,553	100.0%
2017	97,115,300	(115,246)	(135,889)	96,864,165	96,560,525	99.7%	298,118	96,858,643	100.0%
2018	103,538,700	(112,060)	(312,322)	103,114,318	102,770,255	99.7%	337,998	103,108,253	100.0%
2019	109,148,600	(114,361)	(352,335)	108,681,904	108,310,405	99.7%	365,948	108,676,353	100.0%
2020	115,697,300	(115,275)	(33,233)	115,548,792	114,989,242	99.5%	606,328	115,595,570	100.0%
2021	115,693,600	(112,511)	(71,114)	115,509,975	114,869,186	99.4%	586,427	115,455,613	100.0%
2022	121,806,800	(108,370)	(334,317)	121,364,113	120,923,650	99.6%	253,396	121,177,046	99.8%
2023	127,718,000	(111,497)	(127,137)	127,479,366	126,746,961	99.4%	469,974	127,216,935	99.8%
2024	132,715,000	(108,446)	(326,404)	132,280,150	131,415,196	99.3%	-	131,415,196	99.3%

Source: Washington County Department of Property Records and Taxpayer Services.

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total Primary Government Debt	Personal Income (c)	Percent of Personal Income	Net Tax Capacity	Percent of Net Tax Capacity	Population (a)(b)(c)(d)	Debt Per Capita
	General Obligation Bonds	Loans Payable	Lease Liability	Software Subscription Liability							
2015	\$ 171,854,751	\$ 246,261	\$ -	\$ -	\$ 172,101,012	\$ 14,974,462,000	1.1%	\$ 297,533,000	57.8%	251,015	\$ 686
2016	184,843,943	522,204	-	-	185,366,147	15,812,021,000	1.2%	306,207,000	60.5%	253,117	732
2017	136,164,539	819,186	-	-	136,983,725	16,705,759,000	0.8%	316,408,000	43.3%	253,128	541
2018	125,313,041	863,903	-	-	126,176,944	17,486,407,000	0.7%	340,485,000	37.1%	256,905	491
2019	147,280,647	933,562	-	-	148,214,209	18,245,390,000	0.8%	364,223,000	40.7%	261,512	567
2020	132,138,789	995,401	-	-	133,134,190	19,186,846,000	0.7%	394,910,000	33.7%	265,476	501
2021	120,271,262	853,283	-	-	121,124,545	20,128,302,000	0.6%	416,210,000	29.1%	272,256	445
2022	113,787,130	835,901	830,380	-	115,453,411	22,356,866,000	0.5%	439,274,000	26.3%	275,912	418
2023	102,036,179	1,097,908	712,319	-	103,846,406	23,221,512,000	0.4%	531,332,000	19.5%	278,936	372
2024	118,881,924	1,037,215	804,599	2,164,008	122,887,746	24,917,561,000	0.5%	599,319,000	20.5%	281,960	436

Source:

- (a) Washington County Office of Administration.
- (b) Metropolitan Council.
- (c) Bureau of Economic Analysis.
- (d) MN State Demographic Center.
- Washington County Department of Property Records and Taxpayer Services.
- Washington County Accounting and Finance Department.

Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Net General Bonded Debt	Personal Income	Percent of Personal Income	Net Tax Capacity	Percent of Net Tax Capacity	Population	Net General Bonded Debt Per Capita
2015	\$ 171,854,751	\$ 50,820,424	\$ 121,034,327	\$ 14,974,462,000	0.8%	\$ 297,533,000	40.7%	251,015	\$ 482
2016	184,843,943	50,984,786	133,859,157	15,812,021,000	0.8%	306,207,000	43.7%	253,117	529
2017	136,164,539	11,725,783	124,438,756	16,705,759,000	0.7%	316,408,000	39.3%	253,128	492
2018	125,313,041	12,520,731	112,792,310	17,486,407,000	0.6%	340,485,000	33.1%	256,905	439
2019	147,280,647	13,368,419	133,912,228	18,245,390,000	0.7%	364,223,000	36.8%	261,512	512
2020	132,138,789	11,538,925	120,599,864	19,186,846,000	0.6%	394,910,000	30.5%	265,476	454
2021	120,271,262	15,329,486	104,941,776	20,128,302,000	0.5%	416,210,000	25.2%	272,256	385
2022	113,787,130	13,198,302	100,588,828	22,356,866,000	0.4%	439,274,000	22.9%	275,912	365
2023	102,036,179	11,492,601	90,543,578	23,221,512,000	0.4%	531,332,000	17.0%	278,936	325
2024	118,881,924	13,555,325	105,326,599	24,917,561,000	0.4%	599,319,000	17.6%	281,960	374

Note: Gross Tax Capacity = Total Net Tax Capacity

Source: Washington County Accounting and Finance Department.

Table 11

Direct and Overlapping Governmental Activities Debt  
December 31, 2024

Jurisdiction	Total GO. Bonds Outstanding (1)	Applicable to Washington County	
		Percent (2)	Amount
<b>Underlying Debt:</b>			
<b>Cities of:</b>			
Afton	\$ 3,943,000	100.00%	\$ 3,943,000
Bayport	1,055,000	100.00%	1,055,000
Cottage Grove	27,840,000	100.00%	27,840,000
Forest Lake	22,010,000	100.00%	22,010,000
Hugo	15,010,000	100.00%	15,010,000
Lake Elmo	12,220,000	100.00%	12,220,000
Marine	750,000	100.00%	750,000
Newport	6,070,000	100.00%	6,070,000
Oakdale	160,000	100.00%	160,000
Oak Park Heights	1,800,000	100.00%	1,800,000
St Paul Park	285,000	100.00%	285,000
Scandia	6,170,000	100.00%	6,170,000
Stillwater	26,255,000	100.00%	26,255,000
Woodbury	36,860,000	100.00%	36,860,000
<b>Townships of:</b>			
Baytown	564,479	100.00%	564,479
Denmark	2,965,000	100.00%	2,965,000
<b>School Districts of:</b>			
832 Mahtomedi	41,390,000	100.00%	41,390,000
833 South Washington	376,230,000	100.00%	376,230,000
834 Stillwater	167,695,000	100.00%	167,695,000
<b>Special Districts of:</b>			
Washington County CDA	695,000	100.00%	695,000
South Washington Watershed	1,940,000	100.00%	1,940,000
<b>Underlying Debt Subtotal:</b>			<u>751,907,479</u>

Continued on next page

Table 11 (Continued)

**Direct and Overlapping Governmental Activities Debt (Continued)**  
December 31, 2024

Jurisdiction	Total GO. Bonds Outstanding (1)	Applicable to Washington County	
		Percent (2)	Amount
<b>Overlapping Debt:</b>			
<b>Cities of:</b>			
Hastings	\$ 9,470,000	0.186%	\$ 17,614
White Bear Lake	22,330,000	1.523%	340,086
<b>School Districts of:</b>			
200 Hastings	17,655,000	16.01%	2,826,566
622 N. St. Paul/Maplewood/Oakdale	167,920,089	51.92%	87,184,110
624 White Bear Lake	423,440,000	20.41%	86,424,104
831 Forest Lake	166,915,000	55.02%	91,836,633
2144 Chisago Lakes	56,320,000	3.53%	1,988,096
<b>Special Districts of:</b>			
Metropolitan Council/Transit	178,505,000	9.76%	17,422,088
<b>Overlapping Debt Subtotal</b>			<u>288,039,297</u>
<b>Direct Debt:</b>			
Washington County (3)	122,887,746	100.00%	122,887,746
<b>Direct Debt Subtotal</b>			<u>122,887,746</u>
<b>Total Overlapping Debt</b>			<u><u>\$ 1,162,834,522</u></u>

**Notes:**

- (1) Does not include Revenue Debt, Special Assessment Debt, Tax Increment Debt, or State Aid and Tax Anticipation Certificates.
- (2) Determined by ratio of net tax capacity of property subject to taxation in overlapping unit to net tax capacity of property subject to taxation in reporting unit.
- (3) This figure includes bonds (net of premiums, discounts, and adjustments), lease liability, and AgBMP Loans Payable.

**Source:** Washington County Property Records and Taxpayer Services Department and Ramsey, Dakota, Chisago Counties Taxation Division.

Washington County, Minnesota

Table 12

Computation of Legal Debt Limitation  
Last Ten Fiscal Years

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Legal Debt Limit	\$ 788,312,460	\$ 811,408,620	\$ 835,560,060	\$ 898,840,920	\$ 962,862,720	\$ 1,046,000,370	\$ 1,098,982,200	\$ 1,157,955,690	\$ 1,410,609,390	\$ 1,573,572,990
Total Net Debt Applicable to Limit	110,348,777	130,752,957	123,638,547	111,052,162	133,912,228	118,624,093	116,809,303	100,588,828	90,543,578	105,326,599
Legal Debt Margin	\$ 677,963,683	\$ 680,655,663	\$ 711,921,513	\$ 787,788,758	\$ 828,950,492	\$ 927,376,277	\$ 982,172,897	\$ 1,057,366,862	\$ 1,320,065,812	\$ 1,468,246,391
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	14.00%	16.11%	14.80%	12.36%	13.91%	11.34%	10.63%	8.69%	6.42%	6.69%

2024 Calculation	Amount	Percent
Total Taxable Market Value (TMV)	\$ 52,452,433,000	
Legal Debt Limit - 3.0% of TMV	3.00%	
Total Legal Debt Limit (A)	1,573,572,990	100.00%
Amount of Debt Applicable to Limit	118,881,924	
Less: Amounts Available for Repayment of General Obligation	(13,555,325)	
Total Debt Applicable to Debt Limit (B)	105,326,599	6.69%
Legal Debt Margin (A - B)	\$ 1,468,246,391	93.31%

Source: Washington County Accounting and Finance Department.

Table 13

**Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (a) (b) (c) (d)</b>	<b>Personal Income (c)</b>	<b>Per Capita Personal Income (c)</b>	<b>Area (Sq. Mi.)</b>	<b>Density (Person/ Sq. Mi.)</b>	<b>Number of Households (a)(b)</b>	<b>Unemployment Rate (e)</b>
2015	251,015	\$ 14,974,462,000	\$ 59,656	423	593	92,669	3.2%
2016	253,117	15,812,021,000	62,469	423	598	92,384	3.3%
2017	253,128	16,705,759,000	65,997	423	598	94,955	3.0%
2018	256,905	17,486,407,000	68,066	423	607	95,690	2.5%
2019	261,512	18,245,390,000	69,769	423	618	96,424	2.9%
2020	265,476	19,186,846,000	72,273	423	628	98,214	5.3%
2021	272,256	20,128,302,000	73,932	423	644	100,004	2.9%
2022	275,912	22,356,866,000	81,029	423	652	101,177	2.3%
2023	278,936	23,221,512,000	83,250	423	659	102,421	2.4%
2024	281,960	24,917,561,000 *	88,373	423	667	106,606 *	2.7%

**Sources:**

- (a) Washington County Office of Administration.
- (b) Metropolitan Council.
- (c) Bureau of Economic Analysis.
- (d) MN State Demographic Center.
- (e) US Department of Labor - Bureau of Labor Statistics.

\* Indicates estimates based on the two previous years or percent change from prior year.

Table 14

**Principal Employers  
Current Year and Nine Years Ago**

Employer	Fiscal Year 2024			Fiscal Year 2015		
	Rank	Employees	% of Total Employment	Rank	Employees	% of Total Employment
Andersen Corporation (Bayport, Cottage Grove)	1	5,000	3.44%	1	5,700	4.24%
Independent School District 833	2	2,220	1.53%	2	2,513	1.87%
Washington County, Government	3	1,386	0.95%	7	1,127	0.84%
Woodwinds Healtheast Campus	4	1,331	0.91%		-	
Wal-Mart (Forest Lake, Oak Park Heights, Woodbury and Cottage Grove)	5	1,181	0.81%	6	1,169	0.87%
Independent School District 831	6	1,074	0.74%	8	1,085	0.81%
Independent School District 834	7	1,066	0.73%	9	1,029	0.77%
Hy-Vee Grocery	8	928	0.64%		-	
Target (Cottage Grove, Forest Lake, Stillwater, Woodbury, and Oakdale)	9	759	0.52%	10	883	0.66%
Bailey Nurseries, Inc	10	634	0.44%	3	1,800	1.34%
Imation Corporation		-		5	1,500	1.12%
Independent School District 622		-		4	1,550	1.15%
<b>Totals</b>		<b>15,579</b>	<b>10.71%</b>		<b>18,356</b>	<b>13.67%</b>

**Source:**

- Municipal Securities Rulemaking Board: EMMA.
- MN Department of Employment and Economic Development.

Table 15

**Employees by Function  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Highways and Streets</b>	<b>Health and Welfare</b>	<b>Culture and Recreation</b>	<b>Total FTE</b>
2015	384	242	56	370	88	1,140
2016	392	243	62	381	92	1,170
2017	399	253	63	398	96	1,209
2018	413	256	64	414	100	1,247
2019	429	260	64	437	100	1,290
2020	440	264	65	446	100	1,315
2021	437	258	65	454	100	1,314
2022	462	270	67	488	100	1,387
2023	455	275	69	503	110	1,412
2024	467	283	70	500	107	1,427

Note: Employee count is based on authorized Full Time Equivalent (FTE) positions.

Source: Washington County Office of Administration; Adopted Budget.

**Operating indicators by Function  
Last Ten Fiscal Years**

<b>Function or Description</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>General Government</b>										
Number of Cities	27	27	27	27	27	27	27	27	27	27
Number of Towns	6	6	6	6	6	6	6	6	6	6
<b>Public Safety</b>										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Licensed Deputies	100	111	109	109	113	113	120	121	125	133
<b>Highways and Streets</b>										
Miles of County Roads:										
Bituminous	276.40	278.40	278.40	279.90	283.20	283.24	283.24	283.24	292.28	292.28
Concrete	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total Miles	<u>280.30</u>	<u>282.30</u>	<u>282.30</u>	<u>283.80</u>	<u>287.10</u>	<u>287.14</u>	<u>287.14</u>	<u>287.14</u>	<u>296.18</u>	<u>296.18</u>
<b>Culture and Recreation</b>										
Number of County Parks	9	9	9	9	9	9	9	9	9	9
Number of State Parks	2	2	2	2	2	2	2	2	2	2
Number of Branch Libraries	6	6	6	7	7	7	7	7	7	7
Number of Associated Libraries	2	2	2	2	2	2	2	2	2	2
Number of Library Express Stations	3	3	3	3	3	3	3	3	3	3
Number of Items Available to Citizens	493,207	495,442	495,442	537,711	531,072	549,366	663,907	680,395	689,227	703,383

**Source:**

- Washington County Public Works Department.
- Washington County Sheriff's Office.
- Washington County Libraries.

Table 17

Capital Asset Statistics by Function  
Last Ten Fiscal Years

Function or Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Public Safety</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	39	42	49	49	50	50	50	73	102	93
<b>Highways and Streets</b>										
Streets (Miles)	280.30	282.30	282.30	283.80	287.10	287.14	287.14	287.14	296.18	296.18
County Traffic Signals	72	76	78	81	82	83	83	85	86	87
<b>Culture and Recreation</b>										
Parks Acreage	4,382	4,382	4,382	4,404	4,430	4,658	4,658	4,741	4,741	5,023
County Parks	9	9	9	9	9	9	9	9	9	9

Source:

- Washington County Public Works Department.
- Washington County Sheriff's Office.

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Washington  
County  
MINNESOTA

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