



(Tails for Reading program)



**CARVER
COUNTY**

CHASKA, MINNESOTA



(Patron with book mascot outside of Waconia Library)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR YEAR ENDED DECEMBER 31, 2021



(Inside of Carver County Sheriff squad)



(Ribbon cutting at grand opening of Steiner Kelting Mental Wellness Facility)



(Highway 212 construction in Dahlgren Township)

“Where the future embraces the past in keeping Carver County a great place to live, work, and play for a lifetime.”

The Carver County Annual Comprehensive Financial Report (ACFR) is produced by the Finance Department of Carver County. This report is submitted for the fiscal year ended December, 31, 2021. The report has been prepared in conformity with generally accepted accounting principles (GAAP). It can be accessed on the Carver County website at www.co.carver.mn.us or obtained from the Finance Department by calling 952-361-1511.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**CARVER COUNTY
CHASKA, MINNESOTA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared by the Finance Department

**CARVER COUNTY
CHASKA, MINNESOTA**

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| <u>INTRODUCTORY SECTION</u> | |
| Letter of Transmittal..... | 1 |
| List of Elected and Appointed Officials..... | 6 |
| Organizational Chart..... | 7 |
| GFOA Certificate of Achievement..... | 8 |
| <u>FINANCIAL SECTION</u> | |
| Independent Auditors' Report..... | 9 |
| Management's Discussion and Analysis..... | 13 |
| Basic Financial Statements | |
| Government-wide Financial Statements: | |
| Statement of Net Position..... | 21 |
| Statement of Activities..... | 23 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds..... | 24 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position..... | 25 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds..... | 26 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities..... | 27 |
| Statement of Net Position - Proprietary Funds..... | 28 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds..... | 29 |
| Statement of Cash Flows - Proprietary Funds..... | 30 |
| Statement of Fiduciary Net Position - Fiduciary Funds..... | 31 |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds..... | 32 |
| Notes to the Financial Statements..... | 33 |
| Required Supplementary Information | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budgetary Comparisons: | |
| General Fund..... | 72 |
| Road and Bridge Fund..... | 74 |
| Health and Human Services Fund..... | 75 |
| Schedule of Changes in the County's Net OPEB Liability and Related Ratios | 76 |
| Schedule of County Contributions | 77 |
| Schedule of Investment Returns | 78 |
| Schedule of Proportionate Share of Net Pension Liability- PERA General Employees Retirement Plan | 79 |
| Schedule of Contributions- PERA General Employees Retirement Plan..... | 80 |
| Schedule of Proportionate Share of Net Pension Liability- PERA Public Employees Police and Fire Plan | 81 |
| Schedule of Contributions- PERA Public Employees Police and Fire Plan..... | 82 |
| Schedule of Proportionate Share of Net Pension Liability- PERA Public Employees Correctional Plan..... | 83 |
| Schedule of Contributions- PERA Public Employees Correctional Plan..... | 84 |
| Notes to the Required Supplementary Information..... | 85 |
| Supplementary Information | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budgetary Comparisons: | |
| Debt Service Fund..... | 93 |
| Buildings Capital Improvement Fund..... | 94 |
| Road & Bridge Capital Improvement Fund..... | 95 |
| Parks & Trails Capital Improvement Fund..... | 96 |
| Description on Nonmajor Governmental Funds - Special Revenue Funds..... | 97 |
| Combining Balance Sheet - Nonmajor Governmental Funds..... | 98 |

**CARVER COUNTY
CHASKA, MINNESOTA**

TABLE OF CONTENTS
(Continued)

| | <u>Page</u> |
|--|-------------|
| <u>FINANCIAL SECTION (continued)</u> | |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | |
| Nonmajor Governmental Funds..... | 99 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budgetary Comparisons: | |
| Nonmajor Rail Authority Fund..... | 100 |
| Nonmajor Water Management Organization Fund..... | 101 |
| Nonmajor Ditch Fund..... | 102 |
| Ditch Balance Sheet..... | 103 |
| Description of Internal Service Funds..... | 104 |
| Combining Statement of Net Position - Internal Service Funds..... | 105 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds..... | 106 |
| Combining Statement of Cash Flows - Internal Service Funds..... | 107 |
| Description of Fiduciary- Custodial Funds..... | 108 |
| Combining Statement of Fiduciary Net Position - Custodial Funds..... | 109 |
| Combining Statement of Changes in Fiduciary Net Position - Custodial Funds..... | 110 |
| Schedule of Intergovernmental Revenue..... | 111 |
| Schedule of Expenditures of Federal Awards..... | 112 |
| Notes to the Schedule of Expenditures of Federal Awards..... | 114 |
| Capital Assets Used in the Operation of Governmental Funds: | |
| Schedule by Source..... | 115 |
| Schedule by Function and Activity..... | 116 |
| Schedule of Changes by Function and Activity..... | 117 |
| <u>STATISTICAL SECTION</u> | |
| Description of Statistical Section Contents..... | 118 |
| Financial Trends: | |
| Net Position by Component..... | 119 |
| Changes in Net Position..... | 120 |
| Government-wide Expenses by Function..... | 121 |
| Government-wide Revenues..... | 122 |
| Fund Balances, Governmental Funds..... | 123 |
| Changes in Fund Balances, Governmental Funds..... | 124 |
| Revenue Capacity: | |
| Net Tax Capacity and Taxable Market Value of Taxable Property..... | 125 |
| Direct and Overlapping Property Tax Rates..... | 126 |
| Principal Property Tax Payers..... | 127 |
| Property Tax Levies and Collections..... | 128 |
| Debt Capacity: | |
| Ratios of Outstanding Debt by Type..... | 129 |
| Ratios of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita..... | 130 |
| Computation of Direct, Underlying, and Overlapping Debt..... | 131 |
| Legal Debt Margin..... | 132 |
| Demographic and Economic Information: | |
| Demographic and Economic Statistics..... | 133 |
| Principal Employers..... | 134 |
| Operating Information: | |
| County Government Employees by Function/Program..... | 135 |
| Operating Indicators by Function/Program..... | 136 |
| Capital Asset and Infrastructure Statistics by Function/Program..... | 140 |

INTRODUCTORY SECTION



Property and Financial Services Division

Carver County Government Center
Administration Building
600 East Fourth Street
Chaska, MN 55318-1202
Phone: 952-361-1508 Fax: 952-361-1541

CARVER
COUNTY

DATE: June 29, 2022

TO: The Citizens of Carver County
The Board of County Commissioners

SUBJECT: *2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT*

The Annual Comprehensive Financial Report (ACFR) of Carver County is submitted for the fiscal year ended December 31, 2021. The County's Financial Services Department prepared this report in conformity with generally accepted accounting principles (GAAP). Responsibility for both the accuracy and completeness of the presented data 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 sets forth the financial position and results of operations and cash flows of the County, as measured by the financial activity of its various funds, and all disclosures necessary to enable maximum understanding of the County's financial affairs.

Generally accepted accounting principles (GAAP) 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 MD&A and should be read in conjunction with it.

Profile of the Government

Carver County was organized in 1855 as a County in the State of Minnesota. It has an area of 357 square miles including 11 cities and 10 townships. The 2021 population estimate, according to the Metropolitan Council was 108,626, located on the Minnesota River 26 miles southwest of the state capital, Saint Paul.

Carver County operates under an elected five-member County Board, each member representing a district of the County. The County Board is responsible, among other things, for passing ordinances, adopting the budget, and hiring the County's Administrator. The County Administrator is responsible for carrying out the policies and ordinances of the County Board, for overseeing day-to-day operations of the government, and for appointing the heads of the divisions and departments. The County Board is elected on a non-partisan basis. County Board members serve four-year staggered terms, of which, four are up for reelection in 2022 due to redistricting.

The County provides a full range of services including: public safety and law enforcement; courts and probation services; tax assessment and collection; vital statistics and public records; health and human services; highways, parks, public works and planning; environmental management; and recreation and cultural services.

Various potential component units were evaluated to determine whether they should be reported in the County's financial report. A component unit was considered to be part of the County's reporting entity when it was concluded that the County was financially accountable for the entity or the nature and significance of the relationship between the County and the entity was such that exclusion would cause the County's basic financial statements to be misleading or incomplete. Carver County has two blended component units: the Carver County Regional Rail Authority (Rail Authority) and the Carver County Water Management Organization (WMO). Both the Rail Authority and WMO were created pursuant to Minnesota Statutes. The Carver County Board of Commissioners comprises the Rail Authority's and WMO's five-member board. The Carver County Community Development Agency (CDA) is a discretely presented component unit. The CDA was established in 1980 pursuant to special Minnesota legislation. Its five-member board is also appointed by the Carver County Board of Commissioners and is comprised of residents from the five districts in the County.

Local Economy

The information presented in financial statements is perhaps best understood when considered from the broader perspective of the specific environment within which the County operates. Carver County is one of the fastest growing counties in Minnesota during the last decade, and it is expected to keep growing. Forecasts project the County will experience one of the highest population growth rates in the Twin Cities Metro Region into 2040 when its population is expected to exceed 161,000. This forecast can be found online at <https://metro council.org/> where the report can be downloaded. By 2040, Chanhassen and Chaska will be “built out,” meaning there will be very little developable land left. Development will move further west, and the cities of Carver, Victoria and Waconia are expected to grow and look similar to the way Chaska and Chanhassen are today. Several factors are contributing to the County’s growth: Land availability – cities to the east, such as Eden Prairie and Bloomington in Hennepin County, are running out of developable land pushing growth to Carver County where land is available for development. Landscape – Carver County’s abundant lakes, wetlands, woods and open spaces are attractive features. Transportation – metro access has improved with Highway 212 and other road construction projects. Quality of life – Carver County is generally characterized as having a high quality of life, with “small town feel” and “rural setting” often cited.

The significant growth will increase the need for public investment in infrastructure. Many of these investments will need to occur prior to or along with residential or business development by the private sector. Other impacts include those investments made to the schools, parks, library system, law enforcement, court system and more. We will need more officers, judges, maintenance workers, social workers, County staff, and equipment to keep up with the demand for services.

The population of County seniors ages 65 and older will be the fastest growing age group between 2012 and 2040. In 2040, persons age 65 and older are forecasted to constitute about 20 percent of the total County population; up from 12.1 percent in 2020. The aging of the population will impact the level and type of services that will need to be provided by the County in the future.

For the ninth consecutive year, Carver County ranks first among all Minnesota counties in the annual County Health Rankings report released by the Robert Wood Johnson Foundation and University of Wisconsin. The County topped the list among most active counties and ranked second in health factors. The County regularly scores well on health behavior measures, such as low teen birth rates and access to exercise opportunities. Additionally, we rank first out of all Minnesota counties on social and economic factors, such as high school completion rates and low unemployment rates.

In 2020, based on Bureau of Economic Analysis, Carver County was ranked second in the State for per capita personal income of \$75,677 (2021 data was not available). This was 122 percent of the State average and 127 percent of the national average. Nationwide, Carver County ranks 106th for per capita personal income.

Throughout the downturn in the economy, Carver County has since 2009 maintained a credit rating of AAA from Standard and Poor’s (S&P) Rating Services, which is the best possible rating. The rating reflects the County’s consistently strong finances, good financial management, solid income and market value per capita, and location.

Long-Term Financial Planning

The County annually updates the Long-Term Financial Plan prepared by the Finance Department with inputs from all County divisions. This plan along with the 2022 Annual Budget fulfills the County Board’s direction to “connect financial strategies to the County’s short-term and long-term strategic goals and objectives.” The County has identified approximately \$306 million in capital projects and equipment that range from currently underway or essential to operations to those that are desirable but in need of further study. Road and Bridge projects totaling \$262 million make up the largest portion of these projects followed by Parks and Trails projects totaling \$5.1 million. The most significant cost driver for future operating budgets is the staffing costs needed to address the increasing service demands from a growing county. Specific financial strategies to address these challenges are included in the Long-Term Financial Plan. The Long-Term Financial Plan for 2023 and Beyond is available for viewing from the Finance Department or on our website at <https://www.co.carver.mn.us/>

Planning & Water Management, with the help of the CDA, elected officials, community groups, and citizens, developed a County Comprehensive Plan through the year 2040. The plan, which was approved on February 4, 2020 addresses the broad range of issues facing Carver County residents over the next 20 years. The elements of the plan consist of land use including economic development, historic preservation, and housing; transportation including roadways and transit; water resources; and parks, open space, and trails. A copy of the 2040 Comprehensive Plan can be viewed on the Carver County website at <https://www.co.carver.mn.us/>.

Major Initiatives

COVID-19 Response – Continued into 2021, the County supported its residents and local community in many ways. The County continues to partner with our CAP Agency and local non-profits to get free food to those in need. The County launched support programs and collaborated with other agencies, including the Carver County Community Development Agency, for housing, transportation, non-profits and small businesses using the County's Budget Stabilization Account and the Coronavirus Local Fiscal Recovery Funds (American Rescue Plan Act). The County hosted testing and vaccination events. Carver County was one of the few Minnesota counties that opened its own testing site, Public Health administered more than 1,500 tests in only four weeks' time at the Lake Waconia Event Center. The pandemic also brought about a multitude of changes in the way county business is conducted. Carver County quickly adapted to continued changes in guidelines, as well as, implementing protective measures aimed at preserving the health and well-being of the county constituents and employees. The County received \$10.2 million in Coronavirus State and Local Fiscal Recover Funds with another tranche scheduled for mid-2022, for a total of \$20.4 million. More information on the spending of the federal funds received in 2020 and allotted in 2021 can be viewed on the Carver Count website at <https://www.co.carver.mn.us/>.

Lake Waconia Regional Park and Coney Island Development – In 2021, a work barge was purchased to help ferry equipment out to the Historic Coney Island. Plans continue to move ahead for the new Waterfront service center at Lake Waconia Regional Park. Primary features of the building include restrooms to service the beach area, pavilion space under a roof, an Event/activity room, and outdoor recreation equipment rental service space.

Highway 5 Regional Trail – The County in partnership with the Landscape Arboretum, City of Chanhassen, and Lifetime to complete the 2-mile segment of trail is in the final construction stage with minor elements to be completed early 2022. This project removes a trail gap in the trail system, connecting the existing trail and box culvert at Minnewashta Parkway and the Landscape Arboretum to existing trails at Century Blvd.

Highway 11 Project - The County completed a reconstruction project of Highway 11 or Jonathan Carver Parkway which expands the highway from a 2-lane rural highway to a 4-lane urban highway with significant safety enhancements. This project started and was completed during 2021.

Highway 212 Project in Dahlgren Township- Carver County is leading the effort to remove the existing bottleneck and expand US Highway 212 to a 4-lane expressway between the cities of Cologne and Carver. Construction began in May of 2021 and is expected to complete late summer 2022.

Highway 101 Project – Bluff Area – The Highway 101 Project was led by the City of Chanhassen and included the reconstruction and expansion of Highway 101 from a 2-lane rural highway to a 4-lane urban highway with significant safety enhancements between Highway 61 to Highway 14 in Chanhassen. Construction began in May of 2020 and was completed in the summer 2022.

Steiner Kelting Mental Wellness Facility – The facility is owned by the County and operated by People Incorporated Mental Health Services, features 12 beds in the voluntary, transitional facility. It serves as an alternative to hospitalization and completes a gap in the County's mental health continuum of care, offering a service previously not available to people and their families within the County. The facility opened September 2021.

Library Donation – The library received a substantial gift from the Charles Dahlke's estate. Between 2020 and 2021, the library received \$1 million. The donation will support an annual \$100,000 grant program for specific library projects, programming, and services.

Innovation – Since 2012, Carver County has made an organizational commitment to Innovation. The county uses various methods to achieve continuous improvements in processes, eliminate waste, achieve efficiencies, save money, and improve performance across the entire County. Our Innovation Leadership Team advises the Innovation Program, which has the strong support of the Board and staff leadership.

Budgetary Controls

The annual budget serves as the foundation for Carver County Government financial planning and control. The County budgets are presented at a more detailed level than is required by law in Minnesota or for federal programs. The budgets are developed by divisions and departments on a line-item basis to cover clients' needs, keeping in mind general guidelines set by the County's Board of Commissioners. The divisions and departments submit their budget requests to the County Administrator, who must balance the competing needs against available resources. The County Board makes final

adjustments to the budgets, which are then adopted and available for use on January 1st of the year. Budgetary control has traditionally been maintained at the department level.

Division and department managers are held responsible for their budget performance. Compliance with budgets is essential for the County to maintain its sound financial condition.

Relevant Financial Policies

The County has adopted a comprehensive set of financial policies; this includes but is not limited to the following:

The Budget and Long-Term Financial Plan Policy provides a general set of guiding principles for developing the annual budget and the long-term financial plan, along with an overview of the process and schedule.

The Fund Balance Policy ensures that the County maintains adequate fund balances and reserves in order to provide a stable financial environment for the County's operations.

Independent Audit

Minnesota State Law requires an audit to be made of the books of account, financial records and transactions of the County. CliftonLarsonAllen, LLP, has issued an unmodified ("clean") opinion on the County's financial statements for the year ended December 31, 2021. The independent auditor's report is located at the front of the financial section of this report. CliftonLarsonAllen, LLP, will issue a management and compliance letter covering the review, made as a part of the audit of the County's system of internal control and compliance with applicable legal provisions. The management and compliance letter will not modify or affect, in any way, this report on the financial statements.

Single Audit

As a recipient of federal, state and local financial assistance, the County is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the internal staff of the County.

Office of Management and Budget (OMB) Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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 the compliance with certain provisions of federal laws 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 applied are identified in the Schedule of Expenditures of Federal Awards (SEFA).

As a part of the government's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations.

Internal Controls

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

All internal control evaluations occur within the above framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The County's internal controls are supported by policies and procedures and are continually reviewed, evaluated, and modified to meet current needs. In 2022, the County Financial Services staff plans to again internally test the controls that are in place.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carver County for its Annual Comprehensive Financial Report for the

fiscal year ended December 31, 2020. This was the 25th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of this report could not have been accomplished without the professional and dedicated hard work of the entire staff of the Finance Department. Also, cooperation was essential from many other departments and divisions within the County. We wish to express our appreciation to all members of the staff who assisted and contributed to the report's preparation. We also wish to thank the members of the County Board for their interest and support this past year in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Frischmon', is written over a faint rectangular stamp.

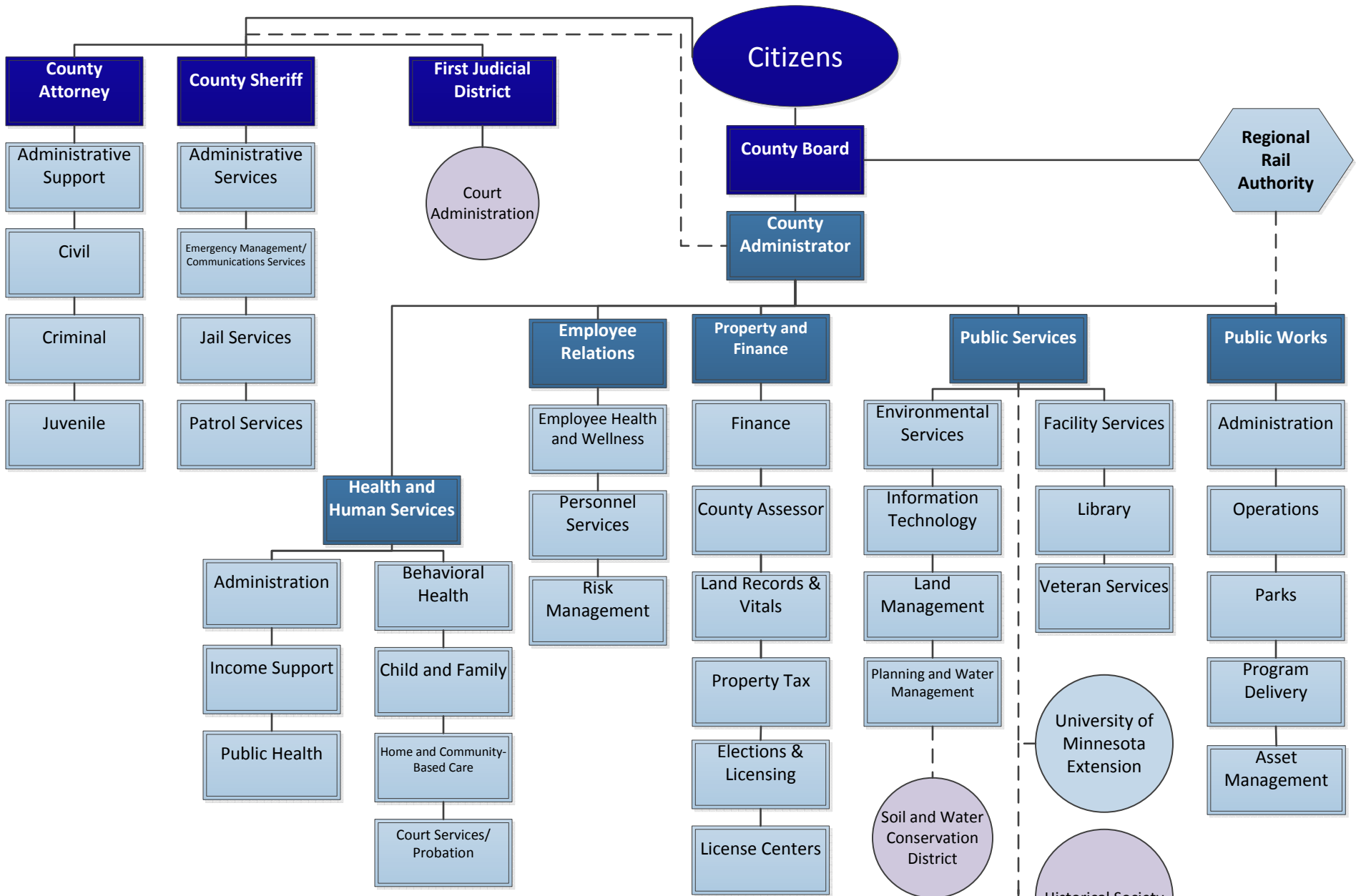
David Frischmon
Property and Finance Director

**CARVER COUNTY
CHASKA, MINNESOTA**

**LIST OF ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2021**

| Office | Name | Term of Office | |
|--|--------------------------|----------------|---------------|
| | | From | To |
| Commissioners: | | | |
| 1st District | Gayle Degler, Vice Chair | January 2003 | December 2022 |
| 2nd District | Tom Workman, Chair | January 2003 | December 2022 |
| 3rd District | Matt Udermann | January 2021 | December 2024 |
| 4th District | Tim Lynch | January 2005 | December 2022 |
| 5th District | John P. Fahey | January 2021 | December 2022 |
| Officers: | | | |
| Elected: | | | |
| Attorney | Mark Metz | January 2011 | December 2022 |
| Sheriff | Jason Kamerud | January 2019 | December 2022 |
| Appointed: | | | |
| Administrator | Dave Hemze | March 2003 | Indefinite |
| Assessor | Mark Meili | November 2021 | Indefinite |
| Medical Examiner | Quinn Strobl M.D. | January 2013 | December 2023 |
| Veterans Services Officer | Dan Tengwall | September 2014 | Indefinite |
| Division Directors: | | | |
| Employee Relations Director | Kerie Anderka | June 2013 | Indefinite |
| Health and Human Services Director | Rod Franks | September 2015 | Indefinite |
| Property and Financial Services Director | Dave Frischmon | April 2007 | Indefinite |
| Public Services Director | Nick Koltavy | December 2006 | Indefinite |
| Public Works Director | Lyndon Robjent | August 2009 | Indefinite |

Note: All Commissioners and all Officers are covered by the employee Blanket Bond.



Legend:

- Elected Officials:** Dark blue rectangle
- Divisions:** Medium blue rectangle
- Departments:** Light blue rectangle
- Direct Report:** Solid line
- Indirect Report:** Dashed line
- Separate Agency/Non-County Employees:** Light purple circle
- Separate Agency with County Employee Positions:** Light blue circle
- Separate Tax Levy Authority/County Commissioners:** Light purple hexagon
- Separate Tax Levy Authority/Non-County Employees:** Light blue hexagon



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Carver County
Minnesota

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Carver County
Chaska, 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 Carver County, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Carver County's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of the other auditors, 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, 2021, 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 Carver County Community Development Agency (CDA), which represent 100% of the assets, and revenues of the discretely presented component unit as of December 31, 2021, and the respective changes in financial position for the year then ended. Those 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 Carver 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 Carver 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 Carver 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 Carver 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 Carver 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, schedule of changes in the County's net OPEB liability and related ratios, schedule of County contributions, schedule of investment returns, schedule of proportionate share of net pension liability – PERA General Employees Retirement Plan, Public Employees Police and Fire Plan and Public Employees Correctional Plan, and schedule of contributions – PERA General Employees Retirement Plan, Public Employees Police and Fire Plan and Public Employees Correctional Plan, 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 Carver County's basic financial statements. The combining and individual nonmajor fund financial statements, the schedules, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections 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 29, 2022, on our consideration of Carver 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 Carver 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 Carver County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 29, 2022

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

The Financial Management of Carver County offers the readers of Carver County's financial statements this narrative overview and analysis of the financial activities of Carver County for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of Carver County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$413,101,600 (net position). Of this amount, \$61,385,887 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$23,446,417 for the year ended December 31, 2021, which is discussed further in the Government-wide Financial Analysis section.
- As of the close of the current fiscal year, Carver County governmental funds reported combined ending fund balances of \$100,580,321. Approximately, 81.9 percent of this amount, \$82,329,544, is available for spending at the government's discretion (committed, assigned and unassigned fund balance is the discretionary fund balance).
- At the end of the current fiscal year, committed, assigned, and unassigned fund balance for the General Fund was \$36,035,808, or 55.3 percent of the total General Fund expenditures and transfers out.
- Carver County's total long-term debt decreased by \$3,647,045 (16.0 percent) during the current fiscal year. The key factor was the debt service payments which reduced the outstanding debt and the early payoff of the 2012A G.O. Tax Abatement Bonds.
- The County recognized a Net OPEB Asset of \$5,548,358 at 12/31/2021. The County's plan is to have the OPEB obligation 95% to 100% funded through the County's irrevocable OPEB trust. The Net OPEB Asset at 12/31/21 is largely due to favorable interest rates and investment returns during 2021.
- The County received its first tranche payment of \$10.2 million in Coronavirus State and Local Fiscal Recovery Funds during 2021. As of 12/31/21, \$9.0 million has been spent.

Overview of the Financial Statements

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Carver County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of Carver County's assets, liabilities, and deferred outflows and 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 Carver County is improving or deteriorating. Consideration of other nonfinancial factors need to be included in the analysis as well, such as, changes in the County's property tax base and the condition of the County's infrastructure, to assess the overall health of the County.

The statement of activities presents information showing how Carver 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 vacation leave).

Both of the government-wide financial statements distinguish functions of Carver County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Carver County include general government, public safety, highways and streets, human services, health, culture and recreation, conservation of natural resources and economic development.

The government-wide financial statements include not only Carver County itself (known as the primary government), but also a legally separate Carver County Community Development Agency for which Carver County is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself. The complete financial statements of the CDA can be obtained by writing to the Carver County Community Development Agency, 705 Walnut Street, Chaska, Minnesota 55318.

The government-wide financial statements can be found on pages 21-23 of this report.

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Carver County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of Carver County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Carver County maintains ten individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road and Bridge Fund, Health and Human Services Fund, Debt Service Fund, Buildings Capital Improvement Fund, Road & Bridge Capital Improvement Fund, and Parks & Trails Capital Improvement Fund, all of which are considered major funds. The Rail Authority Fund, Water Management Organization Fund, and Ditch Fund are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Carver County adopts an annual appropriated budget for its seven major governmental funds and its three nonmajor funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with their budgets.

The basic fund financial statements can be found on pages 23-31 of this report.

General Fund. The General Fund is used to account for all financial resources not accounted for in another fund.

Special Revenue Funds. Special Revenue governmental funds account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The Special Revenue Funds include:

- Road and Bridge
- Health and Human Services
- Rail Authority
- Water Management Organization
- Ditch

Debt Service Fund. The Debt Service Fund accounts for the payment of principal, interest and fiscal charges on long-term obligations of Carver County.

Capital Projects Funds. The Capital Projects Funds track major construction projects. The Capital Projects Funds include:

- Buildings Capital Improvement Fund (CIP)
- Road & Bridge Capital Improvement Fund (CIP)
- Parks & Trails Capital Improvement Fund (CIP)

Proprietary funds. Carver County uses only one type of proprietary fund. These internal service funds are an accounting device used to accumulate and allocate costs internally among Carver County's various functions. Carver County has two internal service funds, the Self Insurance Fund and Compensated Absences Fund. The Self Insurance Fund allocates costs of risk management to the various county departments. The Compensated Absences Fund accounts for the change in the PTO, vacation, and sick balances. This fund has no net position because the cash balance is offset by its liability.

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

Fiduciary Funds. Fiduciary funds account for resources held for the benefit of parties outside the government. Carver County reports two fiduciary funds. The Other Postemployment Benefits Trust Fund is used to report contributions to an irrevocable trust fund and other post employment benefits (OPEB) activity. The Custodial funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to finance Carver County's operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-70 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the budgetary comparisons of the Capital Projects Funds in the supplementary section. Combining and individual fund statements and schedules can be found on pages 71-115 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Carver County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$413,101,600 at the close of the most recent fiscal year.

Net Investment in Capital Assets, \$324,066,425 (e.g., land, buildings, machinery and equipment, infrastructure, improvements - other than buildings, and construction in progress, less any related debt used to acquire assets that is still outstanding) represents 78.5 percent of total net position. Carver County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Carver County's investments 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.

Approximately 6.7 percent of Carver County's net position or \$27,649,288 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$61,385,887 or approximately 14.9 percent is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

Carver County's Net Position

| | Governmental Activities | |
|---|--------------------------------|-----------------------|
| | 2021 | 2020 |
| Current and other assets | \$ 140,915,489 | \$ 145,060,872 |
| Capital assets | 346,220,178 | 326,972,189 |
| Net OPEB Asset | 5,548,358 | 2,430,959 |
| Net Pension Asset | 230,749 | - |
| Receivables - due in more than one year | 1,811,586 | - |
| Total Assets | 494,726,360 | 474,464,020 |
| Deferred Outflows of Resources | 28,869,942 | 8,273,769 |
| Long-term liabilities outstanding | 51,756,928 | 67,574,210 |
| Other liabilities | 17,497,935 | 14,903,660 |
| Total Liabilities | 69,254,863 | 82,477,870 |
| Deferred Inflows of Resources | 41,239,841 | 10,604,736 |
| Net Position: | | |
| Net Investment in Capital Assets | 324,066,425 | 302,915,925 |
| Restricted | 27,649,288 | 34,071,475 |
| Unrestricted | 61,385,885 | 52,667,783 |
| Total Net Position | \$ 413,101,598 | \$ 389,655,183 |

At the end of the current fiscal year, Carver County is able to report positive balances in all three components of net position. The same held true for the prior fiscal year.

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

Carver County's governmental activities net position increased by \$23,446,417 during the current fiscal year.

This increase is the combination of many surpluses and deficits but the primary changes include:

- An increase in capital assets that were largely or partially funded by non-County dollars, such as, road and bridge projects and parks and trails projects that completed or are in construction in progress at the end of 2021.
- Beginning October of 2017, a 0.5% transit sales and use tax and a \$20 vehicle excise tax was implemented generating \$10.2 million in 2021 to be used on transportation projects throughout the County. As of year-end \$15.9 million remains unspent, but allocated for planned road and bridge projects in 2022 and beyond.
- Operating grants and contributions increased by \$18.2 million, offset by an increase in highway and street costs.
- Investment income had a negative year-end mark to market adjustment of \$1,810,805 in 2021.

Carver County's Changes in Net Position

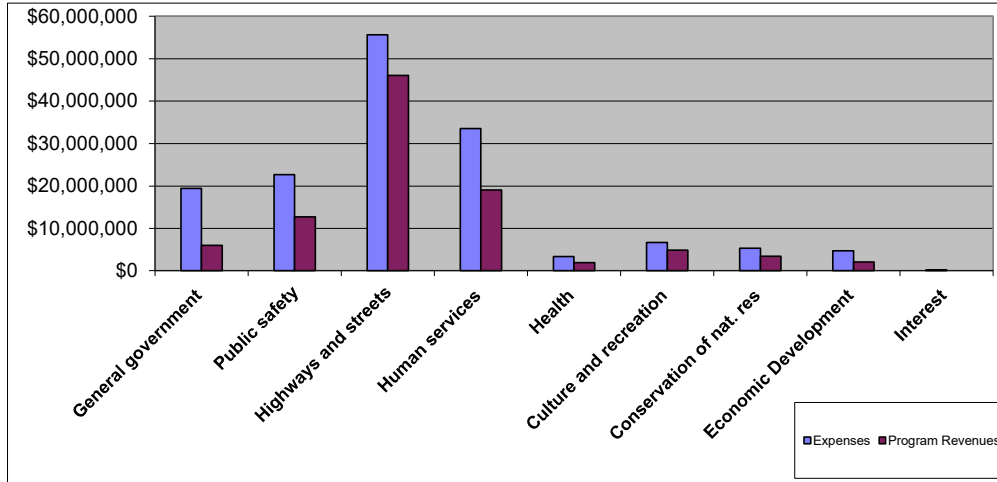
| | Governmental Activities | |
|--|--------------------------------|-----------------------|
| | 2021 | 2020 |
| Revenues: | | |
| Program revenues: | | |
| Fees, Charges, Fines and Other | \$ 17,133,878 | \$ 16,799,569 |
| Operating grants & contributions | 64,845,628 | 46,687,336 |
| Capital grants & contributions | 14,217,750 | 26,322,183 |
| General revenues: | | |
| Property taxes | 61,746,085 | 60,521,577 |
| Wheelage tax | 1,908,608 | 1,818,640 |
| Transportation tax | 10,165,481 | 8,718,603 |
| Gravel tax | 113,916 | 70,185 |
| Grants & contributions not restricted to specific programs | 4,253,225 | 4,115,442 |
| Payment in lieu of taxes | 211,580 | 232,346 |
| Investment income | (595,953) | 2,681,607 |
| Miscellaneous | 1,105,152 | 1,231,897 |
| Total Revenues | 175,105,350 | 169,199,385 |
| Expenses: | | |
| General government | 19,416,842 | 20,397,035 |
| Public safety | 22,698,971 | 23,634,384 |
| Highways and streets | 55,631,990 | 38,577,704 |
| Human services | 33,548,478 | 33,282,496 |
| Health | 3,352,580 | 2,725,877 |
| Culture and recreation | 6,710,354 | 6,731,248 |
| Conservation of natural resources | 5,346,043 | 5,862,403 |
| Economic development | 4,736,749 | 1,456,916 |
| Interest | 216,928 | 313,172 |
| Total Expenses | 151,658,935 | 132,981,235 |
| Increase in net position | 23,446,415 | 36,218,150 |
| Net Position 1/1 | 389,655,183 | 353,437,033 |
| Net Position 12/31 | \$ 413,101,598 | \$ 389,655,183 |

The expenses stated for each function of government above are reflective after the allocation of indirect expense.

**CARVER COUNTY
CHASKA, MN**

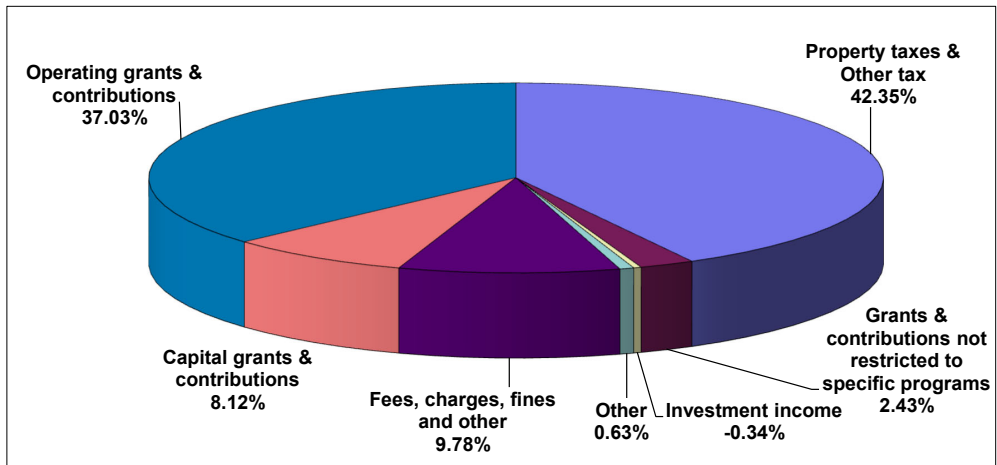
**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

2021 Expenses and Program Revenues - Governmental Activities



Expenses presented in this graph are reflective after the indirect expense allocation, see page 22 of this report.

2021 Revenues by Source - Governmental Activities



Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of Carver County governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Carver County's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

As of the end of the current fiscal year, Carver County's governmental funds reported combined ending fund balances of \$100,580,321 a decrease of \$3,271,651 in comparison with the prior year. Most of the total amount, \$82,329,544 constitutes committed, assigned, or unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it has been restricted for specific purposes or is nonspendable.

The General Fund is the chief operating fund of Carver County. At the end of the current fiscal year assigned, committed, and unassigned fund balance of the General Fund was \$36,035,808, while total fund balance reached \$40,593,314. As a measure of the General Fund's liquidity, it may be useful to compare assigned, committed, and unassigned fund balance and the total fund balance to total fund expenditures and transfers out. Assigned, committed, and unassigned fund balance represents 55.29 percent of total General Fund expenditures and transfers out, while total fund balance represents approximately 62.29 percent of that same amount. The fund balance of Carver County's General Fund increased by \$3,567,009 during the current fiscal year. This is largely attributed to the \$7,026,133 increase in committed fund balance for COVID19 related needs, initiatives, and programs; offset by the \$1,810,805 negative mark to market adjustment in 2021.

The Road and Bridge Fund had a total fund balance of \$5,978,294 at the end of the current fiscal year. The fund balance of the Road and Bridge Fund increased by \$883,939 during the current year primarily due to the transfer of funds to insure the proper level of fund balance to cover 35% of next year's operating budget needs.

The Health and Human Services Fund had a total fund balance of \$13,452,908 at the end of the current fiscal year. The fund balance of the Health and Human Services Fund increased by \$1,512,447 during the current fiscal year. This change is primarily due to the transfer of funds to insure the proper level of fund balance to cover 35% of next year's operating budget needs.

The Ditch Fund had an overall positive fund balance of \$89,599 at the end of the current fiscal year. The fund balance of the Ditch Fund decreased by \$18,230 during the fiscal year, due to increased spending on ditch maintenance.

The Rail Authority Fund had a fund balance of \$182,634 at the end of the current fiscal year. The fund balance of the Rail Authority Fund decreased by \$55,632 during the current fiscal year due to transfers for staffing costs.

The Water Management Organization Fund had a fund balance of \$562,074 at the end of the current fiscal year. The fund balance of the Water Management Organization Fund increased by \$135,058 during the current fiscal year due to more project costs rolling into 2022.

The Debt Service Fund had a total fund balance of \$11,715,539 at the end of the current fiscal year which is available for payment of debt service. The fund balance of the Debt Service Fund decreased by \$201,787 during the current fiscal year as planned for the early redemption of the 2012A G.O. Tax Abatement Bonds.

The Buildings Capital Improvement Fund had a total fund balance of \$2,684,358 at the end of the current fiscal year. This fund balance is assigned for capital projects, the Public Works (PW) Northwest Satellite Facility Site Improvements, and the Year-End Savings (YES) account. The fund balance of the Buildings Capital Improvement Fund decreased by \$623,300 during the current fiscal year. This decrease is largely due to continuation of projects in 2021.

The Road and Bridge Capital Improvement Fund had a total fund balance of \$24,787,595 at the end of the current fiscal year. The fund balance is assigned to: capital projects, transportation tax projects, and the YES account. The fund balance of the Road and Bridge Capital Improvement Fund decreased by \$6,960,671 during the fiscal year. The key factors for the decrease is the spending down of accumulated transportation tax funds on various projects.

The Parks & Trails Capital Improvement Fund had a total fund balance of \$534,004 at the end of the current fiscal year. These funds are restricted to Coney Island improvements and assigned for: capital projects and the YES account. The fund balance for the Parks and Trails Capital Improvement Fund decreased by \$1,510,484 during the fiscal year. This change is attributed to the spend down of a portion of the restricted Coney Island funds and projects costs incurred but the reimbursement was not received and available.

General Fund Budgetary Highlights

The difference between the original budget expenditures and other financing uses and the final amended budget expenditures and other financing uses was an increase of \$10,194,889 during the fiscal year. The difference between the original budget revenues and other financing sources and the final amended budget revenues and other financing sources was an increase of \$14,358,029. The significant budget changes during the current fiscal year were:

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

- Increasing intergovernmental revenue by \$10,753,714, mainly for additional grants that were awarded in 2021 or carried forward from 2020 and were not a part of the 2021 adopted budget. This includes the \$9.0 million in Coronavirus State and Local Fiscal Recovery Funds that were spent in 2021.
- Increasing transfers in by \$2,538,819, largely due to the allocation of the State Turnback reimbursement, for projects and purchases approved by the Board, the vacancy savings allocation, and Year-end Savings Account transfer to meet 35% working capital needs.
- Increasing and decreasing budgeted expenditures for: Vacancy Savings budget was allocated out to the respective departmental budgets based on anticipated vacancy savings and budgeted spend of the Coronavirus State and Local Fiscal Recovery Funds.

The final amended budget expenditures and transfers out exceeded actual expenditures and other financing uses by \$1,502,433 during fiscal year. The actual revenues and other financing sources were less than the final amended budget revenues and other financing sources by \$2,098,564. Significant variances during the current fiscal year included the following:

- Actual Commissioners, Information Technology, Human Resources, Sheriff, Library, and Parks expenditures were \$155,063, \$178,431, \$99,354, \$320,551, \$148,678, and \$119,095 respectively, less than final budgeted expenditures as a result of tighter restrictions on discretionary spending and vacancy savings.
- Investment Income was under targeted budget by \$2,153,287. This is largely due the \$1,810,805 negative mark to market adjustment.

Capital Asset and Debt Administration

Capital Assets. Carver County's investment in capital assets for its governmental activities as of December 31, 2021, is \$346,220,178 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, machinery and equipment, and infrastructure. The total increase in Carver County's investment in capital assets for the current year was approximately 5.9 percent. The increase in capital assets was mainly due to an increase of \$17,754,770 in construction in progress.

Major capital asset events during the current fiscal year included the following:

- Completion of High Point Network, \$412,322.
- Continued construction during 2021 on TH 5 & TH 212 Regional Trail, an increase in construction in progress of \$4,478,495.
- Continued road construction during 2020, an increase in construction in progress of \$20,384,780.
- Depreciation expense for the year of \$9,909,733.

**Carver County's Capital Assets
(net of depreciation)**

| | Governmental Activities | |
|-----------------------------------|-------------------------|-----------------------|
| | 2021 | 2020 |
| Land | \$ 31,722,898 | \$ 29,993,626 |
| Construction in Progress | 159,415,396 | 141,660,626 |
| Buildings | 33,304,860 | 34,708,222 |
| Improvements other than buildings | 81,916 | 97,894 |
| Machinery and Equipment | 6,161,164 | 6,708,644 |
| Infrastructure | 115,533,944 | 113,803,177 |
| Total | \$ 346,220,178 | \$ 326,972,189 |

Additional information on Carver County's capital assets can be found in Note 3.D on page 45 of this report.

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
DECEMBER 31, 2021
(Unaudited)**

Long-term Debt. At the end of the current fiscal year, Carver County had total bonded debt outstanding of \$18,401,578. This is a decrease of \$3,557,629 from the start of the year. Current and future County tax levies are used to finance all bonded debt.

Carver County's total debt decreased by \$3,647,045 during the current fiscal year; resulting from regularly scheduled payoffs, and other debt retirements. The decrease was offset by additional loans added through the Agricultural Best Management Loan Program, these loans will be paid from special assessments.

Carver County's Outstanding Debt

| | Governmental Activities | |
|----------------------------------|--------------------------------|----------------------|
| | 2021 | 2020 |
| General obligation bonds | \$ 8,809,578 | \$ 11,353,207 |
| General obligation notes payable | 9,592,000 | 10,606,000 |
| Loans | 729,100 | 818,516 |
| Total | \$ 19,130,678 | \$ 22,777,723 |

Carver County's bond credit rating increased from a rating of Aa2 in 2009 to an AAA rating because of the future economic outlook and sound fiscal management. The AAA bond credit rating was maintained through 2021 and into 2022.

State statutes limit the amount of general obligation debt a county can incur to no more than 3% of the assessed value of taxable property in the county. The current debt limitation for Carver County is \$485,732,175, which is significantly in excess of Carver County's outstanding general obligation debt.

Additional information on Carver County's long-term debt can be found in Note 3.G on pages 47-49 of this report.

Economic Factors and Next Year's Budgets and Rates

- The 2021 average unemployment rate for Carver County was 2.9%, which is a decrease from a rate of 4.9% a year ago. This compares favorably to the State's average unemployment rate of 3.4% and the national average of 5.3%.
- County General Fund expenditures for 2022 are budgeted to increase 3.65% from 2021.
- The 2022 budget continues to respond to the uncertain fiscal challenges related to the COVID19 pandemic while continuing the County's history of providing a stable level of service to its citizens.
- Economic benchmarks, including property market values and new construction, showed improved growth from 2021. The County's \$374,000 average value home in 2022 increased in value by 3.4% compared to 2021. The 2022 budget recommendations captured the new tax base created by this growth along with an inflationary 3.0% County tax impact on the average valued residential property.

Requests for Information

This financial report is designed to provide a general overview of Carver County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 600 East Fourth Street, Government Center, Administration Building, Chaska, MN 55315-2183. Or visit our website at <https://www.co.carver.mn.us/>

Basic Financial Statements

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF NET POSITION
DECEMBER 31, 2021

| | <u>Primary Government</u> | <u>Component Unit</u> |
|---|--------------------------------|-------------------------------------|
| | <u>Governmental Activities</u> | <u>Community Development Agency</u> |
| <u>Assets</u> | | |
| Current assets | | |
| Cash and Pooled Investments | \$ 112,232,081 | \$ 10,445,141 |
| Petty Cash and Change Funds | 7,805 | - |
| Departmental Cash | 182,584 | - |
| Undistributed Cash in Custodial Funds | 27,354 | - |
| Minnesota Foundation Endowment | 69,210 | - |
| Taxes Receivable | | |
| Delinquent | 416,228 | - |
| Special Assessments Receivable | | |
| Delinquent | 988 | - |
| Deferred | 584,776 | - |
| Accounts Receivable | 493,505 | 73,136 |
| Note Receivable - due within one year | 401,310 | 40,001 |
| Accrued Interest Receivable | 319,221 | 31,916 |
| Due From Other Governments | 24,335,126 | 736,777 |
| Inventories | 755,063 | - |
| Prepaid Items | 1,090,238 | 106,425 |
| Restricted Assets | | |
| Cash and Pooled Investments | - | 6,651,462 |
| Total Current Assets | 140,915,489 | 18,084,858 |
| Noncurrent assets | | |
| Capital Assets - Not being Depreciated | | |
| Land | 31,722,898 | 7,924,047 |
| Construction in Progress | 159,415,396 | 207,404 |
| Capital Assets - Net of Depreciation | | |
| Buildings | 33,304,860 | 26,967,689 |
| Improvements other than Buildings | 81,916 | 279,693 |
| Machinery and Equipment | 6,161,164 | 61,948 |
| Infrastructure | 115,533,944 | - |
| Net OPEB Asset | 5,548,358 | - |
| Net Pension Asset | 230,749 | - |
| Notes, Loans & Mortgages Receivable - due in more than one year | 1,811,586 | 687,539 |
| Investment in Joint Venture | - | 800,000 |
| Total Noncurrent Assets | 353,810,871 | 36,928,320 |
| Total Assets | 494,726,360 | 55,013,178 |
| <u>Deferred Outflows of Resources</u> | | |
| Deferred Charges on Refunding | - | 391,931 |
| Deferred Pension Resources | 28,622,911 | - |
| Deferred OPEB Resources | 247,031 | - |
| Total Deferred Outflows of Resources | 28,869,942 | 391,931 |

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF NET POSITION
DECEMBER 31, 2021
(Continued)

| | <u>Primary Government</u> | <u>Component Unit</u> |
|---|--------------------------------|-------------------------------------|
| | <u>Governmental Activities</u> | <u>Community Development Agency</u> |
| <u>Liabilities</u> | | |
| Current liabilities | | |
| Accounts Payable | 2,009,939 | 112,565 |
| Accrued Interest Payable | 160,567 | 338,214 |
| Salaries Payable | 2,887,033 | 88,910 |
| Contracts Payable | 3,504,471 | - |
| Retainage Payable | 769,322 | - |
| Other current liabilities | - | 323,120 |
| Customer deposits | 1,476,498 | 352,036 |
| Due to other Governments | 1,442,856 | - |
| General Obligation Bonds Payable - due within one year (net of premium/ discount) | 2,056,831 | 1,275,000 |
| Notes Payable - due within one year | 1,024,000 | 13,485 |
| Loans Payable - due within one year | 181,164 | - |
| Compensated Absences - due within one year | 316,897 | 157,303 |
| Unearned Revenue | 1,668,357 | 207,245 |
| Total Current Liabilities | <u>17,497,935</u> | <u>2,867,878</u> |
| Noncurrent liabilities: | | |
| General Obligation Bonds Payable - due in more than one year (net of premium/ discount) | 6,752,747 | 26,073,076 |
| Notes Payable - due in more than one year | 8,568,000 | 3,587,070 |
| Loans Payable - due in more than one year | 547,936 | - |
| Compensated Absences - due in more than one year | 5,793,245 | - |
| Net Pension Liability - due in more than one year | 30,095,000 | - |
| Total Noncurrent Liabilities | <u>51,756,928</u> | <u>29,660,146</u> |
| Total Liabilities | <u>69,254,863</u> | <u>32,528,024</u> |
| <u>Deferred Inflows of Resources</u> | | |
| Deferred Pension Resources | 37,495,132 | - |
| Deferred OPEB Resources | 3,717,355 | - |
| Property Taxes Collected for Subsequent Period | 27,354 | - |
| Total Deferred Inflows of Resources | <u>41,239,841</u> | <u>-</u> |
| <u>Net Position</u> | | |
| Net Investment in Capital Assets | 324,066,425 | 4,884,081 |
| Restricted for: | | |
| CDA | - | 4,687,275 |
| Coney Island Improvements | 201,554 | - |
| Charles Dalke Donation | 1,014,421 | - |
| Recorder's Equipment | 149,944 | - |
| Recorder's Information Technology | 174,886 | - |
| Minnesota Foundation Endowment (Nonexpendable) | 69,210 | - |
| Restitution | 58,787 | - |
| Law Library | 170,201 | - |
| ATOD Program | 9,547 | - |
| Conceal and Carry | 386,335 | - |
| Attorney Forfeitures | 89,712 | - |
| Posse | 7,775 | - |
| Solid Waste Fees | 494,190 | - |
| Watershed Districts | 562,077 | - |
| Sheriff Forfeitures | 55,881 | - |
| Sheriff Explorers | 1,312 | - |
| Sheriff Reserves | 9,364 | - |
| TRIAD | 1,544 | - |
| Dive Team | 2,268 | - |
| Chaplain | 25 | - |
| Prostitution Assessments | 2,640 | - |
| E-911 | 686,972 | - |
| Gravel Pit Closure | 233,613 | - |
| MNDOT Allotments | 11,549,477 | - |
| Ditch Maintenance | 140,882 | - |
| Debt Service | 11,576,671 | - |
| Unrestricted | 61,385,885 | 13,305,729 |
| Total Net Position | <u>\$ 413,101,598</u> | <u>\$ 22,877,085</u> |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Expenses | Indirect Expense Allocation | Fees, Charges, Fines and Other | Program Revenues | | Net (Expense)/Revenue and Change in Net Position | |
|--|-----------------------|-----------------------------|--------------------------------|------------------------------------|----------------------------------|--|---|
| | | | | Operating Grants and Contributions | Capital Grants and Contributions | Primary Governmental Activities | Component Unit Community Development Agency |
| Functions/Programs | | | | | | | |
| Primary Government | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | \$ 27,406,339 | \$ (7,989,497) | \$ 4,892,236 | \$ 1,114,244 | \$ - | \$ (13,410,362) | \$ - |
| Public safety | 20,206,721 | 2,492,250 | 5,349,419 | 7,385,963 | - | (9,963,589) | - |
| Highways and streets | 54,783,606 | 848,384 | 51,756 | 35,207,943 | 10,769,477 | (9,602,814) | - |
| Human services | 30,326,963 | 3,221,515 | 4,223,848 | 14,790,886 | 21,556 | (14,512,188) | - |
| Health | 3,099,783 | 252,797 | 11,110 | 1,916,728 | - | (1,424,742) | - |
| Culture and recreation | 5,913,355 | 796,999 | 295,849 | 1,169,584 | 3,426,717 | (1,818,204) | - |
| Conservation of natural resources | 4,968,491 | 377,552 | 2,309,660 | 1,144,091 | - | (1,892,292) | - |
| Economic development | 4,736,749 | - | - | 2,116,189 | - | (2,620,560) | - |
| Interest | 216,928 | - | - | - | - | (216,928) | - |
| Total primary government | \$ 151,658,935 | \$ - | \$ 17,133,878 | \$ 64,845,628 | \$ 14,217,750 | \$ (55,461,679) | \$ - |
| Component unit: | | | | | | | |
| Community Development Agency | \$ 15,260,656 | \$ - | \$ 7,579,440 | \$ 9,372,342 | \$ - | \$ - | \$ 1,691,126 |
| General revenues: | | | | | | | |
| Property Taxes | | | | | | \$ 61,746,085 | \$ - |
| Wheelage Tax | | | | | | 1,908,608 | - |
| Transportation Tax | | | | | | 10,165,481 | - |
| Gravel Tax | | | | | | 113,916 | - |
| Grants and contributions not restricted to specific programs | | | | | | 4,253,225 | - |
| Payment in lieu of taxes | | | | | | 211,580 | - |
| Investment income | | | | | | (595,953) | 46,598 |
| Miscellaneous | | | | | | 1,063,346 | - |
| Gain on sale of capital assets | | | | | | 41,806 | - |
| Total general revenues | | | | | | 78,908,094 | 46,598 |
| Change in net position | | | | | | 23,446,415 | 1,737,724 |
| Net position - beginning | | | | | | 389,655,183 | 21,139,361 |
| Net position - ending | | | | | | \$ 413,101,598 | \$ 22,877,085 |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

| <u>Assets</u> | General | Road & Bridge Special Revenue Fund | Health & Human Services Special Revenue Fund | Debt Service | Buildings CIP | Road & Bridge CIP | Parks & Trails CIP | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---|--|----------------------|---------------------|----------------------|-----------------------|--------------------------------|--------------------------------|
| Cash and Pooled Investments | \$ 44,748,900 | \$ 5,677,886 | \$ 12,830,428 | \$ 11,705,812 | \$ 2,753,829 | \$ 22,242,875 | \$ 2,269,919 | \$ 906,223 | \$ 103,135,872 |
| Petty Cash and Change Funds | 6,955 | 100 | 750 | - | - | - | - | - | 7,805 |
| Departmental Cash | 182,584 | - | - | - | - | - | - | - | 182,584 |
| Undistributed Cash in Custodial Funds | 15,660 | 2,357 | 5,846 | 2,020 | - | 1,019 | - | 452 | 27,354 |
| Minnesota Foundation Endowment | 69,210 | - | - | - | - | - | - | - | 69,210 |
| Taxes Receivable | | | | | | | | | |
| Delinquent | 239,485 | 35,582 | 88,531 | 31,899 | 8 | 15,343 | 1 | 5,379 | 416,228 |
| Special Assessments Receivable | | | | | | | | | |
| Delinquent | - | - | - | - | - | - | - | 988 | 988 |
| Unavailable | 553,352 | - | - | - | - | - | - | 31,424 | 584,776 |
| Accounts Receivable | 91,737 | 33,025 | 294,867 | - | - | 68,819 | - | 5,057 | 493,505 |
| Notes Receivable | - | - | - | - | - | 2,212,896 | - | - | 2,212,896 |
| Accrued Interest Receivable | 319,221 | - | - | - | - | - | - | - | 319,221 |
| Due from other Funds | 260 | - | - | - | - | - | - | - | 260 |
| Due from other Governments | 1,107,449 | 30,319 | 2,838,160 | - | 62,532 | 19,544,664 | 737,233 | 14,769 | 24,335,126 |
| Advances to other Funds | - | - | - | - | - | 1,000,000 | - | - | 1,000,000 |
| Inventories | - | 755,063 | - | - | - | - | - | - | 755,063 |
| Prepaid Items | 996,744 | 53,887 | 25,823 | - | 4,834 | - | - | - | 1,081,288 |
| Total Assets | 48,331,557 | 6,588,219 | 16,084,405 | 11,739,731 | 2,821,203 | 45,085,616 | 3,007,153 | 964,292 | 134,622,176 |
| Liabilities, Deferred Inflows of Resources, and Fund Balances | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts Payable | 991,340 | 164,149 | 609,304 | 475 | 71,847 | 153,762 | - | 5,770 | 1,996,647 |
| Salaries Payable | 1,642,945 | 246,002 | 998,086 | - | - | - | - | - | 2,887,033 |
| Contracts Payable | 332,129 | 48,905 | 120,395 | - | 2,461 | 2,585,439 | 394,953 | 20,189 | 3,504,471 |
| Retainage Payable | - | - | - | - | - | 428,359 | 340,963 | - | 769,322 |
| Customer Deposits Payable | 1,476,498 | - | - | - | - | - | - | - | 1,476,498 |
| Due to other Funds | - | - | 260 | - | - | - | - | - | 260 |
| Due to other Governments | 587,649 | 64,162 | 247,590 | - | - | 499,500 | - | 43,955 | 1,442,856 |
| Advances from other Funds | - | - | - | - | - | - | 1,000,000 | - | 1,000,000 |
| Unearned Revenue | 1,495,960 | - | 162,572 | - | - | - | - | 9,825 | 1,668,357 |
| Total Liabilities | 6,526,521 | 523,218 | 2,138,207 | 475 | 74,308 | 3,667,060 | 1,735,916 | 79,739 | 14,745,444 |
| Deferred Inflows of Resources: | | | | | | | | | |
| Unavailable revenue | 1,196,062 | 84,350 | 487,444 | 21,697 | 62,537 | 14,417,046 | 737,233 | 49,794 | 17,056,163 |
| Property Taxes Collected for Subsequent Period | 15,660 | 2,357 | 5,846 | 2,020 | - | 1,019 | - | 452 | 27,354 |
| Unavailable revenue - Notes | - | - | - | - | - | 2,212,896 | - | - | 2,212,896 |
| Total Deferred Inflows of Resources | 1,211,722 | 86,707 | 493,290 | 23,717 | 62,537 | 16,630,961 | 737,233 | 50,246 | 19,296,413 |
| Fund Balances: | | | | | | | | | |
| Non-spendable: | | | | | | | | | |
| Inventories | - | 755,063 | - | - | - | - | - | - | 755,063 |
| Minnesota Foundation Endowment | 69,210 | - | - | - | - | - | - | - | 69,210 |
| Prepays | 996,744 | 53,887 | 25,823 | - | 4,834 | - | - | - | 1,081,288 |
| Restricted for: | | | | | | | | | |
| Coney Island Improvements | - | - | - | - | - | - | 201,554 | - | 201,554 |
| Charles Dalke Donation | 1,014,421 | - | - | - | - | - | - | - | 1,014,421 |
| Septic Loan Program | 175,748 | - | - | - | - | - | - | - | 175,748 |
| Gravel Pit Closure | - | 233,613 | - | - | - | - | - | - | 233,613 |
| Recorder's Information Technology | 174,886 | - | - | - | - | - | - | - | 174,886 |
| Recorder's Equipment | 149,944 | - | - | - | - | - | - | - | 149,944 |
| Restitution | 58,787 | - | - | - | - | - | - | - | 58,787 |
| Attorney Forfeitures | 89,712 | - | - | - | - | - | - | - | 89,712 |
| Law Library | 170,201 | - | - | - | - | - | - | - | 170,201 |
| ATOD Program | 9,547 | - | - | - | - | - | - | - | 9,547 |
| Conceal and Carry | 386,335 | - | - | - | - | - | - | - | 386,335 |
| Posse | 7,775 | - | - | - | - | - | - | - | 7,775 |
| Solid Waste Fees | 494,190 | - | - | - | - | - | - | - | 494,190 |
| Watershed Districts | - | - | - | - | - | - | - | 562,074 | 562,074 |
| Sheriff Forfeitures | 55,881 | - | - | - | - | - | - | - | 55,881 |
| Sheriff Explorers | 1,312 | - | - | - | - | - | - | - | 1,312 |
| TRIAD | 1,544 | - | - | - | - | - | - | - | 1,544 |
| Sheriff Reserves | 9,364 | - | - | - | - | - | - | - | 9,364 |
| E-911 | 686,972 | - | - | - | - | - | - | - | 686,972 |
| Dive Team | 2,268 | - | - | - | - | - | - | - | 2,268 |
| Chaplain | 25 | - | - | - | - | - | - | - | 25 |
| Prostitution Assessments | 2,640 | - | - | - | - | - | - | - | 2,640 |
| Debt Service | - | - | - | 11,715,539 | - | - | - | - | 11,715,539 |
| Ditch Maintenance | - | - | - | - | - | - | - | 140,882 | 140,882 |
| Committed to: | | | | | | | | | |
| COVID-19 Budget Stabilization Account | 11,263,622 | - | - | - | - | - | - | - | 11,263,622 |
| Assigned to (Note 3.G.): | 4,200,270 | 4,935,731 | 13,427,085 | - | 2,679,524 | 24,787,595 | 332,450 | 182,634 | 50,545,289 |
| Unassigned: | 20,571,916 | - | - | - | - | - | - | (51,283) | 20,520,633 |
| Total Fund Balances | 40,593,314 | 5,978,294 | 13,452,908 | 11,715,539 | 2,684,358 | 24,787,595 | 534,004 | 834,307 | 100,580,319 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | \$ 48,331,557 | \$ 6,588,219 | \$ 16,084,405 | \$ 11,739,731 | \$ 2,821,203 | \$ 45,085,616 | \$ 3,007,153 | \$ 964,292 | \$ 134,622,176 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

| | | |
|---|---------------------|------------------------------|
| Fund Balances - Total Governmental Funds | | \$ 100,580,319 |
| <p>Amounts reported for governmental activities in the statement of net position are different because:</p> | | |
| <p>Internal Service Funds are used by management to charge costs of insurance, compensated absences, other post-employment benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of activities.</p> | 2,981,725 | |
| <p>Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds</p> | | 346,220,178 |
| <p>Contributions to the Pension and OPEB Trust in excess of the total Pension and OPEB liability recognized to date are not current financial resources and therefore are not reported at the fund level.</p> | | |
| <p>Net OPEB Asset</p> | 5,548,358 | |
| <p>Net Pension Asset</p> | <u>230,749</u> | 5,779,107 |
| <p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.</p> | | |
| <p>General Obligation Bonds Payable</p> | (8,809,578) | |
| <p>Notes Payable</p> | (9,592,000) | |
| <p>Loans Payable</p> | (729,100) | |
| <p>Net Pension Liability</p> | (30,095,000) | |
| <p>Accrued Interest Payable</p> | <u>(160,567)</u> | (49,386,245) |
| <p>Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to OPEB and pensions that are not recognized in the governmental funds.</p> | | |
| <p>Deferred outflow of resources</p> | 28,869,942 | |
| <p>Deferred inflow or resources</p> | <u>(41,212,487)</u> | (12,342,545) |
| <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p> | | <u>19,269,059</u> |
| Net Position of Governmental Activities | | <u>\$ 413,101,598</u> |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | General | Road & Bridge Special Revenue Fund | Health & Human Services Special Revenue Fund | Debt Service | Buildings CIP | Road & Bridge CIP | Parks & Trails CIP | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---|--|----------------------|---------------------|----------------------|-----------------------|--------------------------------|--------------------------------|
| Revenues: | | | | | | | | | |
| Taxes | \$ 35,638,176 | \$ 5,363,178 | \$ 13,020,196 | \$ 4,565,027 | \$ - | \$ 14,343,925 | \$ 1 | \$ 980,317 | \$ 73,910,820 |
| Special Assessments | 263,019 | - | 306 | - | - | - | - | 52,578 | 315,903 |
| Licenses and Permits | 1,235,654 | - | - | - | - | - | - | 42,782 | 1,278,436 |
| Intergovernmental | 16,989,861 | 3,587,347 | 15,166,233 | 16,232 | 513,699 | 45,890,515 | 3,435,851 | 2,914 | 85,602,652 |
| Charges for Services | 10,936,038 | 3,075 | 4,141,049 | - | - | - | - | 91,156 | 15,171,318 |
| Fines and Forfeits | 216,725 | - | - | - | - | - | - | - | 216,725 |
| Gifts and Contributions | 554,029 | - | 32,587 | - | - | - | 425 | - | 587,041 |
| Investment Income | (608,350) | - | - | - | - | - | - | 384 | (607,966) |
| Miscellaneous | 626,681 | 75,582 | 151,113 | - | - | 53,420 | - | 15,593 | 922,389 |
| Total Revenues | 65,851,833 | 9,029,182 | 32,511,484 | 4,581,259 | 513,699 | 60,287,860 | 3,436,277 | 1,185,724 | 177,397,318 |
| Expenditures: | | | | | | | | | |
| Current: | | | | | | | | | |
| General Government | 25,321,928 | - | - | - | 144,473 | - | - | - | 25,466,401 |
| Public Safety | 23,419,037 | - | - | - | - | - | - | - | 23,419,037 |
| Highways and Streets | 20,538 | 8,621,185 | - | - | - | 3,084,609 | - | - | 11,726,332 |
| Human Services | 392,327 | - | 31,366,736 | - | - | - | - | - | 31,759,063 |
| Health | 809,080 | - | 2,458,811 | - | - | - | - | - | 3,267,891 |
| Culture and Recreation | 5,896,069 | - | - | - | - | - | - | 81,628 | 5,977,697 |
| Conservation of Natural Resources | 4,338,492 | - | - | - | 60,000 | - | - | 851,361 | 5,249,853 |
| Economic Development | 4,736,749 | - | - | - | - | - | - | - | 4,736,749 |
| Intergovernmental | - | 202,043 | - | - | - | - | - | - | 202,043 |
| Highways and Streets | - | - | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | 250,595 | 58,321,218 | 6,568,877 | - | 65,140,690 |
| Debt Service: | | | | | | | | | |
| Principal Retirement | 178,937 | - | - | 3,359,000 | - | - | - | - | 3,537,937 |
| Interest and Fiscal Charges | - | - | - | 456,681 | - | - | - | - | 456,681 |
| Total Expenditures | 65,113,157 | 8,823,228 | 33,825,547 | 3,815,681 | 455,068 | 61,405,827 | 6,568,877 | 932,989 | 180,940,374 |
| Excess (Deficiency) of Revenues over (under) Expenditures | 738,676 | 205,954 | (1,314,063) | 765,578 | 58,631 | (1,117,967) | (3,132,600) | 252,735 | (3,543,056) |
| Other Financing Sources (Uses): | | | | | | | | | |
| Transfers In | 2,782,973 | 1,064,591 | 3,399,782 | 315,000 | 46,698 | - | 2,350,745 | - | 9,959,789 |
| Transfers Out | (57,687) | (551,679) | (576,557) | (1,282,365) | (728,629) | (5,842,704) | (728,629) | (191,539) | (9,959,789) |
| Loans Issued | 89,521 | - | - | - | - | - | - | - | 89,521 |
| Proceeds from Sale of Capital Assets | 13,526 | 144,495 | 3,285 | - | - | - | - | - | 161,306 |
| Total Other Financing Sources (Uses) | 2,828,333 | 657,407 | 2,826,510 | (967,365) | (681,931) | (5,842,704) | 1,622,116 | (191,539) | 250,827 |
| Net Change in Fund Balances | 3,567,009 | 863,361 | 1,512,447 | (201,787) | (623,300) | (6,960,671) | (1,510,484) | 61,196 | (3,292,229) |
| Fund Balance - January 1 | 37,026,305 | 5,094,355 | 11,940,461 | 11,917,326 | 3,307,658 | 31,748,266 | 2,044,488 | 773,111 | 103,851,970 |
| Increase (Decrease) in Inventories | - | 20,578 | - | - | - | - | - | - | 20,578 |
| Fund Balance - December 31 | \$ 40,593,314 | \$ 5,978,294 | \$ 13,452,908 | \$ 11,715,539 | \$ 2,684,358 | \$ 24,787,595 | \$ 534,004 | \$ 834,307 | \$ 100,580,319 |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

| | | |
|--|----|-------------|
| Net change in fund balances - total governmental funds | \$ | (3,292,229) |
| Change in net position from the Internal Service Funds | | 77,446 |

Capital Outlays are reported as expenditures in governmental funds. However in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

| | | |
|----------------------|----------------------|------------|
| Capital Outlay | \$ 29,170,150 | |
| Depreciation Expense | <u>(9,909,733)</u> | |
| | <u>\$ 19,260,417</u> | 19,260,417 |

Various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and retirements) decrease net position.

| | | |
|-----------|-------------|----------|
| Disposals | \$ (12,428) | (12,428) |
|-----------|-------------|----------|

The issuance of long term debt (e.g., bonds, loans payable) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts below are the effects of these differences in the treatment of long-term debt and related items.

| | | |
|------------------------------------|---------------------|-----------|
| Proceeds from Loan | \$ (89,521) | |
| Principal Repayments | 3,537,937 | |
| Net Adjustment to Interest Payable | 41,123 | |
| Amortization of Bond Discount | (3,202) | |
| Amortization of Bond Premium | 201,831 | |
| | <u>\$ 3,688,168</u> | 3,688,168 |

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

| | | |
|---------------------------------------|----------------|-------------|
| Net Adjustment to Unavailable Revenue | \$ (2,640,391) | (2,640,391) |
|---------------------------------------|----------------|-------------|

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

| | | |
|---|---------------------|------------------|
| Change in Net Pension Liability | \$ 13,264,794 | |
| Change in Net Deferred Pension Outflows | 20,637,345 | |
| Change in Net Deferred Pension Inflows | (28,795,762) | |
| Change in Net OPEB | 3,117,399 | |
| Change in Net Deferred OPEB Outflows | (41,172) | |
| Change in Net Deferred OPEB Inflows | (1,837,750) | |
| Change in Inventory | 20,578 | |
| | <u>\$ 6,365,432</u> | <u>6,365,432</u> |

| | | |
|--|----|-------------------|
| Changes in net position of governmental activities | \$ | <u>23,446,415</u> |
|--|----|-------------------|

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

| | Governmental Activities Internal Service Funds |
|--|---|
| <u>Assets</u> | |
| Current | |
| Cash and Pooled Investments | \$ 9,096,209 |
| Prepaid Items | <u>8,950</u> |
| Total Current Assets | <u>9,105,159</u> |
| <u>Liabilities</u> | |
| Current | |
| Accounts Payable | 13,292 |
| Compensated Absences - due within one year | <u>316,897</u> |
| Total Current Liabilities | 330,189 |
| Non-Current | |
| Compensated Absences - due in more than one year | <u>5,793,245</u> |
| Total Liabilities | <u>6,123,434</u> |
| <u>Net Position</u> | |
| Unrestricted | <u>\$ 2,981,725</u> |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION- PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Governmental Activities Internal Service Funds |
|----------------------------|---|
| Operating Revenues: | |
| Charges for Services | \$ 1,521,193 |
| Insurance Refunds | <u>350,318</u> |
| Total Operating Revenues | <u>1,871,511</u> |
| Operating Expenses: | |
| Risk Management | 1,247,837 |
| Personnel Benefits | <u>546,228</u> |
| Total Operating Expenses | <u>1,794,065</u> |
| Operating Income (Loss) | 77,446 |
| Net Position - Beginning | <u>2,904,279</u> |
| Net Position - Ending | <u>\$ 2,981,725</u> |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | <u>Governmental Activities Internal Service Funds</u> |
|---|---|
| Cash Flows from Operating Activities: | |
| Receipts from Internal Services Provided | \$ 1,597,564 |
| Refunds from Insurance Provider | 350,318 |
| Disbursements for Internal Services Provided | <u>(860,426)</u> |
| Total Cash Flows from Operating Activities | 1,087,456 |
| Cash and Cash Equivalents at January 1 | <u>8,008,753</u> |
| Cash and Cash Equivalents at December 31 | <u><u>\$ 9,096,209</u></u> |
| Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities: | |
| Operating Income (Loss) | \$ 77,446 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | |
| (Increase) Decrease in Due from Other Funds | 741,389 |
| (Increase) Decrease in Accounts Receivable | 76,371 |
| (Increase) Decrease in Prepays | 17,159 |
| (Decrease) Increase in Accounts Payable | (21,458) |
| (Decrease) Increase in Retainage Payable | (7,536) |
| (Decrease) Increase in Compensated Absences Payable | <u>204,085</u> |
| Total Adjustments | <u>1,010,010</u> |
| Net cash provided by (used for) operating activities | <u><u>\$ 1,087,456</u></u> |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021**

| <u>Assets</u> | Other Postemployment Benefits | |
|---|-------------------------------------|-----------------|
| | Trust Fund | Custodial Funds |
| Cash and Pooled Investments | \$ 14,027,140 | \$ 4,978,908 |
| Taxes Receivable | - | 29,329 |
| Accounts Receivable | - | 89,885 |
| Due from other Governments | - | 39,531 |
| Taxes receivable for other governments | - | 3,611,071 |
| Capital assets - not being depreciated | - | 256,167 |
| Total Assets | 14,027,140 | 9,004,891 |
| <u>Liabilities</u> | | |
| Accounts Payable | - | 346,612 |
| Unearned revenue | - | 126,114 |
| Due to other Governments | - | 2,763,587 |
| Due to others | - | 5,358 |
| Total Liabilities | - | 3,241,671 |
| <u>Deferred Inflows of Resources</u> | | |
| Unavailable revenue | - | 87,383 |
| Taxes collected in Advance of Levy | - | 47,503 |
| Total Deferred Inflows of Resources | - | 134,886 |
| <u>Net Position</u> | | |
| Restricted for: | | |
| Postemployment Benefits | 14,027,140 | - |
| Individuals, Organizations, and Other Governments | - | 5,628,334 |
| Total Net Position | \$ 14,027,140 | \$ 5,628,334 |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| <u>Additions</u> | Other Postemployment Benefits Trust Fund | Custodial Funds |
|--|---|---------------------|
| Contributions | | |
| Individuals | \$ - | \$ 639,525 |
| Employer | 475,840 | - |
| Investment earnings (loss) | | |
| Net increase (decrease) in fair value of investments | 2,386,124 | 2,253 |
| Interest, dividends, other | - | 640,852 |
| Property tax collections for other governments | - | 164,720,066 |
| Intergovernmental revenue | - | 15,335 |
| Fines and forfeitures | - | 424,132 |
| Fees for service | - | 430,379 |
| License and fees collected for State | - | 22,679,778 |
| Miscellaneous | - | 603,368 |
| Total Additions | 2,861,964 | 190,155,688 |
| <u>Deductions</u> | | |
| Beneficiary payments to individuals | 475,840 | 434,075 |
| Payments of property tax to other governments | - | 163,382,798 |
| Payments to State | - | 22,725,950 |
| Administrative expense | - | 5,710 |
| General government | - | 335,866 |
| Projects | - | 981,236 |
| Payments to other entities | - | 1,213,566 |
| Total Deductions | 475,840 | 189,079,201 |
| Change in net position | 2,386,124 | 1,076,487 |
| Net Position- Beginning of Year | 11,641,016 | 4,551,847 |
| Net Position- Ending | \$ 14,027,140 | \$ 5,628,334 |

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

Notes to Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Note 1 - Summary of Significant Accounting Policies

The financial reporting policies of the County conform to generally accepted accounting principles.

A. Financial Reporting Entity

Carver County was established March 3, 1855, and is an organized county having the powers, duties and privileges granted counties by Minn. Stat. ch. 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.

Individual Component Unit Disclosures

Blended Component Units

The Carver County Regional Rail Authority (CCRRA) is governed by a five-member board consisting of the County Commissioners with the power to levy taxes, issue bonds, and enter into contracts. The 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 the long-range plans that may include light rail transportation or to improve the trail system. The CCRRA is included in the Carver County reporting entity as a Nonmajor Special Revenue Fund. Carver County has the ability to impose its will on the CCRRA. The CCRRA is presented as blended because the operational responsibility rests with the management of Carver County. Separate financial statements are not available.

The Carver County Water Management Organization (CCWMO) is governed by a five-member board consisting of the County Commissioners with the power to levy taxes and enter into contracts. The CCWMO was established to carry out the Water Management Plan in the County's watersheds. The CCWMO is included in the Carver County reporting entity as a Nonmajor Special Revenue Fund. Carver County has the ability to impose its will on the CCWMO. The CCWMO is presented as blended because the operational responsibility rests with the management of Carver County. Separate financial statements are not available.

Discretely Presented Component Unit

Carver County has determined that the Carver County Community Development Agency (CDA) meets the criteria to be presented as a component unit of Carver County. The 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 County can impose will upon the CDA by significantly influencing the program, projects, activities, or level of service performed by the CDA. It is reported in a separate column or row in the County's government-wide statements emphasizing that the CDA is legally separate from Carver County. The CDA operates as a local government unit for the purpose of providing housing and redevelopment services and economic development assistance to Carver County. Note 5 is the beginning of the Community Development Agency notes which are presented immediately following the primary government notes to the financial statements. The complete financial statements of the CDA can be obtained by writing to the Carver County Community Development Agency, 705 Walnut Street, Chaska, Minnesota 55318.

B. Government-wide and fund financial statements

The government-wide statements of net position and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities, with the exception of interfund services provided and used, which are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for the different activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The fund financial statements provide information about the County's funds, including its proprietary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Operating expenses, such as risk management and self insurance expenses, results from a direct payment made during the current fiscal year for worker's compensation claims and health insurance deductible payments.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

C. Measurement Focus, Basis of Accounting

The government-wide, proprietary fund, and fiduciary fund financial statements are presented on a consolidated basis and reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The County reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the County. It is used to account for all financial resources except those accounted for in another fund.

Road & Bridge Special Revenue Fund

The Road & Bridge Fund accounts for the maintenance and construction costs of streets and highways. Financing comes primarily from committed annual property tax levy, restricted and assigned intergovernmental revenue from local, state and federal governments, as well as assigned fees for services and other miscellaneous revenue.

Health & Human Services Special Revenue Fund

The Health & Human Services Fund accounts for all health and human services costs. Financing comes primarily from committed annual property tax levy, restricted and assigned intergovernmental revenue from the state and federal governments, as well as assigned fees for services and other miscellaneous revenue.

Debt Service Fund

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

Buildings Capital Improvement (CIP) Capital Projects Fund

The Buildings Capital Improvement Fund accounts for, and reports, financial resources that are restricted, committed or assigned to the acquisition or construction of major capital facilities or improvements.

Road & Bridge Capital Improvement (CIP) Capital Projects Fund

The Road & Bridge Capital Improvement Fund accounts for, and reports, financial resources that are restricted, committed or assigned to the acquisition or construction of road and bridge improvements.

Parks & Trails Capital Improvement (CIP) Capital Projects Fund

The Parks & Trails Capital Improvement Fund accounts for, and reports, financial resources that are restricted, committed or assigned to the acquisition or construction of parks and trails or improvements to existing parks and trails.

Additionally, the County reports the following fund types:

Internal Service Funds

Internal service funds account for general liability and malpractice, worker's compensation insurance coverages provided to other departments on a cost-reimbursement basis, employee compensated absences, retiree benefits, and other post employment benefits.

Trust Fund

The Other Postemployment Benefits Trust Fund accounts for an irrevocable trust established for funding other postemployment benefits for eligible retired employees under a single employer defined benefit plan.

Custodial Funds

Custodial funds are used to account for assets held by the County as a trustee or agent for individuals, private organizations, other governments, or other funds. The Custodial funds account for monies held on behalf of school districts, special districts, and retirement boards that use the County as a depository; property taxes collected on behalf of other governments; and surety bonds and performance deposits. Custodial funds do not involve measurement of results of operations. These include: Taxes and Penalties, Inmate Account, Recorder Clearing, Alarm Fees, Local Collaborative, Sheriff Forfeitures, Lower Minnesota River Watershed District, and Other Custodial funds.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

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

1. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value. A market approach is used to value all investments other than external investment pools, which are measured at the net asset value. Pursuant to Minn. Stat. Section 385.07, investment earnings on cash and pooled investments are credited to the General Fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants. In 2021 the County recorded a "net decrease in fair value of investments" of \$1,810,805 as part of investment income. Interest earnings from cash and pooled investments for 2021 were \$1,205,093. Total governmental fund investment earnings for 2021 were \$607,966, negative. Pooled investment earnings for 2021 in the General Fund were \$608,350, negative.

Carver County invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which is created under a joint powers agreement pursuant to Minn. Stat. § 471.59. Investments in the MAGIC portfolio pool are valued at amortized cost, per GASB 79, while investments in MAGIC Term Investments are valued at net asset value per share because, by design, they do not meet the required liquidity criteria of GASB 79.

Additionally, the County invests funds held for post-employment benefits with the State Board of Investments. The fair value of the investment is the fair value per share of the underlying portfolio. During 2021, the County recognized \$2,386,124 in investment earnings that is reported in the OPEB Trust Fund.

2. Cash and Cash Equivalents

The County considers cash and cash equivalents in proprietary funds to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Investments with trust accounts are stated at fair value. Investment earnings on investments in trust accounts are credited to the funds in which they are held.

3. Receivables and Payables

Activities 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

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

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. Property taxes are levied January 1st on property values assessed as of the prior year. The tax levy is divided into two billings: first half is due May 15th and second half is due October 15th. No allowance for uncollectible taxes and special assessments have been provided because such amounts are not expected to be material. Taxes, which remain unpaid by property owners at December 31st, are considered delinquent. Special assessments receivable consist of delinquent special assessments and noncurrent special assessments.

4. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory cost in the Road & Bridge Fund is recorded as an expenditure/expense at the time the individual items are used rather than when purchased.

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

5. Capital Assets

Capital assets, which include property, buildings, equipment, and infrastructure (e.g., roads, bridges, culverts and similar items), are reported in the governmental activities column in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost equal to, or greater than, \$5,000 to more than \$50,000 depending on the asset type and category, and an estimated life equal to or greater than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition price at the date of acquisition.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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

Property, building, and equipment of the primary government, as well as the blended component units, are depreciated using the straight-line method.

For the County, the estimated useful lives are:

| <u>Assets</u> | <u>Years</u> |
|-----------------------------------|--------------|
| Buildings & Building Improvements | 10-50 |
| Improvements other than buildings | 10-20 |
| Infrastructure | 30-75 |
| Machinery & equipment | 2-25 |

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. These items, deferred OPEB outflows and deferred pension outflows, are discussed below in Note 1.D.8 and 1D.9, respectively.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County has five such items that qualify for reporting in this category. The first item, unavailable revenue, arises only under the modified accrual basis of accounting. Unavailable revenue is reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Another item, property taxes collected for subsequent periods, that qualifies for reporting in this category. This item is reported in both the governmental funds balance sheet, as well as, the statement of net position. This amount results from the pre-payment of property taxes for subsequent levy years. The third item, Unavailable Revenue - Notes, arises under both the modified and full accrual basis of accounting. This item is reported in the governmental funds balance sheet. This amount results from the long term receivable notes for subsequent year payments from other entities. The fourth and fifth items, deferred OPEB inflows and deferred pension inflows, are discussed below in Note 1.D.8 and 1.D.9., respectively.

7. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The current portion of this liability is based on an estimate of the cost of severances during the upcoming year. A liability for these amounts is reported in governmental funds only if they have matured, as a result of employee resignations and retirements.

Under the County's personnel policies and union contracts, County employees are granted vacation or paid time off (PTO) in varying amounts based on their length of service. Certain County employees are also granted compensatory time. Vacation accruals for full-time employees varies from 10-25 days per year based on years of service. Sick leave accrual is 12 days per year. Paid time off (PTO) accruals vary from 20-35 days per year.

8. Postemployment Benefits Other Than Pensions (OPEB)

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Carver County OPEB benefits and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by Carver County. For this purpose, Carver County recognized benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. Actual payment of the net OPEB liability are made directly from the same governmental funds that incurred the salary expenditures.

9. Pension Plan

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value. The net pension liability is liquidated primarily by the General Fund, Road & Bridge Special Revenue Fund, and the Health and Human Services Special Revenue Fund.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

10. Long-term obligations

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

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

11. Net Position

Net position in the government-wide and proprietary fund financial statements is displayed in three components:

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

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

Unrestricted - the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets".

The County applies restricted- net position prior to utilizing unrestricted- net position.

12. Classification of Fund Balance

Working Capital Policy -

The Board has determined that 35% of next year's operating budget needs to be available for working capital until the first half tax collections are received. Working capital by major fund are as follows:

| | |
|--------------------------------|---------------|
| General Fund | \$ 20,571,914 |
| Road & Bridge Fund | 3,644,991 |
| Health and Human Services Fund | 12,201,102 |
| | \$ 36,418,007 |

These amounts are included in the General Fund as unassigned fund balance and as assigned fund balance in the Road & Bridge and Health and Human Services Funds.

The working capital amount is established by formal action of the County Board and the cash cannot be used for any other purpose unless approved by the Board.

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

Nonspendable - the nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

COVID-19 Budget Stabilization Account - In 2020 the County, by a resolution of the Board of Commissioners adopted by a 5-0 vote, to create a COVID-19 Budget Stabilization Account in the amount of \$8,602,489 for the purpose to create short-term budget flexibility when addressing budget challenges related to the COVID-19 public health emergency. Allowable spending has been defined in 3 categories:

- Increased needs and costs due to continued public health measures and demand for economic support.
- Revenue shortfalls: increase in delinquent property tax payments, lower sales tax from an economic downturn, service capacity limitations affecting revenue streams- License Centers, Encore, etc.
- State aid cuts and cost shifts.

At December 31, 2021, the balance in the COVID-19 Budget Stabilization account was \$11,263,622.

Assigned - the assigned fund balance classification includes amounts that are internally imposed constraints established by the County Board. The County Board has adopted a fund balance policy, which delegates the authority to the County Administrator or his designee to assign amounts to be used for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. See note 3.H, for assigned fund balance detail.

Unassigned - the Unassigned General Fund Balance is appropriated by the Board as 35% of next year's operating budget for the specific purpose of providing working capital until first half tax collections are received. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted or committed.

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

13. 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 certain estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources; and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Revenues

1. Revenues

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

2. Imposed Nonexchange Transactions

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

3. Intergovernmental

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

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

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

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

4. Exchange Transactions

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

Note 2 - Stewardship, compliance, and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Each appropriation lapses at the end of the fiscal year to the extent that it has not been expended.

The appropriated budget is prepared by fund, function, and department. The County's budgets may be amended or modified at any time by the County Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Adjustments to the approved budget, requested by originating departments, can be approved by the Property and Finance Director after review for adequate transfer of existing budget or addition of new revenue sources. All other changes greater than \$5,000 require Board approval, and changes of \$5,000 or less require the Property and Finance Director's approval. The significant supplemental budgetary appropriations according to management were:

| | | |
|---|-----------|--------------------|
| Debt Service Fund | \$ | (1,282,365) |
| Buildings Capital Improvement Fund | | (58,631) |
| Road & Bridge Capital Improvement Fund | | (9,167,384) |
| Parks & Trails Capital Improvement Fund | | 6,209,178 |
| Rail Authority Fund | | 13,232 |
| Water Management Organization Fund | | 38,930 |
| Total | <u>\$</u> | <u>(4,247,040)</u> |

B. Excess of expenditures over appropriations

For the year ended December 31, 2021, in the Debt Service Fund, expenditures exceeded appropriations by \$240,846 due to the early redemption of the 2012A G.O. Tax Abatement Bonds.

C. Tax Abatements

Cities within the County have entered into tax abatement agreements pursuant to Minnesota Statute 469. These agreements meet the criteria for disclosure under Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures. Under this statute the cities annually abate taxes collected above the district's base tax capacity which is established during adoption of the tax increment financing (TIF) district. These agreements are established to foster economic development and redevelopment through the creation of jobs, provision of affordable housing, or other public services.

Under each agreement, the city and developer agree on an amount of development costs to be reimbursed to the developer by the city through tax revenues from the additional taxable value of the property generated by the development (tax increment). A "pay-as-you-go" note is established for this amount, on which the city makes payments for a fixed period of time with available tax increment revenue after deducting certain administrative costs. All known agreements, regardless of dollar amount, are displayed below individually, by city, within Carver County. Due to the abatement agreements entered into by cities within the County, the County's tax base decreased by approximately \$461,340 in 2021. This reduction of the County's tax base theoretically reduces County revenue if consistent tax rates are applied throughout the district. The theoretical decrease in tax base is recaptured from varying tax rates being applied throughout the district.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

As of December 31, 2021, the following pay-as-you-go tax abatement agreements from cities within the County were in effect:

City of Cologne:

| Name | Agreement Amount (P) | Paid during 2021 (P) | Outstanding at 12/31/21 (P) |
|----------------------------|-------------------------|-------------------------|--------------------------------|
| TIF 2-1 Modern Design, LLC | \$ 73,400 | \$ 10,195 | \$ 50,699 |

City of Carver:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|---|-------------------------|-----------------------------|------------------------------------|
| TIF 1-8 Mills Fleet Farm | \$ 991,287 | \$ 71,454 | \$ - |
| TIF 1-9 Magnuson Holdings I, II, III, LLC | 1,396,800 | - | 1,396,800 |
| TIF 1-10 Carver ALF Partners, LLC | 2,331,300 | 78,889 | 2,331,300 |
| | <u>\$ 4,719,387</u> | <u>\$ 150,343</u> | <u>\$ 3,728,100</u> |

City of Waconia:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|--------------------------------|-------------------------|-----------------------------|------------------------------------|
| TIF #2 Auburn Meadows, LLC | \$ 1,175,840 | \$ 143,769 | \$ 619,354 |
| TIF #3 Waconia Mill IV, LLC | 397,000 | 11,922 | 396,579 |
| TIF #4 Nordic Components, Inc. | 149,999 | 29,343 | 27,149 |
| | <u>\$ 1,722,839</u> | <u>\$ 185,034</u> | <u>\$ 1,043,082</u> |

City of Chaska:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|-----------------------------------|-------------------------|-----------------------------|------------------------------------|
| Chaska Place Apartments | \$ 922,221 | \$ 180,675 | \$ 1,008,508 |
| Clover Field Sinclair, LLP | 3,100,000 | 152,589 | 4,169,383 |
| City Square, LLC | 111,000 | 10,000 | 20,000 |
| Chaska Heights Senior Living, LLC | 2,874,667 | 192,121 | 2,784,599 |
| Creek's Run Phase II, LLC | 242,500 | 15,208 | 256,887 |
| | <u>\$ 7,250,388</u> | <u>\$ 550,593</u> | <u>\$ 8,239,377</u> |

City of Victoria:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|--|-------------------------|-----------------------------|------------------------------------|
| Victoria City Center LLC TIF 1-4 Downtown Redevelopment Project | \$ 400,000 | \$ 31,162 | \$ 399,279 |
| Victoria Flats TIF 1-6 | 2,000,000 | 114,451 | 2,000,000 |
| Bethesda Cornerstone Village TIF 1-7 | 1,280,000 | 20,574 | 1,280,000 |
| | <u>\$ 3,680,000</u> | <u>\$ 166,187</u> | <u>\$ 3,679,279</u> |

City of Norwood Young America:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|----------------------|-------------------------|-----------------------------|------------------------------------|
| Peace Villa TIF #1-5 | \$ 530,000 | \$ 65,122 | \$ 274,231 |

City of Watertown:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|-----------------------------------|-------------------------|-----------------------------|------------------------------------|
| TIF 2-6 Lakeview | \$ 125,000 | \$ 10,129 | \$ 114,600 |
| TIF 2-7 Watertown Industrial Park | 231,000 | 171 | 230,829 |
| | <u>\$ 356,000</u> | <u>\$ 10,300</u> | <u>\$ 345,429</u> |

City of Chanhassen:

| Name | Agreement Amount (P) | Paid during 2021 (P & I) | Outstanding at 12/31/21 (P & I) |
|--------------------------------|-------------------------|-----------------------------|------------------------------------|
| Frontier Redevelopment TIF #11 | \$ 1,300,000 | \$ 265,670 | \$ 922,346 |
| Lake Place Senior Apts TIF #12 | 3,065,000 | - | 3,065,000 |
| | <u>\$ 4,365,000</u> | <u>\$ 265,670</u> | <u>\$ 3,987,346</u> |

(P) = Principal

(P & I) = Principal and interest

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Ditch Special Revenue Fund

The Ditch Special Revenue Fund had four individual systems with a deficit fund balance as of December 31, 2021. The fund as a whole had a positive fund balance of \$89,599. The individual ditch system deficits will be eliminated with future special assessment levies against the benefited properties. The following is a summary of the individual ditch systems:

| | | |
|--|----|----------|
| 14 ditches with positive fund balances | \$ | 140,882 |
| 4 ditches with deficit fund balances | | (51,283) |
| Total Fund Balance | | 89,599 |

Note 3 - Detailed notes on all funds

A. Deposits and investments

1. Deposits

Minn. Stat. Ch. 118A authorizes the County to designate a depository for public funds. Minnesota statutes require that all County deposits be covered by insurance, surety bond, or collateral. The fair value of collateral pledged shall be at least ten percent more than the amount of the deposits. Deposits shall be collateralized as required by Minnesota statutes for any amount exceeding FDIC or other federal deposit coverage.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minn. Stat. 118A.03 subd. 7, requires that securities pledged as collateral be held in safekeeping at a federal reserve bank or the trust department of a financial institution other than that furnishing the collateral.

At December 31, 2021 the carrying amount of the County's deposits was \$5,348,449. Bank balances were \$6,506,322, of which \$375,928 was covered by Federal depository insurance coverage, and the remaining \$6,130,394 was collateralized with securities held by the pledging financial institution's agent in the County's name.

2. Investments

The funds of the County shall be deposited or invested in accordance with Minn. Stat. Ch. 118A, any other applicable laws, and County investment policy. Four objectives are taken into consideration in the County's investment policy. It is the policy of the County when investing public monies to follow these objectives in the order of importance as listed: legality, safety, liquidity, and yield.

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

1. Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage backed securities defined as "high risk" by Minnesota Statute Section 118A.04, subdivision 6;
2. Mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
3. General obligations of the State of Minnesota and its municipalities; and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
4. Banker's acceptances of United States banks;
5. Commercial paper issued by United States corporations or their Canadian subsidiaries that is of the highest quality category by two nationally recognized rating agencies and matures in 270 days or less;
6. With certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts; and
7. Time deposits that are fully insured by the Federal Deposit Insurance Corporation.

Reverse Repurchase Agreements. *Minnesota Statutes, Section 118A.07 permits the County to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase the securities in the future at the same price plus a contract rate of interest. The percentage of the County investment portfolio and its use of reverse repurchase agreements are governed by Statute. Reverse repurchase agreements can provide the County with funds during periods of low cash without requiring the sale of longer-dated securities. By using these instruments, typically for a term of less than twelve months, the County is able to avoid the sale of securities prior to maturity and the potential risk of related capital losses. During 2021, the County chose to not invest in reverse repurchase agreements.*

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Fair Value of Investment.

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

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

At December 31, 2021 the County had the following recurring fair value measurements.

| | Fair Value Measurements Using | | | |
|---|-------------------------------|---|---|---|
| | 12/31/2021 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Investments by fair value level | | | | |
| Debt Securities | | | | |
| U.S. Treasury Securities | \$ 21,747,440 | \$ - | \$ 21,747,440 | \$ - |
| U.S. Agencies | 46,950,233 | - | 46,950,233 | - |
| Municipal/Public Bonds | 36,122,793 | - | 36,122,793 | - |
| Negotiable Certificates of Deposit | 3,052,131 | - | 3,052,131 | - |
| Total Debt Securities | 107,872,597 | \$ - | \$ 107,872,597 | \$ - |
| Investments measured at amortized cost | | | | |
| MAGIC Portfolio | 161,664 | | | |
| Investments measured at the net asset value (NAV) | | | | |
| MAGIC Term | 4,000,000 | | | |
| State Board of Investments | 14,027,140 | | | |
| Total Investments measured at NAV | 18,027,140 | | | |
| Total Investments | \$ 126,061,401 | | | |

Note: Cash and Cash Equivalents are within the other investment footnotes that are not leveled per GASB 72 total to \$11,372 on December 31, 2021.

Debt and equity securities classified in 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 their 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 MAGIC term investment pool is valued at net asset value (NAV) as it does not meet the liquidity criteria to be valued at amortized cost. The County would face penalties if early redemptions were made from the term investment pool. There are no unfunded commitments related to this investment. The County reports its investment in the term investment pool at the NAV per share, the fair value established by the pool.

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

The County also holds \$14,027,140 with the State Board of Investment (SBI) in the Internal Equity Pool and Internal Fixed Pool, an external investment pool. The fair value of the investment is the fair value per share of the underlying portfolio. Pursuant to Minn. Stat. § 471.6175, the County may only redeem these funds for the use of postemployment benefits. The County invests in this pool due to the increased investment authority, historically high rate of return on investments, and the reduction of the postemployment benefit liability recorded in its financial statements. The SBI annual report can be found online at mn.gov/SBI/ under publications.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Interest rate risk. Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. To minimize the County's exposure to interest rate risk the County put a policy in place to manage it by: investing in both shorter-term and longer-term investments; evenly timing cash flows from maturities; and monitoring the expected mark-to-market adjustment if interest rates increase by 100-200 Basis Points.

The following table represents the potential interest rate risk related to the county's investments using the segmented time distribution method, assumptions are based on an average life calculation that takes into account interest rates at year-end and the statistical probability of a full or early call.

At December 31, 2021, the County had the following investment maturities:

| Investment Type | Value | Segmented Time Distribution (in Years) | | | |
|------------------------------------|-----------------------|--|----------------------|-------------------|-------------------|
| | | Less than 1 | 1 - 5 | 6 - 10 | More than 10 |
| U.S. Agency Securities (a): | | | | | |
| Federal Agricultural Mtg Corp | \$ 1,966,400 | \$ - | \$ 1,966,400 | \$ - | \$ - |
| Federal Farm Credit Bank | 14,426,995 | - | 14,426,995 | - | - |
| Federal Home Loan Bank | 18,813,307 | - | 18,813,307 | - | - |
| Federal Home Loan Mtg Corp | 6,902,428 | - | 6,902,428 | - | - |
| Federal National Mtg Assn. | 7,024 | 10 | 7,014 | - | - |
| Government National Mtg Assn. | 2,700 | - | 2,700 | - | - |
| Interest Development Fin Corp | 987,340 | - | 987,340 | - | - |
| Small Business Administration | 2,597,865 | - | 2,597,865 | - | - |
| Tennessee Valley Authority | 1,246,174 | - | 1,246,174 | - | - |
| U.S. Treasury Securities | 21,747,440 | - | 21,747,440 | - | - |
| Municipal Bonds | 36,122,793 | 6,845,841 | 28,412,321 | 624,226 | 240,405 |
| Negotiable CD's | 3,052,131 | 501,392 | 2,550,739 | - | - |
| Investment Pool | 4,161,664 | 4,161,664 | - | - | - |
| State Board of Investments (SBI) | 14,027,140 | 14,027,140 | - | - | - |
| Cash with Broker | 11,372 | 11,372 | - | - | - |
| Total | \$ 126,072,773 | \$ 25,547,419 | \$ 99,660,723 | \$ 624,226 | \$ 240,405 |

(a) This classification has some investments that are fixed income and have fixed expiration dates with no interim payments of interest. The majority of interest is paid every six months. Each individual fixed security has unique terms which may change the interest rate at set intervals (step-ups) , or may be called before expiration by the issuer. Mortgage-backed securities and CMO's are backed by mortgage packages which make monthly payments of principal and interest to the County. The monthly payments accelerate as the underlying mortgage instruments are paid in full, when the underlying properties are sold or the underlying mortgage is refinanced.

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

Concentration of credit risk. The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. The County shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Within these parameters, portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. In accordance with the County's investment policy, restrictions placed on the County's current investments are as follows:

| <u>Investment Securities</u> | <u>Maximum Portfolio Exposure</u> | <u>Exposure per Issuer</u> | <u>Additional Restrictions</u> |
|---|-----------------------------------|-------------------------------------|---|
| (1) Obligations issued or guaranteed by an Agency of the United States | 100% | Unlimited | None |
| (2) Agency mortgage backed securities including collateralized mortgage obligations | 75% | 10% in any one mortgage pool or CMO | No more than 50% in mortgage pools or sequential CMO's |
| (3) Repos and Reverse Repos | 20% | 10% | 90 days maturity or less |
| (4) General Obligation of any State of the US which is a general obligation of any state or local government with taxing powers | 50% | 5% | Rated "A" or better by at least one major rating agency |
| (5) Any security which is a revenue obligation of any state or local government with taxing powers | 50% | 5% | Rated "AA" or better by a national bond rating service |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Following is a summary of the credit risk, par values and fair values of securities at December 31, 2021:

| Carver County: | Credit Risk | Par | Value | % of total Portfolio |
|----------------------------------|-------------|-----------------------|-----------------------|-------------------------|
| U.S. Agency Securities (a)(b) | N/R-AAA | \$ 47,565,689 | \$ 46,950,233 | 37.24% |
| U.S. Treasury Securities | AAA | 21,909,766 | 21,747,440 | 17.25% |
| Municipal Bonds (b) | BB-AAA | 37,075,466 | 36,122,793 | 28.65% |
| Negotiable CD's | N/R | 3,132,482 | 3,052,131 | 2.42% |
| Investment Pool | N/R | 4,161,664 | 4,161,664 | 3.30% |
| State Board of Investments (SBI) | N/R | 14,027,140 | 14,027,140 | 11.13% |
| Cash with Broker | N/R | 11,372 | 11,372 | 0.01% |
| Total | | \$ 127,883,579 | \$ 126,072,773 | 100.00% |

(a) Investments in any one issuer that represent 5% or more of the County's investments are as follows: FFCB-\$14,426,995 and FHLB-\$18,813,307.

(b) Moody's Investor Service was used as the primary agency for the U.S. agency securities and municipal bond ratings, in the case that Moody's did not provide a rating, Standard & Poor's or Finch was used. At December 31, 2021, the County had three bonds rated below an A. The County determined to hold onto these bonds and continue to closely monitor them. Below is the fair value of U.S. agency securities and municipal bonds by credit rating:

| U.S. Agency Credit Rating | | Municipal Bond Credit Rating | | | |
|---------------------------|----------------------|------------------------------|--------------|-----|---------------------|
| AAA | \$ 40,068,096 | AAA | \$ 8,192,056 | AA- | \$ 4,085,370 |
| N/R | 6,882,137 | AA1 | 870,835 | A+ | 1,149,666 |
| | <u>\$ 46,950,233</u> | AA+ | 5,739,376 | A | 449,216 |
| | | AA2 | 1,525,569 | A- | 80,933 |
| | | AA | 12,220,813 | BB | 350,006 |
| | | AA3 | 1,458,953 | | <u>\$ 6,115,191</u> |

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's policy is in accordance with Minnesota Statutes. Refer to note 3.A.1. for details regarding this risk.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In accordance with the County's investment policy, all investment securities purchased by the County shall be held in third party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt to the County listing the specific instrument, rate of maturity and other pertinent information. Portfolio investments shall not exceed 50% of the County's investment portfolio with anyone institution, to avoid concentration of assets.

Carver County contracts with an authorized third party institution for safekeeping. All County investment securities were properly safe kept, at December 31, 2021 and were not exposed to custodial credit risk.

| | |
|--|-----------------------|
| Total Investments held by Investment Manager | \$ 112,045,633 |
| Checking Account | 5,165,356 |
| Other Postemployment Benefit (OPEB) Trust Accounts | 14,027,140 |
| Minnesota Foundation Endowment | 69,210 |
| Departmental and Undistributed Cash | 209,938 |
| Petty Cash and Change Funds | 7,805 |
| Total Cash, Deposits and Investments | \$ 131,525,082 |

On the Government Fund Balance Sheet, the Proprietary Fund Statement of Net Position and the Statement of Fiduciary Net Position, cash, deposits and investments are:

| | |
|---|-----------------------|
| Cash and Pooled Investments | \$ 117,210,989 |
| Petty Cash and Change Funds | 7,805 |
| Departmental and Undistributed Cash | 209,938 |
| Investments- OPEB Trust Fund | 14,027,140 |
| Minnesota Foundation Endowment | 69,210 |
| Total Cash, Deposits and Investments | \$ 131,525,082 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

B. Receivables

There is currently no allowance for uncollectible receivables. The collection rate for taxes on average exceeds 98% and it has been determined that the other receivables will be collected.

Receivables at December 31, 2021, are:

| | Total Receivable | Amounts Not Scheduled for Collection in the Subsequent Year |
|--|---------------------|--|
| Taxes | \$ 416,228 | \$ - |
| Special assessments | 585,764 | 583,788 |
| Accounts receivable | 493,505 | - |
| Note receivable | 401,310 | 1,811,586 |
| Accrued interest | 319,221 | - |
| Due from other governments | 24,335,126 | - |
| Total accounts receivable for Governmental funds | \$ 26,551,154 | \$ 2,395,374 |

Governmental funds report a deferred inflow of resources for revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer 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 revenue, property taxes collected for subsequent period, and unearned revenue reported in the governmental funds were as follows:

| | Unavailable Revenue | Property Taxes Collected For Subsequent Period | Unearned Revenue |
|---|------------------------|---|---------------------|
| Delinquent property taxes receivable | \$ 283,010 | \$ - | \$ - |
| Delinquent special assessments receivable | 988 | - | - |
| Special assessments not yet due | 584,776 | - | - |
| Interest receivable that does not provide current financial resources | 147,752 | - | - |
| Note receivable that does not provide current financial resources | 2,212,896 | - | - |
| Accounts receivable that do not provide current financial resources | 68,256 | - | - |
| Grant receivables that do not provide current financial resources | 15,971,381 | - | - |
| Grant drawdowns prior to meeting all eligibility requirements | - | - | 1,668,357 |
| Property taxes collected for subsequent period | - | 27,354 | - |
| Total unavailable and unearned revenue for governmental funds | \$ 19,269,059 | \$ 27,354 | \$ 1,668,357 |

C. Note Receivable

In 2021 the County entered into an agreement for a note receivable to be reimbursed for costs related to design, construction, maintenance, and operation of a section of the Trunk Highway Regional Trail between Minnewashta Parkway and Century Boulevard in Chanhassen (TH 5 Regional Trail). The activities related to TH 5 Regional Trail are conducted under the joint powers agreement between the County, Regents of the University of Minnesota, and City of Chanhassen. The term of the note is from 7/2/2019 to 6/30/2031, but due to an advanced payment by Regents of the University of Minnesota payments will conclude during 2030. The County shall receive annual payments in accordance with the below amortization schedule. Billing cycles for payments shall be from July 1st of each year to June 30th of the next year for Regents of the University of Minnesota while the City of Chanhassen will be a calendar year cycle. Total receivables related to the note are \$1,681,549 from the City of Chanhassen and \$1,281,549 from Regents of the University of Minnesota.

In 2021 the County also entered into a joint powers agreement with the City of Chanhassen for construction associated with a segment of Lyman Boulevard (CSAH 18). The term of this note is from 12/10/2019 through 12/31/2025. Payments on this note are combined in the amortization schedule with the TH 5 Regional Trail in the amount of \$2,191,108.05.

Final payments for each agreement are subject to change. Remaining payments related to the above notes are summarized below:

| | TH 5 Regional Trail City of Chanhassen | TH 5 Regional Trail Regents of the University of Minnesota | CSAH 18 City of Chanhassen | Total |
|---------------------------|---|--|----------------------------------|--------------|
| Year Ended December 31 | | | | |
| 2022 | \$ 96,310 | \$ 160,000 | \$ 145,000 | \$ 401,310 |
| 2023 | 96,310 | 160,000 | 145,000 | 401,310 |
| 2024 | 96,310 | 160,000 | 145,000 | 401,310 |
| 2025 | 96,310 | 160,000 | 111,108 | 367,418 |
| 2026 | - | 160,000 | - | 160,000 |
| 2027 - 2030 | - | 481,548 | - | 481,548 |
| | \$ 385,240 | \$ 1,281,548 | \$ 546,108 | \$ 2,212,896 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

D. Capital assets

Capital asset activity for the year ended December 31, 2021 was as follows:

Primary Government

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|-----------------------|----------------------|-----------------------|-----------------------|
| Governmental activities | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 29,993,626 | \$ 1,729,272 | \$ - | \$ 31,722,898 |
| Construction in progress | 141,660,626 | 25,269,426 | (7,514,656) | 159,415,396 |
| Total capital assets, not being depreciated | <u>171,654,252</u> | <u>26,998,698</u> | <u>(7,514,656)</u> | <u>191,138,294</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 67,703,410 | 230,055 | - | 67,933,465 |
| Improvements other than buildings | 2,210,374 | - | - | 2,210,374 |
| Machinery and equipment | 24,303,635 | 1,955,839 | (752,410) | 25,507,064 |
| Infrastructure | 204,435,542 | 7,500,214 | - | 211,935,756 |
| Total capital assets being depreciated | <u>298,652,961</u> | <u>9,686,108</u> | <u>(752,410)</u> | <u>307,586,659</u> |
| Less accumulated depreciated for: | | | | |
| Buildings | (32,995,188) | (1,633,417) | - | (34,628,605) |
| Improvements other than buildings | (2,112,480) | (15,978) | - | (2,128,458) |
| Machinery and equipment | (17,594,991) | (2,490,891) | 739,982 | (19,345,900) |
| Infrastructure | (90,632,365) | (5,769,447) | - | (96,401,812) |
| Total accumulated depreciation | <u>(143,335,024)</u> | <u>(9,909,733)</u> | <u>739,982</u> | <u>(152,504,775)</u> |
| Total capital assets, being depreciated, net | <u>155,317,937</u> | <u>(223,625)</u> | <u>(12,428)</u> | <u>155,081,884</u> |
| Governmental activities capital assets, net | <u>\$ 326,972,189</u> | <u>\$ 26,775,073</u> | <u>\$ (7,527,084)</u> | <u>\$ 346,220,178</u> |

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

| | |
|---|---------------------|
| Governmental activities: | |
| General government | \$ 2,488,798 |
| Public safety | 823,468 |
| Highways and streets, including depreciation of general infrastructure assets | 5,905,035 |
| Health & Human services | 167,111 |
| Culture and recreation | 463,002 |
| Conservation of natural resources | 62,319 |
| Total depreciation expense--governmental activities | <u>\$ 9,909,733</u> |

E. Interfund receivables, payables, and transfers

The composition of interfund balances as of December 31, 2021, is as follows:

Due to/from other funds:

| <u>Receivable</u> | <u>Amount</u> | <u>Payable</u> | <u>Amount</u> |
|-------------------|---------------|------------------------------|---------------|
| General Fund | \$ 260 | Health & Human Services Fund | \$ 260 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

In the fund financial statements interfund receivables and payables totaled \$260. Receivables in the General Fund were for costs associated with data processing supplies and services.

Interfund transfers:

| Transfer Out: | Transfer In: | | | |
|-----------------------------|-------------------------------------|--|---|-------------------|
| | General Fund (1)(2)(3)(5)(7)(12) | Road and Bridge Fund (2)(3)(10)(12) | Health and Human Services Fund (3)(5)(11)(12) | Debt Service (4) |
| General Fund | \$ - | \$ - | \$ 50,989 | \$ - |
| Road & Bridge Fund | 343,170 | - | 208,509 | - |
| Health & Human Services | 576,557 | - | - | - |
| Debt Service Fund | 637,643 | 8,489 | 636,233 | - |
| Buildings CIP Fund | 112,616 | - | 616,013 | - |
| Road & Bridge CIP Fund | 825,232 | 1,056,102 | 1,272,025 | 315,000 |
| Parks & Trails CIP Fund | 112,616 | - | 616,013 | - |
| Nonmajor Governmental Funds | 175,139 | - | - | - |
| Totals | \$ 2,782,973 | \$ 1,064,591 | \$ 3,399,782 | \$ 315,000 |

| Transfer Out: | Transfer In: | | |
|-----------------------------|------------------------------|--------------------------------------|---------------------|
| | Buildings CIP Fund (3)(8) | Parks & Trails CIP Fund (3)(6)(9) | Total |
| General Fund | \$ 6,698 | \$ - | \$ 57,687 |
| Road & Bridge Fund | - | - | 551,679 |
| Health and Human Services | - | - | 576,557 |
| Debt Service Fund | - | - | 1,282,365 |
| Buildings CIP Fund | - | - | 728,629 |
| Road & Bridge CIP Fund | 40,000 | 2,334,345 | 5,842,704 |
| Parks & Trails CIP Fund | - | - | 728,629 |
| Nonmajor Governmental Funds | - | 16,400 | 191,539 |
| Totals | \$ 46,698 | \$ 2,350,745 | \$ 9,959,789 |

Transfers were used for the following:

- (1) Transfer of funds for the Aquatic Invasive Species Program operated by the Planning & Water Management Department.
- (2) Transfer of funds to cover CCRRA's portion of the shared Highway Maintenance Worker FTE, shared administration costs, and Sheriff support. As well as PW non-levy staff time.
- (3) Transfer of State Turnback reimbursement. As part of the financing package for the SW Reconnection Project, the County financed the State's Turnback Contribution with the 2014 Bond Sale. The State will reimburse the County over 12 years, the reimbursed funds are to be spent on Board approved projects and purchases. This also includes the allocation of redirected County Program Aid funds to one-time projects. Both funding streams and projects were determined during the 2021 budget process.
- (4) Transfer of Wheelage tax for debt service payments.
- (5) Transfer of funds to meet 35% working capital needs, utilized Year-end Savings Account (YES).
- (6) Transfer of funds to support cash flow of TH5 project.
- (7) Transfer of salary budget for vacancy savings allocation and utilization of county-wide STOC pool.
- (8) Transfer of project funds from Facilities operating budget to cover elevator repairs.
- (9) Transfer of expense for work done with tree removal on river bluffs trail.
- (10) Transfer for attachment B staffing changes and equipment purchases.
- (11) Transfer of funds for hire of temporary social worker in child protection out of county-wide STOC pool.
- (12) Transfer to adjust budgets for negotiations and bargaining unit settlement contracts.

F. Liabilities

Construction commitments

The County has active construction projects as of December 31, 2021. These projects are primarily comprised of construction on roads and bridges. At year-end, the government's major commitments with contractors are as follows:

| Project | Spent-to-Date | Remaining Commitment |
|------------------------------|---------------|-------------------------|
| Road and Bridge Construction | \$ 65,095,690 | \$ 9,035,100 |

Road and bridge construction projects are being financed by County taxes, bonds, and intergovernmental revenue from Local, State, and Federal Governments.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Operating lease

The County is obligated under certain leases accounted for as operating leases. During fiscal year 2021, lease expenditures approximated \$224,864 for noncancelable leases with terms in excess of one year. These expenditures were for the radio tower rental, the use of multi-function copiers, printers, and scanners, as well as rental of office space for Library administration and Behavioral Health Services. The following is a schedule, by years, of the future minimum rental payments required under operating leases that have an initial or remaining noncancelable lease terms in excess of one year as of December 31, 2021.

| Year Ended December 31 | Amount |
|---------------------------|------------|
| 2022 | \$ 150,165 |
| 2023 | 146,178 |
| 2024 | 145,899 |
| 2025 | 114,395 |
| 2026 | 112,656 |
| 2027 | 93,880 |

Loans for Septic Program

The County has entered into a loan agreement for \$2,833,580 with the Minnesota Department of Agriculture to operate a loan fund for the purpose of funding the repair of failing septic systems. The loans will be paid from special assessments. The loan due to the Department of Agriculture will be paid back in semi-annual payments over 19 years beginning April 2009 with no interest. Loan payments for 2021 totaled \$178,937. The future minimum principal and interest payments are as follows:

| Year Ended December 31 | Amount |
|---------------------------|------------|
| 2022 | \$ 181,164 |
| 2023 | 148,331 |
| 2024 | 109,040 |
| 2025 | 86,038 |
| 2026 | 62,019 |
| 2027-2031 | 135,044 |
| 2032-2033 | 7,463 |
| Total | \$ 729,099 |

G. Long-term debt

General Obligation Bonds:

Bonds payable at December 31, 2021, are composed of the following issues:

| | |
|--|--------------|
| \$9,555,000 2014A G.O. Capital Improvement Bonds maturing annually on February 1 from 2015 to 2029, at a net interest rate of 2.2914 percent | \$ 5,320,000 |
| \$7,190,000 2016A G.O. Refunding Bonds maturing annually on February 1 from 2017 to 2024, at a net interest rate of 1.1427 percent | 2,985,000 |
| <i>Total Bonds Payable</i> | 8,305,000 |
| Premium on Bonds Issued | 504,578 |
| <i>Net Bonds Payable</i> | \$ 8,809,578 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are issued as 15 to 20-year serial bond with increasing amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Amount</u> |
|---------------------------------------|-----------------------|---------------|
| Governmental activities - improvement | 1.1427 - 2.2914% | \$ 8,305,000 |

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

| <u>Year Ending December 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------------------------------|------------------|-----------------|--------------|
| 2022 | \$ 1,855,000 | \$ 264,375 | \$ 2,119,375 |
| 2023 | 1,935,000 | 181,725 | 2,116,725 |
| 2024 | 1,040,000 | 121,875 | 1,161,875 |
| 2025 | 655,000 | 94,425 | 749,425 |
| 2026 | 675,000 | 74,475 | 749,475 |
| 2027-2030 | 2,145,000 | 97,725 | 2,242,725 |
| Total | \$ 8,305,000 | \$ 834,600 | \$ 9,139,600 |

General Obligation Notes Payable

In October 2014, an \$18,000,000 General Obligation Capital Improvement Note was issued through the Minnesota Public Facilities Authority (MPFA). Payment for the G.O. Capital Improvement Note shall be disbursed to the MPFA, in installments, as eligible costs of the Southwest Reconnection Project are reimbursed. The interest rate on the G.O. Capital Improvement Note is 1.00%. As of December 31, 2021 the County has submitted \$15,835,245 in project costs for reimbursement, and has repaid \$6,243,245 on the G.O. Capital Improvement Note. In November of 2017, the G.O. Capital Improvement Note with MPFA was closed out; no further drawdowns on this note will occur.

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Amount</u> |
|---------------------------------------|-----------------------|---------------|
| Governmental activities - improvement | 1.0000% | \$ 9,592,000 |

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

| <u>Year Ending December 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------------------------------|------------------|-----------------|---------------|
| 2022 | \$ 1,024,000 | \$ 95,920 | \$ 1,119,920 |
| 2023 | 1,034,000 | 85,680 | 1,119,680 |
| 2024 | 1,044,000 | 75,340 | 1,119,340 |
| 2025 | 1,055,000 | 64,900 | 1,119,900 |
| 2026 | 1,065,000 | 54,350 | 1,119,350 |
| 2027-2030 | 4,370,000 | 109,800 | 4,479,800 |
| Total | \$ 9,592,000 | \$ 485,990 | \$ 10,077,990 |

Changes in long-term liabilities

| <u>Government Activities</u> | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|--|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| General Obligation Bonds and Notes Payable | | | | | |
| General Obligation Bonds | \$ 10,650,000 | \$ - | \$ (2,345,000) | \$ 8,305,000 | \$ 1,855,000 |
| Notes Payable | 10,606,000 | - | (1,014,000) | 9,592,000 | 1,024,000 |
| Less Amounts: | | | | | |
| For Issuance Discounts | (3,202) | - | 3,202 | - | - |
| Plus Amounts: | | | | | |
| For Issuance Premiums | 706,409 | - | (201,831) | 504,578 | 201,831 |
| Total Bonds and Notes Payable | 21,959,207 | - | (3,557,629) | 18,401,578 | 3,080,831 |
| Loans Payable | 818,516 | 89,521 | (178,937) | 729,100 | 181,164 |
| Compensated Absences | 5,906,058 | 3,826,682 | (3,622,600) | 6,110,140 | 316,895 |
| Government Activity | | | | | |
| Long-term Liabilities | \$ 28,683,781 | \$ 3,916,203 | \$ (7,359,166) | \$ 25,240,818 | \$ 3,578,890 |

The internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for it are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences and other post employment benefit obligations are generally liquidated by the internal service fund, while pension liabilities are generally liquidated by the General Fund, Road and Bridge Fund, and Health and Human Services Fund. Bonded debt is paid from the Debt Service Fund.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

County General Obligation Pledged for CDA 2011 and 2016 Bond Sales

The CDA's \$4,710,000 Refunding Bond Sale in 2016, \$1,920,000 Refunding Bond Sale in 2020, \$2,890,000 Refunding Bond Sale in 2021, \$4,000,000 Refunding Bond Sale, and \$1,400,000 Refunding Bond Sale are backed by the County's General Obligation to repay the bonds in the event the CDA fails to make the debt service payments. The bond indenture includes several provisions designed to protect the interest of the County's taxpayers in the unlikely event that the CDA would not be able to pay the debt service from the housing project's revenues.

H. Fund Balance

Per County Policy: assigned fund balance may be used to supplement "pay as you go" capital outlay, one-time operating expenditures, tentative management plans, or prepay existing County debt. At year-end divisions can request uncompleted professional service obligations and/or capital appropriations and unexpended grants be rolled over to the subsequent year by submitting a listing to the County Administrator for approval.

Fund balances:

| Assigned to: | Health & Human | | | | |
|---|---------------------|---------------------|----------------------|---------------------|----------------------|
| | General | Road & Bridge | Services | Buildings CIP | Road & Bridge CIP |
| Petty Cash | \$ 6,955 | \$ 100 | \$ 750 | \$ - | \$ - |
| Software Projects | 967,213 | - | 168,908 | - | - |
| Capital Projects | 442,078 | - | - | 1,814,238 | 7,401,034 |
| Aquatic Invasive Species Program | 40,682 | - | - | - | - |
| Highway and Streets | - | 4,461,441 | - | - | - |
| Sheriff ARMER Purchase | 50,000 | - | - | - | - |
| Public Safety | 96,362 | - | - | - | - |
| Public Works Capital Equipment | - | 474,190 | - | - | - |
| Transportation Tax Projects | - | - | - | - | 15,880,402 |
| Sheriff Capital Equipment | 454,803 | - | - | - | - |
| Human Services | - | - | 13,216,949 | - | - |
| Public Health | - | - | 40,478 | - | - |
| CarverLink | 1,025,048 | - | - | - | - |
| Culture and Recreation | 8,641 | - | - | - | - |
| Conservation of Natural Resources | 87,685 | - | - | - | - |
| Juvenile Placement | 75,000 | - | - | - | - |
| PW Northwest Satellite Facility Site Improvements | - | - | - | 112,208 | - |
| Building Permits | 172,005 | - | - | - | - |
| ISTS Loan Program | 100,000 | - | - | - | - |
| Waconia Event Center | 7,175 | - | - | - | - |
| General Government | 666,623 | - | - | - | - |
| Year-End Savings Account | - | - | - | 753,078 | 1,506,159 |
| Total Assigned | \$ 4,200,270 | \$ 4,935,731 | \$ 13,427,085 | \$ 2,679,524 | \$ 24,787,595 |

| Assigned to: | Nonmajor | | |
|---|--------------------|-------------------|----------------------|
| | Parks & Trails CIP | Special Revenue | Total |
| Petty Cash | \$ - | \$ - | \$ 7,805 |
| Software Projects | - | - | 1,136,121 |
| Capital Projects | - | - | 9,657,350 |
| Aquatic Invasive Species Program | - | - | 40,682 |
| Highway and Streets | - | - | 4,461,441 |
| Sheriff ARMER Purchase | - | - | 50,000 |
| Public Safety | - | - | 96,362 |
| Public Works (PW) Capital Equipment | - | - | 474,190 |
| Transportation Tax Projects | - | - | 15,880,402 |
| Sheriff Capital Equipment | - | - | 454,803 |
| Human Services | - | - | 13,216,949 |
| Public Health | - | - | 40,478 |
| CarverLink | - | - | 1,025,048 |
| Culture and Recreation | - | 182,634 | 191,275 |
| Conservation of Natural Resources | - | - | 87,685 |
| Juvenile Placement | - | - | 75,000 |
| PW Northwest Satellite Facility Site Improvements | - | - | 112,208 |
| Building Permits | - | - | 172,005 |
| ISTS Loan Program | - | - | 100,000 |
| Waconia Event Center | - | - | 7,175 |
| General Government | - | - | 666,623 |
| Year-End Savings Account | 332,450 | - | 2,591,687 |
| Total Assigned | \$ 332,450 | \$ 182,634 | \$ 50,545,289 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Note 4 - Other information

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The County has entered into a joint powers agreement with other Minnesota counties to form the Minnesota Counties Intergovernmental Trust (MCIT) to protect against losses from workers' compensation and property and casualty. There were no significant reductions in coverage from the previous year.

The Workers' Compensation Division of MCIT is fully funded. Total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claim liabilities and other expenses. MCIT participates in the Workers' Compensation Reinsurance Association with coverage at \$500,000 per claim in 2020 and \$500,000 in 2021. Should the MCIT Workers' Compensation Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

The Property and Casualty Division of MCIT is fully funded and the County pays an annual premium/contribution to cover current and future losses. The MCIT carries reinsurance for its property and casualty exposures to protect against catastrophic losses. Should the MCIT Property and Casualty Division liabilities exceed assets; MCIT may assess the County.

The County pays MCIT contributions from the County's Self Insurance Internal Service Fund. The Self Insurance fund is reimbursed from other County funds for their share.

The County, through its Self Insurance Fund retains some risk of loss through the self funding of automobile damage losses to vehicles. Automobile liability has a zero deductible with bodily injury and property damage limits of \$500,000 per claimant; \$1,500,000 per occurrence. Auto physical damage coverage is self funded by the County. At the end of the year, there was no liability as claims are paid on a per claim basis. In addition, the County carries Workers' Compensation with a per claim deductible of \$50,000 and an Aggregate Deductible of \$350,000 per year. General Liability has a \$2,500 per Occurrence /Wrongful Act Deductible. The General liability limits are \$500,000 per claimant; \$1,500,000 per occurrence. The County's management is not aware of any incurred but not reported claims.

B. Contingent Liabilities

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. Grants

The County receives significant financial assistance from numerous Federal, State and local governmental agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The financial assistance received may be subject to an audit pursuant to Uniform Guidance or audits by the grantor agency.

D. Agricultural Best Management Loan Program

The County has entered into a loan agreement for \$2,833,580 with the Minnesota Department of Agriculture to operate a loan fund for the purpose of funding the repair of failing septic systems. The loans will be paid from special assessments. The loan due to the Department of Agriculture will be paid back in semi-annual payments over 19 years beginning April 2009 with no interest. The following information summarizes the activity of loans made to participants in the program.

| | Prior Years | During 2021 | Program To Date |
|---------------------------------|-------------|-------------|-----------------|
| Number of loans made | 319 | 5 | 324 |
| Number of loans repaid | 256 | 10 | 266 |
| Loan amounts past due | \$ 4,215 | \$ (4,215) | \$ - |
| Loans outstanding - January 1 | N/A | 603,777 | N/A |
| Loans made | 3,693,402 | 89,521 | 3,782,923 |
| Payments received | (3,089,625) | (139,946) | (3,229,571) |
| Loans outstanding - December 31 | \$ 603,777 | \$ 553,352 | \$ 553,352 |

On the County's Financial Statements Loans Outstanding are:

| | |
|--|------------|
| Special Assessments Receivable Delinquent | \$ - |
| Special Assessments Receivable Unavailable | 553,352 |
| Total Loans outstanding - December 31 | \$ 553,352 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

E. Jointly-Governed Organizations

Minnesota Counties Computer Cooperative (MCCC)

Under Minnesota Joint Powers Law, Minn. Stat. § 471.59, Minnesota counties have created MCCC to jointly provide for the establishment, operation, and maintenance of data processing systems, facilities, and management information systems. During the year, Carver County expended \$376,380 to the MCCC.

Tri-City Tactical Team

The purpose of this agreement is to establish an organization to coordinate efforts to develop and provide response to critical incidents or high risk situations where there is a risk of criminal violence occurring within the jurisdictions of the members. The team is made up of the City of Prior Lake, the City of Savage, the City of Shakopee, Scott County, and Carver County.

F. Joint Ventures

Mental Health Crisis Program with McLeod County

Pursuant to Minn. Stat. 471.59, Carver County entered into a joint powers agreement with McLeod County. The purpose of this agreement is to receive funding, administer mental health crisis and other related services to eligible clients in McLeod and Carver counties. The County's duties include providing mental health crisis services pursuant to the joint powers agreement, act as the fiscal agent of the parties, and assume the responsibility for billing the client's insurance for services received. The County has no other financial obligations.

Minnesota Anti-Heroin Task Force Program

Pursuant to Minn. Stat. 471.59, Carver County along with the Bureau of Criminal Apprehension (BCA) formed a joint powers agreement for 5 years pertaining to heroin and opioids. The purpose of this agreement is to reimburse, or provide overtime, to the County when investigations of illicit activities related to the distribution of heroin, or unlawful distribution of prescription opioids or any opioid-related overdose death occurs.

Carver County Integrated Services Council

The Carver County Collaborative was established February 1, 1997 pursuant to Minn. Stat. § 471.59 and 124D.23. The Collaborative includes the CAP Agency, Carver County Health and Human Services, Carver County Community Health Services, Carver County Court Services, Carver County Sheriff's Office, Central School District, Eastern Carver County School District, Waconia School District, and the Watertown-Mayer School District.

The purpose of the Collaborative is to plan and coordinate services to children and their families and encourage early identification and intervention for children and families expressing mental health, social service and health needs.

The Collaborative is composed of one administrative representative designated by the directors of each member organization.

Financing is provided by state and federal grants. Carver County, in an agent capacity, records the cash transactions of the Collaborative in its financial statements as an agency fund.

Metropolitan Emergency Services Board

Pursuant to Minn. Stat. § 471.59, Carver County entered into a joint powers agreement with the Counties of Anoka, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and the City of Minneapolis. The purposes of the agreement are: (a) the implementation and administration of a regional 911 system, and (b) encouraging the development of new resources and the coordination of emergency medical services. Carver County paid annual dues of \$41,157 in 2021. Except for annual dues the County has no other financial obligations. Current financial statements are available at the 911 Board Office, 2099 University Avenue, Saint Paul, Minnesota 55104-3431.

Southwest Metro Drug Task Force

The Southwest Metro Drug Task Force was established in 2000 under the authority of the Joint Powers Act, pursuant to Minn. Stat. § 471.59, and includes Carver, McLeod and Scott Counties, and the Cities of South Lake Minnetonka, Chaska, Chanhassen, Shakopee, Mound, Hutchinson, West Hennepin, and Minnetrista. The Drug Task Force's objectives are to detect, investigate, and apprehend controlled substance offenders in the three-county area.

Control of the Southwest Metro Drug Task Force is vested in the Southwest Metro Drug Task Force Executive Committee. The Executive Committee consists of one designated official from each of the three counties and eight cities. In the event of dissolution of the Drug Task Force, the remaining net position will be distributed among the agencies based on their level of participation. However, if only one agency terminates the agreement and the Drug Task Force continues, all equipment will remain with the Drug Task Force.

Financing is provided by grants, forfeiture money, and appropriations from members. Complete financial information can be obtained from the Southwest Metro Drug Force Commander, 600 East 4th Street, Chaska, Minnesota 55318.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Metropolitan Library Service Agency (MELSA)

Carver 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 member from each member entity. Financing is provided by gifts, grants, and other property of assistance from the federal government, the State of Minnesota, and other government and private sources. The MELSA agency handles the accounting function of the Board. Current financial statements are available from the MELSA office, 1619 Dayton Avenue, Suite 314, Saint Paul, Minnesota 55104-1849

SmartLink Transit

Pursuant to Minn. Stat. §471.59, Carver County entered into a joint powers agreement with Scott County. The objective of the agreement is to work together to provide transportation services to residents in Carver and Scott County by partnering to use existing resources and develop expanded transit services in order to increase the scope, availability, and quality of the two-county region's transit system.

Both entities are governed by their respective Boards. The Management Team, consisting of equal partners from both counties, is responsible for major operational and budgetary decisions, long-range planning and capital equipment purchases. Scott County is the fiscal agent, receiving funds on behalf of both counties for administration of the programs and services. Separate financial statements are not available.

Property Assessed Clean Energy (MinnPACE) Loan Program

The County has entered into an agreement with the Saint Paul Port Authority (Port Authority) to facilitate the implementation and administration of the MinnPACE loan program. Through this program, qualifying commercial building owners within the County can receive loans from the Port Authority for the purpose of financing energy efficiency and conservation building improvement projects. While the County is not liable for the repayment of the loans in any manner, it does have certain responsibilities under the agreement. By participating, the County has agreed to: (1) levy assessments against the related properties in accordance with the loan agreements between the Port Authority and property owners, (2) collect scheduled assessment payments, and (3) transfer all collections to the Port Authority. The County has met those responsibilities for the year under audit.

G. Pension Plans

Defined Benefit Pension Plans

Plan Description

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

All full-time and certain part-time employees of the county are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

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

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

Benefits Provided

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

General Employees Plan Benefits

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

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

Police and Fire Plan Benefits

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

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

Correctional Plan Benefits

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

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

Contributions

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

General employees fund contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2021 and the county was required to contribute 7.50% for Coordinated Plan members. The County's contributions to the General Employees Fund for the year ended December 31, 2021, were \$3,382,387. The county's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2021 and the county was required to contribute 17.70% for Police and Fire Plan members. The County's contributions to the Police and Fire Fund for the year ended December 31, 2021, were \$1,169,226. The county's contributions were equal to the required contributions as set by state statute.

Correctional Fund Contributions

Correctional Plan members were required to contribute 5.83% of their annual covered salary in fiscal year 2021 and the county was required to contribute 8.75% for Correctional Plan members. The County's contributions to the Correctional Fund for the year ended December 31, 2021, were \$280,705. The county's contributions were equal to the required contributions as set by state statute.

Pension Costs

General Employees Fund Pension Costs

At December 31, 2021, the County reported a liability of \$25,878,915 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 \$790,281.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportionate share of the net pension liability was based on the county's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The county's proportionate share was 0.6060% at the end of the measurement period and 0.5855% for the beginning of the period.

| | | |
|--|----|---------------|
| County's proportionate share of the net pension liability | \$ | 25,878,915 |
| State of Minnesota's proportionate share of the net pension liability associated with the County | | 790,281 |
| Total | | \$ 26,669,196 |

For the year ended December 31, 2021, the County recognized pension expense of \$1,012,672 for its proportionate share of the General Employees Plan's pension expense. In addition, the county recognized an additional \$96,960 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.

At December 31, 2021, the county reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience | \$ 158,993 | \$ 791,968 |
| Changes in actuarial assumptions | 15,801,129 | 572,458 |
| Net collective difference between projected and actual investment earnings | - | 22,412,235 |
| Changes in proportion | 1,645,448 | 90,229 |
| Contributions paid to PERA subsequent to the measurement date | 1,736,291 | - |
| Total | \$ 19,341,861 | \$ 23,866,890 |

The \$1,736,291 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended December 31 | Pension Expense Amount |
|---------------------------|---------------------------|
| 2022 | \$ (536,709) |
| 2023 | 278,249 |
| 2024 | 110,128 |
| 2025 | (6,112,987) |

Police and Fire Fund Pension Costs

At December 31, 2021, the County reported a liability of \$4,216,085 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportionate share of the net pension liability was based on the county's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The county's proportionate share was 0.5462% at the end of the measurement period and 0.5794% for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended June 30, 2021, the County recognized pension revenue of \$(561,174) for its proportionate share of the Police and Fire Plan's pension expense. The County recognized \$34,521 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The County recognized \$49,158 for the year ended December 31, 2021 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.

| | | |
|--|----|-----------|
| County's proportionate share of the net pension liability | \$ | 4,216,085 |
| State of Minnesota's proportionate share of the net pension liability associated with the County | | 189,558 |
| Total | | 4,405,643 |

At December 31, 2021, the County reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | | Deferred Inflows of Resources |
|--|--------------------------------------|----|-------------------------------------|
| Differences between expected and actual economic experience | \$ 809,748 | \$ | - |
| Changes in actuarial assumptions | 6,196,543 | | 2,316,479 |
| Net collective difference between projected and actual investment earnings | - | | 8,055,871 |
| Changes in proportion | 129,963 | | 1,180,768 |
| Contributions paid to PERA subsequent to the measurement date | 555,320 | | - |
| Total | \$ 7,691,574 | \$ | 11,553,118 |

The \$555,320 reported as deferred outflows of resources related to pensions resulting from the county's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended December 31 | | Pension Expense Amount |
|---------------------------|----|---------------------------|
| 2022 | \$ | (3,073,269) |
| 2023 | | (783,297) |
| 2024 | | (740,750) |
| 2025 | | (1,084,083) |
| 2026 | | 1,264,535 |

Correctional Plan Pension Costs

At December 31, 2021, the County reported an asset of \$230,749 for its proportionate share of the Correctional Plan's net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The County's proportionate share of the net pension asset was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The county's proportionate share was 1.405% at the end of the measurement period and 1.432% for the beginning of the period.

For the year ended December 31, 2021 the county recognized pension revenue of \$(637,965) for its proportionate share of the Correctional Plan's pension expense.

At December 31, 2021, the county reported its proportionate share of the Correctional Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | | Deferred Inflows of Resources |
|--|--------------------------------------|----|-------------------------------------|
| Differences between expected and actual economic experience | \$ - | \$ | 131,604 |
| Changes in actuarial assumptions | 1,444,420 | | 21,632 |
| Net collective difference between projected and actual investment earnings | - | | 1,852,547 |
| Changes in proportion | - | | 69,341 |
| Contributions paid to PERA subsequent to the measurement date | 145,052 | | - |
| Total | \$ 1,589,472 | \$ | 2,075,124 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

The \$145,052 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended December 31 | Pension Expense Amount |
|---------------------------|---------------------------|
| 2022 | \$ (121,139) |
| 2023 | (33,360) |
| 2024 | 27,337 |
| 2025 | (503,542) |

Total Pension Revenue

The total pension revenue for all plans recognized by the County for the year ended December 31, 2021 was \$(40,349).

Actuarial Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

| | GERF | PEPFP | PECF |
|------------------------------|---------------|---------------|---------------|
| Inflation | 2.25% per yr. | 2.50% per yr. | 2.50% per yr. |
| Active member payroll growth | 1.25% per yr. | 2.00% per yr. | 1.00% per yr. |
| Investment rate of return | 6.50% | 6.50% | 6.50% |

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 29 years of service and 6.0% per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75% after one year of service to 3.0% after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11.0% at age 20 to 3.0% at age 60.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan and the Correctional Plans 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 most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire and the Correctional Plan were completed in 2020 were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 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.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

Correctional Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 10, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 10, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed as recommended in the July 10, 2020 experience study. The new rates predict more terminations, both in the three-year select period (based on service) and the ultimate rates (based on age).
- Assumed rates of disability lowered.
- Assumed percent married for active members was lowered from 85% to 75%.
- Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

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

| Asset Class | Target Allocation | Real Rate of Return |
|----------------------|-------------------|---------------------|
| Domestic Equity | 33.5% | 5.10% |
| International Equity | 16.5% | 5.30% |
| Fixed Income | 25.0% | 0.75% |
| Private Markets | 25.0% | 5.90% |
| Total | <u>100%</u> | |

Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the General Employees Fund, the Police and Fire Fund, and the Correctional Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

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

| Description | 1% Decrease 5.50% | Current Discount Rate 6.50% | 1% Increase 7.50% |
|---|----------------------|--------------------------------|----------------------|
| County's proportionate share of the GERS net pension liability | \$ 52,779,776 | \$ 25,878,915 | \$ 3,805,116 |
| County's proportionate share of the PEPFP net pension liability | 13,385,357 | 4,216,085 | (3,300,446) |
| County's proportionate share of the PECF net pension liability | 2,401,459 | (230,749) | (2,319,683) |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Defined Contribution Plan

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

Total contributions made by the County during fiscal year 2021 were:

| Contribution Amount | | Contribution Amount | | Required Rate |
|---------------------|-----------|---------------------|----------|------------------|
| Employee | Employer | Employee | Employer | |
| \$ 18,248 | \$ 18,248 | 5% | 5% | 5% |

H. Other Post-employment Benefits (OPEB)

Plan description

The County provides post-employment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel policy manual and union contracts within the guidelines of Minnesota Statute. Minnesota Statute requires eligibility to be available for pension-eligible retirees (i.e. retirement after age 55 with 3 years of service). The plan is accounted for as an irrevocable trust fund. The plan does not issue a separate report.

In 2018, Carver County established an OPEB irrevocable trust, pursuant to MN Statutes, Sec. 471.6175, to prefund a portion of the OPEB liability. The Public Employees Retirement Association (PERA) serves as the trust administrator for the irrevocable trust account.

Within the OPEB irrevocable trust, the investments were transferred to the Other Postemployment Benefits Trust Fund and reported in the Statement of Fiduciary Net Position. This financial statement is prepared using the accrual basis of accounting.

Summary of Plan Provisions

Following is a summary of the major plan provisions used to determine the plan's financial position:

| | |
|---------------------------------|---|
| Plan Sponsor | Carver County |
| Contract Group | AFSCME (All), Non-Bargaining, Elected Officials, Supervisors and Managers Association of Carver County (SMACC), and Teamsters Court Services |
| Effective Date | January 1, 2007 through December 31, 2021 |
| Coverage after age 65 | No Implicit Rate subsidy is included for Medical after Medicare eligibility |
| Employees included | Actives, Retirees, and Beneficiaries |
| Service Considered | From Date of Hire |
| Access to Group Insurance | |
| Eligibility: | Implicit Rate Medical subsidy to Medicare eligibility is available to pension-eligible retirees (Age 55 or older with at least 5 years of service (3 years if hired prior to July 1, 2010)). Implicit Rate Dental subsidy is available to pension-eligible retirees. No Implicit Rate Life subsidy. |
| Medical Monthly Blended Premium | Pre-65 blended premium is \$764 for single and \$1,970 for EE+Spouse/Valued to Medicare eligibility |
| Dental Monthly Blended Premium | Blended premium is \$35 for single and \$77 for EE+Spouse/ Valued for lifetime |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Subsidized Benefits

| | |
|---------------------------------|--|
| Medical Benefit | |
| Eligibility: | Hired before June 1, 2010: Retirement at or after age 60 with at least 20 consecutive years of full-time service. The County contributes a set amount (by Board review annually) until Medicare eligibility. Benefits may be deferred until age 60 if employee has 20 years of service at retirement. 2021 County contribution is up to \$755 per month toward the single medical premium. |
| Retiree Benefit: | |
| Spouse Benefit: | Hired before June 1, 2010: County contributes a set amount (by Board review annually) until Medicare eligibility if dependent coverage is in force at the time of retirement. Benefits may be deferred until age 60 if employee has 20 years of service at retirement. 2021 County contribution is up to an additional \$538 monthly for the spouse medical premium for a total of \$1,293 toward the employee + spouse medical premium. |
| Dental Benefit | None |
| Life Insurance | None |
| Plan Sponsor | Carver County |
| Contract Group | Teamsters, LELS, MNPEA, and Sergeants |
| Effective Date | January 1, 2007 through December 31, 2021 |
| Coverage after age 65 | No Implicit Rate subsidy is included for Medical after Medicare eligibility |
| Employees included | Actives, Retirees, and Beneficiaries |
| Service Considered | From Date of Hire |
| Access to Group Insurance | |
| Eligibility: | Implicit Rate Medical subsidy to Medicare eligibility is available to pension-eligible retirees (Age 50-55 or older with at least 5 years of service (3 years if hired prior to July 1, 2010)). Implicit Rate Dental subsidy is available to pension-eligible retirees. No Implicit Rate Life subsidy. |
| Medical Monthly Blended Premium | Pre-65 blended premium is \$622 for single and \$1,772 for EE+Spouse |
| Dental Monthly Blended Premium | Blended premium is \$38 for single and \$80 for EE+Spouse |

Subsidized Benefits

| | |
|-----------------|------|
| Medical Benefit | None |
| Dental Benefit | None |
| Life Insurance | None |

Participants

At January 1, 2021, membership consisted of:

| | |
|--|------------|
| Active Participants | 721 |
| Retired Participants Receiving Benefits (Including LTD participants) | 45 |
| Spouses of Retired Participants' Receiving Benefits | 8 |
| Total | <u>774</u> |
| Participating Employers | <u>1</u> |

Funding Policy and Contributions

The fair value of investments is determined by the Minnesota State Board of Investment (SBI).

Contributions to the plan are recognized when due and the County has made a commitment to provide the contributions. The County negotiates the contribution percentage between the County and employees through the union contracts and personnel policy. See the above summary of plan provisions for the County's contribution for retirees. For the fiscal year ending December 31, 2021, the County contributed \$475,840 and the retirees contributed an estimated \$106,643 toward the cost of their healthcare coverage.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Net OPEB Asset

The County's last actuarial valuation was performed for the plan on January 1, 2021. The County's \$5,548,358 net OPEB Asset was measured as of December 31, 2021.

The components of the net OPEB liability of Carver County at December 31, 2021 were as follows:

| | |
|---|-----------------------|
| Total OPEB Liability | \$ 8,478,782 |
| Plan fiduciary net position | <u>14,027,140</u> |
| Net OPEB Liability (asset) | <u>\$ (5,548,358)</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 165.4% |
| Covered payroll | \$ 54,805,103 |
| Net OPEB liability (asset) as a percentage of covered- employee payroll | -10.1% |

Actuarial Methods and Assumptions

The County's total OPEB liability of \$8,478,782 as of December 31, 2021, was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|------------------------------|--|
| Inflation, 1/1/19 valuation | 2.00% |
| Salary Increases | Graded table that varies by service and contract group (note: Salary rolled forward to the valuation date at 3.00% for all employees except Non-Bargaining and Teamsters Licensed Management.) |
| Investment rate of return | 5.90% (net of investment expenses) |
| Healthcare cost trend rates: | |
| Medical | 6.50% in 2021 grading to 5.00% over 6 years (note: The County's cap on subsidized payments are expected to increase at half of the above trend rate.) |
| Dental | 4.00% |

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members up to that date. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale.

The actuarial assumptions used in the January 1, 2021 valuation and December 31, 2021 measurement date were based on the Public Employees Retirement Association of Minnesota actuarial experience studies. The most recent four-year experience study for the General Employees Plan was completed in 2019. The most recent four-year experience study used for the Police and Fire Plan valuation was completed in 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic 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 | 70.00% | 6.80% |
| Fixed Income | 30.00% | 3.00% |
| Private equity | 0.00% | 0.00% |
| Real estate | 0.00% | 0.00% |
| Cash | 0.00% | 0.00% |
| Total Portfolio | 100.00% | 6.00% |

Investments

The OPEB investments are held in an irrevocable trust and invested by SBI in an OPEB Internal Equity Pool and Internal Fixed Income Pool. The County's investment policy delegates investment policy decisions to the Investment Manager, including asset allocation. The policy can only be amended by the County Board.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 20.5 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.90 percent, this was a change from the January 1, 2021 valuation report of 5.70 percent. The projection of cash flows used to determine the discount rate assumed that the County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Asset

| | Increase (Decrease) | | |
|---|--------------------------|---------------------------------|------------------------------------|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability (Asset) (a)-(b) |
| Balance at 12/31/20 | \$ 9,210,057 | \$ 11,641,016 | \$ (2,430,959) |
| Changes for the year: | | | |
| Service cost | 318,362 | - | 318,362 |
| Interest | 557,638 | - | 557,638 |
| Assumption Changes | (443,550) | - | (443,550) |
| Employer Contributions | - | 475,840 | (475,840) |
| Projected Investment Return | - | 686,820 | (686,820) |
| Difference between expected and actual experience | (687,885) | 1,700,488 | (2,388,373) |
| Benefit payments | (475,840) | (475,840) | - |
| Administrative expense | - | (1,184) | 1,184 |
| Net Change | (731,275) | 2,386,124 | (3,117,399) |
| Balance at 12/31/21 | \$ 8,478,782 | \$ 14,027,140 | \$ (5,548,358) |

Sensitivity of the Net OPEB asset to changes in the Discount Rates

The following presents the net OPEB asset of Carver County as well as what the County's net OPEB asset would be if it were calculated using a discount rate that is 1.0 percentage point lower or 1.0 percentage point higher than the current discount rates.

| | Current Discount Rate | | |
|----------------------------|-----------------------|----------------|----------------|
| | 1% Increase | Rate | 1% Decrease |
| Net OPEB Liability (Asset) | \$ (4,898,157) | \$ (5,548,358) | \$ (6,138,002) |
| Discount Rate | 4.90% | 5.90% | 6.90% |

Sensitivity of the Net OPEB asset to changes in the Healthcare Cost Trend Rates

The following presents the net OPEB asset of Carver County as well as what the County's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1.0 percentage point lower or 1.0 percentage point higher than the current healthcare cost trend rates.

| | Current Trend Rate | | |
|----------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | 1% Increase | Rate | 1% Decrease |
| Net OPEB Liability (Asset) | \$ (6,210,377) | \$ (5,548,358) | \$ (4,788,986) |
| Medical Trend Rate | 5.50% decreasing to 4.00% then 3.00% | 6.50% decreasing to 5.00% then 4.00% | 7.50% decreasing to 6.00% then 5.00% |
| Dental Trend Rate | 3.00% | 4.00% | 5.00% |

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available on page 30 of this financial report.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021 the County recognized OPEB revenue of \$762,637. At December 31, 2021, the County reported deferred inflows and outflows of resources related to OPEB from the following sources:

| <u>Source</u> | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 247,031 | \$ 611,453 |
| Changes in actuarial assumptions | - | 521,659 |
| Net difference between projected and actual earnings on investments | - | 2,584,243 |
| Total | <u>\$ 247,031</u> | <u>\$ 3,717,355</u> |

Amounts reported as deferred outflows of resources and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2022 | \$ (953,001) |
| 2023 | (952,997) |
| 2024 | (648,361) |
| 2025 | (443,500) |
| 2026 | (103,404) |
| Thereafter | (369,061) |

I. Donor-restricted Endowment

The County has a donor restricted endowment that exists in the General Fund. The Minnesota Community Foundation endowment allows the County to spend the prior year investment earnings less administrative expenses on certain Library expenses. For 2021, the County had net investment gain of \$9,267. The County reported the related net position as restricted in the Statement of Net Position. The Library Director is authorized to spend the amount available for spending through the County's regular claim approval process.

J. Subsequent Events

On July 7th, 2022, the County will issue \$2,530,000 in General Obligation Capital Improvement Bonds to provide necessary funds to replenish cash reserves related to the purchase of the Steiner Kelting Wellness Facility in 2017. The bonds bear interest at 3.92 percent. The bonds will be redeemed over the next 24 years with revenues from an operating lease entered into with People Incorporated to use the facility for their day to day operations.

Carver County Community Development Agency Component Unit Notes

Note 5 - Summary of Significant Accounting Policies

A. Reporting Entity

The Carver County Community Development Agency (the CDA) Chaska, Minnesota was established April 3, 1980. The CDA is governed by a five-member Board of Commissioners (the Board) appointed by the Carver County (the County) Board of Commissioners from the five districts in the County. The CDA provides affordable housing for the citizens within the County. The CDA has considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the CDA are such that exclusion would cause the CDA's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The CDA has no component units. However, the CDA is reported as a component unit in the County's financial statements.

B. Discretely Presented Component Unit

The CDA is the general partner in CCCDA Trail's Edge South LP which is used to acquire, finance, own, construct, rehabilitate, maintain, improve, operate, lease and, if appropriate or desirable, sell or otherwise dispose of the Apartment Complex. It is financed, in part, with low-income housing tax credits. Contributions and distributions, if any, are recorded as direct adjustments to the investment in partnerships on the statement of net position. Any income or loss from the operation of the limited partnership is also recorded as a direct adjustment to the investment in partnerships based on the CDA's ownership percentage, which is .1%. As general partner and managing agent, the CDA possesses essentially all authority over the day-to-day operations.

The discretely presented component unit has a December 31st year-end. The discretely presented component unit financial statements included in the financial statements are for the fiscal year ended December 31, 2021.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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

The CDA is considered a single enterprise fund for financial reporting purposes. The activities of the CDA are recorded under various programs established for the administration of the CDA's programs. For the most part, the effect of inter-program activity has been removed from the statements of net position and the statement of activities. The CDA's basic financial statements have been prepared on the basis of the governmental proprietary fund concept which pertains to financial activities that operate in a manner similar to private business enterprises and are financed through tenant rentals and federal housing assistance programs. The CDA's basic financial statements are presented on the accrual basis of accounting. The CDA applies all applicable Government Accounting Standards Board (GASB) pronouncements.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the CDA receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the CDA must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the CDA on a reimbursement basis.

Proprietary funds distinguish operating revenues and expenses from nonoperating revenue and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of proprietary funds are tenant rent and City contributions. Operating expenses for proprietary funds include the cost of housing assistance payments, utilities, sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Deferred Outflows of Resources, Liabilities, and Net Position

1. Deposits and Investments

The CDA's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statements of Cash Flows.

The CDA may invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of the State or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligations of school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed investment contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Broker money market funds operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the shares.

The CDA 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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The CDA has the following recurring fair value measurements as of year end:

- US Treasury securities are valued using quoted market prices (Level 1 inputs)
- Broker Certificates of Deposit are valued using a matrix pricing model (Level 2 inputs)

2. Property Taxes

The CDA Board annually adopts a levy and certifies it to the County for collection. The County is responsible for collecting all property taxes for the CDA. Real property taxes are paid by taxpayers of the County in two equal installments on May 15 and October 15. The County provides tax settlements to the CDA three times per year, in January, July and December.

Delinquent taxes receivable include the past six years' uncollected taxes.

3. Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. All trade receivables are shown net of an allowance for uncollectible. Because the CDA has written off all accounts that are considered to be uncollectible, there is no allowance for uncollectible accounts at December 31, 2021

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

5. Capital Assets

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the CDA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the CDA are depreciated using the straight line method over the following estimated useful lives:

| Assets | Years |
|------------------------------------|----------|
| Buildings | 30 to 40 |
| Furniture, equipment and machinery | 3 to 15 |
| Leasehold improvements | 15 |

6. Investment in Joint Venture

The initial equity interest in discretely presented component units is reported at cost. Contributions and distributions, if any, and the CDA's share of any income or loss from operations are recorded as direct adjustments to investment in joint venture on the statement of net position.

7. Unearned Revenue

The CDA reports unearned revenue on its statement of net position. Unearned revenue arises when resources are received by the CDA before it has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expense. In subsequent periods, when revenue recognition criteria is met, or when the CDA has a legal claim to the resources, the liability for unearned revenue is removed from the statement of net position and revenue is recognized.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

8. Compensated Absences

The CDA reports all earned but unpaid compensated absences as a current liability on the statement of net position. The CDA records an expense to reflect the change in compensated absences earned and used during the year.

9. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, are amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense of the period incurred.

10. Deferred outflows of resources

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

The CDA only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

11. Net Position

Net position represents the difference between assets and deferred outflows and liabilities. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that does not meet the definition of "restricted" or "net investment in capital assets"

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

Note 6 - Detailed Notes CDA

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the CDA's deposits may not be returned or the CDA will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board, the CDA maintains deposits at those depository banks which are members of the Federal Reserve System.

Minnesota statutes require that all CDA deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

At December 31, 2021, the CDA's carrying amount of deposits was \$10,178,575 and the bank balance was \$10,241,388 all of which was covered by federal depository insurance and by collateral held by the CDA's agent in the CDA's name.

Investments

As of December 31, 2021, the CDA had the following investments:

| Types of Investments | Credit Quality/ Rating (1) | Segmented Time Distribution (2) | Amount | Fair Value Measurement Using | | |
|---------------------------------------|-------------------------------|------------------------------------|--------------|------------------------------|--------------|---------|
| | | | | Level 1 | Level 2 | Level 3 |
| Non-pooled investments at fair value | | | | | | |
| U.S. Treasuries | AAA | Less than 1 year | \$ 5,612,017 | \$ 5,612,017 | \$ - | \$ - |
| Certificate of Deposit | N/A | Less than 1 year | 500,000 | - | 500,000 | - |
| Certificate of Deposit | N/A | 1 to 3 years | 500,000 | - | 500,000 | - |
| Pooled investments at amortized costs | | | | | | |
| Broker Money Market | N/A | N/A | 304,664 | - | - | - |
| | | | \$ 6,916,681 | \$ 5,612,017 | \$ 1,000,000 | \$ - |

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available

A reconciliation of cash and temporary investments as shown on the statement of net position as of December 31, 2021 for the CDA follows:

| | |
|---|----------------------|
| Carrying amounts of deposits | \$ 10,178,575 |
| Investments | 6,916,678 |
| Cash on hand | 1,350 |
| Total | \$ 17,096,603 |
| | |
| Cash and pooled investments | |
| Cash-unrestricted | \$ 9,445,141 |
| Cash-other restricted | 307,526 |
| Cash-tenant security deposits | 427,255 |
| Investments-unrestricted | 1,000,000 |
| Investments-restricted | 4,304,526 |
| Investments-restricted for payment of current liability | 1,612,155 |
| Total | \$ 17,096,603 |

The investments are subject to the following risks:

Credit Risk - Credit risk is the risk that an issue or other counterparty to an investment will not fulfill it's obligations. Ratings provided by various credit rating agencies where applicable indicate associated credit risk. Minnesota statutes limit the CDA's investments.

Custodial Credit Risk - The risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that is in possession of an outside party. The CDA limits it's exposure to custodial credit risk by purchasing insured or registered investments.

Interest Rate Risk - Using the segmented time distribution method, the interest rate risk of these investments varies as listed in the investment summaries.

Concentration of Credit Risk - The concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. In accordance with it's investment policy, the CDA will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. The money market mutual funds are exempt from consideration of concentration of credit risk.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

B. Investment in Component Units

As explained in Note 1, the CDA is a limited partner in CCCDA Trail's Edge South LP. The initial equity interest is reported at cost. Contributions and distributions, if any, are recorded as direct adjustments to the investment in joint venture on the Statement of Net Position. Any income or loss from the operation of the limited partnership is also recorded as a direct adjustment to the investment in joint ventures based on the CDA's ownership percentage. This partnership was financed, in part, using Federal low-income housing tax credits which has restrictions on the operations of the project. For the year ended December 31, 2021, the CDA's investment in joint venture is as follows:

| | Balance 12/31/2020 | Increases | Decreases | Balance 12/31/2021 |
|----------------------|-----------------------|------------|-----------|-----------------------|
| Trails Edge South LP | \$ - | \$ 800,000 | \$ - | \$ 800,000 |

C. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|--------------|--------------|-------------------|
| Business-type activities | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 8,242,247 | \$ 481,800 | \$ (800,000) | \$ 7,924,047 |
| Construction in progress | 4,000 | 207,404 | (4,000) | 207,404 |
| Total capital assets not being depreciated | 8,246,247 | 689,204 | (804,000) | 8,131,451 |
| Capital assets being depreciated | | | | |
| Land improvements | 459,984 | 90,266 | - | 550,250 |
| Buildings and building improvements | 57,875,489 | 451,604 | - | 58,327,093 |
| Leasehold improvements | - | 21,702 | - | 21,702 |
| Furniture, equipment and machinery | | | | |
| Dwelling | 1,379,562 | 24,000 | - | 1,403,562 |
| Administration | 368,923 | 13,545 | - | 382,468 |
| Total capital assets being depreciated | 60,083,958 | 601,117 | - | 60,685,075 |
| Less accumulated depreciation for | | | | |
| Land improvements | (263,284) | (28,010) | - | (291,294) |
| Buildings | (29,464,425) | (1,894,979) | - | (31,359,404) |
| Leasehold improvements | | (965) | - | (965) |
| Furniture, equipment and machinery | | | | |
| Dwelling | (1,356,858) | (38,710) | - | (1,395,568) |
| Administration | (317,811) | (10,703) | - | (328,514) |
| Total accumulated depreciation | (31,402,378) | (1,973,367) | - | (33,375,745) |
| Total capital assets being depreciated, net | 28,681,580 | (1,372,250) | - | 27,309,330 |
| Business-type activities capital assets, net | \$ 36,927,827 | \$ (683,046) | \$ (804,000) | \$ 35,440,781 |

Depreciation expense was charged to programs of the CDA as follows:

| Program | |
|-------------------|---------------------|
| State/Local | \$ 44,151 |
| Carver Homes | 322,072 |
| Rental Properties | 1,607,144 |
| Total | <u>\$ 1,973,367</u> |

Discretely Presented Component Units

Activity for the Trails Edge for the year ended December 31, 2021 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|--------------|-----------|-------------------|
| Capital assets not being depreciated | | | | |
| Land | \$ - | \$ 800,000 | \$ - | \$ 800,000 |
| Construction in progress | - | 3,871,621 | - | 3,871,621 |
| Total capital assets not being depreciated | \$ - | \$ 4,671,621 | \$ - | \$ 4,671,621 |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Construction Commitments

The CDA has active projects as of December 31, 2021. The projects include various street and road improvements and public facilities projects. At year end, the CDA's commitments with contractors are as follows:

| Project | Spent-to-Date | Remaining Commitment |
|-------------------------------------|---------------|-------------------------|
| CDA | | |
| Bluff Creek-Rehab | \$ 105,454 | \$ 101,288 |
| Discretely Presented Component Unit | | |
| Trails Edge - Rehab and Development | 3,643,280 | 9,464,361 |

D. Long-term Debt

General Obligation Bonds

The following bonds were issued to finance the construction of rental buildings and will be repaid from rental income:

| Description | Authorized and Issued | Interest Rate | Issue Date | Maturity Date | Balance at Year End |
|--|--------------------------|------------------|---------------|------------------|------------------------|
| Centennial Hill - Series 2014 | \$ 2,110,000 | 2.00 - 2.50% | 08/28/14 | 01/01/25 | \$ 870,000 |
| Centennial Hill - Series 2014T | 2,370,000 | 3.30 - 4.00 | 08/28/14 | 01/01/34 | 2,370,000 |
| Lake Grace - Series 2020A | 1,920,000 | 1.10 - 1.35 | 05/20/20 | 07/01/28 | 1,690,000 |
| Chaska Brickyard - Series 2020B | 2,200,000 | 0.30 - 2.00 | 10/07/20 | 01/01/40 | 2,200,000 |
| Chaska Brickyard - Series 2000 | 420,000 | 5.60 - 6.00 | 01/18/00 | 01/01/28 | 175,000 |
| Bluff Creek - Series 2011B | 785,000 | 1.25 - 3.50 | 12/01/11 | 02/01/29 | 420,000 |
| Oak Grove - Series 2009B | 1,605,000 | 3.00 - 3.88 | 11/05/09 | 02/01/24 | 470,000 |
| Oak Grove - Series 2016 | 4,710,000 | 3.00 - 3.50 | 12/29/16 | 02/01/44 | 4,635,000 |
| Waybury Apartments - Governmental Development Refunding, Series 2018A | 6,110,000 | 2.00 - 3.60 | 02/28/18 | 02/01/48 | 5,705,000 |
| Jonathon - Governmental Refunding Series 2021A | 2,890,000 | 1.50 - 3.00 | 04/27/21 | 02/01/45 | 2,890,000 |
| Waybury - Refunding Bond Series 2021C | 1,400,000 | 1.70 - 2.00 | 04/27/21 | 02/01/45 | 1,400,000 |
| Crossings at Town Center Refunding Bond Series 2021B | 4,000,000 | 1.35 - 4.00 | 04/27/21 | 02/01/34 | 4,000,000 |
| Total General Obligation Bonds | | | | | <u>\$ 26,825,000</u> |

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

| Year Ending December 31, | G.O. Bonds | | |
|-----------------------------|----------------------|--------------------------------------|----------------------|
| | Principal | Business-type Activities Interest | |
| 2022 | \$ 1,275,000 | \$ 745,879 | \$ 2,020,879 |
| 2023 | 1,320,000 | 712,944 | 2,032,944 |
| 2024 | 1,375,000 | 678,532 | 2,053,532 |
| 2025 | 1,375,000 | 639,344 | 2,014,344 |
| 2026 | 1,405,000 | 601,584 | 2,006,584 |
| 2027 - 2031 | 6,690,000 | 2,378,674 | 9,068,674 |
| 2032 - 2036 | 5,470,000 | 1,509,094 | 6,979,094 |
| 2037 - 2041 | 3,880,000 | 927,067 | 4,807,067 |
| 2042 - 2046 | 3,225,000 | 379,073 | 3,604,073 |
| 2047 - 2048 | 810,000 | 29,700 | 839,700 |
| Total | <u>\$ 26,825,000</u> | <u>\$ 8,601,891</u> | <u>\$ 35,426,891</u> |

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Notes Payable

The following notes were issued to fund project costs and will be repaid with revenue from the project.

| Description | Authorized and Issued | Interest Rate | Issue Date | Maturity Date | Balance at Year End |
|---|-----------------------|---------------|------------|---------------|---------------------|
| Jonathan Acres Waybury Second mortgage Note payable | 1,400,000 | - % | 02/01/12 | 08/01/37 | 1,400,000 |
| CCFDA Deferred Note Payable Spruce Rehab, Note Payable | 127,300 | - | 12/01/14 | 12/01/44 | 127,300 |
| Deferred Note Payable | 243,900 | - | 01/10/13 | 01/10/33 | 243,900 |
| Deferred Note Payable | 150,000 | - | 03/01/18 | 03/01/48 | 150,000 |
| Deferred Note Payable | 111,000 | - | 01/20/21 | 03/01/50 | 111,000 |
| Deferred Note Payable | 160,000 | - | 01/20/21 | 03/01/50 | 160,000 |
| Lake Grace Building Loan Deferred Note Payable | 1,000,000 | - | 09/30/03 | 07/01/28 | 994,835 |
| USDA - Assumed Promissory Note - Hilltop 1 | 90,516 | 2.5 | 10/27/21 | 10/27/51 | 90,515 |
| USDA - Assumed Promissory Note - Hilltop 2 | 97,678 | 2.5 | 10/28/21 | 10/28/51 | 97,678 |
| USDA - Assumed Promissory Note - Mayer Eldery | 225,327 | 2.5 | 10/29/21 | 10/29/51 | 225,327 |
| Total Notes | | | | | \$ 3,600,555 |

Annual debt service requirements to maturity for notes payable are as follows:

| Year Ending December 31, | Notes Payable Business-type Activities | | |
|-----------------------------|---|------------------|---------------------|
| | Principal | Interest | Total |
| | 2022 | \$ 13,485 | \$ 1,034 |
| 2023 | 13,519 | 1,000 | 14,519 |
| 2024 | 13,553 | 966 | 14,519 |
| 2025 | 13,587 | 932 | 14,519 |
| 2026 | 13,621 | 898 | 14,519 |
| 2027 - 2031 | 1,063,450 | 3,979 | 1,067,429 |
| 2032 - 2036 | 313,377 | 3,118 | 316,495 |
| 2037 - 2041 | 1,470,350 | 2,245 | 1,472,595 |
| 2042 - 2046 | 198,533 | 1,361 | 199,894 |
| 2047 - 2051 | 487,080 | 463 | 487,543 |
| Total | \$ 3,600,555 | \$ 15,996 | \$ 3,616,551 |

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2021, was as follows:

| | Balance 12/31/2020 | Issued | Retired | Refunded | Balance 12/31/2021 | Due Within One Year |
|------------------|-----------------------|---------------------|-----------------------|-----------------------|-----------------------|------------------------|
| G.O. Bonds | \$ 25,690,000 | \$ 8,290,000 | \$ (1,175,000) | \$ (5,980,000) | \$ 26,825,000 | \$ 1,275,000 |
| Premium on bonds | 163,370 | 392,124 | (32,418) | - | 523,076 | - |
| Notes Payable | 5,871,447 | 628,521 | - | (2,899,413) | 3,600,555 | 13,485 |
| Total | \$ 31,724,817 | \$ 9,310,645 | \$ (1,207,418) | \$ (8,879,413) | \$ 30,948,631 | \$ 1,288,485 |

Note 7 - Other Information

A. Risk Management

The CDA participates in the Minnesota Counties Insurance Trust public entity risk pool and is exposed to various risks of losses including general liability, property damage and employee bodily injury. The insurance coverage of this trust is considered to be adequate to cover unexpected claims against the CDA. The CDA retains the responsibility to cover any settlements exceeding the specific coverage. There was no reduction in coverage from the prior year and settlements have not exceeded insurance coverage in the past three years.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The CDA's management is not aware of any incurred but not reported claims.

B. Restricted Investments

The bond indenture require the CDA to establish and maintain various trust funds related to construction of the projects, bond sinking and reserve funds, and operating reserve funds. Balances in the various funds are subject to increase or release based upon annual calculations.

Note 8 - Retirement Plan

All permanent full-time employees of the CDA are eligible to participate in the Housing-Renewal and Local Agency Restated Retirement Plan (the Plan). The Plan is a defined contribution plan administered by a trustee. Employees under this Plan receive a pension based on the amount deposited in the Plan by the employee and employer and the amount of investment income earned. Therefore, the Plan is fully funded at all times.

Participating employees vest in the CDA's future and past service contributions based on each full year of continuous employment. Total payroll for employees covered by the Plan for the year ended December 31, 2021 and 2020, was \$1,787,063 and \$1,789,025, respectively.

The CDA made contributions into the Plan of \$196,577 and \$196,793 for the years ended December 31, 2021 and 2020, respectively. Pension expense is equal to contribution made.

As of December 31, 2021, the Plan held no securities issued by the CDA or other related parties.

Note 9 - Joint Ventures

The CDA and the City of Norwood Young America (City) entered into a joint powers agreement for the purpose of the redevelopment of approximately 4.5 acres known as the Oak Grove Dairy property. To the extent deemed necessary by the CDA, the Agencies shall enter into additional written agreements from time to time relating to specific activities. It is the intent of the parties that any governmentally owned housing development project would be developed, owned and operated by the CDA. The CDA and the City initially paid one-half the preliminary property acquisition costs and one-half on any cost of carrying the property following the acquisition. On December 15, 2016 the Joint Powers Agreement was amended to reflect the conveyance of the CDA's undivided 50% interest in the Commercial Parcels for a sum of \$260,000 and a final contribution to the CDA's bond obligation of \$45,000. Specific amendment of the language in Clause i. of Section 2.b eliminates references to the City's annual contribution of \$48,500, the pledge of net sale proceeds of the Commercial Parcels to the payments of Housing Bonds, and any payment to the City of surplus revenues generated by the Housing Parcel. Except as modified by this Amendment, the Joint Powers Agreement shall continue in full force and subject to the terms thereof.

Note 10 - COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus ("COVID-19") and the risks to the international community as virus spreads globally. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. In response to the pandemic, the State of Minnesota has issued stay-at-home orders and other measures aimed at slowing the spread of coronavirus.

The full impact of the COVID-19 outbreak continues to evolve as the date of this report. Due to the rapid development and fluidity of this situation, the CDA cannot determine the ultimate impact that the COVID-19 pandemic will have on its financial condition, liquidity, and future revenue collection, and therefore any prediction as to the ultimate impact of the CDA's financial condition, liquidity, and future results of its revenue collections is uncertain.

Required Supplementary Information

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--------------------------------|------------------|---------------|-------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues: | | | | |
| Taxes | \$ 35,922,126 | \$ 35,922,126 | \$ 35,638,176 | \$ (283,950) |
| Special Assessments | 181,501 | 150,830 | 263,019 | 112,189 |
| Licenses and Permits | 1,417,310 | 1,559,073 | 1,235,654 | (323,419) |
| Intergovernmental | 5,718,377 | 16,472,091 | 16,989,861 | 517,770 |
| Charges for Services | 10,749,073 | 10,943,625 | 10,936,038 | (7,587) |
| Fines and Forfeits | 218,486 | 250,050 | 216,725 | (33,325) |
| Gifts and Contributions | 17,735 | 525,551 | 554,029 | 28,478 |
| Investments Income | 1,536,316 | 1,544,937 | (608,350) | (2,153,287) |
| Miscellaneous | 473,311 | 595,640 | 626,681 | 31,041 |
| Total Revenues | 56,234,235 | 67,963,923 | 65,851,833 | (2,112,090) |
| Expenditures: | | | | |
| Current: | | | | |
| General Government | | | | |
| Commissioners | 729,902 | 729,902 | 574,839 | 155,063 |
| Courts | 397,000 | 397,000 | 374,662 | 22,338 |
| County Administration | 418,378 | 431,030 | 353,785 | 77,245 |
| Property Tax | 607,771 | 692,403 | 669,545 | 22,858 |
| Finance | 1,295,003 | 1,334,556 | 1,238,142 | 96,414 |
| License Centers | 1,264,313 | 1,269,789 | 1,225,433 | 44,356 |
| Election and Licensing | 472,690 | 571,325 | 551,935 | 19,390 |
| Property Assessment | 1,442,586 | 1,417,231 | 1,392,067 | 25,164 |
| Public Services Administration | 738,258 | 620,269 | 574,716 | 45,553 |
| Information Technology | 6,622,370 | 7,377,674 | 7,199,243 | 178,431 |
| Human Resources | 2,100,354 | 1,842,275 | 1,742,921 | 99,354 |
| Attorney | 3,817,376 | 3,961,638 | 3,966,808 | (5,170) |
| Land Records and Vitals | 876,272 | 954,001 | 951,384 | 2,617 |
| Buildings and Plant | 3,198,118 | 3,351,081 | 3,341,828 | 9,253 |
| Veterans Service Officer | 462,256 | 462,915 | 447,116 | 15,799 |
| Land Management | 688,688 | 660,955 | 661,499 | (544) |
| Vacancy Savings | (3,930,557) | - | - | - |
| Other | 714,086 | 14,879 | 56,005 | (41,126) |
| General Government | 21,914,864 | 26,088,923 | 25,321,928 | 766,995 |
| Public Safety | | | | |
| Sheriff | 21,708,502 | 21,029,835 | 20,709,284 | 320,551 |
| Medical Examiner | 256,858 | 256,858 | 256,858 | - |
| Court Services | 2,221,222 | 2,549,222 | 2,452,895 | 96,327 |
| Public Safety | 24,186,582 | 23,835,915 | 23,419,037 | 416,878 |
| Highways and Streets | | | | |
| Administration | - | 20,538 | 20,538 | - |
| Human Services | | | | |
| Social Services | - | 392,327 | 392,327 | - |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|------------------|---------------|-------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Health | | | | |
| Community Health Services | 30,000 | 809,080 | 809,080 | - |
| Culture and Recreation | | | | |
| Library | 4,461,777 | 4,541,337 | 4,392,659 | 148,678 |
| Parks | 1,470,365 | 1,392,607 | 1,273,512 | 119,095 |
| Historical Society | 229,898 | 229,898 | 229,898 | - |
| Culture and Recreation | 6,162,040 | 6,163,842 | 5,896,069 | 267,773 |
| Conservation of Natural Resources | | | | |
| Minnesota Extension Services | 344,157 | 311,955 | 302,946 | 9,009 |
| Planning & Water Management | 727,165 | 1,038,137 | 996,359 | 41,778 |
| Environmental Services | 2,551,050 | 2,651,657 | 2,651,657 | - |
| Soil and Water Conservation District | 336,530 | 336,530 | 336,530 | - |
| Agricultural Society | 51,000 | 51,000 | 51,000 | - |
| Conservation of Natural Resources | 4,009,902 | 4,389,279 | 4,338,492 | 50,787 |
| Economic Development | | | | |
| Community Development Agency | - | 4,736,749 | 4,736,749 | - |
| Debt Service: | | | | |
| Principal Retirement | 175,000 | 178,937 | 178,937 | - |
| Total Expenditures | 56,478,388 | 66,615,590 | 65,113,157 | 1,502,433 |
| Excess of Revenues over (under) Expenditures | (244,153) | 1,348,333 | 738,676 | (609,657) |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 244,153 | 2,782,973 | 2,782,973 | - |
| Transfers Out | - | (57,687) | (57,687) | - |
| Loans Issued | - | 89,521 | 89,521 | - |
| Proceeds from Sale of Capital Assets | - | - | 13,526 | 13,526 |
| Total Other Financing Sources (Uses) | 244,153 | 2,814,807 | 2,828,333 | 13,526 |
| Net Change in Fund Balance | - | 4,163,140 | 3,567,009 | (596,131) |
| Fund Balance - January 1 | 37,026,305 | 37,026,305 | 37,026,305 | - |
| Fund Balance - December 31 | \$ 37,026,305 | \$ 41,189,445 | \$ 40,593,314 | \$ (596,131) |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 5,389,663 | \$ 5,443,579 | \$ 5,363,178 | \$ (80,401) |
| Intergovernmental | 3,196,511 | 3,577,971 | 3,587,347 | 9,376 |
| Charges for Services | 27,500 | 3,075 | 3,075 | - |
| Miscellaneous | 277,500 | 220,002 | 75,582 | (144,420) |
| Total Revenues | 8,891,174 | 9,244,627 | 9,029,182 | (215,445) |
| Expenditures: | | | | |
| Current: | | | | |
| Highways and Streets | | | | |
| Administration | 690,834 | 715,047 | 710,594 | 4,453 |
| Asset & Performance Management | 478,551 | 453,590 | 376,846 | 76,744 |
| Engineering | 3,444,188 | 3,315,604 | 3,277,753 | 37,851 |
| Maintenance | 3,782,332 | 3,345,874 | 3,113,213 | 232,661 |
| Highway | 1,367,129 | 1,308,493 | 1,140,850 | 167,643 |
| Highways and Streets | 9,763,034 | 9,140,537 | 8,621,185 | 519,352 |
| Intergovernmental: | | | | |
| Highways and Streets | - | 202,043 | 202,043 | - |
| Total Expenditures | 9,763,034 | 9,342,580 | 8,823,228 | 519,352 |
| Excess of Revenues over (under) Expenditures | (871,860) | (97,953) | 205,954 | 303,907 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 909,999 | 1,064,591 | 1,064,591 | - |
| Transfers Out | (38,139) | (551,679) | (551,679) | - |
| Proceeds from Sale of Capital Assets | - | - | 144,495 | 144,495 |
| Total Other Financing Sources (Uses) | 871,860 | 512,912 | 657,407 | 144,495 |
| Net Change in Fund Balance | - | 414,959 | 863,361 | 448,402 |
| Fund Balance - January 1 | 5,094,355 | 5,094,355 | 5,094,355 | - |
| Increase (Decrease) in Inventories | - | - | 20,578 | 20,578 |
| Fund Balance - December 31 | \$ 5,094,355 | \$ 5,509,314 | \$ 5,978,294 | \$ 468,980 |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
HEALTH & HUMAN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 13,096,744 | \$ 13,096,744 | \$ 13,020,196 | \$ (76,548) |
| Special Assessments | - | - | 306 | 306 |
| Intergovernmental | 15,010,307 | 17,050,856 | 15,166,233 | (1,884,623) |
| Charges for Services | 4,262,932 | 4,348,681 | 4,141,049 | (207,632) |
| Gifts and Contributions | 500 | 30,120 | 32,587 | 2,467 |
| Miscellaneous | 86,350 | 57,170 | 151,113 | 93,943 |
| Total Revenues | 32,456,833 | 34,583,571 | 32,511,484 | (2,072,087) |
| Expenditures: | | | | |
| Current: | | | | |
| Human Services | | | | |
| Social Services | 25,380,635 | 27,588,737 | 26,126,536 | 1,462,201 |
| Income Maintenance | 4,813,833 | 4,992,321 | 5,240,200 | (247,879) |
| Human Services | 30,194,468 | 32,581,058 | 31,366,736 | 1,214,322 |
| Health | | | | |
| Community Health Services | 2,262,365 | 2,371,884 | 2,458,811 | (86,927) |
| Total Expenditures | 32,456,833 | 34,952,942 | 33,825,547 | 1,127,395 |
| Excess of Revenues over (under) Expenditures | - | (369,371) | (1,314,063) | (944,692) |
| Other Financing Sources (Uses): | | | | |
| Transfers In | - | 3,399,782 | 3,399,782 | - |
| Transfers Out | - | (576,557) | (576,557) | - |
| Proceeds from Sale of Capital Assets | - | - | 3,285 | 3,285 |
| Total Other Financing Sources (Uses) | - | 2,823,225 | 2,826,510 | 3,285 |
| Net Change in Fund Balance | - | 2,453,854 | 1,512,447 | (941,407) |
| Fund Balance - January 1 | 11,940,461 | 11,940,461 | 11,940,461 | - |
| Fund Balance - December 31 | \$ 11,940,461 | \$ 14,394,315 | \$ 13,452,908 | \$ (941,407) |

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF CHANGES IN THE
COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS
DECEMBER 31, 2021**

| | 2018 | 2019 | 2020 | 2021 |
|---|---------------------|---------------------|----------------------|----------------------|
| Total OPEB Liability | | | | |
| Service cost | \$ 314,002 | \$ 309,819 | \$ 308,044 | \$ 318,362 |
| Interest | 444,861 | 463,857 | 525,872 | 557,638 |
| Difference between expected and actual experience | - | 370,547 | - | (687,885) |
| Changes of assumptions | - | (41,588) | (128,146) | (443,550) |
| Benefit payments | (384,129) | (435,173) | (501,786) | (475,840) |
| Net Change in total OPEB Liability | 374,734 | 667,462 | 203,984 | (731,275) |
| Total OPEB Liability - beginning | 7,963,877 | 8,338,611 | 9,006,073 | 9,210,057 |
| Total OPEB Liability - ending | <u>\$ 8,338,611</u> | <u>\$ 9,006,073</u> | <u>\$ 9,210,057</u> | <u>\$ 8,478,782</u> |
| | | | | |
| Plan fiduciary Net Position | | | | |
| Contributions - employer | \$ 7,690,439 | \$ 840,314 | \$ 850,684 | \$ 475,840 |
| Net investment income (loss) | - | 1,977,155 | 1,605,561 | 2,387,308 |
| Benefit payments | (384,129) | (435,173) | (501,786) | (475,840) |
| Administrative expenses | - | (978) | (1,071) | (1,184) |
| Net change in plan fiduciary net position | 7,306,310 | 2,381,318 | 1,953,388 | 2,386,124 |
| Plan Fiduciary Net Position - beginning | - | 7,306,310 | 9,687,628 | 11,641,016 |
| Plan Fiduciary Net Position - ending | <u>\$ 7,306,310</u> | <u>\$ 9,687,628</u> | <u>\$ 11,641,016</u> | <u>\$ 14,027,140</u> |
| | | | | |
| Net OPEB Liability (Asset) | \$ 1,032,301 | \$ (681,555) | \$ (2,430,959) | \$ (5,548,358) |
| | | | | |
| Plan fiduciary net position as a percentage of the total OPEB liability | 87.62% | 107.57% | 126.39% | 165.44% |
| | | | | |
| Covered payroll | \$ 43,502,181 | \$ 47,456,247 | \$ 48,879,934 | \$ 54,805,103 |
| | | | | |
| County's Net OPEB Liability (Asset) as a percentage of the covered payroll | 2.37% | -1.44% | -4.97% | -10.12% |

Carver County implemented GASB Statements No. 74 and No. 75 in fiscal year ending December 31, 2018.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF COUNTY CONTRIBUTIONS
DECEMBER 31, 2021**

| | 2018 | 2019 | 2020 | 2021 |
|---|---------------------|---------------------|---------------------|---------------------|
| Actuarially determined contribution | N/A | \$ 405,141 | \$ 348,898 | \$ - |
| Contribution in relation to the actuarially determined contribution | 7,690,439 | 840,314 | 850,684 | 475,840 |
| Contribution deficiency (excess) | <u>\$ 7,690,439</u> | <u>\$ (435,173)</u> | <u>\$ (501,786)</u> | <u>\$ (475,840)</u> |
| | | | | |
| Covered payroll | \$ 43,502,181 | \$ 47,456,247 | \$ 48,879,934 | \$ 54,805,103 |
| Contributions as a percentage of covered payroll | 17.68% | 1.77% | 1.74% | 0.87% |

Carver County implemented GASB Statements No. 74 and No. 75 in fiscal year ending December 31, 2018. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

GASB has not defined an actuarially determined contribution and no statutory or contractual contribution has been set by the County.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF INVESTMENT RETURNS
DECEMBER 31, 2021**

| <u>Year</u> | <u>Annual Money-Weighted Rate of Return, Net of Investment Expense</u> |
|-------------|--|
| 2018 | -4.3% |
| 2019 | 27.0% |
| 2020 | 16.6% |
| 2021 | 20.5% |

Carver County implemented GASB Statements No. 74 and No. 75 in fiscal year ending December 31, 2018. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**Schedule of Proportionate Share of Net Pension Liability
PERA General Employees Retirement Plan
DECEMBER 31, 2021**

| Measurement Date** | Employer's Proportion of the Net Pension Liability (Asset) | Employer's Proportionate Share of the Net Pension Liability (Asset) (a) | State's Proportionate Share of the Net Pension Liability Associated with Carver County (b) | Employer's and State's Proportionate Share of the Net Pension Liability (a+b) | Covered Payroll (c) | Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b) | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------------------|--|---|--|---|---------------------|--|--|
| 2021 | 0.6060% | \$ 25,878,915 | \$ 790,281 | \$ 26,669,196 | \$43,624,705 | 59.32% | 87.0% |
| 2020 | 0.5855% | 35,103,401 | 1,082,545 | 36,185,946 | 41,758,213 | 84.06% | 79.1% |
| 2019 | 0.5632% | 31,138,067 | 967,791 | 32,105,858 | 40,770,857 | 76.37% | 80.2% |
| 2018 | 0.5690% | 31,565,787 | 1,035,477 | 32,601,264 | 38,622,599 | 81.73% | 79.5% |
| 2017 | 0.5490% | 35,047,798 | 440,729 | 35,488,527 | 35,369,950 | 99.09% | 75.9% |
| 2016 | 0.5191% | 42,148,346 | 550,494 | 42,698,840 | 32,213,915 | 130.84% | 68.9% |
| 2015 | 0.5225% | 27,078,662 | N/A | 27,078,662 | 30,704,863 | 88.19% | 78.2% |

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

** The measurement date for each year is June 30.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**Schedule of Contributions
PERA General Employees Retirement Plan
DECEMBER 31, 2021**

| Year Ending** | Statutorily Required Contribution (a) | Actual Contributions in Relation to the Statutorily Required Contributions (b) | Contribution (Deficiency) Excess (a-b) | Covered Payroll (c) | Actual Contributions as a Percentage of Covered Payroll (b/c) |
|---------------|---|---|--|------------------------|---|
| 2021 | \$ 3,382,386 | \$ 3,382,386 | \$ - | \$ 45,098,480 | 7.50% |
| 2020 | 3,236,304 | 3,236,304 | - | 43,150,720 | 7.50% |
| 2019 | 2,989,538 | 2,989,538 | - | 39,860,507 | 7.50% |
| 2018 | 2,868,521 | 2,868,521 | - | 38,246,947 | 7.50% |
| 2017 | 2,720,343 | 2,720,343 | - | 36,262,907 | 7.50% |
| 2016 | 2,498,355 | 2,498,355 | - | 33,311,362 | 7.50% |
| 2015 | 2,447,612 | 2,447,612 | - | 32,634,805 | 7.50% |

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

** The County's year-end is December 31.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**Schedule of Proportionate Share of Net Pension Liability
PERA Public Employees Police and Fire Plan
DECEMBER 31, 2021**

| Measurement Date** | Employer's Proportion of the Net Pension Liability (Asset) | Employer's Proportionate Share of the Net Pension Liability (Asset) (a) | Covered Payroll (b) | Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b) | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------------------|--|---|---------------------|--|--|
| 2021 | 0.546% | \$ 4,216,085 | \$ 6,753,994 | 62.42% | 93.7% |
| 2020 | 0.579% | 7,637,112 | 6,399,729 | 119.33% | 87.2% |
| 2019 | 0.635% | 6,760,216 | 6,654,389 | 101.59% | 89.3% |
| 2018 | 0.622% | 6,630,945 | 6,769,968 | 97.95% | 88.8% |
| 2017 | 0.636% | 8,586,757 | 6,523,965 | 131.62% | 85.4% |
| 2016 | 0.629% | 25,242,864 | 6,061,806 | 416.42% | 63.9% |
| 2015 | 0.639% | 7,260,535 | 5,853,455 | 124.04% | 86.6% |

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

** The measurement date for each year is June 30.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**Schedule of Contributions
PERA Public Employees Police and Fire Plan
DECEMBER 31, 2021**

| Year Ending** | Statutorily Required Contribution (a) | Actual Contributions in Relation to the Statutorily Required Contributions (b) | Contribution (Deficiency) Excess (a-b) | Covered Payroll (c) | Actual Contributions as a Percentage of Covered Payroll (b/c) |
|---------------|---|---|--|------------------------|---|
| 2021 | \$ 1,169,226 | \$ 1,169,226 | \$ - | \$ 6,605,797 | 17.70% |
| 2020 | 1,151,874 | 1,151,874 | - | 6,507,761 | 17.70% |
| 2019 | 1,110,292 | 1,110,292 | - | 6,550,395 | 16.95% |
| 2018 | 1,062,164 | 1,062,164 | - | 6,556,568 | 16.20% |
| 2017 | 1,001,217 | 1,001,217 | - | 6,180,356 | 16.20% |
| 2016 | 1,018,152 | 1,018,152 | - | 6,284,887 | 16.20% |
| 2015 | 998,228 | 998,228 | - | 6,161,902 | 16.20% |

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

** The County's year-end is December 31.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**Schedule of Proportionate Share of Net Pension Liability
PERA Public Employees Correctional Plan
DECEMBER 31, 2021**

| Measurement Date** | Employer's Proportion of the Net Pension Liability (Asset) | Employer's Proportionate Share of the Net Pension Liability (Asset) (a) | Covered Payroll (b) | Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b) | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------------------|--|---|---------------------|--|--|
| 2021 | 1.405% | \$ (230,749) | \$ 3,100,913 | -7.44% | 101.6% |
| 2020 | 1.432% | 388,532 | 3,115,794 | 12.47% | 96.7% |
| 2019 | 1.466% | 202,926 | 3,163,855 | 6.41% | 98.2% |
| 2018 | 1.534% | 252,216 | 3,076,162 | 8.20% | 97.6% |
| 2017 | 1.490% | 4,246,515 | 2,979,552 | 142.52% | 67.9% |
| 2016 | 1.470% | 5,370,116 | 2,762,755 | 194.38% | 58.2% |
| 2015 | 1.500% | 231,900 | 2,690,897 | 8.62% | 96.9% |

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

** The measurement date for each year is June 30.

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**Schedule of Contributions
PERA Public Employees Correctional Plan
DECEMBER 31, 2021**

| Year Ending** | Statutorily Required Contribution (a) | Actual Contributions in Relation to the Statutorily Required Contributions (b) | Contribution (Deficiency) Excess (a-b) | Covered Payroll (c) | Actual Contributions as a Percentage of Covered Payroll (b/c) |
|---------------|---|---|--|------------------------|---|
| 2021 | \$ 280,705 | \$ 280,705 | \$ - | \$ 3,208,057 | 8.75% |
| 2020 | 270,428 | 270,428 | - | 3,090,606 | 8.75% |
| 2019 | 273,561 | 273,561 | - | 3,126,411 | 8.75% |
| 2018 | 274,044 | 274,044 | - | 3,131,931 | 8.75% |
| 2017 | 265,015 | 265,015 | - | 3,028,736 | 8.75% |
| 2016 | 248,228 | 248,228 | - | 2,836,894 | 8.75% |
| 2015 | 242,211 | 242,211 | - | 2,768,124 | 8.75% |

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

** The County's year-end is December 31.

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

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

I. Stewardship, compliance, and accountability

A. *Budgetary information*

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Each appropriation lapses at the end of the fiscal year to the extent that it has not been expended.

The appropriated budget is prepared by fund, function, and department. The County's budgets may be amended or modified at any time by the County Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Adjustments to the approved budget, requested by originating departments, can be approved by the Property and Financial Services Director after review for adequate transfer of existing budget or addition of new revenue sources. All other changes greater than \$5,000 require board approval, and changes of \$5,000 or less require Property and Financial Services Director approval. The material supplemental budgetary appropriations changes were:

| | |
|-------------------------|----------------------|
| General Fund | \$ 10,137,202 |
| Road & Bridge | (420,454) |
| Health & Human Services | <u>2,496,109</u> |
| | <u>\$ 12,212,857</u> |

B. *Excess of expenditures over appropriations*

For the year ended December 31, 2021 Attorney exceeded appropriations in the General Fund by \$5,170 largely due to the contribution to compensated absences and increased costs to reference materials. Land Management exceeded appropriations by \$544 largely due to increased inspection services costs. This is offset by increased building permit revenue. Other exceeded appropriations by \$41,126, majority of this relates to the unbudgeted portion of GERF pension expense from special funding.

In the Health and Human Services Special Revenue Fund, Income Maintenance exceeded appropriations by \$247,879, which is largely contributed to an increase in clients on MA related insurance programs as well as other programs related to the pandemic. Public Health exceeded appropriations by \$86,927 largely due to an increase of SHIP grant spending and projected salary and benefits being lower than actual.

C. *Other Post-Employment Benefits Funding Status*

In 2018, Carver County implemented Governmental Accounting Standards Board (GASB), Statement No. 74, Financial Reporting for Post Employment Benefit Plans Other Than Pension Plans and Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. In 2018, the County established an irrevocable trust, pursuant to MN Statutes, ch. 471.6175 to prefund a portion of the liability of the plan. These funds are reported in the Other Postemployment Benefits Trust Fund and are included in the actuarial valuation. See Note 4.H in the notes to the financial statements for additional information regarding the County's other postemployment benefits.

Employer Contributions to Other Postemployment Benefits

There have been changes to assumptions. From the January 1, 2021 valuation report. Discount rate was changed from 5.70% to 5.90%. Expected long-term investment return was changed from 5.70% to 5.90%.

There have been changes to assumptions. From the January 1, 2019 valuation report. Discount rate was changed from 6.00% to 5.70%. Expected long-term investment return was changed from 6.00% to 5.70%.

There have been changes to assumptions. From the January 1, 2019 valuation report. Discount rate was changed from 5.80% to 6.00%. Expected long-term investment return was changed from 6.20% to 6.00%.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

There have been changes to assumptions. From the January 1, 2019 valuation report. Discount rate was changed from 5.50% to 5.80%.

There have been changes to assumptions. From the January 1, 2017 valuation report. Discount rate was changed from 4.00% to 5.50%. The actuarial cost method was changed from projected unit credit to entry age.

Actuarially determined contribution rates are calculated as of the January 1, 2021 valuation date, measured at December 31, 2021.

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial cost method: | Entry Age, level percentage of pay |
| Actuarial Assets | Trustee value as of the measurement date |
| Amortization of Deferred Resource Flows | Average of expected remaining service on a closed basis for differences between expected and actual experience and assumption changes. Closed five-year period for differences between expected and actual asset returns. |
| Inflation | 2.00% |
| Healthcare cost trend rates | 6.50% in 2021 grading to 5.00% over 6 years and then to 4.00% over the next 48 years (Note: The County's cap on subsidized payments are expected to increase at half of the above trend rates) |
| Dental trend rates | 4.00% |
| Investment rate of return | 5.90% (net of investment expenses) |
| Mortality | Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2020 Generational Improvement Scale |

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

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

General Employees Retirement Fund
2021

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2020

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

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

2019

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2018

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2017

Changes in Actuarial Assumptions

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

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

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 in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00% per year through 2035 and 2.50% per year thereafter to 1.00% per year for all years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate changed from 7.90% to 7.50%.
- 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% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

Public Employees Police and Fire Fund

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to 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.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

Changes in Plan Provisions

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

2020

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018

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% 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% funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019 and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019 and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The combined service annuity (CSA) load was 30.00% for vested and non-vested, deferred members. The CSA has been changed to 33.00% for vested members and 2.00% 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% 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% to 60.00%.
- 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% for all years to 1.00% per year through 2064 and 2.50% thereafter.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

Public Employees Correctional Fund

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to 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 in Actuarial Assumptions

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

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019

Changes in Actuarial Assumptions

- The morality 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 in Actuarial Assumptions

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

Changes in Plan Provisions

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

2017

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

2015

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.

Supplementary Information

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 4,525,968 | \$ 4,525,968 | \$ 4,565,027 | \$ 39,059 |
| Intergovernmental | 16,232 | 16,232 | 16,232 | - |
| Total Revenues | 4,542,200 | 4,542,200 | 4,581,259 | 39,059 |
| Expenditures: | | | | |
| Debt Service: | | | | |
| Principal Retirement | 4,081,365 | 3,118,154 | 3,359,000 | (240,846) |
| Interest and Fiscal Charges | 775,835 | 456,681 | 456,681 | - |
| Total Expenditures | 4,857,200 | 3,574,835 | 3,815,681 | (240,846) |
| Excess of Revenues over (under) Expenditures | (315,000) | 967,365 | 765,578 | (201,787) |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 315,000 | 315,000 | 315,000 | - |
| Transfers Out | - | (1,282,365) | (1,282,365) | - |
| Total Other Financing Sources (Uses) | 315,000 | (967,365) | (967,365) | - |
| Net Change in Fund Balance | - | - | (201,787) | (201,787) |
| Fund Balance - January 1 | 11,917,326 | 11,917,326 | 11,917,326 | - |
| Fund Balance - December 31 | \$ 11,917,326 | \$ 11,917,326 | \$ 11,715,539 | \$ (201,787) |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
BUILDINGS CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 513,699 | \$ 513,699 | \$ 513,699 | \$ - |
| Expenditures: | | | | |
| Current: | | | | |
| General Government | | | | |
| Information Services | 13,699 | 33,386 | 33,386 | - |
| Buildings and Plant | - | 111,087 | 111,087 | - |
| Conservation of Natural Resources | | | | |
| Agricultural Society | 60,000 | 60,000 | 60,000 | - |
| Capital Outlay | 440,000 | 250,595 | 250,595 | - |
| Total Expenditures | 513,699 | 455,068 | 455,068 | - |
| Excess of Revenues over (under) Expenditures | - | 58,631 | 58,631 | - |
| Other Financing Sources (Uses): | | | | |
| Transfers In | - | 46,698 | 46,698 | - |
| Transfers Out | - | (728,629) | (728,629) | - |
| Total Other Financing Sources (Uses) | - | (681,931) | (681,931) | - |
| Net Change in Fund Balance | - | (623,300) | (623,300) | - |
| Fund Balance - January 1 | 3,307,658 | 3,307,658 | 3,307,658 | - |
| Fund Balance - December 31 | \$ 3,307,658 | \$ 2,684,358 | \$ 2,684,358 | \$ - |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
ROAD & BRIDGE CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 17,114,042 | \$ 14,343,925 | \$ 14,343,925 | \$ - |
| Intergovernmental | 54,724,307 | 45,890,515 | 45,890,515 | - |
| Miscellaneous | - | 53,420 | 53,420 | - |
| Total Revenues | 71,838,349 | 60,287,860 | 60,287,860 | - |
| Expenditures: | | | | |
| Current: | | | | |
| Highways and Streets | | | | |
| Maintenance | 3,483,864 | 3,084,609 | 3,084,609 | - |
| Capital Outlay | 67,089,347 | 58,321,218 | 58,321,218 | - |
| Total Expenditures | 70,573,211 | 61,405,827 | 61,405,827 | - |
| Excess of Revenues over (under) Expenditures | 1,265,138 | (1,117,967) | (1,117,967) | - |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | (1,265,138) | (5,842,704) | (5,842,704) | - |
| Total Other Financing Sources (Uses) | (1,265,138) | (5,842,704) | (5,842,704) | - |
| Net Change in Fund Balance | - | (6,960,671) | (6,960,671) | - |
| Fund Balance - January 1 | 31,748,266 | 31,748,266 | 31,748,266 | - |
| Fund Balance - December 31 | \$ 31,748,266 | \$ 24,787,595 | \$ 24,787,595 | \$ - |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
PARKS & TRAILS CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|-------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ - | \$ 1 | \$ 1 | \$ - |
| Intergovernmental | 359,699 | 3,435,851 | 3,435,851 | - |
| Gifts and Contributions | - | 425 | 425 | - |
| Total Revenues | 359,699 | 3,436,277 | 3,436,277 | - |
| Expenditures: | | | | |
| Capital Outlay | 359,699 | 6,568,877 | 6,568,877 | - |
| Excess of Revenues over (under) Expenditures | - | (3,132,600) | (3,132,600) | - |
| Other Financing Sources (Uses): | | | | |
| Transfers In | - | 2,350,745 | 2,350,745 | - |
| Transfers Out | - | (728,629) | (728,629) | - |
| Total Other Financing Sources (Uses) | - | 1,622,116 | 1,622,116 | - |
| Net Change in Fund Balance | - | (1,510,484) | (1,510,484) | - |
| Fund Balance - January 1 | 2,044,488 | 2,044,488 | 2,044,488 | - |
| Fund Balance - December 31 | \$ 2,044,488 | \$ 534,004 | \$ 534,004 | \$ - |

CARVER COUNTY
CHASKA, MINNESOTA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes.

Regional Rail Authority (CCRRA)- to account for the financial resources to be used for the preservation and improvement of local rail lines. The CCRRA is governed by a five-member board consisting of the County Commissioners.

Water Management Organization (CCWMO)- to account for the financial resources to be used for proper resource management and implementation of the Water Management Plan in the County's watersheds. The CCWMO is governed by a five-member board consisting of the Count Commissioners.

Ditch- to account for special assessments revenues levied against benefitted property to finance the cost of constructing and maintaining an agricultural drainage ditch system.

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

| <u>Assets</u> | Rail Authority Special Revenue Fund | Water Management Organization Special Revenue Fund | Ditch Special Revenue Fund | Total |
|--|--|--|----------------------------------|-------------------|
| Cash and Pooled Investments | \$ 182,258 | \$ 601,320 | \$ 122,645 | \$ 906,223 |
| Undistributed Cash in Custodial Funds | 86 | 366 | - | 452 |
| Taxes Receivable | | | | |
| Delinquent | 1,168 | 4,211 | - | 5,379 |
| Special Assessments Receivable | | | | |
| Delinquent | - | - | 988 | 988 |
| Unavailable | - | - | 31,424 | 31,424 |
| Accounts Receivable | - | 5,057 | - | 5,057 |
| Due from other Governments | - | 8,538 | 6,231 | 14,769 |
| Total Assets | 183,512 | 619,492 | 161,288 | 964,292 |
| | | | | |
| <u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u> | | | | |
| | | | | |
| Liabilities: | | | | |
| Accounts Payable | - | 5,770 | - | 5,770 |
| Contracts Payable | - | 20,189 | - | 20,189 |
| Due to other Governments | - | 5,000 | 38,955 | 43,955 |
| Unearned Revenue | - | 9,825 | - | 9,825 |
| Total Liabilities | - | 40,784 | 38,955 | 79,739 |
| | | | | |
| Deferred Inflows of Resources: | | | | |
| Unavailable revenue | 792 | 16,268 | 32,734 | 49,794 |
| Property Taxes Collected for Subsequent Period | 86 | 366 | - | 452 |
| Total Deferred Inflows of Resources | 878 | 16,634 | 32,734 | 50,246 |
| | | | | |
| Fund Balances: | | | | |
| Restricted for: | | | | |
| Watershed Districts | - | 562,074 | - | 562,074 |
| Ditch Maintenance | - | - | 140,882 | 140,882 |
| Assigned for: | | | | |
| Culture and Recreation | 182,634 | - | - | 182,634 |
| Unassigned | - | - | (51,283) | (51,283) |
| Total Fund Balance | 182,634 | 562,074 | 89,599 | 834,307 |
| | | | | |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | \$ 183,512 | \$ 619,492 | \$ 161,288 | \$ 964,292 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Rail Authority Special Revenue Fund | Water Management Organization Special Revenue Fund | Ditch Special Revenue Fund | Total |
|--|--|--|----------------------------------|------------------|
| Revenues: | | | | |
| Taxes | \$ 171,480 | \$ 808,837 | \$ - | \$ 980,317 |
| Special Assessments | - | - | 52,578 | 52,578 |
| Licenses and Permits | - | 42,782 | - | 42,782 |
| Intergovernmental | 370 | 2,544 | - | 2,914 |
| Charges for Services | - | 91,156 | - | 91,156 |
| Investments Income | - | - | 384 | 384 |
| Miscellaneous | 1,739 | 13,854 | - | 15,593 |
| Total Revenues | 173,589 | 959,173 | 52,962 | 1,185,724 |
| Expenditures: | | | | |
| Current: | | | | |
| Culture and Recreation | 81,628 | - | - | 81,628 |
| Conservation of Natural Resources | - | 780,169 | 71,192 | 851,361 |
| Total Expenditures | 81,628 | 780,169 | 71,192 | 932,989 |
| Excess of Revenues over (under) Expenditures | 91,961 | 179,004 | (18,230) | 252,735 |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | (147,593) | (43,946) | - | (191,539) |
| Net Change in Fund Balances | (55,632) | 135,058 | (18,230) | 61,196 |
| Fund Balance - January 1 | 238,266 | 427,016 | 107,829 | 773,111 |
| Fund Balance - December 31 | \$ 182,634 | \$ 562,074 | \$ 89,599 | \$ 834,307 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
NONMAJOR RAIL AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 173,000 | \$ 173,000 | \$ 171,480 | \$ (1,520) |
| Intergovernmental | - | - | 370 | 370 |
| Miscellaneous | 2,000 | 2,000 | 1,739 | (261) |
| Total Revenues | 175,000 | 175,000 | 173,589 | (1,411) |
| Expenditures: | | | | |
| Current: | | | | |
| Culture and Recreation | 69,807 | 83,039 | 81,628 | 1,411 |
| Excess of Revenues over (under) Expenditures | 105,193 | 91,961 | 91,961 | - |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | (105,193) | (147,593) | (147,593) | - |
| Net Change in Fund Balance | - | (55,632) | (55,632) | - |
| Fund Balance - January 1 | 238,266 | 238,266 | 238,266 | - |
| Fund Balance - December 31 | \$ 238,266 | \$ 182,634 | \$ 182,634 | \$ - |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
NONMAJOR WATER MANAGEMENT ORGANIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 821,828 | \$ 821,828 | \$ 808,837 | \$ (12,991) |
| Licenses and Permits | 24,500 | 24,500 | 42,782 | 18,282 |
| Intergovernmental | - | 80,551 | 2,544 | (78,007) |
| Charges for Services | 23,000 | 87,331 | 91,156 | 3,825 |
| Miscellaneous | - | 12,370 | 13,854 | 1,484 |
| Total Revenues | 869,328 | 1,026,580 | 959,173 | (67,407) |
| Expenditures: | | | | |
| Current: | | | | |
| Conservation of Natural Resources | 808,646 | 847,576 | 780,169 | 67,407 |
| Excess of Revenues over (under) Expenditures | 60,682 | 179,004 | 179,004 | - |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | (60,682) | (43,946) | (43,946) | - |
| Net Change in Fund Balance | - | 135,058 | 135,058 | - |
| Fund Balance - January 1 | 427,016 | 427,016 | 427,016 | - |
| Fund Balance - December 31 | \$ 427,016 | \$ 562,074 | \$ 562,074 | \$ - |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
NONMAJOR DITCH FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Special Assessments | \$ 41,300 | \$ 41,300 | \$ 52,578 | \$ 11,278 |
| Investments Income | 1,131 | 1,131 | 384 | (747) |
| Total Revenues | 42,431 | 42,431 | 52,962 | 10,531 |
| Expenditures: | | | | |
| Current: | | | | |
| Conservation of Natural Resources | 42,431 | 42,431 | 71,192 | (28,761) |
| Excess of Revenues over (under) Expenditures | - | - | (18,230) | (18,230) |
| Fund Balance - January 1 | 107,829 | 107,829 | 107,829 | - |
| Fund Balance - December 31 | \$ 107,829 | \$ 107,829 | \$ 89,599 | \$ (18,230) |

**CARVER COUNTY
CHASKA, MINNESOTA**

**DITCH BALANCE SHEET
DITCH SPECIAL REVENUE FUND
DECEMBER 31, 2021**

| | Assets | | | | | Liabilities | Deferred Inflows of Resources | Fund Balance | | | Total Liabilities, Deferred Inflows Of Resources and Fund Balances |
|------------------------|------------|---|--|----------------------------------|-----------------|--------------------------------|----------------------------------|--|-------------|------------------|--|
| | Cash | Delinquent Assessments Receivable | Unavailable Assessments Receivable | Due from other Governments | Total Assets | Due to Other Governments | Unavailable Revenue | Restricted for Ditch Maintenance | Unassigned | Fund Balances | |
| County Ditches | | | | | | | | | | | |
| CD #2-3 | \$ 6,809 | \$ - | \$ - | \$ - | \$ 6,809 | \$ - | \$ - | \$ 6,809 | \$ - | \$ 6,809 | \$ 6,809 |
| CD #4A | 31,948 | - | - | - | 31,948 | 1,199 | - | 30,749 | - | 30,749 | 31,948 |
| CD #5 | 19,362 | - | - | - | 19,362 | - | - | 19,362 | - | 19,362 | 19,362 |
| CD #6 | 11,081 | - | - | - | 11,081 | - | - | 11,081 | - | 11,081 | 11,081 |
| CD #7 | 6,423 | - | - | - | 6,423 | - | - | 6,423 | - | 6,423 | 6,423 |
| CD #9 | 5,147 | - | - | - | 5,147 | 268 | - | 4,879 | - | 4,879 | 5,147 |
| CD #10 | 12,884 | - | - | - | 12,884 | 335 | - | 12,549 | - | 12,549 | 12,884 |
| Total County Ditches | 93,654 | - | - | - | 93,654 | 1,802 | - | 91,852 | - | 91,852 | 93,654 |
| Judicial Ditches | | | | | | | | | | | |
| JD #1 | 15,093 | - | 1,000 | - | 16,093 | - | 1,000 | 15,093 | - | 15,093 | 16,093 |
| JD #2 | 1,604 | - | - | - | 1,604 | 21 | - | 1,583 | - | 1,583 | 1,604 |
| JD #3A | (3,173) | 896 | 10,000 | 315 | 8,038 | 20,755 | 11,210 | - | (23,927) | (23,927) | 8,038 |
| JD #4CH | 23 | - | - | - | 23 | - | - | 23 | - | 23 | 23 |
| JD #4CMW | 14,149 | 92 | - | 977 | 15,218 | - | 92 | 15,126 | - | 15,126 | 15,218 |
| JD #5 | (1,591) | - | - | 4,930 | 3,339 | 2,027 | - | 1,312 | - | 1,312 | 3,339 |
| JD #21 | (15,230) | - | 10,000 | 9 | (5,221) | 1,568 | 10,008 | - | (16,797) | (16,797) | (5,221) |
| JD #22 | 8,462 | - | - | - | 8,462 | 9,885 | - | - | (1,423) | (1,423) | 8,462 |
| JD #24 | (8,253) | - | 4,000 | - | (4,253) | 883 | 4,000 | - | (9,136) | (9,136) | (4,253) |
| JD #28 | 1,665 | - | - | - | 1,665 | 9 | - | 1,656 | - | 1,656 | 1,665 |
| JD #33 | 16,242 | - | 6,424 | - | 22,666 | 2,005 | 6,424 | 14,237 | - | 14,237 | 22,666 |
| Total Judicial Ditches | 28,991 | 988 | 31,424 | 6,231 | 67,634 | 37,153 | 32,734 | 49,030 | (51,283) | (2,253) | 67,634 |
| Total All Ditches | \$ 122,645 | \$ 988 | \$ 31,424 | \$ 6,231 | \$ 161,288 | \$ 38,955 | \$ 32,734 | \$ 140,882 | \$ (51,283) | \$ 89,599 | \$ 161,288 |

This schedule is presented in the format prescribed by Minnesota Statute Sec. 375.17.

CARVER COUNTY
CHASKA, MINNESOTA

PROPRIETARY FUNDS

Internal Service Funds

The Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions.

Self-Insurance- to account for the County's risk management costs including the insuring of property, casualty, automobile and workers' compensation programs.

Compensated Absences- to account for the change in the PTO, vacation, and sick balances of employees.

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021**

| <u>Assets</u> | Self Insurance | Compensated Absences | Total |
|--|-------------------------|-------------------------|------------------------|
| Current | | | |
| Cash and Pooled Investments | \$ 2,986,067 | \$ 6,110,142 | \$9,096,209 |
| Prepaid Items | 8,950 | - | 8,950 |
| Total Current Assets | 2,995,017 | 6,110,142 | 9,105,159 |
| <u>Liabilities</u> | | | |
| Current | | | |
| Accounts Payable | 13,292 | - | 13,292 |
| Compensated Absences - due within one year | - | 316,897 | 316,897 |
| Total Current Liabilities | 13,292 | 316,897 | 330,189 |
| Noncurrent | | | |
| Compensated Absences - due in more than one year | - | 5,793,245 | 5,793,245 |
| Total Liabilities | 13,292 | 6,110,142 | 6,123,434 |
| <u>Net Position</u> | | | |
| Unrestricted | \$ 2,981,725 | \$ - | \$2,981,725 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION- INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Self Insurance | Compensated Absences | Total |
|----------------------------|---------------------|-------------------------|---------------------|
| Operating Revenues: | | | |
| Charges for Services | \$ 974,965 | \$ 546,228 | \$ 1,521,193 |
| Insurance Refunds | 350,318 | - | 350,318 |
| Total Operating Revenues | <u>1,325,283</u> | <u>546,228</u> | <u>1,871,511</u> |
| Operating Expenses: | | | |
| Risk Management | 1,247,837 | - | 1,247,837 |
| Personnel Benefits | - | 546,228 | 546,228 |
| Total Operating Expenses | <u>1,247,837</u> | <u>546,228</u> | <u>1,794,065</u> |
| Operating Income (Loss) | 77,446 | - | 77,446 |
| Net Position - Beginning | <u>2,904,279</u> | <u>-</u> | <u>2,904,279</u> |
| Net Position - Ending | <u>\$ 2,981,725</u> | <u>\$ -</u> | <u>\$ 2,981,725</u> |

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Self Insurance | Compensated Absences | Total |
|--|-------------------|-------------------------|--------------|
| Cash Flows from Operating Activities | | | |
| Receipts from Internal Services Provided | \$ 1,051,336 | \$ 546,228 | \$ 1,597,564 |
| Refunds from Insurance Provider | 350,318 | - | 350,318 |
| Disbursements for Internal Services Provided | (1,259,672) | 399,246 | (860,426) |
| Total Cash Flows from Operating Activities | 141,982 | 945,474 | 1,087,456 |
| Cash and Cash Equivalents at January 1 | 2,844,085 | 5,164,668 | 8,008,753 |
| Cash and Cash Equivalents at December 31 | 2,986,067 | 6,110,142 | 9,096,209 |
| Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | 77,446 | - | 77,446 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | |
| (Increase) Decrease in Due from Other Funds | - | 741,389 | 741,389 |
| (Increase) Decrease in Accounts Receivable | 76,371 | - | 76,371 |
| (Increase) Decrease in Prepays | 17,159 | - | 17,159 |
| (Decrease) Increase in Accounts Payable | (21,458) | - | (21,458) |
| (Decrease) Increase in Retainage Payable | (7,536) | - | (7,536) |
| (Decrease) Increase in Compensated Absences Payable | - | 204,085 | 204,085 |
| Total Adjustments | 64,536 | 945,474 | 1,010,010 |
| Net cash provided by operating activities | \$ 141,982 | \$ 945,474 | \$ 1,087,456 |

CARVER COUNTY
CHASKA, MINNESOTA

FIDUCIARY FUNDS

CUSTODIAL FUNDS

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

The Taxes and Penalties Fund accounts for the collection of property taxes and other amounts and their distribution to various taxing districts.

The Inmate Account accounts for the collection and payment of funds related to county inmates.

The Recorder Clearing Fund accounts for funds collected by the Land Records and Vitals Department for other governments.

The Alarm Fees Fund accounts for alarm ordinance fees collected and then distributed to the various cities.

The Local Collaborative Fund is to account for LTCS funds held on behalf of school districts within the County.

The Sheriff Forfeitures Fund is used to maintain compliance with State guidelines regarding the proper handling of seized property and currency. Funds are deposited and retained until authorized to disburse.

The Lower Minnesota Watershed District Fund accounts for the funds of Lower Minnesota Watershed District. The County holds the District's funds and provides accounting services for the District.

The Other Custodial Fund is used to account for the collection and payments of funds of various other entities.

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Taxes and Penalties | Inmate Account | Recorder Clearing | Alarm Fees | Local Collaborative | Sheriff Forfeitures | Lower Minnesota River Watershed District | Other Custodial | Total Custodial Funds |
|---|------------------------|-------------------|----------------------|---------------|------------------------|------------------------|--|--------------------|-----------------------------|
| <u>Assets</u> | | | | | | | | | |
| Cash and pooled investments | \$ 1,386,793 | \$ (1,172) | \$ 76,224 | \$ 3,453 | \$ 181,282 | \$ 12,926 | \$ 1,955,912 | \$ 1,363,490 | \$ 4,978,908 |
| Due from other governments | - | - | - | - | 38,144 | - | 1,000 | 387 | 39,531 |
| Accounts receivable | - | - | - | 800 | - | - | 64,371 | 24,714 | 89,885 |
| Capital assets - not being depreciated | - | - | - | - | - | - | 256,167 | - | 256,167 |
| Property taxes receivable | - | - | - | - | - | - | 29,329 | - | 29,329 |
| Taxes receivable for other governments | 3,611,071 | - | - | - | - | - | - | - | 3,611,071 |
| Total Assets | 4,997,864 | (1,172) | 76,224 | 4,253 | 219,426 | 12,926 | 2,306,779 | 1,388,591 | 9,004,891 |
| <u>Liabilities</u> | | | | | | | | | |
| Accounts payable | - | - | - | - | - | - | 346,612 | - | 346,612 |
| Due to other governments | 1,339,290 | - | 60,860 | 3,225 | - | - | 182,692 | 1,177,520 | 2,763,587 |
| Unearned revenue | - | - | - | - | - | - | 126,114 | - | 126,114 |
| Due to others | - | - | - | - | - | - | - | 5,358 | 5,358 |
| Total Liabilities | 1,339,290 | - | 60,860 | 3,225 | - | - | 655,418 | 1,182,878 | 3,241,671 |
| <u>Deferred Inflows of Resources</u> | | | | | | | | | |
| Unavailable Revenue | - | - | - | - | - | - | 87,383 | - | 87,383 |
| Taxes collected in advance of levy | 47,503 | - | - | - | - | - | - | - | 47,503 |
| <u>Net Position</u> | | | | | | | | | |
| Restricted for Individuals, organizations, other governments | \$ 3,611,071 | \$ (1,172) | \$ 15,364 | \$ 1,028 | \$ 219,426 | \$ 12,926 | \$ 1,563,978 | \$ 205,713 | \$ 5,628,334 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Taxes and Penalties | Inmate Account | Recorder Clearing | Alarm Fees | Local Collaborative | Sheriff Forfeitures | Lower Minnesota River Watershed District | Other Custodial | Total Custodial Funds |
|---|---------------------|-------------------|-------------------|-----------------|---------------------|---------------------|--|-------------------|-----------------------|
| <u>Additions</u> | | | | | | | | | |
| Contributions | | | | | | | | | |
| Individuals | \$ - | \$ 126,312 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 513,213 | \$ 639,525 |
| Investment earnings | | | | | | | | | |
| Interest, dividends, other | - | - | - | - | - | - | 2,253 | - | 2,253 |
| Property taxes | - | - | - | - | - | - | 640,852 | - | 640,852 |
| Property tax collections for other governments | 164,720,066 | - | - | - | - | - | - | - | 164,720,066 |
| Fines & forfeitures | - | - | - | 8,125 | - | 7,210 | - | - | 15,335 |
| Fees for service | - | - | - | - | - | - | 17,250 | 406,882 | 424,132 |
| Intergovernmental revenue | - | - | - | - | 159,955 | - | 270,424 | - | 430,379 |
| License and fees collected for State | - | - | 69,045 | - | - | - | - | 22,610,733 | 22,679,778 |
| Miscellaneous | 538,997 | - | - | - | - | - | 64,371 | - | 603,368 |
| Total Additions | 165,259,063 | 126,312 | 69,045 | 8,125 | 159,955 | 7,210 | 995,150 | 23,530,828 | 190,155,688 |
| <u>Deductions</u> | | | | | | | | | |
| Beneficiary Payments to Individuals | - | 128,550 | - | - | - | - | - | 305,525 | 434,075 |
| Payments of property tax to other governments | 163,382,798 | - | - | - | - | - | - | - | 163,382,798 |
| Payments to State | - | - | - | - | - | - | - | 22,725,950 | 22,725,950 |
| Administrative expense | - | - | - | - | - | 5,710 | - | - | 5,710 |
| General government | - | - | - | - | - | - | 335,866 | - | 335,866 |
| Projects | - | - | - | - | - | - | 981,236 | - | 981,236 |
| Payments to other entities | 539,038 | - | 69,045 | 7,675 | 169,287 | - | - | 428,521 | 1,213,566 |
| Total Deductions | 163,921,836 | 128,550 | 69,045 | 7,675 | 169,287 | 5,710 | 1,317,102 | 23,459,996 | 189,079,201 |
| Change in net position | 1,337,227 | (2,238) | - | 450 | (9,332) | 1,500 | (321,952) | 70,832 | 1,076,487 |
| Fiduciary Net Position - Beginning of Year | 2,273,844 | 1,066 | 15,364 | 578 | 228,758 | 11,426 | 1,885,930 | 134,881 | 4,551,847 |
| Fiduciary Net Position - End of Year | \$ 3,611,071 | \$ (1,172) | \$ 15,364 | \$ 1,028 | \$ 219,426 | \$ 12,926 | \$ 1,563,978 | \$ 205,713 | \$ 5,628,334 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | <u>Special Revenue Funds</u> | | | | | Debt Service Fund | Buildings CIP Fund | Road & Bridge CIP Fund | Parks & Trails CIP Fund | Total All Funds |
|--|------------------------------|----------------------------|---|-------------------|----------------------|-------------------------|--------------------------|------------------------------|-------------------------------|----------------------|
| | General Fund | Road and Bridge Fund | Health and Human Services Fund | Nonmajor Funds | Total | | | | | |
| Appropriations and Shared Revenue | | | | | | | | | | |
| State | | | | | | | | | | |
| Ag Conservation Credit | \$ 75,524 | \$ - | \$ - | \$ 393 | \$ 393 | \$ - | \$ - | \$ - | \$ - | \$ 75,917 |
| Market Value Credit | 125,811 | 18,933 | 46,966 | - | 65,899 | 16,232 | - | 8,191 | - | 216,133 |
| Disparity Reduction Aid | 2,314 | - | - | - | - | - | - | - | - | 2,314 |
| Highway Users Tax | - | 3,559,038 | - | - | 3,559,038 | - | - | 14,031,508 | - | 17,590,546 |
| PERA Special Funding | 148,176 | 9,376 | 37,724 | - | 47,100 | - | - | - | - | 195,276 |
| Police Aid | 630,457 | - | - | - | - | - | - | - | - | 630,457 |
| E911 | 287,336 | - | - | - | - | - | - | - | - | 287,336 |
| Out-of-Home Placement Aid | - | - | 34,794 | - | 34,794 | - | - | - | - | 34,794 |
| CPA | 3,209,095 | - | - | - | - | - | 513,699 | 147,399 | 73,699 | 3,943,892 |
| Local Performance Aid | 14,969 | - | - | - | - | - | - | - | - | 14,969 |
| County Aquatic ISP Aid | 132,055 | - | - | - | - | - | - | - | - | 132,055 |
| SCORE Grant | 309,354 | - | - | - | - | - | - | - | - | 309,354 |
| Total Appropriations and Shared Revenue | 4,935,091 | 3,587,347 | 119,484 | 393 | 3,707,224 | 16,232 | 513,699 | 14,187,098 | 73,699 | 23,433,043 |
| Reimbursement for Services | | | | | | | | | | |
| State | | | | | | | | | | |
| Minnesota Department of Human Services | - | - | 4,525,934 | - | 4,525,934 | - | - | - | - | 4,525,934 |
| Grants | | | | | | | | | | |
| State | | | | | | | | | | |
| Agriculture | 1,625 | - | - | - | - | - | - | - | - | 1,625 |
| Housing Finance Agency | - | - | 318,768 | - | 318,768 | - | - | - | - | 318,768 |
| Corrections | 425,821 | - | - | - | - | - | - | - | - | 425,821 |
| Employment and Economic Development | - | - | 38,188 | - | 38,188 | - | - | - | - | 38,188 |
| Health | - | - | 602,624 | - | 602,624 | - | - | - | - | 602,624 |
| Human Services | - | - | 3,530,865 | - | 3,530,865 | - | - | - | - | 3,530,865 |
| Jobs and Training | - | - | 280,004 | - | 280,004 | - | - | - | - | 280,004 |
| Natural Resources | 184,946 | - | - | - | - | - | - | - | 10,199 | 195,145 |
| Pollution Control | 162,780 | - | - | - | - | - | - | - | - | 162,780 |
| Public Safety | 32,015 | - | - | - | - | - | - | - | - | 32,015 |
| Transportation | - | - | - | - | - | - | - | 6,610,375 | 160,000 | 6,770,375 |
| Trial Courts | 92,309 | - | - | - | - | - | - | - | - | 92,309 |
| Veterans Affairs | 9,106 | - | - | - | - | - | - | - | - | 9,106 |
| Peace Officers Standards & Training Board | 100,198 | - | - | - | - | - | - | - | - | 100,198 |
| Water & Soil Resources Board | 351,384 | - | - | - | - | - | - | - | - | 351,384 |
| Total State | 1,360,184 | - | 4,770,449 | - | 4,770,449 | - | - | 6,610,375 | 170,199 | 12,911,207 |
| Federal | | | | | | | | | | |
| U.S. Department of Agriculture | 108,516 | - | 407,525 | - | 407,525 | - | - | - | - | 516,041 |
| U.S. Department of Justice | 239,373 | - | - | - | - | - | - | - | - | 239,373 |
| U.S. Department of Labor | - | - | 257,896 | - | 257,896 | - | - | - | - | 257,896 |
| U.S. Department of Transportation | 3,156 | - | - | - | - | - | - | 13,964,124 | - | 13,967,280 |
| U.S. Department of Treasury | 9,012,306 | - | - | - | - | - | - | - | - | 9,012,306 |
| U.S. Department of Homeland Security | 83,581 | - | - | - | - | - | - | - | - | 83,581 |
| Institute of Museum and Library Services | 7,053 | - | - | - | - | - | - | - | - | 7,053 |
| U.S. Department of Education | - | - | 2,100 | - | 2,100 | - | - | - | - | 2,100 |
| U.S. Department of Health and Human Services | 641,175 | - | 5,053,578 | - | 5,053,578 | - | - | - | - | 5,694,753 |
| Total Federal | 10,095,160 | - | 5,721,099 | - | 5,721,099 | - | - | 13,964,124 | - | 29,780,383 |
| Local | 390,367 | - | 29,267 | - | 29,267 | - | - | 11,128,918 | 3,191,953 | 14,740,505 |
| Total Grants | 11,845,711 | - | 10,520,815 | - | 10,520,815 | - | - | 31,703,417 | 3,362,152 | 57,432,095 |
| Payments in Lieu of Taxes | 209,059 | - | - | 2,521 | 2,521 | - | - | - | - | 211,580 |
| Total Intergovernmental Revenue | \$ 16,989,861 | \$ 3,587,347 | \$ 15,166,233 | \$ 2,914 | \$ 18,756,494 | \$ 16,232 | \$ 513,699 | \$ 45,890,515 | \$ 3,435,851 | \$ 85,602,652 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| Federal Grantor Pass-Through Agency Program or Cluster Title | Federal Assistance Listing Number | Pass-through Grant Numbers | Expenditures | Passed Through to Subrecipients |
|--|---|----------------------------------|----------------------|---------------------------------------|
| U.S. Department of Agriculture | | | | |
| Passed Through Minnesota Department of Education | | | | |
| Child and Adult Care Food Program | 10.558 | Not provided | \$ 216 | \$ - |
| Child and Adult Care Food Program -- COVID | 10.558 | Not provided | 1,496 | - |
| Total Assistance Listing #10.558 | | | <u>\$ 1,712</u> | <u>\$ -</u> |
| Passed Through Minnesota Department of Human Services | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Cluster | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster) | 10.561 | 212MN101S2514 | \$ 508,545 | \$ - |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster) | 10.561 | 212MN127Q7503 | 4,696 | - |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster) | 10.561 | 212MN101S2520 | 127 | - |
| Total Assistance Listing #10.561 | | | <u>513,368</u> | <u>-</u> |
| Passed Through Scott County | | | | |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557 | Not provided | 961 | - |
| Total U.S. Department of Agriculture | | | <u>\$ 516,041</u> | <u>\$ -</u> |
| U.S. Department of Justice | | | | |
| Direct | | | | |
| Drug Court Discretionary Grant Program | 16.585 | N/A- Direct | \$ 173,907 | \$ - |
| Passed Through Minnesota Department of Public Safety | | | | |
| Crime Victim Assistance | 16.575 | A-CVS-2020-CARVERAO-059 | 43,442 | - |
| Crime Victim Assistance | 16.575 | A-CVS-2022-CARVERAO-059 | 22,024 | - |
| Total Assistance Listing #16.575 | | | <u>65,466</u> | <u>-</u> |
| Total U.S. Department of Justice | | | <u>\$ 239,373</u> | <u>\$ -</u> |
| U.S. Department of Labor | | | | |
| Passed Through Hennepin County | | | | |
| WIOA Cluster | | | | |
| WIOA Adult Program | 17.258 | 0093100/1093100 | \$ 51,623 | \$ - |
| WIOA Youth Activities | 17.259 | 0093600/1093600 | 34,908 | - |
| WIOA Dislocated Worker Formula Grants | 17.278 | 0098000/1098000 | 171,365 | - |
| (Total Expenditures for WIA/WIOA Cluster \$257,896) | | | | |
| Total U.S. Department of Labor | | | <u>\$ 257,896</u> | <u>\$ -</u> |
| U.S. Department of Transportation | | | | |
| Passed Through Minnesota Department of Transportation | | | | |
| Highway Planning and Construction Cluster | 20.205 | 00010 | \$ 14,796,696 | \$ - |
| Passed Through Minnesota Department of Public Safety | | | | |
| Highway Safety Cluster | | | | |
| State and Community Highway Safety | 20.600 | A-ENFORC21-2021-CARVERSO | 3,156 | 1,483 |
| National Priority Safety Programs | 20.616 | A-ENFORC22-2022-CARVERSO | 278 | - |
| (Total Expenditures for Highway Safety Cluster \$3,434) | | | | |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | 20.608 | A-ENFORC22-2022-CARVERSO | 680 | - |
| Total U.S. Department of Transportation | | | <u>\$ 14,800,810</u> | <u>\$ 1,483</u> |
| U.S. Department of Treasury | | | | |
| Direct | | | | |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A- Direct | \$ 9,012,306 | \$ 2,116,189 |
| Institute of Museum and Library Services | | | | |
| Passed Through Minnesota Department of Education | | | | |
| Grants to States | 45.310 | E37P06720 | \$ 7,053 | \$ - |
| U.S. Department of Education | | | | |
| Passed Through Minnesota Department of Health | | | | |
| Special Education-Grants for Infants and Families | 84.181 | BO4MC32551 | \$ 2,100 | \$ - |
| U.S. Department of Health and Human Services | | | | |
| Passed Through Minnesota Department of Health | | | | |
| Public Health Emergency Preparedness | | | | |
| Universal Newborn Hearing Screening | 93.069 | 3000066743 | \$ 96,049 | \$ - |
| | 93.251 | NU50DD000096 | 1,250 | - |
| Immunization Cooperative Agreements | 93.268 | NH23IP922628 | 38,416 | - |
| Immunization -- COVID | 93.268 | NH23IP922628 | 63,664 | - |
| Total Assistance Listing #93.268 | | | <u>\$ 102,080</u> | <u>\$ -</u> |

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| Federal Grantor Pass-Through Agency Program or Cluster Title | Federal Assistance Listing Number | Pass-through Grant Numbers | Expenditures | Passed Through to Subrecipients |
|---|---|----------------------------------|---------------|---------------------------------------|
| Passed Through Minnesota Department of Health Continued | | | | |
| Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) -- COVID | 93.323 | NU50CK000508 | 69,992 | - |
| Temporary Assistance for Needy Families Cluster | 93.558 | NGA 1801MNTANF | 25,518 | - |
| (Total Temporary Assistance for Needy Families 93.558-\$355,565) | | | | |
| Maternal and Child Health Services Block Grant to the States | 93.994 | BO4MC32551 | 44,165 | - |
| Passed Through Minnesota Department of Human Services | | | | |
| Promoting Safe and Stable Families | 93.556 | 2101MNFPPSS | 12,120 | - |
| Temporary Assistance for Needy Families Cluster | 93.558 | 2101MNTANF | 277,987 | - |
| (Total Temporary Assistance for Needy Families 93.558-\$303,505) | | | | |
| Child Support Enforcement | 93.563 | 2001MNCES | 782,913 | - |
| Child Support Enforcement | 93.563 | 2101MNCSES | 310,862 | - |
| Total Assistance Listing #93.563 | | | \$ 1,093,775 | \$ - |
| Refugee and Entrant Assistance-State Administered Programs | 93.566 | 2101MNRCA | 1,173 | - |
| Child Care Mandatory and Matching Funds of the Child Care Development | | | | |
| Fund (CCDF Cluster) | 93.596 | 2101MNCDF | 45,319 | |
| Community-Based Child Abuse Prevention Grants | 93.590 | 1901MNBCAP | 20,686 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | 2001MNCWSS | 5,157 | - |
| Stephanie Tubbs Jones Child Welfare Services Program -- COVID | 93.645 | 2001MNCW3 | 14,591 | - |
| Total Assistance Listing #93.645 | | | \$ 19,748 | \$ - |
| Foster Care-Title IV-E | 93.658 | 2101MNFOS | 405,050 | - |
| Social Services Block Grant | 93.667 | 2101MNSOS | 303,065 | - |
| Child Abuse and Neglect State Grants | 93.669 | 2101MNNCAN | 1,818 | - |
| Chafee Foster Care Independence Program | 93.674 | 2101MNCILP | 9,717 | - |
| Children's Health Insurance Program | 93.767 | 2105MN5021 | 2,715 | - |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | 2105MN5ADM | 3,131,743 | - |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | 2105MN5MAP | 13,692 | - |
| Total Assistance Listing #93.778 | | | 3,145,435 | - |
| Total U.S. Department of Health and Human Services | | | \$ 5,677,662 | \$ - |
| U.S. Department of Homeland Security | | | | |
| Passed Through Minnesota Department of Natural Resources | | | | |
| Boating Safety Financial Assistance | 97.012 | R29G70CGBLA19 | \$ 4,301 | \$ - |
| Passed Through Minnesota Department of Public Safety | | | | |
| Disaster Grants-Public Assistance (Presidentially Declared Disasters) | 97.036 | EMGP-20210414 | 9,429 | |
| Emergency Management Performance Grants | 97.042 | A-EMPG-2020-CARVERCO | 54,096 | - |
| Emergency Management Performance Grants | 97.042 | A-EMPG-S-2020-CARVERCO | 1,979 | - |
| Total Assistance Listing #97.042 | | | 56,075 | - |
| Homeland Security Grant Program | 97.067 | A-UASI-2019-CARVERCO | 16,142 | - |
| Total U.S. Department of Homeland Security | | | 85,947 | - |
| Total Federal Expenditures | | | \$ 30,599,188 | \$ 2,117,672 |

See notes to Schedule of Expenditures of Federal Awards

**CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

I. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Carver County. Carver County's financial statements include the operations of the Carver County Community Development Agency (the CDA) component unit, which expended \$3,582,304 in federal awards during the year ended December 31, 2021, which are not included in the Schedule of Expenditures of Federal Awards. The CDA has its own single audit. The County's reporting entity is defined in Note 1 to the financial statements.

II. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Carver County under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Carver County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Carver County.

III. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Carver County has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

IV. Reconciliation to Schedule of Intergovernmental Revenue

| | | |
|---|----------------------------------|---------------|
| Federal grant revenue per Schedule of Intergovernmental Revenue | | \$ 29,780,383 |
| Grants received more than 60 days after year-end, unavailable in 2021 | | |
| Highway Planning and Construction | Assistance Listing Number 20.205 | 832,572 |
| State and Community Highway Safety | Assistance Listing Number 20.616 | 278 |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | Assistance Listing Number 20.608 | 680 |
| Community-Based Child Abuse Prevention Grants | Assistance Listing Number 93.590 | 5,737 |
| Children's Health Insurance Program | Assistance Listing Number 93.767 | 2,024 |
| Emergency Management Performance Grants | Assistance Listing Number 97.042 | 56,075 |
| Unavailable in 2020, recognized as revenue in 2021 | | |
| Promoting Safe and Stable Families | Assistance Listing Number 93.556 | (4,875) |
| Temporary Assistance for Needy Families | Assistance Listing Number 93.558 | (18,262) |
| Stephanie Tubbs Jones Child Welfare Services Program | Assistance Listing Number 93.645 | (1,715) |
| Emergency Management Performance Grants | Assistance Listing Number 97.042 | (53,709) |
| Expenditures Per Schedule of Expenditures of Federal Awards | | \$ 30,599,188 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
DECEMBER 31, 2021**

| | 2021 |
|--|-----------------------|
| Governmental funds capital assets: | |
| Land | \$ 31,722,898 |
| Improvements other than buildings | 2,210,374 |
| Buildings | 67,933,465 |
| Machinery and equipment | 25,507,064 |
| Infrastructure | 211,935,756 |
| Construction in progress | 159,415,396 |
| Total governmental funds capital assets | \$ 498,724,953 |
| Investments in governmental funds capital assets by source: | |
| General Fund | \$ 27,751,736 |
| Special Revenue Funds: | |
| Road and Bridge | 4,451,809 |
| Health and Human Services | 2,533,444 |
| Water Management Organization | 58,997 |
| Rail Authority | 1,096,730 |
| Total Special Revenue Funds | 8,140,980 |
| Capital Projects Funds | 462,832,237 |
| Total governmental funds capital assets | \$ 498,724,953 |

**CARVER COUNTY
CHASKA, MINNESOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2021**

| Function and Activity | Land | Improvements Other than Buildings | Buildings | Machinery and Equipment | Infrastructure | Construction in Progress | Totals 2021 |
|--|----------------------|---|----------------------|-------------------------------|-----------------------|-----------------------------|-----------------------|
| General Government | | | | | | | |
| Commissioners | \$ - | \$ - | \$ - | \$ 37,807 | \$ - | \$ - | \$ 37,807 |
| Administration | 6,102,298 | 1,741,900 | 40,862,337 | 42,606 | 8,312,738 | - | 57,061,879 |
| Auditor | - | - | 4,749,598 | 209,343 | - | - | 4,958,941 |
| Finance | - | - | - | 492,952 | - | - | 492,952 |
| Treasurer | - | - | - | 273,046 | - | - | 273,046 |
| Assessor | - | - | - | 223,325 | - | - | 223,325 |
| Information Services | - | - | - | 4,556,085 | 1,056,689 | 15,769 | 5,628,543 |
| Attorney | - | - | - | 5,717 | - | - | 5,717 |
| Recorder | - | - | - | 37,213 | - | - | 37,213 |
| Building Maintenance | - | 70,533 | - | 1,021,392 | - | - | 1,091,925 |
| Veterans Services | - | - | 61,870 | 127,068 | - | - | 188,938 |
| Planning and Zoning | - | - | - | 28,373 | - | - | 28,373 |
| Total General Government | 6,102,298 | 1,812,433 | 45,673,805 | 7,054,927 | 9,369,427 | 15,769 | 70,028,659 |
| Public Safety | | | | | | | |
| Sheriff | - | - | 4,221,061 | 5,549,665 | - | - | 9,770,726 |
| Court Services | - | - | 153,850 | 19,866 | - | - | 173,716 |
| Emergency Management | - | - | - | 39,565 | - | - | 39,565 |
| Total Public Safety | - | - | 4,374,911 | 5,609,096 | - | - | 9,984,007 |
| Highways and Streets | | | | | | | |
| Public Works | 14,522,864 | 22,284 | 10,025,840 | 10,857,132 | 193,350,156 | 145,207,483 | 373,985,759 |
| Human Services | | | | | | | |
| Health and Human Services | - | - | 2,420,406 | 207,146 | - | - | 2,627,552 |
| Health | | | | | | | |
| Community Health Services | - | - | 2,528,604 | 125,680 | - | - | 2,654,284 |
| Culture and Recreation | | | | | | | |
| Parks | 10,001,006 | 289,092 | 1,346,384 | 914,991 | 9,187,842 | 14,192,144 | 35,931,459 |
| Library | - | - | - | 490,001 | - | - | 490,001 |
| Regional Rail Authority | 1,096,730 | - | - | - | - | - | 1,096,730 |
| Total Culture and Recreation | 11,097,736 | 289,092 | 1,346,384 | 1,404,992 | 9,187,842 | 14,192,144 | 37,518,190 |
| Conservation of Natural Resources | | | | | | | |
| Environmental Services | - | 65,959 | 1,563,515 | 199,999 | - | - | 1,829,473 |
| Planning and Water | - | - | - | 38,032 | - | - | 38,032 |
| Water Management Organization | - | 20,606 | - | 10,060 | 28,331 | - | 58,997 |
| Total Conservation of Natural Resources | - | 86,565 | 1,563,515 | 248,091 | 28,331 | - | 1,926,502 |
| Total governmental funds capital assets | \$ 31,722,898 | \$ 2,210,374 | \$ 67,933,465 | \$ 25,507,064 | \$ 211,935,756 | \$ 159,415,396 | \$ 498,724,953 |

**CARVER COUNTY
CHASKA, MINNESOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2021**

| Function and Activity | Governmental Funds Capital Assets | | | | Governmental Funds Capital Assets |
|--|--|----------------------|-----------------------|------------------|--|
| | January 1 | Additions | Deductions | Transfers | December 31 |
| General Government | | | | | |
| Commissioners | \$ 37,807 | \$ - | \$ - | \$ - | \$ 37,807 |
| Administration | 57,168,951 | - | (107,072) | - | 57,061,879 |
| Auditor | 4,958,941 | - | - | - | 4,958,941 |
| Finance | 492,952 | - | - | - | 492,952 |
| Treasurer | 273,046 | - | - | - | 273,046 |
| Assessor | 29,528 | - | - | 193,797 | 223,325 |
| Information Services | 4,736,930 | 891,613 | - | - | 5,628,543 |
| Attorney | 5,717 | - | - | - | 5,717 |
| Recorder | 37,213 | - | - | - | 37,213 |
| Building Maintenance | 1,062,095 | - | - | 29,830 | 1,091,925 |
| Veterans Services | 188,938 | - | - | - | 188,938 |
| Planning and Zoning | 28,373 | - | - | - | 28,373 |
| Total General Government | 69,020,491 | 891,613 | (107,072) | 223,627 | 70,028,659 |
| Public Safety | | | | | |
| Sheriff | 9,733,831 | 631,389 | (202,424) | (392,070) | 9,770,726 |
| Court Services | 173,716 | - | - | - | 173,716 |
| Emergency Management | 32,935 | 6,630 | - | - | 39,565 |
| Total Public Safety | 9,940,482 | 638,019 | (202,424) | (392,070) | 9,984,007 |
| Highways and Streets | | | | | |
| Public Works | 353,454,032 | 28,220,832 | (7,876,565) | 187,460 | 373,985,759 |
| Human Services | | | | | |
| Human Services | 2,701,557 | - | (74,005) | - | 2,627,552 |
| Health | | | | | |
| Community Health Services | 2,618,307 | 12,963 | - | 23,014 | 2,654,284 |
| Culture and Recreation | | | | | |
| Parks | 29,156,930 | 6,777,124 | (7,000) | 4,405 | 35,931,459 |
| Library | 490,001 | - | - | - | 490,001 |
| Regional Rail Authority | 1,096,730 | - | - | - | 1,096,730 |
| Total Culture and Recreation | 30,743,661 | 6,777,124 | (7,000) | 4,405 | 37,518,190 |
| Conservation of Natural Resources | | | | | |
| Environmental Services | 1,698,655 | 144,255 | - | (13,437) | 1,829,473 |
| Planning and Water | 71,031 | - | - | (32,999) | 38,032 |
| Water Management Organization | 58,997 | - | - | - | 58,997 |
| Total Conservation of Natural Resources | 1,828,683 | 144,255 | - | (46,436) | 1,926,502 |
| Total Governmental Funds Capital Assets | \$ 470,307,213 | \$ 36,684,806 | \$ (8,267,066) | \$ - | \$ 498,724,953 |

STATISTICAL SECTION

**CARVER COUNTY
CHASKA, MINNESOTA**

STATISTICAL SECTION

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

| Contents: | <u>Page</u> |
|--|--------------------|
| <u>FINANCIAL TRENDS</u> | |
| These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 119-124 |
| <u>REVENUE CAPACITY</u> | |
| These schedules contain information to help the reader assess the County's most significant revenue source, the property tax. | 125-128 |
| <u>DEBT CAPACITY</u> | |
| These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. | 129-132 |
| <u>DEMOGRAPHIC AND ECONOMIC INFORMATION</u> | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 133-134 |
| <u>OPERATING INFORMATION</u> | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. | 135-140 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**
(accrual basis of accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 165,563,517 | \$ 175,763,062 | \$ 197,728,098 | \$ 231,830,246 | \$ 241,043,777 | \$ 250,468,438 | \$ 263,692,672 | \$ 275,433,255 | \$ 302,915,925 | \$ 324,066,425 |
| Restricted | 15,481,707 | 24,200,320 | 37,103,158 | 20,748,412 | 29,155,238 | 28,886,109 | 31,189,679 | 36,574,081 | 34,071,475 | 27,649,288 |
| Unrestricted | 49,433,265 | 35,929,803 | 48,625,773 | 22,900,130 | 14,041,630 | 14,826,838 | 19,487,554 | 41,429,697 | 52,667,783 | 61,385,885 |
| Total Primary government net position | \$ 230,478,489 | \$ 235,893,185 | \$ 283,457,029 | \$ 275,478,788 | \$ 284,240,645 | \$ 294,181,385 | \$ 314,369,905 | \$ 353,437,033 | \$ 389,655,183 | \$ 413,101,598 |

Note: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the county.

** The County implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015. Years prior to 2015 have not been restated.

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|----------------------|---------------------|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 14,840,072 | \$ 14,265,140 | \$ 19,925,750 | \$ 15,267,539 | \$ 15,543,460 | \$ 17,755,764 | \$ 18,858,145 | \$ 17,502,195 | \$ 20,397,035 | \$ 19,416,842 |
| Public safety | 18,956,494 | 19,305,739 | 21,283,870 | 21,879,618 | 27,429,936 | 25,936,255 | 23,844,205 | 24,937,652 | 23,634,384 | 22,698,971 |
| Highway & streets | 10,706,534 | 15,069,854 | 13,752,617 | 13,683,801 | 14,206,084 | 20,778,791 | 34,833,267 | 24,500,556 | 38,577,704 | 55,631,990 |
| Human services | 21,731,309 | 21,450,703 | 21,611,714 | 23,600,282 | 27,281,389 | 28,809,030 | 29,839,951 | 32,376,629 | 33,282,496 | 33,548,478 |
| Health | 2,354,942 | 2,364,279 | 2,429,229 | 2,471,990 | 2,285,038 | 2,278,107 | 2,589,613 | 2,530,731 | 2,725,877 | 3,352,580 |
| Culture and recreation | 4,234,993 | 5,547,611 | 5,612,724 | 5,840,587 | 7,691,214 | 6,985,503 | 6,744,462 | 6,798,798 | 6,731,248 | 6,710,354 |
| Conservation of natural resources | 4,112,644 | 3,766,146 | 3,844,004 | 4,669,976 | 4,642,206 | 5,055,487 | 5,179,837 | 5,269,168 | 5,862,403 | 5,346,043 |
| Economic development | - | - | - | - | - | - | - | - | 1,456,916 | 4,736,749 |
| Interest on long-term debt | 934,639 | 935,677 | 715,714 | 738,137 | 990,752 | 765,371 | 462,460 | 403,734 | 313,172 | 216,928 |
| Total primary government expenses | <u>77,871,627</u> | <u>82,705,149</u> | <u>89,175,622</u> | <u>88,151,930</u> | <u>100,070,079</u> | <u>108,364,308</u> | <u>122,351,940</u> | <u>114,319,463</u> | <u>132,981,235</u> | <u>151,658,935</u> |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Fees, Charges, Fines, and Other | | | | | | | | | | |
| General government | 3,314,900 | 3,012,090 | 3,113,220 | 3,716,560 | 3,877,261 | 4,171,182 | 4,183,272 | 4,329,428 | 4,364,784 | 4,892,236 |
| Public safety | 4,540,507 | 4,538,185 | 4,990,779 | 4,768,670 | 5,474,860 | 5,830,716 | 5,889,334 | 5,558,681 | 5,509,134 | 5,349,419 |
| Human services | 3,056,919 | 4,077,600 | 3,197,118 | 3,221,894 | 3,924,148 | 4,034,007 | 3,923,841 | 4,267,487 | 4,110,607 | 4,223,848 |
| Culture and recreation | 511,671 | 636,969 | 503,684 | 493,846 | 498,878 | 497,969 | 507,393 | 519,610 | 546,839 | 295,849 |
| Conservation of natural resources | 1,529,848 | 1,647,643 | 1,597,290 | 1,686,370 | 1,824,328 | 1,792,537 | 1,893,171 | 2,065,507 | 2,230,509 | 2,309,660 |
| Other activities | 28,547 | 122,522 | 122,390 | 30,330 | 35,980 | 48,611 | 100,974 | 60,419 | 37,696 | 62,866 |
| Operating grants and contributions | 19,955,234 | 24,364,936 | 21,275,095 | 28,898,485 | 29,465,961 | 37,889,184 | 32,180,741 | 44,813,511 | 46,687,336 | 64,845,628 |
| Capital grants and contributions | 7,303,933 | 1,140,351 | 42,448,305 | 9,324,391 | 5,655,606 | 2,516,483 | 22,636,317 | 15,077,617 | 26,322,183 | 14,217,750 |
| Total primary government program revenues | <u>40,241,559</u> | <u>39,540,296</u> | <u>77,247,881</u> | <u>52,140,546</u> | <u>50,757,022</u> | <u>56,780,689</u> | <u>71,315,043</u> | <u>76,692,260</u> | <u>89,809,088</u> | <u>96,197,256</u> |
| Net (Expense) Revenue | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Total primary government net expense | <u>(37,630,068)</u> | <u>(43,164,853)</u> | <u>(11,927,741)</u> | <u>(36,011,384)</u> | <u>(49,313,057)</u> | <u>(51,583,619)</u> | <u>(51,036,897)</u> | <u>(37,627,203)</u> | <u>(43,172,147)</u> | <u>(55,461,679)</u> |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | 46,001,355 | 46,551,697 | 49,802,503 | 54,160,050 | 51,769,746 | 54,277,321 | 63,668,346 | 68,107,905 | 71,129,005 | 73,934,090 |
| Unrestricted grants and contributions | 1,871,271 | 2,875,240 | 3,621,280 | 3,723,619 | 3,461,341 | 3,461,103 | 3,857,528 | 3,790,901 | 4,115,442 | 4,253,225 |
| Payment in lieu of taxes | 140,852 | 163,782 | 206,050 | 172,997 | 166,705 | 188,352 | 198,899 | 203,751 | 232,346 | 211,580 |
| Investment earnings | 2,240,215 | (2,724,070) | 4,517,459 | 1,122,182 | 1,576,539 | 2,393,439 | 1,470,575 | 3,497,201 | 2,681,607 | (595,953) |
| Miscellaneous | 2,209,004 | 1,712,900 | 1,344,293 | 65,280 | 1,100,583 | 1,204,144 | 2,030,069 | 1,094,573 | 1,231,897 | 1,105,152 |
| Total primary government | <u>52,462,697</u> | <u>48,579,549</u> | <u>59,491,585</u> | <u>59,244,128</u> | <u>58,074,914</u> | <u>61,524,359</u> | <u>71,225,417</u> | <u>76,694,331</u> | <u>79,390,297</u> | <u>78,908,094</u> |
| Change in Net Position | | | | | | | | | | |
| Governmental activities: | <u>\$ 14,832,629</u> | <u>\$ 5,414,696</u> | <u>\$ 47,563,844</u> | <u>\$ 23,232,744</u> | <u>\$ 8,761,857</u> | <u>\$ 9,940,740</u> | <u>\$ 20,188,520</u> | <u>\$ 39,067,128</u> | <u>\$ 36,218,150</u> | <u>\$ 23,446,415</u> |

Note: The County implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015. Years prior to 2015 have not been restated.

Date Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**GOVERNMENT-WIDE EXPENSES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
LAST TEN FISCAL YEARS**

| Year | General Government | Public Safety | Highways and Streets | Human Services | Health | Culture and Recreation | Conservation of Natural Resources | Economic Development | Interest on Long-term Debt | Total |
|------|--------------------|---------------|----------------------|----------------|--------------|------------------------|-----------------------------------|----------------------|----------------------------|---------------|
| 2012 | \$ 20,002,788 | \$ 17,118,959 | \$ 10,220,783 | \$ 19,891,745 | \$ 2,111,800 | \$ 3,728,342 | \$ 3,862,571 | \$ - | \$ 934,639 | \$ 77,871,627 |
| 2013 | 19,183,247 | 17,559,440 | 14,602,187 | 19,645,333 | 2,145,263 | 5,053,216 | 3,580,786 | - | 935,677 | 82,705,149 |
| 2014 | 25,108,762 | 19,454,418 | 13,223,549 | 19,738,198 | 2,206,845 | 5,087,898 | 3,640,238 | - | 715,714 | 89,175,622 |
| 2015 | 20,945,709 | 19,928,239 | 13,126,863 | 21,487,159 | 2,262,363 | 4,876,417 | 4,787,043 | - | 738,137 | 88,151,930 |
| 2016 | 21,830,861 | 25,383,057 | 13,585,132 | 24,813,149 | 2,064,432 | 7,050,761 | 4,351,935 | - | 990,752 | 100,070,079 |
| 2017 | 24,133,362 | 23,895,811 | 20,133,499 | 26,273,147 | 2,058,583 | 6,337,896 | 4,766,639 | - | 765,371 | 108,364,308 |
| 2018 | 26,305,823 | 21,456,465 | 34,042,503 | 26,924,417 | 2,334,309 | 5,984,738 | 4,841,225 | - | 462,460 | 122,351,940 |
| 2019 | 24,723,359 | 22,628,681 | 23,721,723 | 29,559,791 | 2,287,548 | 6,063,997 | 4,930,628 | - | 403,734 | 114,319,461 |
| 2020 | 28,370,554 | 21,071,415 | 37,729,977 | 30,138,451 | 2,475,112 | 5,931,586 | 5,494,052 | 1,456,916 | 313,172 | 132,981,235 |
| 2021 | 27,406,339 | 20,206,721 | 54,783,606 | 30,326,963 | 3,099,783 | 5,913,355 | 4,968,491 | 4,736,749 | 216,928 | 151,658,935 |

* The government-wide expenses in this table reflect expenses prior to the indirect expense allocation of four internal departments: Administration, Finance, Information Services and Human Resources to the appropriate functions of government.

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**GOVERNMENT-WIDE REVENUES
LAST TEN FISCAL YEARS**

PROGRAM REVENUES

| Fiscal Year | Fees, Charges, Fines and Other | Operating Grants and Contributions | Capital Grants and Contributions |
|-------------|--------------------------------|------------------------------------|----------------------------------|
| 2012 | \$ 12,982,392 | \$ 19,955,234 | \$ 7,303,933 |
| 2013 | 14,035,009 | 24,364,936 | 1,140,351 |
| 2014 | 13,524,481 | 21,275,095 | 42,448,305 |
| 2015 | 13,917,670 | 28,898,485 | 9,324,391 |
| 2016 | 15,635,455 | 29,465,961 | 5,655,606 |
| 2017 | 16,375,022 | 37,889,184 | 2,516,483 |
| 2018 | 16,497,985 | 32,180,741 | 22,636,317 |
| 2019 | 16,801,132 | 44,813,511 | 15,077,617 |
| 2020 | 16,799,569 | 46,687,336 | 26,322,183 |
| 2021 | 17,133,878 | 64,845,628 | 14,217,750 |

GENERAL REVENUES

| Taxes | Payment in lieu of taxes | Grants and contributions not restricted to specific programs | Investment Income | Miscellaneous | Total |
|---------------|--------------------------|--|-------------------|---------------|---------------|
| \$ 46,001,355 | \$ 140,852 | \$ 1,871,271 | \$ 2,240,215 | \$ 2,209,004 | \$ 92,704,256 |
| 46,551,697 | 163,782 | 2,875,240 | (2,724,070) | 1,712,900 | 88,119,845 |
| 49,802,503 | 206,050 | 3,621,280 | 4,517,459 | 1,344,293 | 136,739,466 |
| 54,160,050 | 172,997 | 3,723,619 | 1,122,182 | 65,280 | 111,384,674 |
| 51,769,746 | 166,705 | 3,461,341 | 1,576,539 | 1,100,583 | 108,831,936 |
| 54,277,321 | 188,352 | 3,461,103 | 2,393,439 | 1,204,144 | 118,305,048 |
| 63,668,346 | 198,899 | 3,857,528 | 1,470,575 | 2,030,069 | 142,540,460 |
| 68,107,905 | 203,751 | 3,790,901 | 3,497,201 | 1,094,573 | 153,386,591 |
| 71,129,005 | 232,346 | 4,115,442 | 2,681,607 | 1,231,897 | 169,199,385 |
| 73,934,090 | 211,580 | 4,253,225 | (595,953) | 1,105,152 | 175,105,350 |

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**
(modified accrual basis of accounting)

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 1,220 | \$ 1,257 | \$ 3,651 | \$ 113,857 | \$ 443,622 | \$ 635,952 | \$ 531,210 | \$ 860,974 | \$ 794,819 | \$ 1,065,954 |
| Restricted | 2,747,430 | 3,009,881 | 2,413,900 | 1,983,569 | 1,872,875 | 1,773,429 | 1,814,148 | 1,746,760 | 5,013,074 | 3,491,552 |
| Committed | 1,256,247 | - | - | - | - | - | - | - | 4,237,489 | 11,263,622 |
| Assigned | 4,684,986 | 1,567,617 | 2,296,747 | 2,943,302 | 2,537,949 | 3,142,612 | 3,090,901 | 3,728,980 | 6,905,953 | 4,200,270 |
| Unassigned | 17,093,255 | 16,888,267 | 17,729,149 | 17,873,769 | 17,975,791 | 18,435,515 | 19,191,470 | 19,799,953 | 20,074,970 | 20,571,916 |
| Subtotal General fund | \$ 25,783,138 | \$ 21,467,022 | \$ 22,443,447 | \$ 22,914,497 | \$ 22,830,237 | \$ 23,987,508 | \$ 24,627,729 | \$ 26,136,667 | \$ 37,026,305 | \$ 40,593,314 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | \$ 494,768 | \$ 367,815 | \$ 440,925 | \$ 420,507 | \$ 753,579 | \$ 723,362 | \$ 515,483 | \$ 623,866 | \$ 1,025,701 | \$ 839,607 |
| Restricted | 5,956,658 | 11,773,887 | 21,785,674 | 14,637,058 | 24,721,056 | 14,008,371 | 12,053,881 | 12,582,352 | 12,886,058 | 12,853,662 |
| Assigned | 27,037,493 | 19,802,349 | 31,216,231 | 28,045,056 | 36,089,408 | 32,637,460 | 33,543,605 | 46,524,770 | 52,913,906 | 46,345,019 |
| Unassigned | (111,520) | (98,493) | (157,563) | (158,189) | (102,733) | (95,635) | (72,218) | (223,460) | - | (51,283) |
| Subtotal all other governmental funds | \$ 33,377,399 | \$ 31,845,558 | \$ 53,285,267 | \$ 42,944,432 | \$ 61,461,310 | \$ 47,273,558 | \$ 46,040,751 | \$ 59,507,528 | \$ 66,825,665 | \$ 59,987,005 |

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|---------------------|-----------------------|----------------------|-----------------------|----------------------|------------------------|---------------------|----------------------|----------------------|-----------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 46,101,715 | \$ 46,857,907 | \$ 49,983,300 | \$ 54,195,713 | \$ 51,854,610 | \$ 54,273,026 | \$ 63,570,066 | \$ 68,082,878 | \$ 71,190,331 | \$ 73,910,820 |
| Special assessments | 297,938 | 347,158 | 341,754 | 291,192 | 266,629 | 268,283 | 211,644 | 230,478 | 325,652 | 315,903 |
| Licenses and permits | 807,896 | 812,964 | 983,560 | 1,284,711 | 1,297,747 | 1,360,750 | 1,203,790 | 1,192,591 | 823,989 | 1,278,436 |
| Intergovernmental | 30,079,014 | 25,981,031 | 63,738,773 | 44,321,031 | 39,656,315 | 36,363,950 | 55,590,346 | 53,381,308 | 86,298,660 | 85,602,652 |
| Charges for services | 11,555,901 | 11,262,696 | 11,937,514 | 12,802,819 | 13,903,477 | 14,757,386 | 14,510,172 | 15,003,565 | 14,648,478 | 15,171,318 |
| Fines and forfeits | 253,144 | 258,682 | 242,376 | 214,048 | 255,563 | 239,068 | 243,898 | 240,484 | 232,428 | 216,725 |
| Investment income | 2,295,420 | (3,046,485) | 4,269,682 | 1,062,014 | 1,127,312 | 1,402,478 | 1,774,735 | 3,532,685 | 2,679,238 | (607,966) |
| Other revenue | 2,609,598 | 2,821,443 | 1,347,243 | 911,811 | 1,947,430 | 1,215,595 | 1,376,978 | 1,172,193 | 1,867,532 | 1,509,430 |
| Total revenues | 94,000,626 | 85,295,396 | 132,844,202 | 115,083,339 | 110,309,083 | 109,880,536 | 138,481,629 | 142,836,182 | 178,066,308 | 177,397,318 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| General government | 17,365,841 | 16,870,571 | 17,694,942 | 18,412,909 | 20,095,672 | 20,663,558 | 23,241,428 | 22,999,187 | 25,262,177 | 25,466,401 |
| Public safety | 17,222,771 | 17,860,004 | 19,528,952 | 20,301,344 | 21,093,525 | 21,281,800 | 22,819,086 | 22,671,870 | 23,001,438 | 23,419,037 |
| Highways & streets | 8,094,693 | 11,002,326 | 9,572,041 | 10,416,222 | 10,793,726 | 10,543,716 | 11,025,899 | 14,153,763 | 9,894,236 | 11,726,332 |
| Human services | 19,890,353 | 19,689,653 | 20,198,027 | 21,309,360 | 24,127,091 | 25,654,536 | 26,819,630 | 28,630,020 | 31,079,328 | 31,759,063 |
| Health | 2,159,582 | 2,209,043 | 2,252,817 | 2,271,435 | 1,976,590 | 2,026,456 | 2,363,853 | 2,300,704 | 2,606,415 | 3,267,891 |
| Culture and recreation | 4,562,998 | 4,965,586 | 5,027,012 | 6,166,266 | 5,408,151 | 5,595,877 | 5,686,896 | 5,738,112 | 5,725,734 | 5,977,697 |
| Conservation of nat. resources | 3,825,998 | 3,596,957 | 3,653,552 | 4,356,961 | 4,275,207 | 4,617,868 | 4,734,921 | 4,877,651 | 5,542,618 | 5,249,853 |
| Economic development | - | - | - | - | - | - | - | - | 1,456,916 | 4,736,749 |
| Intergovernmental | | | | | | | | | | |
| Highways & streets | 160,737 | 166,093 | 165,748 | 175,449 | 181,991 | 186,766 | 211,260 | 209,379 | 219,739 | 202,043 |
| Capital outlay | 18,100,857 | 14,654,107 | 33,240,103 | 52,301,994 | 10,074,355 | 22,070,747 | 35,778,988 | 22,407,003 | 51,130,220 | 65,140,690 |
| Debt Service | | | | | | | | | | |
| Principal | 3,025,086 | 3,192,841 | 8,477,967 | 3,195,164 | 3,898,252 | 3,947,897 | 6,137,111 | 3,789,090 | 3,867,323 | 3,537,937 |
| Interest | 964,395 | 949,815 | 812,715 | 790,794 | 947,638 | 1,002,608 | 784,584 | 652,435 | 558,925 | 456,681 |
| Total expenditures | 95,373,311 | 95,156,996 | 120,623,876 | 139,697,898 | 102,872,198 | 117,591,829 | 139,603,656 | 128,429,214 | 160,345,069 | 180,940,374 |
| Excess of revenues over (under) expenditures | (1,372,685) | (9,861,600) | 12,220,326 | (24,614,559) | 7,436,885 | (7,711,293) | (1,122,027) | 14,406,968 | 17,721,239 | (3,543,056) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| General obligation bonds issued | 1,460,000 | - | 9,555,000 | - | 7,190,000 | - | - | - | - | - |
| Notes Payable Issued | - | - | - | 13,439,062 | 2,228,135 | 168,048 | - | - | - | - |
| Loans issued | 155,628 | 72,048 | 81,429 | 51,776 | 54,922 | 116,722 | 216,842 | 113,349 | 268,790 | 89,521 |
| Proceeds from sale of capital assets | 1,042,373 | 75,550 | 60,224 | 1,242,265 | 64,350 | 23,135 | 527,584 | 360,316 | 21,604 | 161,306 |
| Refunding bonds issued | - | 5,150,000 | - | - | - | - | - | - | - | - |
| Payments to bond escrow agent | - | - | - | - | - | (5,610,000) | - | - | - | - |
| Premium/(Discount) on debt issued | (10,950) | 57,003 | 441,317 | - | 1,165,325 | - | - | - | - | - |
| Transfers in | 4,527,201 | 6,848,919 | 9,066,284 | 4,408,492 | 4,942,070 | 8,442,344 | 6,813,388 | 5,643,137 | 6,406,807 | 9,959,789 |
| Transfers out | (4,507,480) | (8,060,166) | (9,066,284) | (4,358,997) | (4,942,070) | (8,442,344) | (6,813,388) | (5,643,137) | (6,406,807) | (9,959,789) |
| Total other financing sources (uses) | 2,666,772 | 4,143,354 | 10,137,970 | 14,782,598 | 10,702,732 | (5,302,095) | 744,426 | 473,665 | 290,394 | 250,827 |
| Increase (decrease) in inventories | 50,155 | (129,711) | 57,838 | (37,824) | 293,001 | (17,093) | (214,985) | 95,082 | 196,142 | 20,578 |
| Net change in fund balances | \$ 1,344,242 | \$ (5,847,957) | \$ 22,416,134 | \$ (9,869,785) | \$ 18,432,618 | \$ (13,030,481) | \$ (592,586) | \$ 14,975,715 | \$ 18,207,775 | \$ (3,271,651) |
| Debt service as a percentage of noncapital expenditures | 5.24% | 5.14% | 10.08% | 4.66% | 5.36% | 4.98% | 5.78% | 4.07% | 3.39% | 2.63% |

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**NET TAX CAPACITY AND TAXABLE MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

| Fiscal / Payable Year | Real Property | | Personal Property | | Total | | | % of Net Tax Capacity to |
|-----------------------|------------------|----------------------|-------------------|----------------------|------------------|----------------------|-----------------------|----------------------------|
| | Net Tax Capacity | Taxable Market Value | Net Tax Capacity | Taxable Market Value | Net Tax Capacity | Taxable Market Value | Total Direct Tax Rate | Total Taxable Market Value |
| 2012 | \$ 105,789,671 | \$ 9,618,986,133 | \$ 1,597,924 | \$ 104,945,867 | \$ 107,387,595 | \$ 9,723,932,000 | 43.562 | 1.10% |
| 2013 | 101,614,589 | 9,275,084,900 | 1,755,654 | 88,778,500 | 103,370,243 | 9,363,863,400 | 46.115 | 1.10% |
| 2014 | 107,482,644 | 9,897,391,400 | 1,855,628 | 93,777,200 | 109,338,272 | 9,991,168,600 | 45.211 | 1.09% |
| 2015 | 120,238,736 | 11,119,177,400 | 2,013,792 | 101,685,400 | 122,252,528 | 11,220,862,800 | 40.488 | 1.09% |
| 2016 | 127,018,663 | 11,735,551,900 | 2,289,681 | 115,481,000 | 129,308,344 | 11,851,032,900 | 38.880 | 1.09% |
| 2017 | 130,232,512 | 12,017,771,700 | 2,653,398 | 133,855,000 | 132,885,910 | 12,151,626,700 | 38.851 | 1.09% |
| 2018 | 139,479,603 | 12,825,279,400 | 2,910,761 | 146,771,400 | 142,390,364 | 12,972,050,800 | 37.436 | 1.10% |
| 2019 | 150,147,001 | 13,774,982,600 | 3,092,951 | 155,880,900 | 153,239,952 | 13,930,863,500 | 36.488 | 1.10% |
| 2020 | 163,725,373 | 14,950,971,300 | 3,065,456 | 154,508,900 | 166,790,829 | 15,105,480,200 | 35.179 | 1.10% |
| 2021 | 170,339,251 | 15,495,247,000 | 3,430,738 | 172,848,000 | 173,769,989 | 15,668,095,000 | 34.634 | 1.11% |

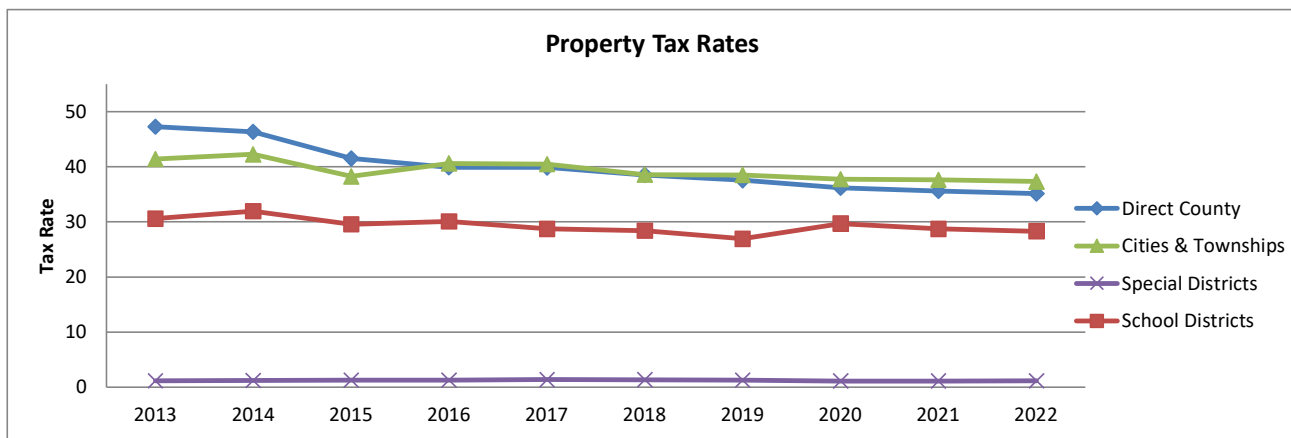
Valuations are determined as of January 1 of the year preceding the tax collection year.
 Amounts are shown for the year in which taxes are payable.
 Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

Data Source: Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

| Tax Year | Carver County | | | | | Average Rates Within Each Classification | | |
|----------|---------------|-------|---|---------------------------------------|--------|--|------------------|---------------------|
| | General | Bonds | * Carver County Water Management Organization | Carver County Regional Rail Authority | Total | Cities/Townships | School Districts | * Special Districts |
| 2013 | 41.831 | 4.284 | 1.019 | 0.121 | 47.255 | 41.379 | 30.577 | 1.183 |
| 2014 | 40.138 | 5.072 | 1.016 | 0.114 | 46.340 | 42.254 | 31.924 | 1.189 |
| 2015 | 36.238 | 4.250 | 0.891 | 0.097 | 41.476 | 38.246 | 29.565 | 1.232 |
| 2016 | 34.830 | 4.051 | 0.912 | 0.110 | 39.903 | 40.595 | 30.070 | 1.255 |
| 2017 | 35.434 | 3.417 | 0.919 | 0.105 | 39.875 | 40.475 | 28.729 | 1.362 |
| 2018 | 34.266 | 3.169 | 0.967 | 0.114 | 38.516 | 38.547 | 28.411 | 1.327 |
| 2019 | 33.543 | 2.946 | 0.927 | 0.104 | 37.520 | 38.520 | 26.922 | 1.243 |
| 2020 | 32.474 | 2.705 | 0.893 | 0.101 | 36.173 | 37.719 | 29.691 | 1.123 |
| 2021 | 32.032 | 2.601 | 0.875 | 0.099 | 35.607 | 37.641 | 28.705 | 1.128 |
| 2022 | 31.690 | 2.480 | 0.859 | 0.110 | 35.139 | 37.319 | 28.306 | 1.162 |



Note: For the City rate, the Urban tax Capacity Rate was used. For the Township rate, the Proper rate and the rate for Fire Districts was used.
 * In 2021 the County broke out the Carver County Water Management Organization from the Special Districts column and presented on its own for better clarity and presentation. This change was applied retroactively so prior year numbers are restated accordingly.

Data Source: Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT AND NINE YEARS AGO**

| 2021 | | | 2012 | | |
|--------------------------------|------------------------|----------------------------|-------------------------------|------------------------|----------------------------|
| Taxpayer | Taxable Assessed Value | Percentage of Total County | Taxpayer | Taxable Assessed Value | Percentage of Total County |
| | | Taxable Assessed Value | | | Taxable Assessed Value |
| Northern States Power Co | \$ 73,266,000 | 0.47% | Target Corporation | \$ 32,447,800 | 0.33% |
| CenterPoint Energy Minnegasco | 70,719,000 | 0.45% | Northern States Power | 28,664,000 | 0.29% |
| LFT Real Estate Company Inc | 46,267,800 | 0.30% | CenterPoint Energy Minnegasco | 26,667,400 | 0.27% |
| US Home Corporation | 36,541,000 | 0.23% | Ameriprise Financial Inc | 21,827,700 | 0.22% |
| Northern Natural Gas Co | 33,092,400 | 0.21% | IRET Minnesota LLC | 18,637,000 | 0.19% |
| Target Corporation | 30,107,000 | 0.19% | Istar Minnesota LLC | 17,967,400 | 0.18% |
| Istar Minnesota LLC | 27,917,500 | 0.18% | Aurora Investments LLC | 17,205,800 | 0.18% |
| United Healthcare Services Inc | 25,697,800 | 0.16% | PHM/Chanhassen Inc | 15,831,500 | 0.16% |
| SGO MN West Village LLC | 22,649,500 | 0.14% | Hazeltine Natl Golf Club | 15,784,100 | 0.16% |
| Aurora Investments LLC | 22,160,000 | 0.14% | Rosemount Inc | 15,037,400 | 0.15% |
| Total | \$ 388,418,000 | 2.48% | Total | \$ 210,070,100 | 2.16% |

Data Source: Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

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

| Fiscal Year | Certified Tax Levy | Abatements/ Adjustments (3) | Market Value Credit Adjustment (2) | Adjusted Certified Tax Levy | Collection within the Fiscal Year of the Levy (3) | | Collections in Subsequent Years | Total Collections to Date | | Outstanding Delinquent | |
|-------------|--------------------|--------------------------------|--|-----------------------------------|--|-----------|---------------------------------------|---------------------------|-----------|------------------------|-----------|
| | | | | | Amount (1) | % of Levy | | Amount | % of Levy | Amount | % of Levy |
| 2012 | \$ 44,779,720 | \$ (300,801) | \$ - | \$ 44,478,919 | \$ 44,004,472 | 98.93% | \$ 316,122 | \$ 44,320,594 | 99.64% | \$ 181 | 0.00% |
| 2013 | 45,629,720 | (178,737) | - | 45,450,983 | 45,042,675 | 99.10% | 405,774 | 45,448,449 | 99.99% | 494 | 0.00% |
| 2014 | 47,546,920 | (150,800) | - | 47,396,120 | 47,174,883 | 99.53% | 218,222 | 47,393,105 | 99.99% | 1,137 | 0.00% |
| 2015 | 49,861,920 | (156,480) | - | 49,705,440 | 49,551,666 | 99.69% | 141,443 | 49,693,109 | 99.98% | 10,663 | 0.02% |
| 2016 | 50,242,700 | (269,935) | - | 49,972,765 | 49,858,227 | 99.77% | 105,223 | 49,963,450 | 99.98% | 7,161 | 0.01% |
| 2017 | 51,649,500 | (268,144) | - | 51,381,356 | 51,333,497 | 99.91% | 34,690 | 51,368,187 | 99.97% | 11,122 | 0.02% |
| 2018 | 53,649,500 | (204,155) | - | 53,445,345 | 53,363,472 | 99.85% | 66,595 | 53,430,067 | 99.97% | 13,121 | 0.02% |
| 2019 | 56,264,855 | (138,442) | - | 56,126,413 | 55,945,339 | 99.68% | 149,266 | 56,094,605 | 99.94% | 29,569 | 0.05% |
| 2020 | 59,073,855 | (99,310) | - | 58,974,545 | 58,812,573 | 99.73% | 103,461 | 58,916,034 | 99.90% | 56,592 | 0.10% |
| 2021 | 60,473,855 | 62,908 | - | 60,536,763 | 60,254,655 | 99.53% | - | 60,254,655 | 99.53% | 279,801 | 0.46% |

(1) This amount includes fiscal disparities and any tax aid.
 (2) The county receives market value credit from the state, which is included in the gross tax levy. During 2010 and 2011 market value credit was cut by \$714,517 and \$816,418, respectively. Since this money will not be collected, the certified tax levy was adjusted to account for this cut.
 (3) These amounts include agricultural preserve and agricultural market value credits. This change was made during 2017.

Data Sources:
 Taxpayer Services Department
 Financial Services Division

CHASKA, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

| Fiscal Year | General Obligation Bonds | General Obligation Notes Payable | Loans Payable | Capital Leases | Total Debt | Total Debt Per Capita | | Percentage of Personal Income | |
|-------------|--------------------------|----------------------------------|---------------|----------------|---------------|-----------------------|-----------|-------------------------------|---------------|
| | | | | | | Total | Net | Total | Net |
| 2012 | \$ 24,104,252 | \$ - | \$ 1,414,038 | \$ - | \$ 25,518,290 | \$ 272.68 | \$ 272.68 | 0.44% | 0.44% |
| 2013 | 26,354,561 | - | 1,243,245 | - | 27,597,806 | 289.09 | 289.09 | 0.47% | 0.47% |
| 2014 | 28,146,667 | - | 1,051,707 | - | 29,198,374 | 300.51 | 300.51 | 0.50% | 0.50% |
| 2015 | 25,117,349 | 13,439,062 | 878,319 | - | 39,434,730 | 399.48 | 399.48 | 0.63% | 0.63% |
| 2016 | 30,828,356 | 14,549,197 | 737,989 | - | 46,115,542 | 459.95 | 459.95 | 0.71% | 0.71% |
| 2017 | 22,325,218 | 13,588,245 | 690,814 | - | 36,604,277 | 358.45 | 358.45 | 0.53% | 0.53% |
| 2018 | 17,107,260 | 12,604,000 | 754,790 | - | 30,466,050 | 294.21 | 294.21 | 0.41% | 0.41% |
| 2019 | 14,268,196 | 11,610,000 | 703,049 | - | 26,581,245 | 252.94 | 252.94 | 0.35% | 0.35% |
| 2020 | 11,353,207 | 10,606,000 | 818,516 | - | 22,777,723 | 213.74 | 213.74 | 0.28% | 0.28% |
| 2021 | 8,809,578 | 9,592,000 | 729,100 | - | 19,130,678 | 175.8253573 | 175.83 | Not Available | Not Available |

Data Sources:

Yearly Financial Statements

See Schedule XV for Personal Income and Population Information

**CARVER COUNTY
CHASKA, MINNESOTA**

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

| Fiscal Year | Total | | General Obligation Bonds | General Obligation Notes Payable | Net Bonded Debt | Bonded Debt Per Capita | | Bonded Debt to Actual Taxable Market Value | | Bonded Debt to Net Tax Capacity | |
|-------------|----------------------|------------------|--------------------------|----------------------------------|-----------------|------------------------|-----------|--|-------|---------------------------------|--------|
| | Taxable Market Value | Net Tax Capacity | | | | Total | Net | Total % | Net % | Total % | Net % |
| | | | | | | | | | | | |
| 2012 | \$ 9,723,932,000 | \$ 107,387,595 | \$ 24,104,252 | \$ - | \$ 24,104,252 | \$ 257.57 | \$ 257.57 | 0.25% | 0.25% | 22.45% | 22.45% |
| 2013 | 9,363,863,400 | 103,370,243 | 26,354,561 | - | 26,354,561 | 276.07 | 276.07 | 0.28% | 0.28% | 25.50% | 25.50% |
| 2014 | 9,991,168,600 | 109,338,272 | 28,146,667 | - | 28,146,667 | 289.69 | 289.69 | 0.28% | 0.28% | 25.74% | 25.74% |
| 2015 | 11,220,862,800 | 122,252,528 | 25,117,349 | 13,439,062 | 38,556,411 | 390.59 | 390.59 | 0.34% | 0.34% | 31.54% | 31.54% |
| 2016 | 11,851,032,900 | 129,308,344 | 30,828,356 | 14,549,197 | 45,377,553 | 452.59 | 452.59 | 0.38% | 0.38% | 35.09% | 35.09% |
| 2017 | 12,151,626,700 | 132,885,910 | 22,325,218 | 13,588,245 | 35,913,463 | 351.68 | 351.68 | 0.30% | 0.30% | 27.03% | 27.03% |
| 2018 | 12,972,050,800 | 142,390,364 | 17,107,260 | 12,604,000 | 29,711,260 | 286.92 | 286.92 | 0.23% | 0.23% | 20.87% | 20.87% |
| 2019 | 13,930,863,500 | 153,239,952 | 14,268,196 | 11,610,000 | 25,878,196 | 246.25 | 246.25 | 0.19% | 0.19% | 16.89% | 16.89% |
| 2020 | 15,105,480,200 | 166,790,829 | 11,353,207 | 10,606,000 | 21,959,207 | 206.06 | 206.06 | 0.15% | 0.15% | 13.17% | 13.17% |
| 2021 | 15,668,095,000 | 173,769,989 | 8,809,578 | 9,592,000 | 18,401,578 | 169.12 | 169.12 | 0.12% | 0.12% | 10.59% | 10.59% |

Valuations are determined as of January 1 of the year preceding the tax collection year.
 Amounts are shown for the year in which taxes are payable.
 Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.
 The GO Notes Payable is being paid back through general levy.

Data Sources:

Yearly Financial Statements
 See Schedule XV for Population Information

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMPUTATION OF DIRECT, UNDERLYING AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2021**

| Government Unit | Debt Outstanding (1) | Applicable to Carver County Percent | Amount |
|--|-------------------------|--|-----------------------|
| Direct: | | | |
| Government Unit | | | |
| General Obligation Bonds Payable (net of discount) | \$ 11,353,207 | 100.0% | \$ 11,353,207 |
| General Obligation Notes Payable | 10,606,000 | 100.0% | 10,606,000 |
| Loans Payable | 818,516 | 100.0% | 818,516 |
| Carver County | 22,777,723 | 100.0% | 22,777,723 |
| Underlying: | | | |
| Carver City | 23,735,000 | 100.0% | 23,735,000 |
| Chanhassen City | 31,415,000 | 97.7% | 30,692,455 |
| Chaska City | 98,135,000 | 100.0% | 98,135,000 |
| Cologne | 18,946,935 | 100.0% | 18,946,935 |
| Hamburg City | 2,589,000 | 100.0% | 2,589,000 |
| Mayer | 4,935,180 | 100.0% | 4,935,180 |
| New Germany City | 7,601,300 | 100.0% | 7,601,300 |
| Norwood Young America City | 13,434,000 | 100.0% | 13,434,000 |
| Victoria City | 24,120,000 | 100.0% | 24,120,000 |
| Waconia City | 44,439,053 | 100.0% | 44,439,053 |
| Watertown City | 3,786,000 | 100.0% | 3,786,000 |
| Total cities | 273,136,468 | 99.7% | 272,413,923 |
| School District #108 | 7,695,000 | 96.3% | 7,410,285 |
| School District #110 | 114,755,000 | 82.0% | 94,099,100 |
| School District #111 | 52,742,663 | 75.7% | 39,926,196 |
| School District #112 | 178,825,000 (2) | 100.0% | 178,825,000 |
| School District #276 | 173,540,000 | 18.6% | 32,278,440 |
| School District #424 | 15,525,000 | 0.2% | 31,050 |
| School District #716 | 18,430,000 (3) | 9.1% | 1,677,130 |
| School District #2687 | 38,415,000 | 0.6% | 230,490 |
| School District #2859 | 22,880,000 | 0.1% | 22,880 |
| Total school districts | 622,807,663 | 56.9% | 354,500,571 |
| Total Underlying debt | 895,944,131 | 70.0% | 626,914,494 |
| Overlapping: | | | |
| Metro Council | 1,688,625,662 (4) | 3.6% | 60,790,524 |
| Total Overlapping debt | 1,688,625,662 | 3.6% | 60,790,524 |
| Total direct, underlying and overlapping debt | \$ 2,607,347,516 | 27.2% | \$ 710,482,741 |

(1) Direct debt includes all of the debt instruments related to the governmental activities (i.e., general obligation bonds payable, and loans payable). Underlying and Overlapping debt only includes those taxing jurisdictions with general obligation debt outstanding. Does not include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

(2) Currently, the State of MN is paying approximately 3.83% of the principal and interest on the Eastern Carver County School District's general obligation bonds. Assuming this percentage continues for the life of the bonds, the State's proportionate share of principal is \$6,534,172.

(3) Currently, the State of Minnesota is paying approximately 7.56% of the principal and interest on the Belle Plaine School District's general obligation bonds. Assuming this percentage continues for the life of the bonds, the State's proportionate share of principal is \$2,120,958.

(4) The above includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds, and lease obligations outstanding all of which are supported entirely by revenues and have not been included in the Overlapping Debt or Debt Ratios sections.

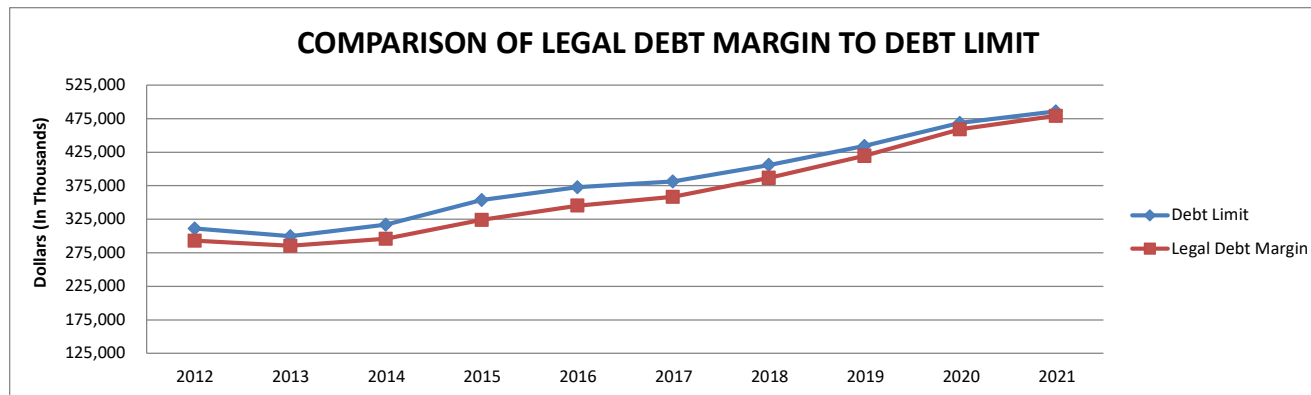
Data Source: Provided by Taxpayer Services Department

SCHEDULE XIV (Unaudited)

CARVER COUNTY
CHASKA, MINNESOTA

LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessor's Estimated Market Value | \$ 10,376,803,300 | \$ 10,001,109,700 | \$ 10,567,048,000 | \$ 11,782,984,500 | \$ 12,421,561,200 | \$ 12,722,707,200 | \$ 13,530,431,200 | \$ 14,483,418,000 | \$ 15,634,055,900 | \$ 16,191,072,500 |
| Legal debt margin | | | | | | | | | | |
| Debt limit (3% of Assessor's EMV) | 311,304,099 | 300,033,291 | 317,011,440 | 353,489,535 | 372,646,836 | 381,681,216 | 405,912,936 | 434,502,540 | 469,021,677 | 485,732,175 |
| Debt applicable to limit: (see schedule XII) | | | | | | | | | | |
| General Obligation bonds & notes | 24,104,252 | 26,354,561 | 28,146,667 | 38,556,411 | 45,377,553 | 35,913,463 | 29,711,260 | 25,878,196 | 21,959,207 | 18,401,578 |
| Less: Amount reserved for repayment of general obligation debt | (5,873,056) | (11,698,722) | (7,264,955) | (9,041,305) | (18,253,478) | (12,710,587) | (10,771,390) | (11,332,701) | (11,917,326) | (11,715,539) |
| Total debt applicable to limit | 18,231,196 | 14,655,839 | 20,881,712 | 29,515,106 | 27,124,075 | 23,202,876 | 18,939,870 | 14,545,495 | 10,041,881 | 6,686,039 |
| Legal debt margin | \$ 293,072,903 | \$ 285,377,452 | \$ 296,129,728 | \$ 323,974,429 | \$ 345,522,761 | \$ 358,478,340 | \$ 386,973,066 | \$ 419,957,045 | \$ 458,979,796 | \$ 479,046,136 |
| Total debt applicable to the limit as a percentage of debt limit | 5.86% | 4.88% | 6.59% | 8.35% | 7.28% | 6.08% | 4.67% | 3.35% | 2.14% | 1.38% |



Minn. Stat. Section 475.53, subd. 1 states that except as otherwise provided in Minn. Stat. Sections 474.74 to 475.51, no municipality except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the estimated market value.

Data Source: Assessed values are provided by Taxpayer Services Division.

**CARVER COUNTY
CHASKA, MINNESOTA**

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

| Year | Population (1)(2)* | Personal Income (3) | Median Age (1) | Public School Enrollment K thru 12 (4) |
|------|-----------------------|------------------------|-------------------|---|
| 2012 | 93,584 | \$ 5,826,217,000 | 36.8** | 15,769 |
| 2013 | 95,463 | 5,930,653,000 | 36.7** | 16,071 |
| 2014 | 97,162 | 5,838,766,000 | 36.8** | 16,115 |
| 2015 | 98,798 | 6,249,370,000 | 36.9 | 16,494 |
| 2016 | 100,621 | 6,464,183,000 | 37.4 | 17,954 |
| 2017 | 102,858 | 6,911,379,000 | 37.1 | 18,201 |
| 2018 | 105,970 | 7,388,388,000 | 37.2 | 18,368 |
| 2019 | 107,179 | 7,655,911,000 | 37.5 | 18,422 |
| 2020 | 106,565 | 8,064,542,000 | 38.1 | 18,812 |
| 2021 | 108,805 | Not Available | Not Available | 18,178 |

Average Labor Statistics

| Year | Carver County | | State | | National | |
|------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Per Capita Income (3) | Unemployment Rate (5) | Per Capita Income (3) | Unemployment Rate (5) | Per Capita Income (3) | Unemployment Rate (5) |
| 2012 | \$ 58,811 | 4.8% | \$ 47,293 | 5.6% | \$ 39,784 | 8.1% |
| 2013 | 59,001 | 4.3% | 47,410 | 5.0% | 39,527 | 7.4% |
| 2014 | 62,391 | 3.6% | 48,998 | 4.2% | 41,450 | 6.2% |
| 2015 | 64,664 | 3.2% | 50,541 | 3.8% | 42,953 | 5.3% |
| 2016 | 65,569 | 3.3% | 52,038 | 3.9% | 43,946 | 4.9% |
| 2017 | 68,395 | 2.9% | 54,359 | 3.4% | 45,821 | 4.4% |
| 2018 | 71,268 | 2.5% | 57,515 | 3.0% | 48,223 | 3.9% |
| 2019 | 72,852 | 2.8% | 58,834 | 3.2% | 49,763 | 3.7% |
| 2020 | 75,677 | 4.9% | 61,464 | 6.2% | 53,082 | 8.1% |
| 2021 | Not Available | 2.9% | 65,486 | 3.4% | 55,710 | 5.3% |

Data Sources:

- 1.) United States Census Bureau <<http://www.census.gov>>
- 2.) Metropolitan Council Population
- 3.) Bureau of Economic Analysis <<http://www.bea.gov/>>
- 4.) Minnesota Department of Education <<http://education.state.mn.us>>
- 5.) DEED: Local Area Unemployment Statistics <<http://www.deed.state.mn.us/lmi/tools/laus>>

* All population estimates come from the Metropolitan Council

** United States Census Bureau (estimates)

**CARVER COUNTY
CHASKA, MINNESOTA**

**PRINCIPAL EMPLOYERS
CURRENT AND TEN YEARS AGO**

| 2022 (1) | | | 2013 | | |
|--|-----------------------------------|--|---|-----------------------------------|--|
| <u>Employer</u> | <u>Estimated No. of Employees</u> | <u>Percentage of Total County Employment</u> | <u>Employer</u> | <u>Estimated No. of Employees</u> | <u>Percentage of Total County Employment</u> |
| I.S.D. No. 112 (Eastern Carver County) | 2,056 | 3.47% | Emerson Process Mgmt/Rosemount, Inc. | 1,800 | 5.18% |
| Ridgeview Medical Center | 1,500 | 2.54% | Ridgeview Medical Center | 1,500 | 4.32% |
| Emerson Process Management | 1,201 | 2.03% | I.S.D. No. 112 (Eastern Carver County) | 1,129 | 3.25% |
| Storm Aviation | 1,001 | 1.69% | The Instant Web Company (IWCO Direct) | 1,000 | 2.88% |
| IWCO Direct. | 1,000 | 1.69% | Carver County | 793 | 2.28% |
| I.S.D. No. 110 (Waconia) | 900 | 1.52% | Beckman Coulter, Inc. | 780 | 2.24% |
| Carver County | 785 | 1.33% | SuperValu Corporate Headquarters (West) | 700 | 2.01% |
| Beckman Coulter, Inc. | 780 | 1.32% | Target | 700 | 2.01% |
| Bernard Group | 600 | 1.01% | Elkay Manufacturing, Inc. | 620 | 1.78% |
| General Mills | 600 | 1.01% | Lake Region Manufacturing | 600 | 1.73% |
| Total | 10,423 | 17.61% | Total | 9,622 | 27.68% |
| | | | | | |
| Total County Employment (2) | 59,171 | | Total County Employment (3) | 34,744 | |

Note: Employment is within Carver County and not necessarily company wide for employers listed.

Data Sources:

- 1.) Ehlers Public Finance Advisors via Data Axel Reference Solutions and MN Dept of Employment and Economic Development
- 2.) Ehlers Public Finance Advisors via Minnesota Department of Employment and Economic Development <<http://www.deed.state.mn.us/lmi/tools/laus.htm>>
- 3.) Minnesota Department of Employment and Economic Development <<http://www.deed.state.mn.us/lmi/tools/laus.htm>>

**CARVER COUNTY
CHASKA, MINNESOTA**

**COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

| <u>Function/program</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Government | | | | | | | | | | |
| Administration | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Administration Services | 3.00 | 3.00 | 3.20 | 4.70 | 4.20 | 4.20 | 4.20 | 4.20 | 5.20 | 5.20 |
| Property Assessment | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 13.00 | 13.00 | 14.00 | 14.50 | 14.50 |
| Attorney | 28.88 | 29.20 | 31.20 | 31.20 | 31.35 | 32.35 | 32.35 | 33.35 | 33.50 | 32.80 |
| License Centers | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 19.50 |
| Election and Licensing | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.03 |
| Property Tax | 22.90 | 22.90 | 25.10 | 25.10 | 26.10 | 24.10 | 25.10 | 26.25 | 29.38 | 7.35 |
| Commissioners | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Facilities Management | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| Finance | 7.70 | 7.70 | 7.70 | 7.70 | 7.70 | 7.70 | 7.70 | 8.50 | 8.50 | 8.70 |
| Employee Relations | 9.00 | 9.00 | 11.00 | 11.00 | 12.00 | 12.00 | 13.00 | 13.20 | 13.20 | 13.20 |
| Information Services | 23.45 | 23.45 | 24.70 | 27.95 | 28.80 | 29.80 | 31.80 | 32.80 | 33.80 | 34.08 |
| Property Records | 6.00 | 6.00 | 6.00 | 7.00 | 5.00 | 8.00 | 8.00 | 8.00 | 9.20 | 11.25 |
| Veterans Services | 3.70 | 3.70 | 4.10 | 4.60 | 4.60 | 4.60 | 5.60 | 5.60 | 5.60 | 5.60 |
| Land Management | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Public Safety | | | | | | | | | | |
| Court Services | 14.55 | 16.05 | 16.10 | 16.10 | 16.10 | 16.10 | 15.80 | 16.50 | 16.50 | 17.50 |
| Emergency Management | 2.00 | - | - | - | - | - | - | - | - | - |
| Sheriff | 155.76 | 157.77 | 160.77 | 160.77 | 160.19 | 160.50 | 161.90 | 163.90 | 164.16 | 163.90 |
| Highways & Streets | | | | | | | | | | |
| Public works | 45.55 | 46.55 | 51.15 | 50.48 | 53.48 | 55.85 | 58.85 | 60.85 | 61.85 | 61.75 |
| Human Services | | | | | | | | | | |
| Social Services | 172.50 | 179.70 | 181.13 | 191.53 | 212.58 | 219.48 | 216.98 | 220.08 | 228.08 | 234.48 |
| Health | | | | | | | | | | |
| Public Health Services | 22.80 | 21.80 | 21.50 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 17.60 | 18.40 |
| Culture & Recreation | | | | | | | | | | |
| Library | 37.92 | 37.62 | 38.94 | 43.70 | 43.75 | 44.02 | 44.39 | 44.01 | 44.47 | 44.04 |
| Parks | 9.59 | 11.59 | 11.80 | 10.98 | 11.41 | 12.03 | 12.15 | 13.40 | 12.98 | 13.97 |
| Conservation of Natural Resources | | | | | | | | | | |
| University of MN Extension | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.10 |
| Planning & Water Management | 5.60 | 6.60 | 6.85 | 9.00 | 10.40 | 10.40 | 10.60 | 10.85 | 10.84 | 12.13 |
| Environmental Services | 11.15 | 10.15 | 11.15 | 11.40 | 12.90 | 12.90 | 12.90 | 13.90 | 13.90 | 14.25 |
| Total | 623.75 | 634.48 | 654.09 | 673.91 | 701.26 | 715.73 | 723.02 | 738.09 | 752.96 | 766.73 |

Note:

In 2013, Emergency Management was moved to the Sheriff's Office.

Employees listed by FTE Equivalent

Data Source: Financial Services Division

**CARVER COUNTY
CHASKA, MINNESOTA**

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

| <u>Function/program</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>General Government</u> | | | | | | | | | | |
| Administrative Services | | | | | | | | | | |
| Square Feet of Building Space (1) | 610,665 | 610,665 | 610,665 | 610,665 | 610,665 | 618,665 | 618,665 | 618,665 | 618,665 | 618,665 |
| Employee Relations | | | | | | | | | | |
| New Hires Processed | 109 | 168 | 192 | 163 | 205 | 214 | 157 | 189 | 165 | 155 |
| Terminations Processed | 116 | 123 | 165 | 140 | 174 | 187 | 161 | 190 | 146 | 160 |
| Collective Bargaining Agreements | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 10 | 10 |
| Financial Services | | | | | | | | | | |
| Cash Receipts Processed | 6,798 | 6,862 | 5,854 | 5,811 | 6,278 | 5,950 | 5,862 | 5,778 | 4,889 | 5,127 |
| Payroll Checks Issued | 498 | 480 | 587 | 423 | 516 | 467 | 433 | 413 | 228 | 222 |
| Payroll Stubs Issued | 17,968 | 19,005 | 18,390 | 19,767 | 19,402 | 19,895 | 20,327 | 24,344 | 25,098 | 25,320 |
| Claims Paid | 13,016 | 13,507 | 13,603 | 14,001 | 13,147 | 12,502 | 11,722 | 12,151 | 11,230 | 10,508 |
| Contracts Maintained | 306 | 424 | 482 | 616 | 601 | 548 | 516 | 585 | 499 | 520 |
| Journal Entries | 726 | 776 | 646 | 728 | 721 | 699 | 620 | 601 | 629 | 469 |
| Budget Amendments Entered | 107 | 127 | 127 | 141 | 179 | 162 | 164 | 161 | 131 | 129 |
| Capital Assets Inventoried | 71 | 81 | 62 | 80 | 60 | 56 | 110 | 72 | 83 | 49 |
| Property Records and Taxpayer Services | | | | | | | | | | |
| Deeds Recorded | 3,422 | 3,962 | 3,447 | 3,857 | 3,864 | 5,051 | 4,030 | 3,522 | 4,250 | 5,530 |
| Birth and Death Certificate Copies Issued | 4,797 | 5,792 | 5,783 | 5,835 | 6,207 | 6,308 | 6,531 | 7,133 | 5,939 | 7,019 |
| Marriage Licenses Processed | 443 | 507 | 485 | 478 | 507 | 508 | 470 | 441 | 375 | 494 |
| Passports Processed | 3,947 | 4,310 | 4,869 | 6,520 | 6,972 | 6,858 | 6,229 | 5,948 | 2,375 | 5,390 |
| Motor Vehicle Registrations | 52,690 | 56,697 | 59,332 | 61,577 | 66,066 | 63,529 | 66,548 | 60,580 | 48,276 | 47,100 |
| % of Voter Turnout (General Election) | 96% | 0% | 65% | 0% | 91% | 0% | 81% | 0% | 95% | 0% |
| Real Estate Documents Processed (2) | 25,840 | 24,822 | 17,828 | 16,419 | 11,452 | 9,948 | 8,814 | 7,848 | 6,158 | 5,720 |
| Electronic Documents Received (2) | - | - | - | 4,735 | 10,163 | 10,825 | 10,209 | 12,812 | 24,135 | 25,329 |
| Real Property Parcels | 41,424 | 42,617 | 43,173 | 42,759 | 41,517 | 41,800 | 42,136 | 42,869 | 45,115 | 45,989 |
| Personal Property Parcels | - | - | - | - | 188 | 185 | 185 | 185 | 187 | 175 |
| Number of New Homes Constructed | 394 | 610 | 573 | 508 | 641 | 627 | 622 | 572 | 716 | 849 |
| Properties Appraised | 7,498 | 8,670 | 9,144 | 8,871 | 8,428 | 8,363 | 11,596 | 8,856 | 14,979 | 12,993 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Continued)**

| Function/program | Fiscal Year | | | | | | | | | |
|--|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| Public Safety | | | | | | | | | | |
| Sheriff's Office | | | | | | | | | | |
| Calls for Service Received: | 50,430 | 50,640 | 53,068 | 53,081 | 55,221 | 53,687 | 51,970 | 56,362 | 48,473 | 48,041 |
| Chaska Calls | 11,802 | 11,375 | 11,298 | 10,864 | 11,289 | 11,568 | 11,724 | 11,463 | 9,775 | 9,053 |
| County Calls | 38,628 | 39,265 | 41,770 | 42,217 | 43,932 | 42,119 | 40,246 | 38,974 | 38,698 | 38,988 |
| Part I Crimes | 865 | 818 | 865 | 928 | 246 | - | - | - | - | - |
| Part II Crimes | 1,627 | 1,587 | 1,645 | 1,789 | 655 | - | - | - | - | - |
| Group A Crimes | - | - | - | - | 1,047 | 1,650 | 1,492 | 1,475 | 1,773 | 1,728 |
| Group B Crimes | - | - | - | - | 306 | 554 | 512 | 539 | 458 | 425 |
| Misc. Non-Criminal Incidents | 36,136 | 36,860 | 39,260 | 39,500 | 41,674 | 15,459 | 15,846 | 15,604 | 15,826 | 15,542 |
| Fire Calls | 552 | 640 | 730 | 769 | 720 | 760 | 745 | 1,182 | 802 | 840 |
| Medical Calls | 2,309 | 2,445 | 2,549 | 2,531 | 2,786 | 2,942 | 3,194 | 4,514 | 3,092 | 3,618 |
| Drug Cases | 145 | 222 | 267 | 260 | 241 | 672 | 275 | 239 | 240 | 202 |
| Crashes | 1,052 | 1,410 | 1,424 | 1,463 | 1,429 | 1,454 | 1,344 | 1,438 | 880 | 771 |
| Fatal Crashes | 3 | 6 | 9 | 4 | 1 | 3 | 5 | 4 | 5 | 2 |
| Personal Injury Crashes | 156 | 194 | 160 | 190 | 180 | 164 | 166 | 141 | 139 | 88 |
| Property Damage Crashes | 896 | 1,210 | 1,255 | 1,269 | 1,248 | 1,287 | 1,173 | 1,295 | 736 | 681 |
| Alarm calls | 1,587 | 1,400 | 1,312 | 1,297 | 1,232 | 1,290 | 1,225 | 1,282 | 1,103 | 1,170 |
| Citations Issued | 4,315 | 4,313 | 4,530 | 5,180 | 8,298 | 5,492 | 3,067 | 2,842 | 3,620 | 2,650 |
| Total Arrests | 664 | 542 | 590 | 590 | 964 | 1,203 | 1,258 | 1,184 | 1,048 | 896 |
| Drug Arrests | 289 | 76 | 100 | 89 | 224 | 288 | 259 | 274 | 168 | 209 |
| Civil Papers Served | 1,513 | 1,201 | 1,183 | 1,259 | 1,334 | 1,530 | 1,250 | 1,174 | 1,370 | 1,415 |
| Warrants | 1,001 | 753 | 948 | 893 | 892 | 1,088 | 907 | 947 | 779 | 878 |
| Number of Prisoners Transported | 539 | 425 | 574 | 472 | 568 | 526 | 650 | 607 | 436 | 463 |
| Prisoners Transported (Miles) | 55,850 | 41,738 | 57,906 | 40,133 | 53,693 | 53,165 | 60,253 | 54,020 | 31,841 | 38,343 |
| Inmates Booked: | 1,956 | 1,927 | 1,856 | 1,831 | 2,023 | 2,223 | 1,968 | 1,944 | 1,344 | 1,209 |
| Total Carver County Inmates Booked | 1,488 | 1,352 | 1,511 | 1,507 | 1,529 | 1,614 | 1,560 | 1,638 | 1,143 | 1,113 |
| Males Booked | 1,151 | 1,050 | 1,166 | 1,168 | 1,216 | 1,193 | 1,174 | 1,220 | 868 | 847 |
| Females Booked | 337 | 302 | 345 | 339 | 313 | 421 | 386 | 418 | 274 | 266 |
| Boarded Inmates from Other Jurisdictions | 468 | 575 | 345 | 324 | 494 | 609 | 408 | 306 | 201 | 96 |
| Average Daily Inmate Population | 69 | 62 | 76 | 63 | 83 | 89 | 78 | 70 | 34 | 31 |
| Prisoners Days Stayed | 24,959 | 22,398 | 27,775 | 23,005 | 30,529 | 32,493 | 28,551 | 25,482 | 12,599 | 11,365 |
| Jail Medical Unit- Inmate Interaction | 2,390 | 2,279 | 1,948 | 1,795 | 1,970 | 4,283 | 4,649 | 4,123 | 2,626 | 1,877 |
| Total Juveniles Booked: | 306 | 265 | 284 | 272 | 245 | 242 | 199 | 247 | 158 | 168 |
| Carver County Juveniles Booked | 138 | 87 | 113 | 128 | 109 | 89 | 71 | 76 | 50 | 74 |
| Male Juveniles Booked | 119 | 72 | 75 | 78 | 74 | 62 | 55 | 58 | 36 | 49 |
| Female Juveniles Booked | 19 | 15 | 38 | 50 | 35 | 27 | 16 | 18 | 14 | 25 |
| Boarded Juveniles from Other Jurisdictions | 168 | 178 | 171 | 144 | 136 | 153 | 128 | 171 | 108 | 94 |
| Average Daily Juvenile Population | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 3 | 2 | 2 |
| Juvenile Resident Days Stayed | 1,059 | 980 | 1,142 | 1,226 | 1,123 | 1,125 | 902 | 1,169 | 730 | 805 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Continued)**

| <u>Function/program</u> | <u>Fiscal Year</u> | | | | | | | | | |
|---|--------------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| <u>Court Services</u> | | | | | | | | | | |
| Number of Probation Supervision Clients/Offenders | 1,123 | 1,274 | 1,136 | 1,102 | 1,071 | 1,122 | 1,283 | 1,269 | 962 | 1,059 |
| Number of Probation Supervision Cases | 1,293 | 1,470 | 1,167 | 1,208 | 1,206 | 1,434 | 1,386 | 1,350 | 1,056 | 1,172 |
| Number of Offender Risk Assessments Completed | 749 | 650 | 855 | 677 | 680 | 766 | 825 | 1,104 | 912 | 838 |
| Number of Offender Drug/Alcohol Tests Completed | 3,583 | 3,457 | 4,479 | 3,638 | 3,861 | 3,384 | 3,124 | 3,472 | 1,712 | 1,817 |
| Number of Offender Probation Violations Filed | 366 | 288 | 273 | 251 | 238 | 263 | 229 | 295 | 169 | 233 |
| <u>Highways & Streets</u> | | | | | | | | | | |
| <u>Road & Bridge</u> | | | | | | | | | | |
| Resurfacing (miles) | 6.5 | 11.2 | 9.9 | 9.4 | 8.5 | 8.7 | 19.0 | 17.8 | 12.1 | 14.2 |
| Vehicle/Equipment Units Serviced | 355 | 355.0 | 360.0 | 361.0 | 256.0 | 319.0 | 308.0 | 312.0 | 323.0 | 319.0 |
| <u>Human Services</u> | | | | | | | | | | |
| <u>Health and Human Services</u> | | | | | | | | | | |
| Financial Assistance End of Year Caseload | 3,295 | 3,453 | 6,165 | 6,674 | 7,792 | 7,744 | 7,238 | 6,407 | 7,984 | 9,341 |
| Child Support Annual Disbursements | \$ 8,164,867 | \$ 8,440,219 | \$ 8,627,101 | \$ 8,644,514 | \$ 8,481,691 | \$ 8,330,537 | \$8,300,791 | \$8,504,491 | \$8,044,691 | \$7,237,750 |
| Open Child and Family Workgroups | 319 | 300 | 335 | 730 | 730 | 770 | 1,032 | 991 | 837 | 812 |
| Developmentally Disabled Clients | 341 | 346 | 334 | 341 | 352 | 377 | 355 | 408 | 420 | 401 |
| Crisis Program Clients Served | 8,858 | 9,459 | 9,098 | 8,738 | 5,762 | 6,991 | 6,195 | 6,162 | 7,209 | 7,692 |
| Detox Visits | 176 | 193 | 163 | 166 | 167 | 146 | 115 | 74 | 92 | 77 |
| Child Support End of Year Caseload | 1,934 | 1,902 | 1,816 | 1,779 | 1,838 | 1,821 | 1,792 | 1,740 | 1,767 | 1,736 |
| Children in Out-Of Home Placement | 56 | 53 | 59 | 91 | 161 | 83 | 115 | 173 | 166 | 155 |
| Child Care Assistance End of Year Caseload | 165 | 132 | 128 | 131 | 141 | 143 | 138 | 169 | 113 | 146 |
| Licensed Family Day Care Homes | 182 | 167 | 155 | 144 | 139 | 128 | 118 | 114 | 104 | 102 |
| Encore Adult Day Services Participants | 48 | 46 | 48 | 54 | 58 | 54 | 53 | 62 | 43 | 25 |
| DD Screening | 173 | 222 | 212 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| MnChoices Assessments | N/A | N/A | N/A | 451 | 585 | 1,133 | 1,103 | 1,191 | 1,191 | 1,262 |
| <u>Workforce Resource Center Average Daily</u> | | | | | | | | | | |
| Client Usage | 81 | 77 | 69 | 58 | 52 | 51 | 38 | 47 | 5 | 4 |
| Workforce Services Enrolled Clients | 720 | 644 | 640 | 584 | 600 | 617 | 556 | 368 | 283 | 482 |
| SmartLink Transit Passenger Trips | 209,956 | 193,832 | 190,023 | 154,143 | 161,088 | 159,292 | 165,309 | 117,119 | 11,170 | 32,880 |
| <u>Health</u> | | | | | | | | | | |
| <u>Public Health</u> | | | | | | | | | | |
| Information & Resources Calls | 748 | 646 | 594 | 420 | 363 | 501 | 527 | 419 | 247 | 236 |
| Children 0-3 Enrolled in Follow Along Program | 1,201 | 1,309 | 1,241 | 1,170 | 846 | 946 | 566 | 531 | 523 | 616 |
| MRC Volunteers Registered | 120 | 120 | 120 | 120 | 112 | 113 | 97 | 114 | 20 | 34 |

**CARVER COUNTY
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Continued)**

| <u>Function/program</u> | <u>Fiscal Year</u> | | | | | | | | | |
|---|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| <u>Culture & Recreation</u> | | | | | | | | | | |
| Library | | | | | | | | | | |
| Library Visits | 580,242 | 557,219 | 551,358 | 535,064 | 525,656 | 505,807 | 482,482 | 533,596 | 121,465 | 182,719 |
| Library Circulation | 1,078,004 | 1,039,915 | 1,059,994 | 1,064,549 | 1,018,472 | 993,786 | 997,988 | 1,084,590 | 679,654 | 925,539 |
| Number of Materials | 240,780 | 242,603 | 255,474 | 279,462 | 273,183 | 267,642 | 367,427 | 235,381 | 234,281 | 229,646 |
| Queries for Information | 37,310 | 67,353 | 56,186 | 57,954 | 59,954 | 48,672 | 74,709 | 89,648 | 25,475 | 40,534 |
| Public Service Hours | 13,364 | 13,217 | 13,303 | 14,994 | 15,348 | 15,185 | 17,542 | 17,542 | 7,165 | 13,981 |
| Attendance of Library Hosted Programs | 36,245 | 27,441 | 29,042 | 34,650 | 35,028 | 32,145 | 35,084 | 39,949 | 29,179 | 32,872 |
| Park | | | | | | | | | | |
| Park & Trail User Visits (annual use) | 582,000 | 615,000 | 675,120 | 686,240 | 583,000 | 710,000 | 750,000 | 791,300 | Not Available | Not Available |
| Historical Society | | | | | | | | | | |
| Attendance of Programs hosted in Schools | 1,174 | 2,546 | 4,373 | 4,038 | 3,675 | 4,018 | 5,597 | 4,409 | 1,534 | 2,015 |
| Attendance of Programs hosted in Museum | 3,169 | 2,798 | 1,592 | 1,193 | 1,035 | 787 | 456 | 1,758 | 140 | 496 |
| Attendance of Programs hosted in Library | 653 | 478 | 648 | 1,067 | 1,035 | 643 | 1,842 | 2,410 | 397 | 822 |
| Attendance of Programs - other | 2,377 | 2,341 | 4,869 | 2,995 | 3,367 | 3,746 | 2,816 | 2,759 | 651 | 2,722 |
| <u>Conservation of Natural Resources</u> | | | | | | | | | | |
| Land & Water Services | | | | | | | | | | |
| Environmental Center Visits | 26,158 | 26,812 | 27,423 | 33,641 | 35,000 | 40,146 | 34,659 | 28,424 | 24,482 | 29,659 |
| Appliances Recycled (in units) | 2,862 | 3,036 | 2,952 | 3,111 | 3,811 | 3,975 | 3,855 | 4,036 | 4,431 | 4,112 |
| Tons of Tires Recycled | 32 | 33 | 37 | 30 | 44 | 39 | 39 | 37 | 38 | 31 |
| Tons of Electronics Recycled | 276 | 316 | 292 | 292 | 350 | 308 | 254 | 219 | 211 | 198 |
| Tons of Household Hazardous Waste Recycled | 212 | 210 | 215 | 228 | 380 | 332 | 262 | 251 | 276 | 311 |
| Building Permits Issued | 596 | 478 | 557 | 635 | 615 | 652 | 565 | 668 | 639 | 873 |
| New & Replacement On-site Sewer Systems | 100 | 95 | 95 | 107 | 70 | 100 | 156 | 78 | 99 | 91 |
| Hazardous Waste Generators Licensed/Re-licensed | 307 | 297 | 300 | 304 | 340 | 307 | 298 | 298 | 294 | 296 |
| Planning Commission/Board of Adjustment Actions | 47 | 45 | 42 | 60 | 58 | 55 | 26 | 45 | 54 | 54 |
| Minor Subdivisions | 34 | 35 | 31 | 43 | 22 | 69 | 57 | 59 | 39 | 47 |
| Zoning Permits Issued | 243 | 172 | 167 | 120 | 159 | 263 | 292 | 216 | 183 | 111 |
| Wetland Conservation Act Contacts | 170 | 271 | 266 | 137 | 223 | 244 | 231 | 239 | 261 | 262 |
| Number of Water Projects Approved | 62 | 62 | 65 | 109 | 49 | 56 | 69 | 58 | 59 | 81 |
| Number of Feedlot Inspections | 55 | 58 | 71 | 49 | 17 | 19 | 20 | 22 | 18 | 47 |

Note: (1) Square feet of Building Space does not include leased space. (2) Electronic documents started being received in 2015, and began being broken out from total real estate documents processed in 2016. (3) due to COVID-19 a lot of the 2020 numbers related to services are significantly different than prior year averages.

Data Sources:

Various County Departments

SCHEDULE XIX (Unaudited)

**CARVER COUNTY
CHASKA, MINNESOTA**

**CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

| <u>Function/program</u> | <u>Fiscal Year</u> | | | | | | | | | |
|-----------------------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| General Government | | | | | | | | | | |
| Government Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public Safety | | | | | | | | | | |
| Justice Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol Units | 38 | 40 | 40 | 40 | 42 | 42 | 69 | 70 | 70 | 73 |
| Emergency management vehicles | 2 | 2 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Highways & Streets | | | | | | | | | | |
| Mileage: | | | | | | | | | | |
| County State Aid Highway (CSAH) | 228 | 226 | 229 | 223 | 230 | 233 | 233 | 229 | 232 | 232 |
| County Road | 47 | 50 | 55 | 50 | 44 | 44 | 44 | 50 | 44 | 44 |
| Bridges (total) | 23 | 23 | 24 | 24 | 24 | 25 | 25 | 25 | 25 | 25 |
| Traffic signals | 3 | 30 | 30 | 27 | 27 | 29 | 29 | 29 | 29 | 29 |
| Culverts | 32 | 32 | 32 | 32 | 32 | 35 | 35 | 35 | 35 | 35 |
| Culture and Recreation | | | | | | | | | | |
| Parks acreage | 869 | 899 | 899 | 894 | 894 | 894 | 894 | 894 | 894 | 894 |
| County parks | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Regional parks & trails | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 7 |
| Playground structures | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 |
| Buildings/shelters | 21 | 21 | 21 | 21 | 21 | 21 | 20 | 18 | 18 | 18 |
| Fairgrounds | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Libraries | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Conservation of Natural Resources | | | | | | | | | | |
| Environmental Resource Facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Data Sources:
Various County Divisions