



(Sara Snap TPT Learn event at Waconia Library)



# CARVER COUNTY

CHASKA, MINNESOTA



(Groundbreaking ceremony- Lake Waconia Regional Park Waterfront Service Center)

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR YEAR ENDED DECEMBER 31, 2022



(Bridge replacement on CSAH 32 over South Fork Crow River)



(Residents lined up for a special waste collection event in Hollywood Township)

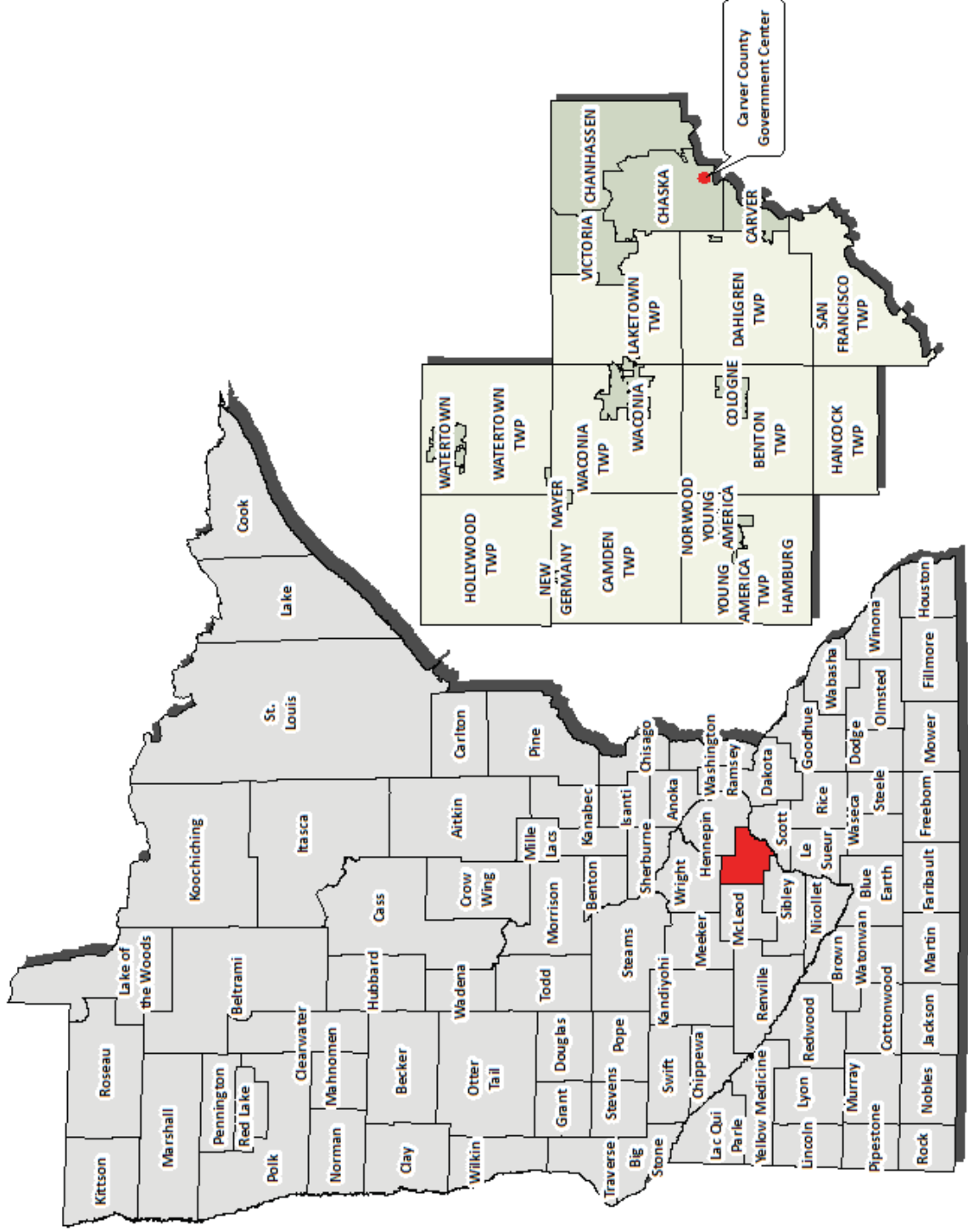


(Highway 24 Road improvements in the city of Watertown)

*“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, 2022. 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](http://www.co.carver.mn.us) or obtained from the Finance Department by calling 952-361-1511.

# Carver County, Minnesota



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**CARVER COUNTY  
CHASKA, MINNESOTA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Prepared by the Finance Department

**CARVER COUNTY  
CHASKA, MINNESOTA**

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**CARVER COUNTY  
CHASKA, MINNESOTA**

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# **INTRODUCTORY SECTION**



## Property and Finance 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 28, 2023

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

SUBJECT: *2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT*

The Annual Comprehensive Financial Report (ACFR) of Carver County is submitted for the fiscal year ended December 31, 2022. The County's Finance 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 2022 population, according to the Census Bureau was 110,034, 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.

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 13.3 percent in 2021. 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 11th 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 was ranked first in Minnesota for both health outcomes and 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 2021, based on Bureau of Economic Analysis, Carver County was ranked second in the State for per capita personal income of \$80,562 (most recent data available). This was 122 percent of the State average and 126 percent of the national average. Nationwide, Carver County ranks 113th for per capita personal income.

Carver County has maintained a credit rating of AAA from Standard and Poor’s (S&P) Rating Services since 2009, 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 2023 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 \$444 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 \$401 million make up the largest portion of these projects followed by Parks and Trails projects totaling \$5.4 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 Annual Budget and Long-Term Financial Plan. The Long-Term Financial Plan for

2024 and Beyond is available for viewing from the Finance Department or on our website at <https://www.carvercountymn.gov/>.

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.carvercountymn.gov/>.

## **Major Initiatives**

**COVID-19 Response** – The County has transitioned into this “new normal” more efficiently, mixing the County’s traditional service methods with newly-discovered ones. 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 and transportation using the County’s Budget Stabilization Account and the Coronavirus Local Fiscal Recovery Funds (American Rescue Plan Act). The county also launched the “Connect Up Carver” broadband initiative, \$6.5 million. This project leverages the County’s CarverLink broadband fiber optic network to bring high-speed internet access to more than 2,000 locations, both residences and businesses, primarily in rural areas of western Carver County. The program target’s locations identified as either underserved or unserved for fiber internet access. More information on the spending of the federal funds received can be viewed on the Carver Count website at <https://www.carvercountymn.gov/>.

**Drug Court** – In 2022, Carver County was successful in securing a \$750,000 Federal Enhancement Grant for the Carver County Drug Treatment Court. The county intends to use these funds towards expanding the drug treatment court to include probation violations, hiring defense counsel for those cases, and utilizing a certified peer recovery specialist.

**Opioid Settlement** – In 2022, Carver County began receiving opioid settlement funds. As of 2022, \$497k has been received, with payments going out the next 18 years, for an additional \$1.9M. This money goes directly to Carver County and its partners to assist in addressing the drug epidemic.

**Lake Waconia Regional Park and Coney Island Development** – Construction started on the Lake Waconia Regional Park Waterfront Service Center in the fall of 2022, with an anticipated completion date in late fall 2023. This new waterfront service center building will provide event and classroom space, modern restrooms, rental concessions, as well as enhanced lakeshore access to service the beach and picnic areas, trails. Continued development of Coney Island is also planned with providing additional docking space for watercraft.

**Highway 212 Project in Dahlgren Township**- Carver County led the effort to remove the existing 2-lane bottleneck and expand US Highway 212 to a 4-lane expressway between the cities of Cologne and Carver. This two year project completed in October 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 spring 2022.

**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 citizens' 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 1<sup>st</sup> 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, 2022. 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 2023, the County Finance 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, 2021. This was the 26<sup>th</sup> 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 'David Frischmon', is written over a light gray rectangular background.

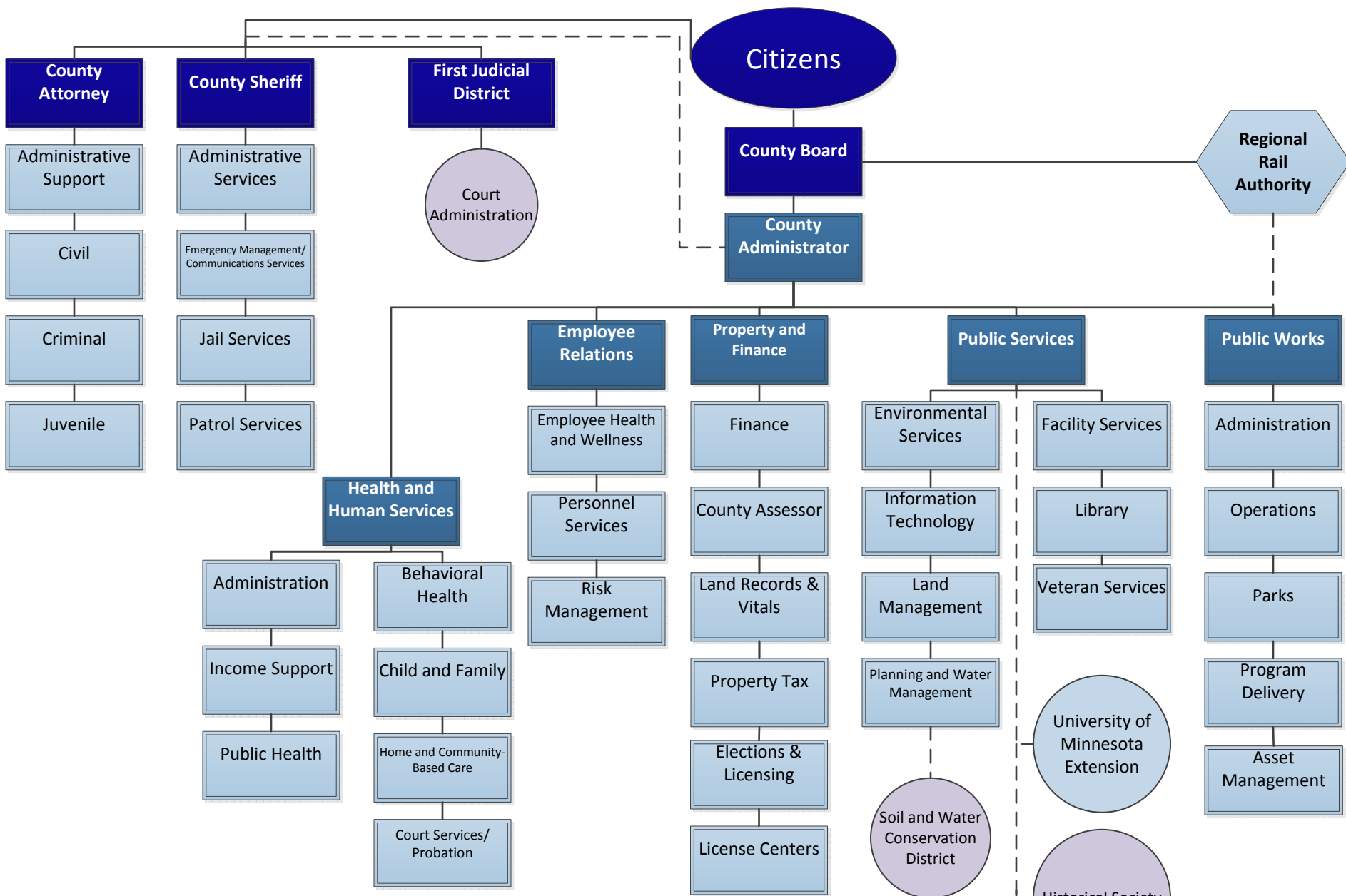
David Frischmon  
Property and Finance Director

**CARVER COUNTY  
CHASKA, MINNESOTA**

**LIST OF ELECTED AND APPOINTED OFFICIALS  
DECEMBER 31, 2022**

Office	Name	Term of Office	
		From	To
<b>Commissioners:</b>			
1st District	Gayle Degler, Chair	January 2003	December 2022
2nd District	Tom Workman	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, Vice Chair	January 2021	December 2022
<b>Officers:</b>			
<b>Elected:</b>			
Attorney	Mark Metz	January 2011	December 2022
Sheriff	Jason Kamerud	January 2019	December 2022
<b>Appointed:</b>			
Administrator	Dave Hemze	March 2003	Indefinite
Assessor	Ryan Johnson	October 2022	Indefinite
Medical Examiner	Quinn Strobl M.D.	January 2013	December 2023
Veterans Services Officer	Dan Tengwall	September 2014	Indefinite
<b>Division Directors:</b>			
Employee Relations Director	Kerie Anderka	June 2013	Indefinite
Health and Human Services Director	Heather Goodwin	August 2022	Indefinite
Property and Finance 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, 2021

*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, 2022, 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 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 Carver County, as of December 31, 2022, 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 represents 100% of the assets, net position, and revenues of the discretely presented component unit as of December 31, 2022. 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.

***Emphasis of Matter – Change in Accounting Principle***

As discussed in Note 1 to the financial statements, effective January 1, 2022, the County adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

***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, 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*, schedule of intergovernmental revenue, and schedule of capital assets used in the operation of governmental funds 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 as listed in the table of contents 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 28, 2023, 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 28, 2023

**CARVER COUNTY  
CHASKA, MN**

**Management's Discussion and Analysis  
DECEMBER 31, 2022  
(Unaudited)**

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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, 2022. 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 \$419,268,961 (net position). Of this amount, \$58,352,043 (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 \$6,167,363 for the year ended December 31, 2022, 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 \$103,951,981. Approximately, 78.9 percent of this amount, \$81,999,789, is available for spending at the government's discretion (assigned and unassigned fund balance is the discretionary fund balance).
- At the end of the current fiscal year, assigned and unassigned fund balance for the General Fund was \$23,006,419, or 33.2 percent of the total General Fund expenditures and transfers out.
- Carver County's total long-term debt decreased by \$500,342 (2.60 percent) during the current fiscal year. The key factors were the debt service payments, which reduced the outstanding debt, offset by the 2023A bonds issued.
- The County recognized a Net OPEB Asset of \$2,777,982 at 12/31/22. 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 12/31/22 is largely due to favorable interest rates and investment returns during prior years.
- The County received its second tranche payment of \$10.2 million in Coronavirus State and Local Fiscal Recovery Funds during 2022. As of 12/31/22, \$10.95 million remains unspent, but all unspent funds have been allocated to housing and broadband projects.

**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  
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**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 24-32 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.

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**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 31-32 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 33-71 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 72-116 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 \$419,268,961 at the close of the most recent fiscal year.

Net Investment in Capital Assets, \$324,792,609 (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 77.5 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 8.6 percent of Carver County's net position or \$36,124,309 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$58,352,043 or approximately 13.9 percent is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

**Carver County's Net Position**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Current and other assets	\$ 165,954,231	\$ 140,915,489
Capital assets	344,883,620	346,220,178
Net OPEB Asset	2,777,982	5,548,358
Net Pension Asset	-	230,749
Receivables - due in more than one year	1,410,276	1,811,586
<b>Total Assets</b>	<b>515,026,109</b>	<b>494,726,360</b>
<b>Deferred Outflows of Resources</b>	<b>37,208,613</b>	<b>28,869,942</b>
Long-term liabilities outstanding	99,255,744	51,756,928
Other liabilities	26,426,617	17,497,935
<b>Total Liabilities</b>	<b>125,682,361</b>	<b>69,254,863</b>
<b>Deferred Inflows of Resources</b>	<b>7,283,400</b>	<b>41,239,841</b>
Net Position:		
Net Investment in Capital Assets	324,792,609	324,066,425
Restricted	36,124,309	27,649,288
Unrestricted	58,352,043	61,385,885
<b>Total Net Position</b>	<b>\$ 419,268,961</b>	<b>\$ 413,101,598</b>

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.

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CHASKA, MN**

**Management's Discussion and Analysis  
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Carver County's governmental activities net position increased by \$6,167,363 during the current fiscal year. This increase is the combination of many surpluses and deficits but the primary changes include:

- Beginning October of 2017, a 0.5% transit sales and use tax and a \$20 vehicle excise tax was implemented generating \$12.5 million in 2022 to be used on transportation projects throughout the County. As of year-end \$25.3 million remains unspent, but allocated for planned road and bridge projects in 2023 and beyond.
- Operating grants and contributions decreased by \$26.2 million, offset by a decrease in highway and street costs.
- Investment income had a negative year-end mark to market adjustment of \$6,712,061 in 2022.
- During 2022, Carver County spent down \$2.9M of the Coronavirus State and Local Fiscal Recover Funds and COVID-19 Budget Stabilization Funds that were initially received during 2020/21.

**Carver County's Changes in Net Position**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>Revenues:</b>		
Program revenues:		
Fees, Charges, Fines and Other	\$ 17,292,671	\$ 17,133,878
Operating grants & contributions	38,601,701	64,845,628
Capital grants & contributions	16,904,999	14,217,750
General revenues:		
Property taxes	64,567,926	61,746,085
Wheelage tax	1,861,289	1,908,608
Transportation tax	12,460,041	10,165,481
Gravel tax	91,248	113,916
Grants & contributions not restricted to specific programs	4,624,308	4,253,225
Payment in lieu of taxes	223,177	211,580
Investment income	(5,021,141)	(595,953)
Miscellaneous	1,861,436	1,105,152
<b>Total Revenues</b>	<b>153,467,655</b>	<b>175,105,350</b>
<b>Expenses:</b>		
General government	21,830,906	19,416,842
Public safety	31,996,774	22,698,971
Highways and streets	38,895,938	55,631,990
Human services	36,162,247	33,548,478
Health	3,793,001	3,352,580
Culture and recreation	7,653,882	6,710,354
Conservation of natural resources	6,301,247	5,346,043
Economic development	500,000	4,736,749
Interest	166,297	216,928
<b>Total Expenses</b>	<b>147,300,292</b>	<b>151,658,935</b>
Increase in net position	6,167,363	23,446,415
<b>Net Position 1/1</b>	<b>413,101,598</b>	<b>389,655,183</b>
<b>Net Position 12/31</b>	<b>\$ 419,268,961</b>	<b>\$ 413,101,598</b>

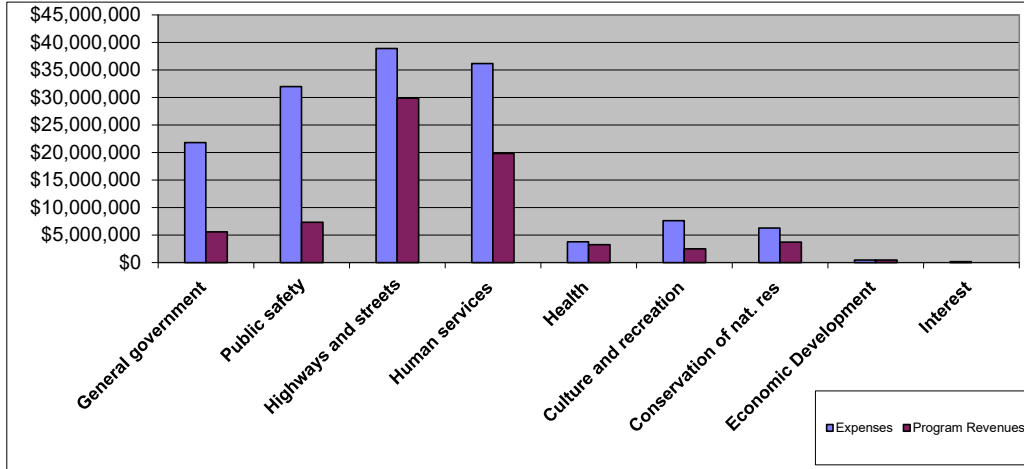
The expenses stated for each function of government above are reflective after the allocation of indirect expense.



**CARVER COUNTY  
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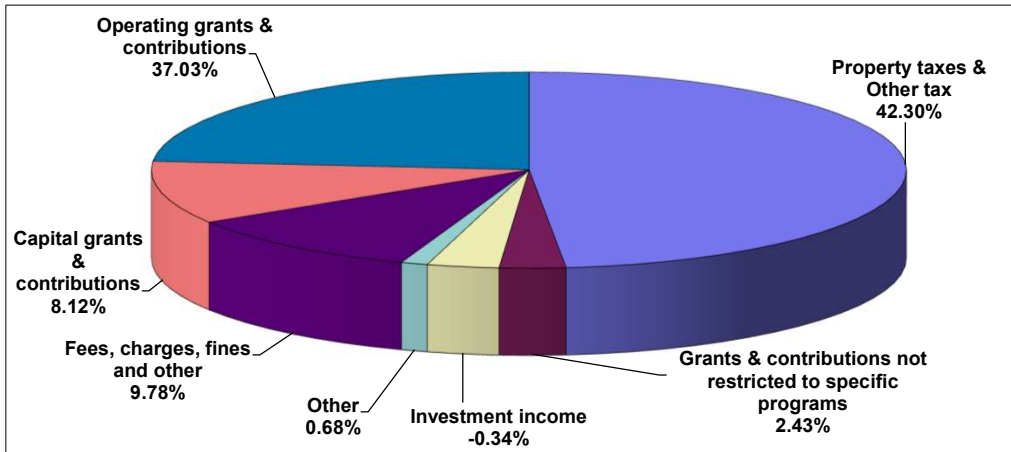
**Management's Discussion and Analysis  
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**2022 Expenses and Program Revenues - Governmental Activities**



*Expenses presented in this graph are reflective after the indirect expense allocation, see page 23 of this report.*

**2022 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  
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As of the end of the current fiscal year, Carver County's governmental funds reported combined ending fund balances of \$103,951,981 a increase of \$3,371,662 in comparison with the prior year. Most of the total amount, \$81,999,789 constitutes 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 and unassigned fund balance of the General Fund was \$23,006,419, while total fund balance reached \$29,683,605. As a measure of the General Fund's liquidity, it may be useful to compare assigned and unassigned fund balance and the total fund balance to total fund expenditures and transfers out. Assigned and unassigned fund balance represents 33.2 percent of total General Fund expenditures and transfers out, while total fund balance represents approximately 42.8 percent of that same amount. The fund balance of Carver County's General Fund decreased by \$10,909,709 during the current fiscal year. This is largely attributed to the \$6,712,061 negative mark to market adjustment in 2022 along with a change in fund balance policy reducing working capital from 35% to a percent up to 30% of next year's operating budget needs.

The Road and Bridge Fund had a total fund balance of \$7,186,398 at the end of the current fiscal year. The fund balance of the Road and Bridge Fund increased by \$1,208,104 during the current year primarily due to projects that were funded in 2022, but not completed prior to year end. Therefore, fund balance has been assigned to those incomplete projects.

The Health and Human Services Fund had a total fund balance of \$12,088,418 at the end of the current fiscal year. The fund balance of the Health and Human Services Fund decreased by \$1,364,490 during the current fiscal year. This change is primarily due to the transfer of funds related to the fund balance policy change, reducing the amount needed within the fund at year-end.

The Ditch Fund had an overall negative fund balance of \$146,322 at the end of the current fiscal year. The fund balance of the Ditch Fund decreased by \$235,921 during the fiscal year, due to increased spending on ditch maintenance and a large redetermination that started in 2022.

The Rail Authority Fund had a fund balance of \$165,690 at the end of the current fiscal year. The fund balance of the Rail Authority Fund decreased by \$16,944 during the current fiscal year due to transfers for staffing costs.

The Water Management Organization Fund had a fund balance of \$581,094 at the end of the current fiscal year. The fund balance of the Water Management Organization Fund increased by \$19,020 during the current fiscal year due to more project costs rolling into 2023.

The Debt Service Fund had a total fund balance of \$13,229,873 at the end of the current fiscal year which is available for payment of debt service. The fund balance of the Debt Service Fund increased by \$1,514,334 during the current fiscal year. Redirection of debt service levy starting in 2023 is included in the 2023 Budget. The County did issue debt in 2022, the debt payments will be made from lease revenue received from People Incorporated.

The Buildings Capital Improvement Fund had a total fund balance of \$4,929,639 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 increased by \$2,245,281 during the current fiscal year. This increase is largely due to continuation of projects into 2023 and the increase to the YES account.

The Road and Bridge Capital Improvement Fund had a total fund balance of \$29,228,349 at the end of the current fiscal year. The fund balance is assigned to: transportation tax projects and the YES account. The fund balance of the Road and Bridge Capital Improvement Fund increased by \$4,440,754 during the fiscal year. The key factors for the increase is the continuation of projects into 2023 and the increase to the YES account.

The Parks & Trails Capital Improvement Fund had a total fund balance of \$7,005,237 at the end of the current fiscal year. These funds are restricted to Coney Island improvements and assigned for: capital projects, park land acquisition, and the YES account. The fund balance for the Parks and Trails Capital Improvement Fund increased by \$6,471,233 during the fiscal year. This change is largely attributed to the Lake Waconia Regional Park Waterfront Service Center that will continue into 2023 and the increase to the YES account.

**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 \$12,367,167 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 \$6,952,765. The significant budget changes during the current fiscal year were:

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- Increasing intergovernmental revenue by \$1,878,083, mainly for additional grants that were awarded in 2022 or carried forward from 2021 and were not a part of the 2022 adopted budget.
- Increasing transfers in by \$3,955,624, 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 for approved uses.
- Increasing and decreasing budgeted expenditures for: Vacancy Savings budget was allocated out to the respective departmental budgets based on anticipated vacancy savings.
- The \$6,939,333 increase in transfers out is due to COVID-19 Budget Stabilization Funds used for assistance programs and the Lake Waconia Regional Park Waterfront Service Center, as well as, a transfer to the YES account based on a change in the Fund Balance Policy.

The final amended budget expenditures and transfers out exceeded actual expenditures and other financing uses by \$1,691,043 during fiscal year. The actual revenues and other financing sources were less than the final amended budget revenues and other financing sources by \$7,186,350. Significant variances during the current fiscal year included the following:

- Actual Property Assessment, Information Technology, Human Resources, Sheriff, and Library expenditures were \$106,003, \$409,558, \$181,820, \$343,791, and \$167,463 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 \$6,589,687. This is largely due the \$6,712,061 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, 2022, is \$344,857,935 (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 decrease in Carver County's investment in capital assets for the current year was approximately -0.40 percent. The decrease in capital assets was mainly due to a decrease of \$3,785,856 in buildings. The decrease in construction and progress is offset by the increase in infrastructure.

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

- Completed road project on CSAH 11, contributed to the \$9,326,050 increase to infrastructure and decrease to construction in progress, on the \$15M project.
- Continued road construction and Coney Island work during 2022, an increase in construction in progress of \$9M.
- Depreciation expense for the year of \$9,943,525.

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

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Land	\$ 31,733,308	\$ 31,722,898
Construction in Progress	153,459,274	159,415,396
Buildings	29,519,004	33,304,860
Improvements other than buildings	77,052	81,916
Machinery and Equipment	5,209,303	6,161,164
Infrastructure	124,859,994	115,533,944
<b>Total</b>	<b>\$ 344,857,935</b>	<b>\$ 346,220,178</b>

Additional information on Carver County's capital assets can be found in Note 3.D on page 46 of this report.

**CARVER COUNTY  
CHASKA, MN**

**Management's Discussion and Analysis  
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**Long-term Debt.** At the end of the current fiscal year, Carver County had total bonded debt outstanding of \$17,875,644. This is a decrease of \$525,934 from the start of the year. Current and future County tax levies are used to finance all bonded debt, except for the 2022A Bonds, which are leveraging lease revenue.

Carver County's total debt decreased by \$500,342 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, as well as the 2022A Bonds issued during summer of 2022.

**Carver County's Outstanding Debt**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
General obligation bonds	\$ 9,307,644	\$ 8,809,578
General obligation notes payable	8,568,000	9,592,000
Loans	754,692	729,100
<b>Total</b>	<b>\$ 18,630,336</b>	<b>\$ 19,130,678</b>

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 2022 and into 2023.

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 \$507,873,873, 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 48-50 of this report.

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

- The 2022 average unemployment rate for Carver County was 2.2%, which is a decrease from a rate of 2.9% a year ago. This compares favorably to the State's average unemployment rate of 2.7% and the national average of 3.4%.
- County General Fund expenditures for 2023 are budgeted to increase 6.78% from 2022.
- The 2023 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 2022. The County's \$450,000 average value home in 2023 increased in value by 20.0% compared to 2022. The 2023 budget recommendations captured the new tax base created by this growth along with an inflationary 3.8% 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.gov/>

# **Basic Financial Statements**

**CARVER COUNTY  
CHASKA, MINNESOTA**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Community Development Agency</u>
<b><u>Assets</u></b>		
Current assets		
Cash and Pooled Investments	\$ 123,967,948	\$ 10,488,611
Petty Cash and Change Funds	8,005	-
Departmental Cash	175,960	-
Undistributed Cash in Custodial Funds	31,222	-
Minnesota Foundation Endowment	60,066	-
Taxes Receivable		
Delinquent	234,518	-
Special Assessments Receivable		
Delinquent	1,283	-
Deferred	675,024	-
Accounts Receivable	2,536,508	179,745
Note Receivable - due within one year	561,310	43,140
Security Deposit Receivable	2,404	-
Lease Receivable	179,069	-
Accrued Interest Receivable	278,664	33,216
Due From Other Governments	30,827,007	1,422,757
Inventories	715,550	-
Prepaid Items	1,800,795	216,105
Restricted Assets		
Cash and Pooled Investments	-	6,944,270
<b>Total Current Assets</b>	<b>162,055,333</b>	<b>19,327,844</b>
Noncurrent assets		
Capital Assets - Not being Depreciated		
Land	31,733,308	8,905,126
Construction in Progress	153,459,274	670,765
Capital Assets - Net of Depreciation		
Buildings	29,519,004	39,187,166
Improvements other than Buildings	77,052	759,099
Machinery and Equipment	5,209,303	1,263,994
Infrastructure	124,859,994	-
Lease Receivable - due in more than one year	3,898,898	-
Right to Use Leased Asset- Net of Amortization	25,685	-
Net OPEB Asset	2,777,982	-
Assets held for sale	-	78,500
Notes, Loans & Mortgages Receivable - due in more than one year	1,410,276	651,130
Investment in Joint Venture	-	800,082
<b>Total Noncurrent Assets</b>	<b>352,970,776</b>	<b>52,315,862</b>
<b>Total Assets</b>	<b>515,026,109</b>	<b>71,643,706</b>
<b><u>Deferred Outflows of Resources</u></b>		
Deferred Charges on Refunding	-	363,712
Deferred Pension Resources	36,106,679	-
Deferred OPEB Resources	1,101,934	-
<b>Total Deferred Outflows of Resources</b>	<b>37,208,613</b>	<b>363,712</b>

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

**CARVER COUNTY  
CHASKA, MINNESOTA**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2022  
(Continued)**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Community Development Agency</u>
<b><u>Liabilities</u></b>		
Current liabilities		
Accounts Payable	1,422,971	897,222
Accrued Interest Payable	167,742	385,828
Salaries Payable	2,607,656	79,944
Contracts Payable	2,151,649	-
Retainage Payable	852,778	-
Other current liabilities	-	382,501
Customer deposits	1,873,173	392,169
Due to other Governments	2,023,156	-
General Obligation Bonds Payable - due within one year (net of premium/ discount)	2,140,151	1,320,000
General Obligation Notes Payable - due within one year	1,034,000	13,519
Loans Payable - due within one year	158,927	13,081,312
Lease Payable - due within one year	14,132	-
Compensated Absences - due within one year	519,885	139,415
Unearned Revenue	11,460,397	74,433
<b>Total Current Liabilities</b>	<b>26,426,617</b>	<b>16,766,343</b>
Noncurrent liabilities:		
General Obligation Bonds Payable - due in more than one year (net of premium/ discount)	7,167,493	24,737,328
General Obligation Notes Payable - due in more than one year	7,534,000	3,582,746
Loans Payable - due in more than one year	595,765	-
Lease Payable - due in more than one year	11,719	-
Compensated Absences - due in more than one year	5,669,558	-
Net Pension Liability - due in more than one year	78,277,209	-
<b>Total Noncurrent Liabilities</b>	<b>99,255,744</b>	<b>28,320,074</b>
<b>Total Liabilities</b>	<b>125,682,361</b>	<b>45,086,417</b>
<b><u>Deferred Inflows of Resources</u></b>		
Deferred Pension Resources	1,952,313	-
Deferred OPEB Resources	1,332,315	-
Property Taxes Collected for Subsequent Period	31,222	-
Leases	3,967,550	-
<b>Total Deferred Inflows of Resources</b>	<b>7,283,400</b>	<b>-</b>
<b><u>Net Position</u></b>		
Net Investment in Capital Assets	324,792,609	8,133,733
Restricted for:		
CDA	-	4,940,175
General Government	365,143	-
Public Safety	1,598,678	-
Conservation of Natural Resources	1,361,980	-
Culture and Recreation	1,433,260	-
Health & Human Services Unspent Grant Revenues	120,690	-
Gravel Pit Closure	257,418	-
Opioid Remediation Activities	2,364,686	-
MNDOT Allotments	15,514,907	-
Ditch Maintenance	36,974	-
Debt Service	13,070,573	-
Unrestricted	58,352,043	13,847,093
<b>Total Net Position</b>	<b>\$ 419,268,961</b>	<b>\$ 26,921,001</b>

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, 2022**

	Expenses	Indirect Expense Allocation	Program Revenues			Net (Expense)/Revenue and Change in Net Position	
			Fees, Charges, Fines and Other	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit Community Development Agency
<b>Functions/Programs</b>							
<b>Primary Government</b>							
<b>Governmental activities:</b>							
General government	\$ 30,026,218	\$ (8,195,312)	\$ 4,657,954	\$ 933,683	\$ -	\$ (16,239,269)	\$ -
Public safety	29,399,511	2,597,263	5,273,729	2,067,268	-	(24,655,777)	-
Highways and streets	38,029,466	866,472	20,291	14,178,284	15,683,198	(9,014,165)	-
Human services	32,806,396	3,355,851	4,546,207	15,316,746	-	(16,299,294)	-
Health	3,514,702	278,299	17,120	3,266,959	-	(508,922)	-
Culture and recreation	6,896,441	757,441	367,347	981,903	1,221,801	(5,082,831)	-
Conservation of natural resources	5,961,261	339,986	2,410,023	1,356,858	-	(2,534,366)	-
Economic development	500,000	-	-	500,000	-	-	-
Interest	166,297	-	-	-	-	(166,297)	-
<b>Total primary government</b>	<b>\$ 147,300,292</b>	<b>\$ -</b>	<b>\$ 17,292,671</b>	<b>\$ 38,601,701</b>	<b>\$ 16,904,999</b>	<b>\$ (74,500,921)</b>	<b>\$ -</b>
<b>Component unit:</b>							
Community Development Agency	\$ 11,489,726	\$ -	\$ 7,785,239	\$ 4,915,218	\$ -	\$ -	\$ 1,210,731
<b>General revenues:</b>							
Property Taxes						\$ 64,567,926	\$ -
Wheelage Tax						1,861,289	-
Transportation Tax						12,460,041	-
Gravel Tax						91,248	-
Grants and contributions not restricted to specific programs						4,624,308	-
Payment in lieu of taxes						223,177	-
Investment income						(5,021,141)	102,761
Miscellaneous						1,806,801	-
Gain on sale of capital assets						54,635	-
<b>Total general revenues</b>						<b>80,668,284</b>	<b>102,761</b>
Change in net position						6,167,363	1,313,492
<b>Net position - beginning</b>						413,101,598	25,607,509
<b>Net position - ending</b>						<b>\$ 419,268,961</b>	<b>\$ 26,921,001</b>

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



**CARVER COUNTY  
CHASKA, MINNESOTA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

<b>Assets</b>	Road & Bridge Special		Health & Human Services Special	Debt Service	Buildings CIP	Road & Bridge CIP	Parks & Trails CIP	Other Governmental Funds	Total Governmental Funds
	General	Revenue Fund	Revenue Fund						
Cash and Pooled Investments	\$ 42,717,343	\$ 6,785,873	\$ 11,219,694	\$ 13,222,786	\$ 4,935,401	\$ 26,013,226	\$ 8,352,186	\$ 1,193,056	\$ 114,439,565
Petty Cash and Change Funds	7,155	100	750	-	-	-	-	-	8,005
Departmental Cash	175,960	-	-	-	-	-	-	-	175,960
Undistributed Cash in Custodial Funds	17,391	2,756	7,204	2,233	-	1,175	-	463	31,222
Minnesota Foundation Endowment	60,066	-	-	-	-	-	-	-	60,066
Taxes Receivable									
Delinquent	131,447	20,509	52,945	17,056	-	8,706	-	3,855	234,518
Special Assessments Receivable									
Delinquent	38	-	-	-	-	-	-	1,245	1,283
Unavailable	613,113	-	-	-	-	-	-	61,911	675,024
Accounts Receivable	1,914,321	48,577	486,504	-	-	-	-	29,854	2,479,256
Notes Receivable	-	-	-	-	-	1,971,586	-	-	1,971,586
Security Deposit Receivable	-	-	2,404	-	-	-	-	-	2,404
Lease Receivable	4,065,688	-	-	-	-	-	-	12,279	4,077,967
Accrued Interest Receivable	278,664	-	-	-	-	-	-	-	278,664
Due from other Funds	3,935	-	-	-	-	-	-	-	3,935
Due from other Governments	1,292,085	36,209	3,318,483	-	-	24,066,958	2,069,767	43,505	30,827,007
Advances to other Funds	400,000	-	-	-	-	1,000,000	-	-	1,400,000
Inventories	-	715,550	-	-	-	-	-	-	715,550
Prepaid Items	1,662,108	92,099	34,751	-	4,834	-	-	-	1,793,792
<b>Total Assets</b>	<b>53,339,314</b>	<b>7,701,673</b>	<b>15,122,735</b>	<b>13,242,075</b>	<b>4,940,235</b>	<b>53,061,651</b>	<b>10,421,953</b>	<b>1,346,168</b>	<b>159,175,804</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts Payable	670,540	195,900	475,265	-	-	34,460	-	27,170	1,403,335
Salaries Payable	1,541,443	201,784	864,429	-	-	-	-	-	2,607,656
Contracts Payable	513,182	18,808	134,906	-	10,596	687,209	639,099	147,849	2,151,649
Retainage Payable	-	-	-	-	-	459,916	392,862	-	852,778
Customer Deposits Payable	1,873,173	-	-	-	-	-	-	-	1,873,173
Due to other Funds	-	3,919	-	-	-	16	-	-	3,935
Due to other Governments	637,449	2,984	829,772	-	-	516,294	-	36,657	2,023,156
Advances from other Funds	-	-	-	-	-	-	1,000,000	400,000	1,400,000
Unearned Revenue	11,450,572	-	-	-	-	-	-	9,825	11,460,397
<b>Total Liabilities</b>	<b>16,686,359</b>	<b>423,395</b>	<b>2,304,372</b>	<b>-</b>	<b>10,596</b>	<b>1,697,895</b>	<b>2,031,961</b>	<b>621,501</b>	<b>23,776,079</b>
<b>Deferred Inflows of Resources:</b>									
Unavailable revenue	2,995,051	89,124	722,741	9,969	-	20,162,646	1,384,755	113,100	25,477,386
Property Taxes Collected for Subsequent Period	17,391	2,756	7,204	2,233	-	1,175	-	463	31,222
Unavailable revenue - Notes	-	-	-	-	-	1,971,586	-	-	1,971,586
Leases	3,956,908	-	-	-	-	-	-	10,642	3,967,550
<b>Total Deferred Inflows of Resources</b>	<b>6,969,350</b>	<b>91,880</b>	<b>729,945</b>	<b>12,202</b>	<b>-</b>	<b>22,135,407</b>	<b>1,384,755</b>	<b>124,205</b>	<b>31,447,744</b>
<b>Fund Balances:</b>									
<b>Non-spendable:</b>									
Inventories	-	715,550	-	-	-	-	-	-	715,550
Minnesota Foundation Endowment	60,066	-	-	-	-	-	-	-	60,066
Prepays	1,662,108	92,099	34,751	-	4,834	-	-	-	1,793,792
Advances	400,000	-	-	-	-	-	-	-	400,000
<b>Restricted for:</b>									
Coney Island Improvements	-	-	-	-	-	-	201,723	-	201,723
Charles Dalke Donation	996,339	-	-	-	-	-	-	-	996,339
Opioid Remediation Activities	497,297	-	-	-	-	-	-	-	497,297
Septic Loan Program	141,540	-	-	-	-	-	-	-	141,540
Gravel Pit Closure	-	257,418	-	-	-	-	-	-	257,418
Recorder's Information Technology	113,147	-	-	-	-	-	-	-	113,147
Recorder's Equipment	63,375	-	-	-	-	-	-	-	63,375
Restitution	70,798	-	-	-	-	-	-	-	70,798
Attorney Forfeitures	149,235	-	-	-	-	-	-	-	149,235
Law Library	175,132	-	-	-	-	-	-	-	175,132
ATOD Program	10,262	-	-	-	-	-	-	-	10,262
Conceal and Carry	402,364	-	-	-	-	-	-	-	402,364
General Government Grants	39,386	-	-	-	-	-	-	-	39,386
Health and Human Services Grants	-	-	120,690	-	-	-	-	-	120,690
Posse	7,639	-	-	-	-	-	-	-	7,639
Solid Waste Fees	780,883	-	-	-	-	-	-	-	780,883
Watershed Districts	-	-	-	-	-	-	-	581,094	581,094
Sheriff Forfeitures	44,105	-	-	-	-	-	-	-	44,105
TRIAD	804	-	-	-	-	-	-	-	804
Sheriff Reserves	11,585	-	-	-	-	-	-	-	11,585
E-911	1,043,788	-	-	-	-	-	-	-	1,043,788
Dive Team	4,268	-	-	-	-	-	-	-	4,268
Chaplain	25	-	-	-	-	-	-	-	25
Prostitution Assessments	3,040	-	-	-	-	-	-	-	3,040
Debt Service	-	-	-	13,229,873	-	-	-	-	13,229,873
Ditch Maintenance	-	-	-	-	-	-	-	36,974	36,974
Assigned to (Note 3.1.):	6,611,817	6,121,331	11,932,977	-	4,924,805	29,228,349	6,803,514	165,690	65,788,483
Unassigned:	16,394,602	-	-	-	-	-	-	(183,296)	16,211,306
<b>Total Fund Balances</b>	<b>29,683,605</b>	<b>7,186,398</b>	<b>12,088,418</b>	<b>13,229,873</b>	<b>4,929,639</b>	<b>29,228,349</b>	<b>7,005,237</b>	<b>600,462</b>	<b>103,951,981</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 53,339,314</b>	<b>\$ 7,701,673</b>	<b>\$ 15,122,735</b>	<b>\$ 13,242,075</b>	<b>\$ 4,940,235</b>	<b>\$ 53,061,651</b>	<b>\$ 10,421,953</b>	<b>\$ 1,346,168</b>	<b>\$ 159,175,804</b>

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

**CARVER COUNTY  
CHASKA, MINNESOTA**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

<b>Fund Balances - Total Governmental Funds</b>		<b>\$ 103,951,981</b>
<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>	3,383,559	
<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>	344,857,935	
<p>Right to use assets, net of accumulated amortization used in governmental activities are not financial resources and, therefore are not reported in the funds.</p>	25,685	
<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 style="padding-left: 40px;">Net OPEB Asset</p>		2,777,982
<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>		
General Obligation Bonds Payable	(9,307,644)	
Notes Payable	(8,568,000)	
Loans Payable	(754,692)	
Net Pension Liability	(78,277,209)	
Lease Payable	(25,851)	
Accrued Interest Payable	(167,742)	(97,101,138)
<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>		
Deferred outflow of resources	37,208,613	
Deferred inflow or resources	(3,284,628)	33,923,985
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p>		27,448,972
<b>Net Position of Governmental Activities</b>		<b>\$ 419,268,961</b>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	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
<b>Revenues:</b>									
Taxes	\$ 36,528,628	\$ 5,683,664	\$ 14,622,696	\$ 4,531,413	\$ -	\$ 16,705,976	\$ 13,254	\$ 1,040,927	\$ 79,126,558
Special Assessments	268,122	-	305	-	-	-	-	32,595	301,022
Licenses and Permits	1,485,720	-	-	-	-	-	-	93,887	1,579,607
Intergovernmental	8,525,281	4,128,807	16,335,138	18,540	635,255	20,392,545	1,136,629	30,704	51,202,899
Charges for Services	10,356,199	3,300	4,491,991	-	-	-	-	16,375	14,867,865
Fines and Forfeits	254,862	-	-	-	-	-	-	-	254,862
Gifts and Contributions	36,551	-	14,353	-	-	-	2,205	-	53,109
Investment Income	(5,003,149)	-	-	-	-	-	-	657	(5,002,492)
Miscellaneous	1,561,539	110,693	244,614	-	71,421	-	25,744	42,740	2,056,751
<b>Total Revenues</b>	<b>54,013,753</b>	<b>9,926,464</b>	<b>35,709,097</b>	<b>4,549,953</b>	<b>706,676</b>	<b>37,098,521</b>	<b>1,177,832</b>	<b>1,257,885</b>	<b>144,440,181</b>
<b>Expenditures:</b>									
Current:									
General Government	26,044,158	-	-	-	122,278	-	-	-	26,166,436
Public Safety	24,847,347	-	-	-	12,566	-	-	-	24,859,913
Highways and Streets	-	8,920,474	-	-	-	2,339,679	-	-	11,260,153
Human Services	-	-	31,382,518	-	-	-	-	-	31,382,518
Health	30,000	-	3,383,692	-	-	-	-	-	3,413,692
Culture and Recreation	6,308,547	-	-	-	-	-	-	86,302	6,394,849
Conservation of Natural Resources	4,412,797	-	-	-	60,000	-	-	1,231,974	5,704,771
Economic Development	500,000	-	-	-	-	-	-	-	500,000
Intergovernmental	-	-	-	-	-	-	-	-	-
Highways and Streets	-	302,086	-	-	-	-	-	-	302,086
Capital Outlay	-	-	-	-	350,247	28,575,061	1,405,848	-	30,331,156
Debt Service:	-	-	-	-	-	-	-	-	-
Principal Retirement	200,766	-	12,387	2,879,000	-	-	-	-	3,092,153
Interest and Fiscal Charges	73	-	110	360,770	81,543	-	-	-	442,496
<b>Total Expenditures</b>	<b>62,343,688</b>	<b>9,222,560</b>	<b>34,778,707</b>	<b>3,239,770</b>	<b>626,634</b>	<b>30,914,740</b>	<b>1,405,848</b>	<b>1,318,276</b>	<b>143,850,223</b>
Excess (Deficiency) of Revenues over (under) Expenditures	(8,329,935)	703,904	930,390	1,310,183	80,042	6,183,781	(228,016)	(60,391)	589,958
<b>Other Financing Sources (Uses):</b>									
Transfers In	4,147,499	2,102,020	1,205,616	382,160	2,289,092	2,788,864	4,752,999	-	17,668,250
Transfers Out	(6,939,333)	(1,612,567)	(3,500,496)	(178,009)	(303,750)	(4,781,891)	(178,750)	(173,454)	(17,668,250)
Loans Issued	206,755	-	-	-	-	-	-	-	206,755
General Obligation Bonds Issued	-	-	-	-	155,000	250,000	2,125,000	-	2,530,000
Premium on Bonds Issued	-	-	-	-	24,897	-	-	-	24,897
Proceeds from Sale of Capital Assets	5,305	54,635	-	-	-	-	-	-	59,940
<b>Total Other Financing Sources (Uses)</b>	<b>(2,579,774)</b>	<b>544,088</b>	<b>(2,294,880)</b>	<b>204,151</b>	<b>2,165,239</b>	<b>(1,743,027)</b>	<b>6,699,249</b>	<b>(173,454)</b>	<b>2,821,592</b>
<b>Net Change in Fund Balances</b>	<b>(10,909,709)</b>	<b>1,247,992</b>	<b>(1,364,490)</b>	<b>1,514,334</b>	<b>2,245,281</b>	<b>4,440,754</b>	<b>6,471,233</b>	<b>(233,845)</b>	<b>3,411,550</b>
Fund Balance - January 1	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
Increase (Decrease) in Inventories	-	(39,888)	-	-	-	-	-	-	(39,888)
<b>Fund Balance - December 31</b>	<b>\$ 29,683,605</b>	<b>\$ 7,186,398</b>	<b>\$ 12,088,418</b>	<b>\$ 13,229,873</b>	<b>\$ 4,929,639</b>	<b>\$ 29,228,349</b>	<b>\$ 7,005,237</b>	<b>\$ 600,462</b>	<b>\$ 103,951,981</b>

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, 2022**

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

Net change in fund balances - total governmental funds	\$	3,411,550
Change in net position from the Internal Service Funds		401,834

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	\$ 10,918,589	
Depreciation Expense	<u>(9,943,525)</u>	
	<u>\$ 975,064</u>	975,064

Amorization expense for intangible assets	\$ (32,156)	(32,156)
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Various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and retirements) decrease net position.

Disposals	\$ (2,337,307)	(2,337,307)
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The issuance of long term debt 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.

Issuance of G.O. Bonds	\$ (2,530,000)	
Proceeds from Loan	(206,755)	
Principal Repayments	3,092,153	
Net Adjustment to Interest Payable	(7,175)	
Premium on Debt Issuance	(24,897)	
Amortization of Bond Premium	201,831	
	<u>\$ 525,157</u>	525,157

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	\$ 8,179,913	8,179,913
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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	\$ (48,412,958)	
Change in Net Deferred Pension Outflows	7,483,768	
Change in Net Deferred Pension Inflows	35,542,819	
Change in Net OPEB	(2,770,376)	
Change in Net Deferred OPEB Outflows	854,903	
Change in Net Deferred OPEB Inflows	2,385,040	
Change in Inventory	(39,888)	
	<u>\$ (4,956,692)</u>	<u>(4,956,692)</u>

Changes in net position of governmental activities	\$	<u>6,167,363</u>
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Notes to the financial statements are an integral part of this statement.

**CARVER COUNTY  
CHASKA, MINNESOTA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2022**

	Governmental Activities Internal Service Funds
<b><u>Assets</u></b>	
<b>Current</b>	
Cash and Pooled Investments	\$ 9,528,383
Accounts Receivable	57,252
Prepaid Items	<u>7,003</u>
<b>Total Current Assets</b>	<u>9,592,638</u>
<b><u>Liabilities</u></b>	
<b>Current</b>	
Accounts Payable	19,636
Compensated Absences - due within one year	<u>519,885</u>
<b>Total Current Liabilities</b>	539,521
<b>Non-Current</b>	
Compensated Absences - due in more than one year	<u>5,669,558</u>
<b>Total Liabilities</b>	<u>6,209,079</u>
<b><u>Net Position</u></b>	
Unrestricted	<u><u>\$ 3,383,559</u></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, 2022**

	Governmental Activities Internal Service Funds
	<u>                    </u>
<b>Operating Revenues:</b>	
Charges for Services	\$ 1,549,771
Insurance Refunds	<u>518,491</u>
Total Operating Revenues	<u>2,068,262</u>
<b>Operating Expenses:</b>	
Risk Management	1,087,238
Personnel Benefits	<u>579,190</u>
Total Operating Expenses	<u>1,666,428</u>
Operating Income (Loss)	401,834
Net Position - Beginning	<u>2,981,725</u>
Net Position - Ending	<u><u>\$ 3,383,559</u></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, 2022**

	<u>Governmental Activities Internal Service Funds</u>
Cash Flows from Operating Activities:	
Receipts from Internal Services Provided	\$ 1,492,519
Refunds from Insurance Provider	518,491
Disbursements for Internal Services Provided	<u>(1,578,836)</u>
Total Cash Flows from Operating Activities	432,174
Cash and Cash Equivalents at January 1	<u>9,096,209</u>
Cash and Cash Equivalents at December 31	<u><u>\$ 9,528,383</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ 401,834
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
(Increase) Decrease in Accounts Receivable	(57,252)
(Increase) Decrease in Prepaids	1,947
(Decrease) Increase in Accounts Payable	6,344
(Decrease) Increase in Compensated Absences Payable	79,301
Total Adjustments	<u>30,340</u>
Net cash provided by (used for) operating activities	<u><u>\$ 432,174</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, 2022**

<b><u>Assets</u></b>	Other Postemployment Benefits	Trust Fund	Custodial Funds
Cash and Pooled Investments	\$	11,149,985	\$ 3,075,012
Accounts Receivable		-	5,306
Due from other Governments		-	58,960
Taxes receivable for other governments		-	1,794,667
<b>Total Assets</b>		11,149,985	4,933,945
<b><u>Liabilities</u></b>			
Due to other Governments		-	2,330,800
Due to others		-	356,961
<b>Total Liabilities</b>		-	2,687,761
<b><u>Deferred Inflows of Resources</u></b>			
Taxes collected in Advance of Levy		-	61,132
<b><u>Net Position</u></b>			
Restricted for:			
Postemployment Benefits		11,149,985	-
Individuals, Organizations, and Other Governments		-	2,185,052
<b>Total Net Position</b>		\$ 11,149,985	\$ 2,185,052

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, 2022**

<u><b>Additions</b></u>	Other Postemployment Benefits Trust Fund	Custodial Funds
Contributions		
Individuals	\$ -	\$ 827,811
Employer	-	-
Investment earnings (loss)		
Net increase (decrease) in fair value of investments	(2,362,611)	417
Property tax collections for other governments	-	173,994,318
Intergovernmental revenue	-	22,279
Fines and forfeitures	-	1,071,920
Fees for service	-	207,175
License and fees collected for State	-	30,154,819
Miscellaneous	-	338,835
<b>Total Additions</b>	<b>(2,362,611)</b>	<b>206,617,574</b>
<u><b>Deductions</b></u>		
Beneficiary payments to individuals	514,544	1,256,113
Payments of property tax to other governments	-	175,810,495
Payments to State	-	19,967,354
Administrative expense	-	970
General government	-	1,419,963
Projects	-	158,595
Payments to other entities	-	11,447,366
<b>Total Deductions</b>	<b>514,544</b>	<b>210,060,856</b>
<b>Change in net position</b>	<b>(2,877,155)</b>	<b>(3,443,282)</b>
<b>Net Position- Beginning of Year</b>	<b>14,027,140</b>	<b>5,628,334</b>
<b>Net Position- Ending</b>	<b>\$ 11,149,985</b>	<b>\$ 2,185,052</b>

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, 2022**

**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, results from a direct payment made during the current fiscal year for worker's compensation claims and health insurance deductible payments.

**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 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.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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.

Other Postemployment 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 an 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. These include: Taxes and Penalties, Inmate Account, Recorder Clearing, Alarm Fees, Local Collaborative, Sheriff Forfeitures, Lower Minnesota Watershed District, and Other Custodial funds.

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 2022 the County recorded a net decrease in fair value of investments of \$6,712,061 as part of investment income. Interest earnings from cash and pooled investments for, 2022 were \$1,709,569. Total governmental fund investment earnings for 2022 were \$5,002,492, negative. Pooled investment earnings for 2022 in the General Fund were \$5,003,149, negative.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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 2022, the County recognized \$2,362,611 in investment losses 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 the General Fund to indicate that they are not in spendable form and advances in the Road & Bridge CIP Fund are assigned.

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.

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 assets 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.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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 assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County has six 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. The sixth item relates to leases and is discussed below in Note 1.D.14.

**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.

**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.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**12. Classification of Fund Balance**

Working Capital Policy -

The Board has determined that up to 30% of next year's operating budget needs to be available for working capital/ cashflow purposes until the first half tax collections are received. Working capital by major fund are as follows:

General Fund	\$	16,394,602
Road & Bridge Fund		6,121,331
Health and Human Services Fund		11,932,977
		\$ 34,448,910

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. Cash reserves in the Compensated Absences Fund can be transferred as a temporary interfund loan at a zero-interest rate to other funds to meet the need for working capital/ cashflow.

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.

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 (BSA) 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.

In December 2022, the Board passed by resolution to temporarily uncommit the remaining COVID-19 BSA funds and designate for cash flow reserves in response to the significant year-end negative investment mark-to-market adjustment.

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 3.1, for assigned fund balance detail.

Unassigned - the Unassigned General Fund Balance is appropriated by the Board up to 30% 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.

**14. Leases**

The County determines if an arrangement is a lease at inception. Lessee leases are included in Right-to-use lease assets (lease assets) and lease liabilities in the statement of net position. Lessor leases are included in lease receivables and deferred inflow of resources in the statement of net position and fund financial statements.

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

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

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

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

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

The County has elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Entity has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

**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. The period of availability for nonexchange transactions is determined to be 6 months for purposes of deferring revenue to later periods on the fund level.

**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.

**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.

**F. Adoption of New Accounting Standard**

For the year ended December 31, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use, an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.



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**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	\$	(178,009)
Buildings Capital Improvement Fund		12,935
Road & Bridge Capital Improvement Fund		1,842,123
Parks & Trails Capital Improvement Fund		1,032,149
Rail Authority Fund		16,495
Water Management Organization Fund		135,045
Ditch Fund		400,000
Total		\$ 3,260,738

**B. 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 \$490,040 in 2022. 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.

As of December 31, 2022, 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 2022 (P)	Outstanding at 12/31/22 (P)
TIF 2-1 Modern Design, LLC	\$ 73,400	\$ -	\$ 50,699

City of Carver:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
TIF 1-8 Mills Fleet Farm	\$ 991,287	\$ -	\$ -
TIF 1-9 Magnuson Holdings I, II, III, LLC	1,396,800	90,000	865,000
TIF 1-10 Carver ALF Partners, LLC	2,331,300	81,563	2,331,300
	\$ 4,719,387	\$ 171,563	\$ 3,196,300

City of Waconia:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
TIF #2 Auburn Meadows, LLC	\$ 1,175,840	\$ 143,758	\$ 511,159
TIF #3 Waconia Mill IV, LLC	397,000	-	-
TIF #4 Nordic Components, Inc.	149,999	27,827	-
TIF #5 MWF Properties, LLC	713,549	-	713,549
	\$ 2,436,388	\$ 171,585	\$ 1,224,708

City of Chaska:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
Chaska Place Apartments	\$ 922,221	\$ 192,391	\$ 879,790
Clover Field Sinclair, LLP	3,100,000	156,031	4,202,003
City Square, LLC	111,000	10,000	10,000
Chaska Heights Senior Living, LLC	2,874,667	196,214	2,678,047
Creek's Run Phase II, LLC	242,500	16,660	251,543
	\$ 7,250,388	\$ 571,296	\$ 8,021,383

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City of Victoria:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
Victoria City Center LLC TIF 1-4 Downtown Redevelopment Project	\$ 400,000	\$ 27,606	\$ 400,000
Victoria Flats TIF 1-6	2,000,000	120,870	1,991,411
Bethesda Cornerstone Village TIF 1-7	1,280,000	122,229	1,264,841
	<u>\$ 3,680,000</u>	<u>\$ 270,705</u>	<u>\$ 3,656,252</u>

City of Norwood Young America:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
Peace Villa TIF #1-5	\$ 530,000	\$ 33,250	\$ 240,981

City of Watertown:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
TIF 2-6 Lakeview	\$ 125,000	\$ 4,814	\$ 109,635
TIF 2-7 Watertown Industrial Park	231,000	-	230,829
	<u>\$ 356,000</u>	<u>\$ 4,814</u>	<u>\$ 340,464</u>

City of Chanhassen:

Name	Agreement Amount (P)	Paid during 2022 (P & I)	Outstanding at 12/31/22 (P & I)
Frontier Redevelopment TIF #11	\$ 1,300,000	\$ 265,319	\$ 701,950
Lake Place Senior Apts TIF #12	3,065,000	-	3,065,000
	<u>\$ 4,365,000</u>	<u>\$ 265,319</u>	<u>\$ 3,766,950</u>

(P) = Principal  
(P & I) = Principal and interest

**C. Deficit Fund Equity**

**Ditch Special Revenue Fund**

The Ditch Special Revenue Fund had eleven individual systems with a deficit fund balance as of December 31, 2022. The fund as a whole had a negative fund balance of \$146,322. 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:

7 ditches with positive fund balances	\$ 36,974
11 ditches with deficit fund balances	(183,296)
Total Fund Balance	<u>\$ (146,322)</u>

**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, 2022 the carrying amount of the County's deposits was \$2,408,539. Bank balances were \$2,973,008, of which \$425,643 was covered by Federal depository insurance coverage, and the remaining \$2,547,365 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.

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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 2022, the County chose to not invest in reverse repurchase agreements.

**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, 2022 the County had the following recurring fair value measurements.

	Fair Value Measurements Using			
	12/31/2022	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	\$ 12,821,893	\$ -	\$ 12,821,893	\$ -
U.S. Agencies	43,968,691	-	43,968,691	-
Municipal/Public Bonds	27,734,288	-	27,734,288	-
Negotiable Certificates of Deposit	3,125,719	-	3,125,719	-
Total Debt Securities	87,650,591	\$ -	\$ 87,650,591	\$ -
Investments measured at amortized cost				
MAGIC Portfolio	6,109,939			
Investments measured at the net asset value (NAV)				
MAGIC Term	31,000,000			
State Board of Investments	11,149,985			
Total Investments measured at NAV	42,149,985			
Total Investments	\$ 135,910,515			

Note: Cash and Cash Equivalents are within the other investment footnotes that are not leveled per GASB 72 total to \$58,024 on December 31, 2022.

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 there 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.

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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 \$11,149,985 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/](http://mn.gov/SBI/) under publications.

**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, 2022, 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	\$ 1,814,400	\$ -	\$ 1,814,400	\$ -	\$ -
Federal Farm Credit Bank	13,656,493	706,209	12,950,284	-	-
Federal Home Loan Bank	18,007,631	872,626	17,135,005	-	-
Federal Home Loan Mtg Corp	6,355,804	-	6,355,804	-	-
Federal National Mtg Assn.	3,296	-	3,296	-	-
Government National Mtg Assn.	1,807	1,807	-	-	-
Interest Development Fin Corp	912,860	-	912,860	-	-
Small Business Administration	2,106,976	-	1,653,722	453,254	-
Tennessee Valley Authority	1,109,424	-	1,109,424	-	-
U.S. Treasury Securities	12,821,893	12,821,893	-	-	-
Municipal Bonds	27,734,288	4,655,448	22,558,723	318,808	201,309
Negotiable CD's	3,125,719	979,246	2,146,473	-	-
Investment Pool	37,109,939	37,109,939	-	-	-
State Board of Investments (SBI)	11,149,985	11,149,985	-	-	-
Cash with Broker	58,024	58,024	-	-	-
<b>Total</b>	<b>\$ 135,968,539</b>	<b>\$ 68,355,177</b>	<b>\$ 66,639,991</b>	<b>\$ 772,062</b>	<b>\$ 201,309</b>

(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 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

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(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

Following is a summary of the credit risk, par values and fair values of securities at December 31, 2022:

<u>Carver County:</u>	<u>Credit Risk</u>	<u>Par</u>	<u>Value</u>	<u>% of total Portfolio</u>
U.S. Agency Securities (a)(b)	N/R-AAA	\$ 47,866,328	\$ 43,968,691	32.34%
U.S. Treasury Securities	AAA	13,231,340	12,821,893	9.43%
Municipal Bonds (b)	BB-AAA	29,966,853	27,734,288	20.40%
Negotiable CD's	N/R	3,298,131	3,125,719	2.30%
Investment Pool	N/R	37,109,939	37,109,939	27.29%
State Board of Investments (SBI)	N/R	11,149,985	11,149,985	8.20%
Cash with Broker	N/R	58,024	58,024	0.04%
<b>Total</b>		<b>\$ 142,680,600</b>	<b>\$ 135,968,539</b>	<b>100.00%</b>

(a) Investments in any one issuer that represent 5% or more of the County's investments are as follows: FFCB-\$13,656,493 and FHLB-\$18,007,631.

(b) Standard & Poor's was used as the primary agency for the U.S. agency securities and municipal bond ratings, in the case that Standard & Poor's did not provide a rating, Moody's or Fitch was used. At December 31, 2022, 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>U.S. Agency Credit Rating</u>	<u>U.S. Agency Fair Value</u>	<u>Municipal Bond Credit Rating</u>	<u>Municipal Bond Fair Value</u>
AAA	\$ 37,967,471	AAA	\$ 6,483,700
N/R	6,001,220	AA1	1,202,400
	<u>\$ 43,968,691</u>	AA+	4,395,871
		AA2	380,264
		AA	10,687,052
		AA3	498,015
		AA-	2,946,702
		A+	247,100
		A1	154,868
		A-	397,099
		BB	341,217
			<u>\$ 27,734,288</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, 2022 and were not exposed to custodial credit risk.

Total Investments held by Investment Manager	\$ 124,818,554
Checking Account	2,224,406
Other Postemployment Benefit (OPEB) Trust Accounts	11,149,985
Minnesota Foundation Endowment	60,066
Departmental and Undistributed Cash	207,182
Petty Cash and Change Funds	8,005
<b>Total Cash, Deposits and Investments</b>	<b>\$ 138,468,198</b>

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	\$ 127,042,960
Petty Cash and Change Funds	8,005
Departmental and Undistributed Cash	207,182
Investments- OPEB Trust Fund	11,149,985
Minnesota Foundation Endowment	60,066
<b>Total Cash, Deposits and Investments</b>	<b>\$ 138,468,198</b>

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**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, 2022, are:

	Total Receivable	Amounts Not Scheduled for Collection in the Subsequent Year
Taxes	\$ 234,518	\$ -
Special assessments	676,307	673,741
Accounts receivable	2,536,508	-
Note receivable	1,971,586	1,410,276
Accrued interest	278,664	-
Due from other governments	30,827,007	-
	<hr/>	<hr/>
Total accounts receivable for Governmental funds	\$ 36,524,590	\$ 2,084,017

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	\$ 136,958	\$ -	\$ -
Delinquent special assessments receivable	1,284	-	-
Special assessments not yet due	675,024	-	-
Interest receivable that does not provide current financial resources	129,103	-	-
Note receivable that does not provide current financial resources	1,971,586	-	-
Accounts receivable that do not provide current financial resources	1,982,210	-	-
Grant receivables that do not provide current financial resources	22,552,807	-	-
Grant drawdowns prior to meeting all eligibility requirements	-	-	11,460,397
Property taxes collected for subsequent period	-	31,222	-
	<hr/>	<hr/>	<hr/>
Total unavailable and unearned revenue for governmental funds	\$ 27,448,972	\$ 31,222	\$ 11,460,397

**Lease receivable.** All lease terms not beginning during the year of implementation referenced in Note 1 are shown as beginning January 1, 2022. A summary of the County's true lease terms and interest rates are as follows:

On 02/08/2000, County of Carver, MN entered into a 300 month lease as Lessor for the use of land for a cell tower. An initial lease receivable was recorded in the amount of \$81,951. As of 12/31/2022, the value of the lease receivable is \$56,972. The lessee is required to make monthly fixed payments of \$2,108. The lease has an interest rate of 0.3960%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 12/31/2022 was \$56,072, and County of Carver, MN recognized lease revenue of \$25,879 during the fiscal year. The lessee had a termination period of 3 months as of the lease commencement.

On 01/01/2021, County of Carver, MN entered into a 306 month lease as Lessor for the use of the mental wellness facility in Chaska, MN. An initial lease receivable was recorded in the amount of \$3,360,227. As of 12/31/2022, the value of the lease receivable is \$3,321,892. The lessee is required to make monthly fixed payments of \$13,944. The lease has an interest rate of 1.4733%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 12/31/2022 was \$3,223,075, and County of Carver, MN recognized lease revenue of \$137,152 during the fiscal year. The lessee has 2 extension options, each for 120 months.

On 05/01/2022, County of Carver, MN entered into a 60 month lease as Lessor for the use of a warehouse. An initial lease receivable was recorded in the amount of \$12,279. As of 12/31/2022, the value of the lease receivable is \$12,279. The lessee is required to make annual fixed payments of \$2,553. The lease has an interest rate of 1.9770%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 12/31/2022 was \$10,642, and County of Carver, MN recognized lease revenue of \$1,637 during the fiscal year.

On 07/01/2019, County of Carver, MN entered into a 240 month lease as Lessor for the use of the antenna on the government center. An initial lease receivable was recorded in the amount of \$347,618. As of 12/31/2022, the value of the lease receivable is \$332,738. The lessee is required to make monthly fixed payments of \$1,553. The lease has an interest rate of 1.2660%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 12/31/2022 was \$327,754, and County of Carver, MN recognized lease revenue of \$19,864 during the fiscal year. The lessee has 3 extension options, each for 60 months.

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On 12/05/2017, County of Carver, MN entered into a 252 month lease as lessor for the use of land. An initial lease receivable was recorded in the amount of \$367,509. As of 12/31/2022, the value of the lease receivable is \$354,087. The lessee is required to make monthly fixed payments of \$1,500. The lease has an interest rate of 1.3850%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 12/31/2022 was \$350,008, and County of Carver, MN recognized lease revenue of \$17,500 during the fiscal year. The lessee has 4 extension options, each for 60 months.

**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 \$1,281,548 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:

Year Ended December 31	TH 5			Total
	TH 5 Regional Trail City of Chanhassen	Regional Trail Regents of the University of Minnesota	CSAH 18 City of Chanhassen	
2023	\$ 96,310	\$ 320,000	\$ 145,000	\$ 561,310
2024	96,310	160,000	145,000	401,310
2025	96,310	160,000	111,108	367,418
2026	-	160,000	-	160,000
2027	-	160,000	-	160,000
2028 - 2030	-	321,548	-	321,548
	<u>\$ 288,930</u>	<u>\$ 1,281,548</u>	<u>\$ 401,108</u>	<u>\$ 1,971,586</u>

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**D. Capital assets**

Capital asset activity for the year ended December 31, 2022 was as follows:

**Primary Government**

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 31,722,898	\$ 10,410	\$ -	\$ 31,733,308
Construction in progress	159,415,396	9,032,016	(14,988,138)	153,459,274
Total capital assets, not being depreciated	<u>191,138,294</u>	<u>9,042,426</u>	<u>(14,988,138)</u>	<u>185,192,582</u>
Capital assets, being depreciated:				
Buildings	67,933,465	197,500	(4,137,588)	63,993,377
Improvements other than buildings	2,210,374	6,200	-	2,216,574
Machinery and equipment	25,507,064	1,385,790	(1,691,490)	25,201,364
Infrastructure	211,935,756	15,274,811	-	227,210,567
Total capital assets being depreciated	<u>307,586,659</u>	<u>16,864,301</u>	<u>(5,829,078)</u>	<u>318,621,882</u>
Less accumulated depreciated for:				
Buildings	(34,628,605)	(1,646,637)	1,800,869	(34,474,373)
Improvements other than buildings	(2,128,458)	(11,064)	-	(2,139,522)
Machinery and equipment	(19,345,900)	(2,337,063)	1,690,902	(19,992,061)
Infrastructure	(96,401,812)	(5,948,761)	-	(102,350,573)
Total accumulated depreciation	<u>(152,504,775)</u>	<u>(9,943,525)</u>	<u>3,491,771</u>	<u>(158,956,529)</u>
Total capital assets, being depreciated, net	<u>155,081,884</u>	<u>6,920,776</u>	<u>(2,337,307)</u>	<u>159,665,353</u>
Governmental activities capital assets, net	<u>\$ 346,220,178</u>	<u>\$ 15,963,202</u>	<u>\$ (17,325,445)</u>	<u>\$ 344,857,935</u>

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

Governmental activities:		
General government		\$ 2,433,910
Public safety		806,352
Highways and streets, including depreciation of general infrastructure assets		6,021,721
Health & Human services		146,231
Culture and recreation		467,435
Conservation of natural resources		67,876
Total depreciation expense - governmental activities		<u>\$ 9,943,525</u>

**E. Interfund receivables, payables, and transfers**

The interfund balances within governmental funds are eliminated on the government-wide statements. Interfund receivables, payables, and advances reported on the fund financial statements at December 31 2022, are:

Governmental Funds	Interfund Receivables (Due from Other Funds)	Interfund Payables (Due to Other Funds)	Interfund Advances Receivables	Interfund Advances Payables
General Fund	\$ 3,935	\$ -	\$ 400,000	\$ -
Road & Bridge Fund	-	3,919	-	-
Road & Bridge CIP Fund	-	16	1,000,000	-
Parks & Trails CIP Fund	-	-	-	1,000,000
Ditch Fund	-	-	-	400,000
	<u>\$ 3,935</u>	<u>\$ 3,935</u>	<u>\$ 1,400,000</u>	<u>\$ 1,400,000</u>

In the fund financial statements interfund receivables and payables totaled \$3,935. Receivables in the General Fund were for costs associated with supplies and trainings. These interfund receivables and payables are expected to be repaid within one year of December 31, 2022.

Parks & Trails CIP Fund advance from the R&B CIP Fund was for the TH5 Trail project and the County Ditch Fund advance from the General fund were for redetermination and buffer strip payments until special assessment come in. Both advances are not expected to be repaid within one year of December 31, 2022.



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**Interfund transfers:**

Transfer Out:	Transfer In:				
	General Fund (1)(2)(3)(7)(9)(11) (12)	Road and Bridge Fund (2)(3)(10)(11)	Health and Human Services Fund (7)(11)(13)	Debt Service (4)	Road & Bridge CIP (5)
General Fund	\$ -	\$ 254,629	\$ 1,205,616	\$ 67,160	\$ 1,211,851
Road & Bridge Fund	770,479	-	-	-	421,044
Health & Human Services	1,188,557	-	-	-	1,155,969
Debt Service Fund	178,009	-	-	-	-
Buildings CIP Fund	178,750	-	-	-	-
Road & Bridge CIP Fund	1,479,500	1,847,391	-	315,000	-
Parks & Trails CIP Fund	178,750	-	-	-	-
Nonmajor Governmental Funds	173,454	-	-	-	-
<b>Totals</b>	<b>\$ 4,147,499</b>	<b>\$ 2,102,020</b>	<b>\$ 1,205,616</b>	<b>\$ 382,160</b>	<b>\$ 2,788,864</b>

Transfer Out:	Transfer In:		
	Buildings CIP Fund (3)(5)(8)	Parks & Trails CIP Fund (5)(6)	Total
General Fund	\$ 610,585	\$ 3,589,492	\$ 6,939,333
Road & Bridge Fund	210,522	210,522	1,612,567
Health and Human Services	577,985	577,985	3,500,496
Debt Service Fund	-	-	178,009
Buildings CIP Fund	-	125,000	303,750
Road & Bridge CIP Fund	890,000	250,000	4,781,891
Parks & Trails CIP Fund	-	-	178,750
Nonmajor Governmental Funds	-	-	173,454
<b>Totals</b>	<b>\$ 2,289,092</b>	<b>\$ 4,752,999</b>	<b>\$ 17,668,250</b>

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 Carver County Regional Rail Authority's (CCRRA) portion of staffing costs.
- (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 2022 budget process.
- (4) Transfer of Wheelage tax for debt service payments.
- (5) Transfer of funds to Year-end Savings Account (YES).
- (6) Transfer of COVID19 Budget Stabilization Account (BSA) funds to the Waterfront Service Center Building Project at Lake Waconia Regional Park, as well as, YES funds.
- (7) Transfer of salary budget for vacancy savings allocation and utilization of county-wide STOC pool.
- (8) Transfer of project funds from Facilities and Information Technology operating budgets to cover Sheriff flooring project and data center upgrades.
- (9) Transfer of funds to Parks Department as part of a reorganization within the Public Works Division.
- (10) Transfer of CSAH and transportation tax for staffing and equipment purchases.
- (11) Transfer to adjust budgets for negotiations and bargaining unit settlement contracts.
- (12) Transfer of BSA Funds for HHS assistance programs, housing assistance, and software.
- (13) Transfer of funds to Public Works to create a central fuel budget.

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**F. Right to Use Leased Assets**

The County has recorded three right to use leased assets. The assets are right to use assets for leased buildings, equipment, and water operating plants. The related leases are discussed in the *Lease liability* subsection of the *Long-term debt* section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Governmental right to use assets at December 31, 2022, are summarized as follows:

Governmental Activities	Beginning Balance *	Increases	Decreases	Ending Balance
Right to use assets:				
Leased buildings	\$ 36,599	\$ -	\$ -	\$ 36,599
Leased equipment	4,618	-	-	4,618
Leased infrastructure	16,624	-	-	16,624
Total right to use assets	57,841	-	-	57,841
Less accumulated amortization				
Leased buildings	-	(12,548)	-	(12,548)
Leased equipment	-	(4,263)	-	(4,263)
Leased infrastructure	-	(15,345)	-	(15,345)
Total accumulated amortization	-	(32,156)	-	(32,156)
Total right to use assets, net	\$ 57,841	\$ 32,156	\$ -	\$ 25,685

Amortization was charged to functional expenses on the Statement of Activities as follows

Function	Amortization Expense
General government	\$ 19,608
Human services	12,548
Total	\$ 32,156

\* Beginning balance restated to reflect implementation of GASB 87 referenced in Note 1.

**G. Liabilities**

***Construction commitments***

The County has active construction projects as of December 31, 2022. 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	\$ 46,353,972	\$ 6,727,877

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

***Lease liability***

The County has entered into agreements to lease equipment as well as certain operating and office facilities for various terms qualifying as long-term, non-cancelable lease agreements under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The leases expire at various dates through 2024 and provide for renewal options up to 5 Years.

On 11/21/2021, County of Carver, MN entered into a 36 month lease as Lessee for the use of space. An initial lease liability was recorded in the amount of \$36,599. As of 12/31/2022, the value of the lease liability is \$24,212. County of Carver, MN is required to make monthly fixed payments of \$1,323. The lease has an interest rate of 0.3960%. The Buildings estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$36,599 with accumulated amortization of \$12,548.

On 01/31/2010, County of Carver, MN entered into a 156 month lease as Lessee for the use of land. An initial lease liability was recorded in the amount of \$4,618. As of 12/31/2022, the value of the lease liability is \$356. County of Carver, MN is required to make monthly fixed payments of \$356. The lease has an interest rate of 0.2180%. Land does not have an estimated useful life so there should be no accumulated amortization. The value of the right to use asset as of 12/31/2022 is \$4,618.

On 01/31/2010, County of Carver, MN entered into a 156 month lease as Lessee for the use of space. An initial lease liability was recorded in the amount of \$16,624. As of 12/31/2022, the value of the lease liability is \$1,283. County of Carver, MN is required to make monthly fixed payments of \$1,283. The lease has an interest rate of 0.2180%. The Infrastructure estimated useful life was 156 months as of the contract commencement. The value of the right to use asset as of 12/31/2022 of \$16,624 with accumulated amortization of \$15,345.

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**Direct Borrowing Loans for Septic Program**

The County has entered into a loan agreement for \$3,040,335 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 24 years beginning April 2009 with no interest. Loan payments for 2022 totaled \$146,956. The future minimum principal and interest payments are as follows:

Year Ended December 31		\$	
2023		158,927	
2024		133,944	
2025		111,319	
2026		87,680	
2027		64,021	
2028 - 2032		187,713	
2033 - Thereafter		11,088	
Total		754,692	

**H. Long-term debt**

**General Obligation Bonds:**

Bonds payable at December 31, 2022, 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	\$	4,725,000
\$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		1,725,000
\$2,350,000 2022A G.O. Refunding Bonds maturing annually on June 20 from 2023 to 2046, at a net interest rate of 3.9198 percent		2,530,000
<i>Total Bonds Payable</i>		8,980,000
Premium on Bonds Issued		327,644
<i>Net Bonds Payable</i>	\$	9,307,644

General obligation bonds are pledged by 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:

Purpose	Interest Rates	Amount
Governmental activities - improvement	1.1427 - 3.9198%	\$ 8,980,000

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

Year Ending December 31	Principal	Interest	Total
2023	\$ 1,935,000	\$ 319,107	\$ 2,254,107
2024	1,115,000	215,484	1,330,484
2025	730,000	186,121	916,121
2026	755,000	164,195	919,195
2027	775,000	141,425	916,425
2028-2032	1,885,000	441,900	2,326,900
2033-2037	525,000	306,500	831,500
2038-2042	650,000	189,000	839,000
2043-Thereafter	610,000	49,800	659,800
Total	\$ 8,980,000	\$ 2,013,532	\$ 10,993,532

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**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, 2022 the County has submitted \$15,835,245 in project costs for reimbursement, and has repaid \$7,267,245 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.

Purpose	Interest Rates	Amount
Governmental activities - improvement	1.0000%	\$ 8,568,000

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

Year Ending December 31	Principal	Interest	Total
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	1,076,000	43,700	1,119,700
2028-2031	3,294,000	66,100	3,360,100
Total	\$ 8,568,000	\$ 390,070	\$ 8,958,070

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

Year Ending December 31	Governmental Activities		
	Principal	Interest	Total
2023	\$ 14,132	\$ 74	\$ 14,206
2024	11,719	23	11,742
Total	\$ 25,851	\$ 97	\$ 25,948

**Changes in long-term liabilities**

Government Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds and Notes Payable					
General Obligation Bonds	\$ 8,305,000	\$ 2,530,000	\$ (1,855,000)	\$ 8,980,000	\$ 1,935,000
Notes Payable	9,592,000	-	(1,024,000)	8,568,000	1,034,000
Plus Amounts:					
For Issuance Premiums	504,578	24,897	(201,831)	327,644	205,151
Total Bonds and Notes Payable	18,401,578	2,554,897	(3,080,831)	17,875,644	3,174,151
Direct Borrowing Loans Payable	729,100	206,755	(181,163)	754,692	158,927
Lease Liability	57,841	-	(31,990)	25,851	14,132
Compensated Absences	6,110,140	3,556,493	(3,477,190)	6,189,443	519,885
Government Activity					
Long-term Liabilities	\$ 25,298,659	\$ 6,318,145	\$ (6,771,174)	\$ 24,845,630	\$ 3,867,095

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 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.

**Note Disclosures Related to Debt Assumptions**

The County has outstanding general obligation notes payable from a direct placement related to governmental activities totaling \$18,000,000, outstanding balance of \$8,568,000, see the General Obligation Notes Payable section above. The County has pledged its full faith and credit as collateral for the note. This note contains a prepayment clause that allows the County to prepay the note in whole or part on any normally scheduled payment date upon 45 day prior written notice to the lender. This note also has a clause that allows the lender to terminate their obligation to disburse further amounts on the note if the County fails to supply documents for the lenders ongoing monitoring of County activities or physical inspection of the premises. The note does not have a default clause and will remain in effect until the outstanding balance, including annually accruing interest at 1%, is paid in full by, or on behalf of, the County.

**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.

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**I. 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	\$ 7,155	\$ 100	\$ 750	\$ -	\$ -
Software Projects	966,887	-	87,364	-	-
Capital Projects	542,889	-	-	2,843,837	-
Aquatic Invasive Species Program	44,101	-	-	-	-
Highway and Streets	-	4,621,231	-	-	-
Sheriff ARMER Purchase	75,000	-	-	-	-
Public Safety	1,242,071	-	-	-	-
Public Works Capital Equipment	-	1,500,000	-	-	-
Transportation Tax Projects	-	-	-	-	25,290,826
Sheriff Capital Equipment	678,191	-	-	-	-
Human Services	-	-	11,844,863	-	-
CarverLink	2,056,534	-	-	-	-
Culture and Recreation	309,652	-	-	-	-
Conservation of Natural Resources	54,464	-	-	-	-
PW Northwest Satellite Facility Site Improvements	-	-	-	112,208	-
Building Permits	214,330	-	-	-	-
ISTS Loan Program	100,000	-	-	-	-
Waconia Event Center	1,398	-	-	-	-
General Government	319,145	-	-	-	-
Year-End Savings Account	-	-	-	1,968,760	3,937,523
<b>Total Assigned</b>	<b>\$ 6,611,817</b>	<b>\$ 6,121,331</b>	<b>\$ 11,932,977</b>	<b>\$ 4,924,805</b>	<b>\$ 29,228,349</b>

Assigned to:	Nonmajor		
	Parks & Trails CIP	Special Revenue	Total
Petty Cash	\$ -	\$ -	\$ 8,005
Software Projects	-	-	1,054,251
Capital Projects	4,127,156	-	7,513,882
Aquatic Invasive Species Program	-	-	44,101
Highway and Streets	-	-	4,621,231
Sheriff ARMER Purchase	-	-	75,000
Public Safety	-	-	1,242,071
Public Works (PW) Capital Equipment	-	-	1,500,000
Transportation Tax Projects	-	-	25,290,826
Sheriff Capital Equipment	-	-	678,191
Human Services	-	-	11,844,863
CarverLink	-	-	2,056,534
Culture and Recreation	-	165,690	475,342
Conservation of Natural Resources	-	-	54,464
Park Land Acquisition	707,598	-	707,598
PW Northwest Satellite Facility Site Improvements	-	-	112,208
Building Permits	-	-	214,330
ISTS Loan Program	-	-	100,000
Waconia Event Center	-	-	1,398
General Government	-	-	319,145
Year-End Savings Account	1,968,760	-	7,875,043
<b>Total Assigned</b>	<b>\$ 6,803,514</b>	<b>\$ 165,690</b>	<b>\$ 65,788,483</b>

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**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 physical 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 \$3,040,335 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 24 years beginning April 2009 with no interest. The following information summarizes the activity of loans made to participants in the program.

	Prior Years	During 2022	Program To Date
Number of loans made	324	11	335
Number of loans repaid	266	12	278
Loan amounts past due	\$ -	\$ 39	\$ 39
Loans outstanding - January 1	N/A	553,352	N/A
Loans made	3,782,923	206,755	3,989,678
Payments received	(3,229,571)	(146,955)	(3,376,526)
Loans outstanding - December 31	<u>\$ 553,352</u>	<u>\$ 613,152</u>	<u>\$ 613,152</u>

On the County's Financial Statements Loans Outstanding are:

Special Assessments Receivable Delinquent	\$ 39
Special Assessments Receivable Unavailable	<u>613,113</u>
Total Loans outstanding - December 31	<u>\$ 613,152</u>

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**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 \$229,667 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 a custodial 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 \$41,595 in 2022. 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 Belle Plaine, Brownton, Chaska, Hutchinson, Lester Prairie, New Prague, Jordan, Prior Lake, Shakopee, South Lake Minnetonka, Carver, Chanhassen, Cologne, Hamburg, Mayer, Norwood Young America, Waconia and Watertown. 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 of the 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.

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***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 ten years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

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



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**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 2022 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, 2022, were \$3,506,118. 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 2022 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, 2022, were \$1,336,141. 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 2022 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, 2022, were \$275,187. 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, 2022, the County reported a liability of \$49,278,445 for its proportionate share of the General Employees Fund's net pension liability. The County's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the County totaled \$1,444,830.

The net pension liability was measured as of June 30, 2022, 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.6222% at the end of the measurement period and 0.6060% for the beginning of the period.

County's proportionate share of the net pension liability	\$	49,278,445
State of Minnesota's proportionate share of the net pension liability associated with the County		1,444,830
Total		\$ 50,723,275

For the year ended December 31, 2022, the County recognized pension expense of \$7,290,489 for its proportionate share of the General Employees Plan's pension expense. In addition, the county recognized an additional \$215,891 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.

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At December 31, 2022, 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	\$ 411,613	\$ 526,411
Changes in actuarial assumptions	11,152,599	200,423
Net difference between projected and actual investment earnings	854,760	-
Changes in proportion	1,654,157	-
Contributions paid to PERA subsequent to the measurement date	1,730,928	-
Total	\$ 15,804,057	\$ 726,834

The \$1,730,928 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, 2023. 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
2023	\$ 5,199,062
2024	5,035,942
2025	(1,345,203)
2026	4,456,500

**Police and Fire Fund Pension Costs**

At December 31, 2022, the County reported a liability of \$24,099,188 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 0.554% at the end of the measurement period and 0.546% 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, 2022. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2021. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the County totaled \$1,052,799.

County's proportionate share of the net pension liability	\$ 24,099,188
State of Minnesota's proportionate share of the net pension liability associated with the County	1,052,799
Total	\$ 25,151,987

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, 2022, the County recognized pension expense of \$1,599,835 for its proportionate share of the Police and Fire Plan's pension expense. The County recognized \$204,216 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.

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 \$49,842 for the year ended December 31, 2022 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.

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At December 31, 2022, 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	\$ 1,471,939	\$ -
Changes in actuarial assumptions	14,186,085	144,872
Net difference between projected and actual investment earnings	323,009	-
Changes in proportion	163,238	886,741
Contributions paid to PERA subsequent to the measurement date	700,656	-
<b>Total</b>	<b>\$ 16,844,927</b>	<b>\$ 1,031,613</b>

The \$700,656 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, 2023. 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
2023	\$ 2,820,623
2024	2,862,599
2025	2,513,831
2026	4,892,919
2027	2,022,678

**Correctional Plan Pension Costs**

At December 31, 2022, the County reported a liability of \$4,899,576 for its proportionate share of the Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The County's proportionate share was 1.474% at the end of the measurement period and 1.405% for the beginning of the period.

For the year ended December 31, 2022 the county recognized pension expense of \$1,656,094 for its proportionate share of the Correctional Plan's pension expense.

At December 31, 2022, 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	\$ 2	\$ 161,546
Changes in actuarial assumptions	3,173,106	7,286
Net collective difference between projected and actual investment earnings	135,437	-
Changes in proportion	12,249	25,034
Contributions paid to PERA subsequent to the measurement date	136,901	-
<b>Total</b>	<b>\$ 3,457,695</b>	<b>\$ 193,866</b>

The \$136,901 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, 2023. 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
2023	\$ 1,400,501
2024	1,463,544
2025	(130,738)
2026	393,614

**Total Pension Expense**

The total pension expense for all plans recognized by the County for the year ended December 31, 2022 was \$11,016,367.

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**Actuarial Assumptions**

The total pension liability in the June 30, 2022, 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.	2.25% per yr.	2.25% 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 27 years of service. 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 2022:

General Employees Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.
- The benefit increase assumption was changed from 2.00% per annum to 2.00% per annum through December 31, 2054 and 1.5% per annum thereafter.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

Correctional Fund

Changes in Actuarial Assumptions:

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

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	100%	

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**Discount Rate**

The discount rate for the General Employees Plan used to measure the total pension liability in 2022 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 position of the General Employees Fund 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In the Police and Fire Fund and Correctional Fund, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060 and June 30, 2061 respectively. Beginning in fiscal year ended June 30, 2061 for the Police and Fire Fund and June 30, 2062 for the Correctional Fund, projected benefit payments exceed the funds' projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69 percent (based on the weekly rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.40 percent for the Police and Fire Fund and 5.42 percent for the Correctional Fund was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.5 percent applied to all years of projected benefits through the point of asset depletion and 3.69 percent thereafter.

**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%, 4.40% & 4.42%)	Current Discount Rate (6.50%, 5.40% & 5.42%)	1% Increase (7.50%, 6.40% & 6.42%)
County's proportionate share of the GERS net pension liability	\$ 77,837,886	\$ 49,278,445	\$ 25,855,297
County's proportionate share of the PEPFP net pension liability	36,471,031	24,099,188	14,097,295
County's proportionate share of the PECF net pension liability	8,630,358	4,899,576	1,966,345

**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](http://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 2022 were:

Contribution Amount		Contribution Amount		Required Rate
Employee	Employer	Employee	Employer	
\$ 18,663	\$ 18,663	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.

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**Summary of Plan Provisions**

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

Plan Sponsor Contract Group	Carver County <b>AFSCME (All), Non-Bargaining, Elected Officials, Supervisors and Managers Association of Carver County (SMACC), and Teamsters Court Services</b>
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

**Subsidized Benefits**

Medical Benefit Eligibility: Retiree Benefit:	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 maybe 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.
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 Contract Group	Carver County <b>Teamsters, LELS, MNPEA, and Sergeants</b>
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, 2022, the County did not contribute and the retirees contributed an estimated \$112,382 toward the cost of their healthcare coverage.

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**Net OPEB Asset**

The County's last actuarial valuation was performed for the plan on January 1, 2021. The County's \$2,777,982 net OPEB Asset was measured as of December 31, 2022.

The components of the net OPEB liability of Carver County at December 31, 2022 were as follows:

Total OPEB Liability	\$ 8,372,003
Plan fiduciary net position	<u>11,149,985</u>
Net OPEB Liability (asset)	<u>\$ (2,777,982)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	133.2%
Covered payroll	\$ 56,449,256
Net OPEB liability (asset) as a percentage of covered- employee payroll	-4.9%

**Actuarial Methods and Assumptions**

The County's total OPEB liability of \$8,372,003 as of December 31, 2022, was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation, 1/1/21 valuation	2.50%
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	-16.80% (net of investment expenses)
Medical	6.25% in 2022 grading to 5.00% over 5 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, 2022 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%	7.75%
Fixed Income	30.00%	3.90%
Private equity	0.00%	0.00%
Real estate	0.00%	0.00%
Cash	0.00%	0.00%
Total Portfolio	100.00%	6.60%

**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.

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**Rate of Return**

For the year ended December 31, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -16.8 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 6.60 percent, this was a change from the January 1, 2021 valuation report of 5.90 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 12/31/21	\$ 8,478,782	\$ 14,027,140	\$ (5,548,358)
Changes for the year:			
Service cost	292,002	-	292,002
Interest	502,515	-	502,515
Assumption Changes	(386,752)	-	(386,752)
Projected Investment Return	-	925,791	(925,791)
Difference between expected and actual experience	-	(3,288,402)	3,288,402
Benefit payments	(514,544)	(514,544)	-
Net Change	(106,779)	(2,877,155)	2,770,376
Balance at 12/31/22	\$ 8,372,003	\$ 11,149,985	\$ (2,777,982)

**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)	\$ (3,336,843)	\$ (2,777,982)	\$ (2,162,125)
Discount Rate	7.60%	6.60%	5.60%

**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)	\$ (1,985,681)	\$ (2,777,982)	\$ (3,469,087)
Medical Trend Rate	7.25% decreasing to 6.00% then 5.00%	6.25% decreasing to 5.00% then 4.00%	5.25% decreasing to 4.00% then 3.00%
Dental Trend Rate	5.00%	4.00%	3.00%

**OPEB Plan Fiduciary Net Position**

Detailed information about the OPEB plan's fiduciary net position is available on page 31 of this financial report.



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

For the year ended December 31, 2022 the County recognized OPEB revenue of \$469,567. At December 31, 2022, the County reported deferred inflows and outflows of resources related to OPEB from the following sources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 205,859	\$ 535,021
Changes in actuarial assumptions	-	797,294
Net difference between projected and actual earnings on investments	896,075	-
<b>Total</b>	<b>\$ 1,101,934</b>	<b>\$ 1,332,315</b>

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

Year	Amount
2023	\$ (338,289)
2024	(33,653)
2025	171,208
2026	511,301
2027	(146,377)
2028 - Thereafter	(394,571)

**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 2022, the County had net investment loss of \$9,144. 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.

**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 a discretely presented component unit as described below.

**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, 2022. The complete financial statements can be obtained from the CDA's office at 705 North Walnut Street, Chaska, Minnesota 55318.

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

The CDA is considered a single enterprise fund for financial reporting purposes and its discretely presented component unit. 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 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.

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.

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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 December 31, 2022:

- 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, 2022.

**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.

**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.

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**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 market 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.

At December 31, 2022, the CDA's carrying amount of deposits was \$10,975,447 and the bank balance was \$11,148,700 all of which was covered by federal depository insurance and by collateral held by the CDA's agent in the CDA's name.

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**Investments**

As of December 31, 2022, 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	\$ 6,020,023	\$ 6,020,023	\$ -	\$ -
Pooled investments at amortized costs						
Broker Money Market	N/A	N/A	436,292	-	-	-
			<u>\$ 6,456,315</u>	<u>\$ 6,020,023</u>	<u>\$ -</u>	<u>\$ -</u>

(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, 2022 for the CDA and discretely presented component unit as follows:

Carrying amounts of deposits	\$ 10,975,447
Investments	6,456,315
Cash on hand	<u>1,119</u>
Total	<u>\$ 17,432,881</u>
Cash and pooled investments	
Cash-unrestricted	\$ 10,488,611
Cash-tenant security deposits	487,955
Investments-restricted	4,820,635
Investments-restricted for payment of current liability	<u>1,635,680</u>
Total	<u>\$ 17,432,881</u>

The investments are subject to the following risks:

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its 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 its 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 its 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.

**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, 2022, the CDA's investment in joint venture is as follows:

	Balance			Balance
	12/31/2021	Increases	Decreases	12/31/2022
Trails Edge South LP	\$ 800,000	\$ 82	\$ -	\$ 800,082

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 7,924,047	\$ 434,000	\$ -	\$ 8,358,047
Construction in progress	207,404	466,526	(8,412)	665,518
Total capital assets not being depreciated	<u>8,131,451</u>	<u>900,526</u>	<u>(8,412)</u>	<u>9,023,565</u>
Capital assets being depreciated				
Land improvements	550,250	-	-	550,250
Buildings and building improvements	58,327,093	506,810	-	58,833,903
Leasehold improvements	21,702	-	-	21,702
Furniture, equipment and machinery				
Dwelling	1,403,562	191,138	-	1,594,700
Administration	382,468	-	-	382,468
Total capital assets being depreciated	<u>60,685,075</u>	<u>697,948</u>	<u>-</u>	<u>61,383,023</u>
Less accumulated depreciation for				
Land improvements	(291,294)	(32,118)	-	(323,412)
Buildings	(31,359,404)	(1,921,262)	-	(33,280,666)
Leasehold improvements	(965)	(1,447)	-	(2,412)
Furniture, equipment and machinery				
Dwelling	(1,395,568)	(63,249)	-	(1,458,817)
Administration	(328,514)	(4,367)	-	(332,881)
Total accumulated depreciation	<u>(33,375,745)</u>	<u>(2,022,443)</u>	<u>-</u>	<u>(35,398,188)</u>
Total capital assets being depreciated, net	<u>27,309,330</u>	<u>(1,324,495)</u>	<u>-</u>	<u>25,984,835</u>
Business-type activities capital assets, net	<u>\$ 35,440,781</u>	<u>\$ (423,969)</u>	<u>\$ (8,412)</u>	<u>\$ 35,008,400</u>

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

Program	
State/Local	\$ 44,983
Carver Homes	331,161
Rental Properties	<u>1,646,299</u>
Total	<u>\$ 2,022,443</u>

**Discretely Presented Component Units**

Activity for the Trails Edge for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 800,000	\$ -	\$ (252,921)	\$ 547,079
Construction in progress	3,871,621	11,477,100	(15,343,474)	5,247
Total capital assets not being depreciated	<u>\$ 4,671,621</u>	<u>\$ 11,477,100</u>	<u>\$ (15,596,395)</u>	<u>\$ 552,326</u>
Capital assets being depreciated				
Land improvements	-	512,971	-	512,971
Buildings and building improvements	-	13,751,979	-	13,751,979
Furniture, equipment and machinery				
Dwelling	-	1,078,524	-	1,078,524
Total capital assets being depreciated	<u>-</u>	<u>15,343,474</u>	<u>-</u>	<u>15,343,474</u>
Less accumulated depreciation for	<u>-</u>	<u>(118,050)</u>	<u>-</u>	<u>(118,050)</u>
Total capital assets being depreciated, net	<u>-</u>	<u>15,225,424</u>	<u>-</u>	<u>15,225,424</u>
Business-type activities capital assets, net	<u>\$ 4,671,621</u>	<u>\$ 26,702,524</u>	<u>\$ (15,596,395)</u>	<u>\$ 15,777,750</u>

**CARVER COUNTY  
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NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**Construction Commitments**

The CDA has active projects as of December 31, 2022. 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	\$ 190,099	\$ 16,643

**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	\$ 660,000
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	1,455,000
Chaska Brickyard - Series 2020B	2,200,000	0.30 - 2.00	10/07/20	01/01/40	2,105,000
Chaska Brickyard - Series 2000	420,000	5.60 - 6.00	01/18/00	01/01/28	155,000
Bluff Creek - Series 2011B	785,000	1.25 - 3.50	12/01/11	02/01/29	375,000
Oak Grove - Series 2009B	1,605,000	3.00 - 3.88	11/05/09	02/01/24	320,000
Oak Grove - Series 2016	4,710,000	3.00 - 3.50	12/29/16	02/01/44	4,610,000
Waybury Apartments - Governmental Development Refunding, Series 2018A	6,110,000	2.00 - 3.60	02/28/18	02/01/48	5,555,000
Jonathon - Governmental Refunding Series 2021A	2,890,000	1.50 - 3.00	04/27/21	02/01/45	2,825,000
Waybury - Refunding Bond Series 2021C	1,400,000	1.70 - 2.00	04/27/21	02/01/45	1,365,000
Crossings at Town Center Refunding Bond Series 2021B	4,000,000	1.35 - 4.00	04/27/21	02/01/34	3,755,000
Total General Obligation Bonds					<u>\$ 25,550,000</u>

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

Year Ending December 31,	G.O. Bonds		
	Business-type Activities		
	Principal	Interest	Total
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	1,450,000	560,564	2,010,564
2028 - 2032	6,535,000	2,183,089	8,718,089
2033 - 2037	4,930,000	1,370,830	6,300,830
2038 - 2042	3,880,000	822,877	4,702,877
2043 - 2047	2,860,000	278,689	3,138,689
2048	420,000	7,559	427,559
Total	<u>\$ 25,550,000</u>	<u>\$ 7,856,012</u>	<u>\$ 33,406,012</u>

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**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	89,590
USDA - Assumed Promissory Note - Hilltop 2	97,678	2.5	10/28/21	10/28/51	96,678
USDA - Assumed Promissory Note - Mayer Eldery	225,327	2.5	10/29/21	10/29/51	222,962
<b>Total Notes</b>					<b>\$ 3,596,265</b>

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

Year Ending December 31,	Notes Payable Business-type Activities		
	Principal	Interest	Total
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	13,655	864	14,519
2028 - 2032	1,063,621	3,808	1,067,429
2033 - 2037	1,713,551	2,944	1,716,495
2038 - 2042	70,526	2,069	72,595
2043 - 2047	198,712	1,183	199,895
2048 - 2051	481,920	313	482,233
<b>Total</b>	<b>\$ 3,596,265</b>	<b>\$ 14,977</b>	<b>\$ 3,611,242</b>

**Changes in long-term liabilities**

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance 12/31/2021	Issued	Retired	Refunded	Balance 12/31/2022	Due Within One Year
G.O. Bonds	\$ 26,825,000	\$ -	\$ (1,275,000)	\$ -	\$ 25,550,000	\$ 1,320,000
Premium on bonds	523,076	-	(15,748)	-	507,328	-
Notes Payable	3,600,555	-	(4,290)	-	3,596,265	13,519
<b>Total</b>	<b>\$ 30,948,631</b>	<b>\$ -</b>	<b>\$ (1,295,038)</b>	<b>\$ -</b>	<b>\$ 29,653,593</b>	<b>\$ 1,333,519</b>



**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**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.

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, 2022 and 2021, was \$1,723,024 and \$1,787,063, respectively.

The CDA made contributions into the Plan of \$196,577 and \$196,793 for the years ended December 31, 2022 and 2021, respectively. Pension expense is equal to contribution made.

As of December 31, 2022, 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.

## **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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 36,512,697	\$ 36,527,697	\$ 36,528,628	\$ 931
Special Assessments	181,500	264,659	268,122	3,463
Licenses and Permits	1,611,156	1,636,408	1,485,720	(150,688)
Intergovernmental	6,630,137	8,508,220	8,525,281	17,061
Charges for Services	10,911,739	10,932,061	10,356,199	(575,862)
Fines and Forfeits	223,486	279,574	254,862	(24,712)
Gifts and Contributions	17,735	20,769	36,551	15,782
Investments Income	1,567,661	1,586,538	(5,003,149)	(6,589,687)
Miscellaneous	758,911	1,449,482	1,561,539	112,057
<b>Total Revenues</b>	<b>58,415,022</b>	<b>61,205,408</b>	<b>54,013,753</b>	<b>(7,191,655)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government</b>				
Commissioners	705,546	665,030	613,718	51,312
Courts	397,000	397,000	308,517	88,483
County Administration	412,918	407,918	362,975	44,943
Property Tax	846,888	846,335	843,205	3,130
Finance	1,357,785	1,367,785	1,324,672	43,113
License Centers	1,352,800	1,305,277	1,237,417	67,860
Election and Licensing	545,693	608,215	664,930	(56,715)
Property Assessment	1,581,818	1,443,055	1,337,052	106,003
Public Services Administration	588,710	642,066	635,665	6,401
Information Technology	7,156,538	7,643,773	7,234,215	409,558
Human Resources	2,216,096	2,084,096	1,902,276	181,820
Attorney	4,064,170	4,090,386	4,049,497	40,889
Land Records and Vitals	1,046,022	1,060,071	1,005,834	54,237
Buildings and Plant	3,257,827	3,182,083	3,141,928	40,155
Veterans Service Officer	482,392	488,500	461,560	26,940
Land Management	724,853	720,359	748,590	(28,231)
Vacancy Savings	(4,130,557)	-	-	-
Other	109,690	148,065	172,107	(24,042)
<b>General Government</b>	<b>22,716,189</b>	<b>27,100,014</b>	<b>26,044,158</b>	<b>1,055,856</b>
<b>Public Safety</b>				
Sheriff	22,606,933	22,371,719	22,027,928	343,791
Medical Examiner	256,858	262,175	262,175	-
Court Services	2,319,527	2,512,713	2,557,244	(44,531)
<b>Public Safety</b>	<b>25,183,318</b>	<b>25,146,607</b>	<b>24,847,347</b>	<b>299,260</b>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(Continued)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Health				
Community Health Services	30,000	30,000	30,000	-
Culture and Recreation				
Library	4,590,183	4,570,420	4,402,957	167,463
Parks	1,611,015	1,467,043	1,412,834	54,209
Historical Society	237,526	552,137	492,756	59,381
Culture and Recreation	6,438,724	6,589,600	6,308,547	281,053
Conservation of Natural Resources				
Minnesota Extension Services	309,399	309,399	302,353	7,046
Planning & Water Management	733,088	1,063,641	1,024,381	39,260
Environmental Services	2,631,458	2,724,585	2,696,342	28,243
Soil and Water Conservation District	340,975	340,975	340,975	-
Agricultural Society	48,746	48,746	48,746	-
Conservation of Natural Resources	4,063,666	4,487,346	4,412,797	74,549
Economic Development				
Community Development Agency	-	500,000	500,000	-
Debt Service:				
Principal Retirement	175,000	181,164	200,766	(19,602)
Interest and Fiscal Charges	-	-	73	(73)
Debt Service	175,000	181,164	200,839	(19,675)
Total Expenditures	58,606,897	64,034,731	62,343,688	1,691,043
Excess of Revenues over (under) Expenditures	(191,875)	(2,829,323)	(8,329,935)	(5,500,612)
Other Financing Sources (Uses):				
Transfers In	191,875	4,147,499	4,147,499	-
Transfers Out	-	(6,939,333)	(6,939,333)	-
Loans Issued	-	206,755	206,755	-
Proceeds from Sale of Capital Assets	-	-	5,305	5,305
Total Other Financing Sources (Uses)	191,875	(2,585,079)	(2,579,774)	5,305
Net Change in Fund Balance	-	(5,414,402)	(10,909,709)	(5,495,307)
Fund Balance - January 1	40,593,314	40,593,314	40,593,314	-
Fund Balance - December 31	\$ 40,593,314	\$ 35,178,912	\$ 29,683,605	\$ (5,495,307)

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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 5,691,546	\$ 5,722,794	\$ 5,683,664	\$ (39,130)
Intergovernmental	3,523,257	4,119,562	4,128,807	9,245
Charges for Services	28,625	3,300	3,300	-
Miscellaneous	277,500	162,207	110,693	(51,514)
<b>Total Revenues</b>	<b>9,520,928</b>	<b>10,007,863</b>	<b>9,926,464</b>	<b>(81,399)</b>
<b>Expenditures:</b>				
Current:				
Highways and Streets				
Administration	776,855	999,484	759,871	239,613
Asset & Performance Management	443,505	405,216	381,496	23,720
Engineering	3,805,057	3,504,644	3,422,844	81,800
Maintenance	3,961,228	3,150,956	3,014,726	136,230
Highway	1,427,616	1,457,616	1,341,537	116,079
<b>Highways and Streets</b>	<b>10,414,261</b>	<b>9,517,916</b>	<b>8,920,474</b>	<b>597,442</b>
Intergovernmental:				
Highways and Streets	-	302,086	302,086	-
<b>Total Expenditures</b>	<b>10,414,261</b>	<b>9,820,002</b>	<b>9,222,560</b>	<b>597,442</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>(893,333)</b>	<b>187,861</b>	<b>703,904</b>	<b>516,043</b>
Other Financing Sources (Uses):				
Transfers In	893,333	2,102,020	2,102,020	-
Transfers Out	-	(1,612,567)	(1,612,567)	-
Proceeds from Sale of Capital Assets	-	-	54,635	54,635
<b>Total Other Financing Sources (Uses)</b>	<b>893,333</b>	<b>489,453</b>	<b>544,088</b>	<b>54,635</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>677,314</b>	<b>1,247,992</b>	<b>570,678</b>
Fund Balance - January 1	5,978,294	5,978,294	5,978,294	-
<b>Increase (Decrease) in Inventories</b>	<b>-</b>	<b>-</b>	<b>(39,888)</b>	<b>(39,888)</b>
<b>Fund Balance - December 31</b>	<b>\$ 5,978,294</b>	<b>\$ 6,655,608</b>	<b>\$ 7,186,398</b>	<b>\$ 530,790</b>

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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 14,593,117	\$ 14,593,117	\$ 14,622,696	\$ 29,579
Special Assessments	-	-	305	305
Intergovernmental	15,503,496	17,389,515	16,335,138	(1,054,377)
Charges for Services	4,656,328	4,890,208	4,491,991	(398,217)
Gifts and Contributions	1,000	14,600	14,353	(247)
Miscellaneous	106,350	106,350	244,614	138,264
<b>Total Revenues</b>	<b>34,860,291</b>	<b>36,993,790</b>	<b>35,709,097</b>	<b>(1,284,693)</b>
<b>Expenditures:</b>				
Current:				
Human Services				
Social Services	27,198,672	27,725,615	26,135,977	1,589,638
Income Maintenance	5,067,720	5,431,483	5,246,541	184,942
Human Services	32,266,392	33,157,098	31,382,518	1,774,580
Health				
Community Health Services	2,593,899	4,050,391	3,383,692	666,699
Debt Service:				
Principal Retirement	-	-	12,387	(12,387)
Interest and Fiscal Charges	-	-	110	(110)
<b>Total Expenditures</b>	<b>34,860,291</b>	<b>37,207,489</b>	<b>34,778,707</b>	<b>2,428,782</b>
Excess of Revenues over (under) Expenditures	-	(213,699)	930,390	1,144,089
Other Financing Sources (Uses):				
Transfers In	-	1,205,616	1,205,616	-
Transfers Out	-	(3,500,496)	(3,500,496)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(2,294,880)</b>	<b>(2,294,880)</b>	<b>-</b>
Net Change in Fund Balance	-	(2,508,579)	(1,364,490)	1,144,089
Fund Balance - January 1	13,452,908	13,452,908	13,452,908	-
Fund Balance - December 31	<b>\$ 13,452,908</b>	<b>\$ 10,944,329</b>	<b>\$ 12,088,418</b>	<b>\$ 1,144,089</b>

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, 2022**

	2018	2019	2020	2021	2022
<b>Total OPEB Liability</b>					
Service cost	\$ 314,002	\$ 309,819	\$ 308,044	\$ 318,362	\$ 292,002
Interest	444,861	463,857	525,872	557,638	502,515
Difference between expected and actual experience	-	370,547	-	(687,885)	-
Changes of assumptions	-	(41,588)	(128,146)	(443,550)	(386,752)
Benefit payments	(384,129)	(435,173)	(501,786)	(475,840)	(514,544)
Net Change in total OPEB Liability	374,734	667,462	203,984	(731,275)	(106,779)
Total OPEB Liability - beginning	7,963,877	8,338,611	9,006,073	9,210,057	8,478,782
Total OPEB Liability - ending	<u>\$ 8,338,611</u>	<u>\$ 9,006,073</u>	<u>\$ 9,210,057</u>	<u>\$ 8,478,782</u>	<u>\$ 8,372,003</u>
<b>Plan fiduciary Net Position</b>					
Contributions - employer	\$ 7,690,439	\$ 840,314	\$ 850,684	\$ 475,840	\$ -
Net investment income (loss)	-	1,977,155	1,605,561	2,387,308	(2,362,611)
Benefit payments	(384,129)	(435,173)	(501,786)	(475,840)	(514,544)
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	(2,877,155)
Plan Fiduciary Net Position - beginning	-	7,306,310	9,687,628	11,641,016	14,027,140
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>	<u>\$ 11,149,985</u>
Net OPEB Liability (Asset)	\$ 1,032,301	\$ (681,555)	\$ (2,430,959)	\$ (5,548,358)	\$ (2,777,982)
Plan fiduciary net position as a percentage of the total OPEB liability	87.62%	107.57%	126.39%	165.44%	133.18%
Covered payroll	\$ 43,502,181	\$ 47,456,247	\$ 48,879,934	\$ 54,805,103	\$ 56,449,256
County's Net OPEB Liability (Asset) as a percentage of the covered payroll	2.37%	-1.44%	-4.97%	-10.12%	-4.92%

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, 2022**

	2018	2019	2020	2021	2022
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>	<u>\$ -</u>
Covered payroll	\$ 43,502,181	\$ 47,456,247	\$ 48,879,934	\$ 54,805,103	\$ 56,449,256
Contributions as a percentage of covered payroll	17.68%	1.77%	1.74%	0.87%	0.00%

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, 2022**

Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2018	-4.3%
2019	27.0%
2020	16.6%
2021	20.5%
2022	-16.8%

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, 2022**

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/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.6222%	\$ 49,278,445	\$ 1,444,830	\$ 50,723,275	\$ 46,569,776	105.82%	76.7%
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, 2022**

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)
2022	\$ 3,506,118	\$ 3,506,118	-	\$ 46,748,240	7.50%
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, 2022**

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/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.554%	\$ 24,099,188	\$ 1,052,799	\$ 25,151,987	\$ 6,727,880	358.20%	70.5%
2021	0.546%	4,216,085	189,558	4,405,643	6,753,994	62.42%	93.7%
2020	0.579%	7,637,112	52,146	7,689,258	6,399,729	119.33%	87.2%
2019	0.635%	6,760,216	N/A	6,760,216	6,654,389	101.59%	89.3%
2018	0.622%	6,630,945	N/A	6,630,945	6,769,968	97.95%	88.8%
2017	0.636%	8,586,757	N/A	8,586,757	6,523,965	131.62%	85.4%
2016	0.629%	25,242,864	N/A	25,242,864	6,061,806	416.42%	63.9%
2015	0.639%	7,260,535	N/A	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, 2022**

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)
2022	\$ 1,336,141	\$ 1,336,141	\$ -	\$ 7,548,819	17.70%
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, 2022**

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
2022	1.474%	\$ 4,899,576	\$ 3,238,157	151.31%	74.6%
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, 2022**

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)
2022	\$ 275,187	\$ 275,187	\$ -	\$ 3,144,994	8.75%
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, 2022**

**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	\$ 5,427,834
Road & Bridge	(594,259)
Health & Human Services	<u>2,347,198</u>
	<u>\$ 7,180,773</u>

**B. *Excess of expenditures over appropriations***

For the year ended December 31, 2022 Elections and Licensing exceeded appropriations in the General Fund by \$56,715 largely due to the 2022 Election and increased costs for supplies and staffing. Land Management exceeded appropriations by \$28,231 largely due to increased inspection services costs. This is offset by increased building permit revenue. Other exceeded appropriations by \$24,042, majority of this relates to the unbudgeted portion of GERF pension expense from special funding. Court Services exceeded appropriations by \$44,531, related to increased juvenile placement costs during 2022 that couldn't be covered within allotted budget.

**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, 2022 valuation report. Discount rate was changed from 5.90% to 6.60%. Expected long-term investment return was changed from 5.90% to 6.60%.

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%.

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



**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

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, 2022.

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	2.50%
Healthcare cost trend rates	6.25% in 2022 grading to 5.00% over 5 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	6.60% (net of investment expenses)
Mortality	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2021 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  
2022

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2021

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

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.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

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

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, 2022**

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

2022

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.
- The benefit increase assumption was changed from 2.00% per annum to 2.00% per annum through December 31, 2054 and 1.5% per annum thereafter.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021

Changes in Actuarial Assumptions

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

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions

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

2020

Changes in Actuarial Assumptions

- The morality 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 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 morality 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.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

- 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.
- 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

2022

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021

Changes in Actuarial Assumptions

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

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

- 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 morality 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 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.

**CARVER COUNTY  
CHASKA, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

- 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.

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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,523,660	\$ 4,523,660	\$ 4,531,413	\$ 7,753
Intergovernmental	18,540	18,540	18,540	-
Total Revenues	4,542,200	4,542,200	4,549,953	7,753
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	4,081,365	2,879,000	2,879,000	-
Interest and Fiscal Charges	775,835	1,800,191	360,770	1,439,421
Total Expenditures	4,857,200	4,679,191	3,239,770	1,439,421
Excess of Revenues over (under) Expenditures	(315,000)	(136,991)	1,310,183	1,447,174
Other Financing Sources (Uses):				
Transfers In	315,000	382,160	382,160	-
Transfers Out	-	(178,009)	(178,009)	-
Total Other Financing Sources (Uses)	315,000	204,151	204,151	-
Net Change in Fund Balance	-	67,160	1,514,334	1,447,174
Fund Balance - January 1	11,715,539	11,715,539	11,715,539	-
Fund Balance - December 31	\$ 11,715,539	\$ 11,782,699	\$ 13,229,873	\$ 1,447,174

**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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 613,699	\$ 635,255	\$ 635,255	\$ -
Miscellaneous	-	71,421	71,421	-
<b>Total Revenues</b>	<b>613,699</b>	<b>706,676</b>	<b>706,676</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General Government				
Information Services	13,699	116,548	116,548	-
Buildings and Plant	-	5,730	5,730	-
Public Safety				
Sheriff	-	12,566	12,566	-
Conservation of Natural Resources				
Agricultural Society	60,000	60,000	60,000	-
Capital Outlay	540,000	350,247	350,247	-
Debt Service:				
Interest and Fiscal Charges	-	81,543	81,543	-
<b>Total Expenditures</b>	<b>613,699</b>	<b>626,634</b>	<b>626,634</b>	<b>-</b>
Excess of Revenues over (under) Expenditures	-	80,042	80,042	-
Other Financing Sources (Uses):				
Transfers In	-	2,289,092	2,289,092	-
Transfers Out	-	(303,750)	(303,750)	-
General Obligation Bonds Issued	-	155,000	155,000	-
Premium on Bonds Issued	-	24,897	24,897	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>2,165,239</b>	<b>2,165,239</b>	<b>-</b>
Net Change in Fund Balance	-	2,245,281	2,245,281	-
Fund Balance - January 1	2,684,358	2,684,358	2,684,358	-
Fund Balance - December 31	<b>\$ 2,684,358</b>	<b>\$ 4,929,639</b>	<b>\$ 4,929,639</b>	<b>\$ -</b>

**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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 13,090,497	\$ 16,705,976	\$ 16,705,976	\$ -
Intergovernmental	17,190,453	20,392,545	20,392,545	-
<b>Total Revenues</b>	<b>30,280,950</b>	<b>37,098,521</b>	<b>37,098,521</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
Highways and Streets				
Maintenance	2,215,000	2,350,577	2,350,577	-
Capital Outlay	26,857,617	28,564,163	28,564,163	-
<b>Total Expenditures</b>	<b>29,072,617</b>	<b>30,914,740</b>	<b>30,914,740</b>	<b>-</b>
Excess of Revenues over (under) Expenditures	1,208,333	6,183,781	6,183,781	-
Other Financing Sources (Uses):				
Transfers In	-	2,788,864	2,788,864	-
Transfers Out	(1,208,333)	(4,781,891)	(4,781,891)	-
General Obligation Bonds Issued	-	250,000	250,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,208,333)</b>	<b>(1,743,027)</b>	<b>(1,743,027)</b>	<b>-</b>
Net Change in Fund Balance	-	4,440,754	4,440,754	-
Fund Balance - January 1	24,787,595	24,787,595	24,787,595	-
Fund Balance - December 31	\$ 24,787,595	\$ 29,228,349	\$ 29,228,349	\$ -

**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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ 13,254	\$ 13,254	\$ -
Intergovernmental	373,699	1,136,629	1,136,629	-
Gifts and Contributions	-	2,205	2,205	-
Miscellaneous	-	25,744	25,744	-
Total Revenues	373,699	1,177,832	1,177,832	-
<b>Expenditures:</b>				
Capital Outlay	373,699	1,405,848	1,405,848	-
Excess of Revenues over (under) Expenditures	-	(228,016)	(228,016)	-
Other Financing Sources (Uses):				
Transfers In	-	4,752,999	4,752,999	-
Transfers Out	-	(178,750)	(178,750)	-
General Obligation Bonds Issued	-	2,125,000	2,125,000	-
Total Other Financing Sources (Uses)	-	6,699,249	6,699,249	-
Net Change in Fund Balance	-	6,471,233	6,471,233	-
Fund Balance - January 1	534,004	534,004	534,004	-
Fund Balance - December 31	\$ 534,004	\$ 7,005,237	\$ 7,005,237	\$ -

**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, 2022**

<u>Assets</u>	Rail Authority Special Revenue Fund	Water Management Organization Special Revenue Fund	Ditch Special Revenue Fund	Total
Cash and Pooled Investments	\$ 163,751	\$ 655,644	\$ 373,661	\$ 1,193,056
Undistributed Cash in Custodial Funds	92	371	-	463
Taxes Receivable				
Delinquent	718	3,137	-	3,855
Special Assessments Receivable				
Delinquent	-	-	1,245	1,245
Unavailable	-	-	61,911	61,911
Accounts Receivable	-	29,854	-	29,854
Leases	12,279	-	-	12,279
Due from other Governments	-	43,505	-	43,505
<b>Total Assets</b>	<b>176,840</b>	<b>732,511</b>	<b>436,817</b>	<b>1,346,168</b>
<b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts Payable	-	1,518	25,652	27,170
Contracts Payable	-	90,175	57,674	147,849
Due to other Governments	-	-	36,657	36,657
Advance from Other Funds	-	-	400,000	400,000
Unearned Revenue	-	9,825	-	9,825
<b>Total Liabilities</b>	<b>-</b>	<b>101,518</b>	<b>519,983</b>	<b>621,501</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	416	49,528	63,156	113,100
Property Taxes Collected for Subsequent Period	92	371	-	463
Leases	10,642	-	-	10,642
<b>Total Deferred Inflows of Resources</b>	<b>11,150</b>	<b>49,899</b>	<b>63,156</b>	<b>124,205</b>
<b>Fund Balances:</b>				
Restricted for:				
Watershed Districts	-	581,094	-	581,094
Ditch Maintenance	-	-	36,974	36,974
Assigned for:				
Culture and Recreation	165,690	-	-	165,690
Unassigned	-	-	(183,296)	(183,296)
<b>Total Fund Balance</b>	<b>165,690</b>	<b>581,094</b>	<b>(146,322)</b>	<b>600,462</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 176,840</b>	<b>\$ 732,511</b>	<b>\$ 436,817</b>	<b>\$ 1,346,168</b>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Rail Authority Special Revenue Fund	Water Management Organization Special Revenue Fund	Ditch Special Revenue Fund	Total
<b>Revenues:</b>				
Taxes	\$ 198,363	\$ 842,564	\$ -	\$ 1,040,927
Special Assessments	-	-	32,595	32,595
Licenses and Permits	-	93,887	-	93,887
Intergovernmental	451	30,253	-	30,704
Charges for Services	-	16,375	-	16,375
Investments Income	-	-	657	657
Miscellaneous	1,737	41,003	-	42,740
<b>Total Revenues</b>	<b>200,551</b>	<b>1,024,082</b>	<b>33,252</b>	<b>1,257,885</b>
<b>Expenditures:</b>				
Current:				
Culture and Recreation	86,302	-	-	86,302
Conservation of Natural Resources	-	962,801	269,173	1,231,974
<b>Total Expenditures</b>	<b>86,302</b>	<b>962,801</b>	<b>269,173</b>	<b>1,318,276</b>
Excess of Revenues over (under) Expenditures	114,249	61,281	(235,921)	(60,391)
Other Financing Sources (Uses):				
Transfers Out	(131,193)	(42,261)	-	(173,454)
Net Change in Fund Balances	(16,944)	19,020	(235,921)	(233,845)
Fund Balance - January 1	182,634	562,074	89,599	834,307
Fund Balance - December 31	\$ 165,690	\$ 581,094	\$ (146,322)	\$ 600,462

**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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 199,000	\$ 198,363	\$ 198,363	\$ -
Intergovernmental	-	451	451	-
Miscellaneous	2,000	1,737	1,737	-
Total Revenues	201,000	200,551	200,551	-
<b>Expenditures:</b>				
Current:				
Culture and Recreation	69,807	86,302	86,302	-
Excess of Revenues over (under) Expenditures	131,193	114,249	114,249	-
Other Financing Sources (Uses):				
Transfers Out	(131,193)	(131,193)	(131,193)	-
Net Change in Fund Balance	-	(16,944)	(16,944)	-
Fund Balance - January 1	182,634	182,634	182,634	-
Fund Balance - December 31	\$ 182,634	\$ 165,690	\$ 165,690	\$ -



**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, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 848,258	\$ 848,257	\$ 842,564	\$ (5,693)
Licenses and Permits	24,500	93,900	93,887	(13)
Intergovernmental	-	27,441	30,253	2,812
Charges for Services	23,000	23,000	16,375	(6,625)
Miscellaneous	-	38,804	41,003	2,199
Total Revenues	895,758	1,031,402	1,024,082	(7,320)
<b>Expenditures:</b>				
Current:				
Conservation of Natural Resources	835,076	970,121	962,801	7,320
Excess of Revenues over (under) Expenditures	60,682	61,281	61,281	-
Other Financing Sources (Uses):				
Transfers Out	(60,682)	(42,261)	(42,261)	-
Net Change in Fund Balance	-	19,020	19,020	-
Fund Balance - January 1	562,074	562,074	562,074	-
Fund Balance - December 31	\$ 562,074	\$ 581,094	\$ 581,094	\$ -

**CARVER COUNTY  
CHASKA, MINNESOTA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON  
NONMAJOR DITCH FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Special Assessments	\$ 27,733	\$ 27,733	\$ 32,595	\$ 4,862
Investments Income	1,131	1,131	657	(474)
<b>Total Revenues</b>	<b>28,864</b>	<b>28,864</b>	<b>33,252</b>	<b>4,388</b>
<b>Expenditures:</b>				
Current:				
Conservation of Natural Resources	28,864	428,864	269,173	159,691
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(400,000)</b>	<b>(235,921)</b>	<b>164,079</b>
<b>Fund Balance - January 1</b>	<b>89,599</b>	<b>89,599</b>	<b>89,599</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 89,599</b>	<b>\$ (310,401)</b>	<b>\$ (146,322)</b>	<b>\$ 164,079</b>

**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, 2022**

<u>Assets</u>	Self Insurance	Compensated Absences	Total
<b>Current</b>			
Cash and Pooled Investments	\$ 3,338,940	\$ 6,189,443	\$ 9,528,383
Accounts Receivable	57,252	-	57,252
Prepaid Items	7,003	-	7,003
<b>Total Current Assets</b>	3,403,195	6,189,443	9,592,638
 <u>Liabilities</u>			
<b>Current</b>			
Accounts Payable	19,636	-	19,636
Compensated Absences - due within one year	-	519,885	519,885
<b>Total Current Liabilities</b>	19,636	519,885	539,521
<b>Noncurrent</b>			
Compensated Absences - due in more than one year	-	5,669,558	5,669,558
<b>Total Liabilities</b>	19,636	6,189,443	6,209,079
 <u>Net Position</u>			
<b>Unrestricted</b>	\$ 3,383,559	\$ -	\$ 3,383,559

**CARVER COUNTY  
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND  
NET POSITION- INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Self Insurance	Compensated Absences	Total
<b>Operating Revenues:</b>			
Charges for Services	\$ 970,581	\$ 579,190	\$ 1,549,771
Insurance Refunds	518,491	-	518,491
Total Operating Revenues	<u>1,489,072</u>	<u>579,190</u>	<u>2,068,262</u>
<b>Operating Expenses:</b>			
Current:			
Risk Management	1,087,238	-	1,087,238
Personnel Benefits	-	579,190	579,190
Total Operating Expenses	<u>1,087,238</u>	<u>579,190</u>	<u>1,666,428</u>
Operating Income (Loss)	401,834	-	401,834
Net Position - Beginning	<u>2,981,725</u>	<u>-</u>	<u>2,981,725</u>
Net Position - Ending	<u>\$ 3,383,559</u>	<u>\$ -</u>	<u>\$ 3,383,559</u>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Self Insurance	Compensated Absences	Total
Cash Flows from Operating Activities			
Receipts from Internal Services Provided	\$ 913,329	\$ 579,190	\$ 1,492,519
Refunds from Insurance Provider	518,491	-	518,491
Disbursements for Internal Services Provided	(1,078,947)	(499,889)	(1,578,836)
 Total Cash Flows from Operating Activities	 352,873	 79,301	 432,174
Cash and Cash Equivalents at January 1	2,986,067	6,110,142	9,096,209
Cash and Cash Equivalents at December 31	<u>\$ 3,338,940</u>	<u>\$ 6,189,443</u>	<u>\$ 9,528,383</u>
 Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	401,834	-	401,834
 Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
(Increase) Decrease in Accounts Receivable	(57,252)	-	(57,252)
(Increase) Decrease in Prepays	1,947	-	1,947
(Decrease) Increase in Accounts Payable	6,344	-	6,344
(Decrease) Increase in Compensated Absences Payable	-	79,301	79,301
 Total Adjustments	 (48,961)	 79,301	 30,340
Net cash provided by operating activities	<u>\$ 352,873</u>	<u>\$ 79,301</u>	<u>\$ 432,174</u>

**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  
DECEMBER 31, 2022**

	Taxes and Penalties	Inmate Account	Recorder Clearing	Alarm Fees	Local Collaborative	Sheriff Forfeitures	Lower Minnesota River Watershed District	Other Custodial	Total Custodial Funds
<b><u>Assets</u></b>									
Cash and pooled investments	\$ 1,518,614	\$ (3,042)	\$ 60,890	\$ 5,878	\$ 330,141	\$ 19,660	\$ -	\$ 1,142,871	\$ 3,075,012
Due from other governments	-	-	-	-	58,960	-	-	-	58,960
Accounts receivable	-	-	-	3,600	-	-	-	1,706	5,306
Taxes receivable for other governments	1,794,667	-	-	-	-	-	-	-	1,794,667
<b>Total Assets</b>	<b>3,313,281</b>	<b>(3,042)</b>	<b>60,890</b>	<b>9,478</b>	<b>389,101</b>	<b>19,660</b>	<b>-</b>	<b>1,144,577</b>	<b>4,933,945</b>
<b><u>Liabilities</u></b>									
Due to other governments	1,457,482	-	45,287	4,250	186,167	-	-	637,614	2,330,800
Due to others	-	-	-	-	-	-	-	356,961	356,961
<b>Total Liabilities</b>	<b>1,457,482</b>	<b>-</b>	<b>45,287</b>	<b>4,250</b>	<b>186,167</b>	<b>-</b>	<b>-</b>	<b>994,575</b>	<b>2,687,761</b>
<b><u>Deferred Inflows of Resources</u></b>									
Taxes collected in advance of levy	61,132	-	-	-	-	-	-	-	61,132
<b><u>Net Position</u></b>									
Restricted for Individuals, organizations, other governments	\$ 1,794,667	\$ (3,042)	\$ 15,603	\$ 5,228	\$ 202,934	\$ 19,660	\$ -	\$ 150,002	\$ 2,185,052



**CARVER COUNTY  
CHASKA, MINNESOTA**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Taxes and Penalties	Inmate Account	Recorder Clearing	Alarm Fees	Local Collaborative	Sheriff Forfeitures	Lower Minnesota River Watershed District	Other Custodial	Total Custodial Funds
<b><u>Additions</u></b>									
Contributions									
Individuals	\$ -	\$ 159,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 667,866	\$ 827,811
Investment earnings									
Interest, dividends, other	-	-	-	-	-	-	417	-	417
Property taxes	-	-	-	-	-	-	-	-	-
Property tax collections for other governments	173,994,318	-	-	-	-	-	-	-	173,994,318
Fines & forfeitures	-	-	-	14,575	-	7,704	-	-	22,279
Fees for service	-	-	-	-	-	-	4,500	1,067,420	1,071,920
Intergovernmental revenue	-	-	-	-	207,175	-	-	-	207,175
License and fees collected for State	-	-	42,950	-	-	-	-	30,111,869	30,154,819
Miscellaneous	329,172	-	-	-	-	-	9,663	-	338,835
<b>Total Additions</b>	<b>174,323,490</b>	<b>159,945</b>	<b>42,950</b>	<b>14,575</b>	<b>207,175</b>	<b>7,704</b>	<b>14,580</b>	<b>31,847,155</b>	<b>206,617,574</b>
<b><u>Deductions</u></b>									
Beneficiary Payments to Individuals	-	161,815	-	-	-	-	-	1,094,298	1,256,113
Payments of property tax to other governments	175,810,495	-	-	-	-	-	-	-	175,810,495
Payments to State	-	-	17,075	-	-	-	-	19,950,279	19,967,354
Administrative expense	-	-	-	-	-	970	-	-	970
General government	-	-	-	-	-	-	1,419,963	-	1,419,963
Projects	-	-	-	-	-	-	158,595	-	158,595
Payments to other entities	329,399	-	25,636	10,375	223,667	-	-	10,858,289	11,447,366
<b>Total Deductions</b>	<b>176,139,894</b>	<b>161,815</b>	<b>42,711</b>	<b>10,375</b>	<b>223,667</b>	<b>970</b>	<b>1,578,558</b>	<b>31,902,866</b>	<b>210,060,856</b>
<b>Change in net position</b>	<b>(1,816,404)</b>	<b>(1,870)</b>	<b>239</b>	<b>4,200</b>	<b>(16,492)</b>	<b>6,734</b>	<b>(1,563,978)</b>	<b>(55,711)</b>	<b>(3,443,282)</b>
<b>Fiduciary Net Position - Beginning of Year</b>	<b>3,611,071</b>	<b>(1,172)</b>	<b>15,364</b>	<b>1,028</b>	<b>219,426</b>	<b>12,926</b>	<b>1,563,978</b>	<b>205,713</b>	<b>5,628,334</b>
<b>Fiduciary Net Position - End of Year</b>	<b>\$ 1,794,667</b>	<b>\$ (3,042)</b>	<b>\$ 15,603</b>	<b>\$ 5,228</b>	<b>\$ 202,934</b>	<b>\$ 19,660</b>	<b>\$ -</b>	<b>\$ 150,002</b>	<b>\$ 2,185,052</b>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**SCHEDULE OF INTERGOVERNMENTAL REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Special Revenue Funds									Total All Funds
	General Fund	Road and Bridge Fund	Health and Human Services Fund	Nonmajor Funds	Total	Debt Service Fund	Buildings CIP Fund	Road & Bridge CIP Fund	Parks & Trails CIP Fund	
Appropriations and Shared Revenue										
State										
Ag Conservation Credit	\$ 14,473	\$ -	\$ -	\$ 402	\$ 402	\$ -	\$ -	\$ -	\$ -	\$ 14,875
Market Value Credit	146,820	23,257	60,806	-	84,063	18,540	-	9,917	-	259,340
Disparity Reduction Aid	2,145	-	-	-	-	-	-	-	-	2,145
Highway Users Tax	-	4,096,305	-	-	4,096,305	-	-	8,307,402	-	12,403,707
PERA Special Funding	151,511	9,245	38,479	-	47,724	-	-	-	-	199,235
Police Aid	608,498	-	-	-	-	-	-	-	-	608,498
E911	397,568	-	-	-	-	-	-	-	-	397,568
Out-of-Home Placement Aid	-	-	45,534	-	45,534	-	-	-	-	45,534
County Program Aid	3,000,521	-	-	-	-	-	613,699	147,399	73,699	3,835,318
Local Performance Aid	15,333	-	-	-	-	-	-	-	-	15,333
County Aquatic ISP Aid	141,746	-	-	-	-	-	-	-	-	141,746
SCORE Grant	316,096	-	-	-	-	-	-	-	-	316,096
Total Appropriations and Shared Revenue	4,794,711	4,128,807	144,819	402	4,274,028	18,540	613,699	8,464,718	73,699	18,239,395
Reimbursement for Services										
State										
Minnesota Department of Human Services	-	-	4,749,724	-	4,749,724	-	-	-	-	4,749,724
Grants										
State										
Agriculture	7,939	-	-	-	-	-	-	-	-	7,939
Housing Finance Agency	-	-	326,324	-	326,324	-	-	-	-	326,324
Corrections	412,542	-	-	-	-	-	-	-	-	412,542
Employment and Economic Development	-	-	57,614	-	57,614	-	-	-	-	57,614
Health	-	-	664,498	-	664,498	-	-	-	-	664,498
Human Services	9,411	-	3,869,077	-	3,869,077	-	21,556	-	-	3,900,044
Jobs and Training	-	-	147,550	-	147,550	-	-	-	-	147,550
Natural Resources	235,763	-	-	-	-	-	-	-	-	235,763
Pollution Control	450,469	-	-	-	-	-	-	-	-	450,469
Public Safety	3,821	-	-	-	-	-	-	-	-	3,821
Transportation	-	-	-	-	-	-	-	3,888,075	-	3,888,075
Trial Courts	65,849	-	-	-	-	-	-	-	-	65,849
Veterans Affairs	29,000	-	-	-	-	-	-	-	-	29,000
Peace Officers Standards & Training Board	71,198	-	-	-	-	-	-	-	-	71,198
Water & Soil Resources Board	199,048	-	-	-	-	-	-	-	-	199,048
Total State	1,485,040	-	5,065,063	-	5,065,063	-	21,556	3,888,075	-	10,459,734
Federal										
U.S. Department of Agriculture	162,055	-	627,796	-	627,796	-	-	-	-	789,851
U.S. Department of Justice	252,453	-	-	-	-	-	-	-	-	252,453
U.S. Department of Labor	-	-	172,906	-	172,906	-	-	-	-	172,906
U.S. Department of Transportation	15,181	-	-	-	-	-	-	7,807,418	-	7,822,599
U.S. Department of Treasury	500,000	-	-	-	-	-	-	-	-	500,000
U.S. Department of Homeland Security	35,028	-	-	-	-	-	-	-	-	35,028
U.S. Department of Education	-	-	3,743	-	3,743	-	-	-	-	3,743
U.S. Department of Health and Human Services	462,846	-	5,541,066	-	5,541,066	-	-	-	-	6,003,912
U.S. Election Assistance Commission	46,641	-	-	-	-	-	-	-	-	46,641
Total Federal	1,474,204	-	6,345,511	-	6,345,511	-	-	7,807,418	-	15,627,133
Local	551,010	-	30,021	27,441	57,462	-	-	232,334	1,062,930	1,903,736
Total Grants	3,510,254	-	11,440,595	27,441	11,468,036	-	21,556	11,927,827	1,062,930	27,990,603
Payments in Lieu of Taxes	220,316	-	-	2,861	2,861	-	-	-	-	223,177
Total Intergovernmental Revenue	\$ 8,525,281	\$ 4,128,807	\$ 16,335,138	\$ 30,704	\$ 20,494,649	\$ 18,540	\$ 635,255	\$ 20,392,545	\$ 1,136,629	\$ 51,202,899

**CARVER COUNTY  
CHASKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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	\$ 1,526	\$ -
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	222MN101S2514	\$ 614,856	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	222MN127Q7503	15,095	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	222MN101S2520	358	-
Total Assistance Listing #10.561			<u>630,309</u>	-
Passed Through Minnesota Department of Health WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	222MN004W1003	132,138	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	222MN004W5003	25,878	-
Total Assistance Listing #10.557			<u>\$ 158,016</u>	<u>\$ -</u>
Total U.S. Department of Agriculture			<u>\$ 789,851</u>	<u>\$ -</u>
U.S. Department of Interior Fish and Wildlife Service Passed Through Minnesota Department of Natural Resources Great Lakes Restoration	15.662	R29G2019AP00841	\$ 1,295	\$ -
U.S. Department of Justice Direct Drug Court Discretionary Grant Program	16.585	N/A- Direct	\$ 152,933	\$ -
Passed Through Minnesota Department of Public Safety Coronavirus Emergency Supplemental Funding Program	16.034	F-CESF-2021 CARVERCO	\$ 23,612	-
Crime Victim Assistance	16.575	A-CVS-2022-CARVERAO	75,908	-
Total U.S. Department of Justice			<u>\$ 252,453</u>	<u>\$ -</u>
U.S. Department of Labor Passed Through Hennepin County WIOA Cluster				
WIOA Adult Program	17.258	1093100/2093100	\$ 44,767	\$ -
WIOA Youth Activities	17.259	1093600/2093600	92,936	-
WIOA Dislocated Worker Formula Grants (Total Expenditures for WIA/WIOA Cluster \$172,906)	17.278	1098000/2098000	35,203	-
Total U.S. Department of Labor			<u>\$ 172,906</u>	<u>\$ -</u>
U.S. Department of Transportation Passed Through Minnesota Department of Transportation Highway Planning and Construction Cluster	20.205	00010	\$ 6,974,846	\$ -
Passed Through Minnesota Department of Public Safety Highway Safety Cluster				
State and Community Highway Safety	20.600	A-ENFORC22-2022-CARVERSO	\$ 7,225	1,483
National Priority Safety Programs (Total Expenditures for Highway Safety Cluster \$10,562)	20.616	A-ENFORC22-2022-CARVERSO	\$ 3,337	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFORC22-2022-CARVERSO	\$ 3,661	-
Total U.S. Department of Transportation			<u>\$ 6,989,069</u>	<u>\$ 1,483</u>
U.S. Department of Treasury Direct Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A- Direct	\$ 500,000	\$ 500,000
U.S. Department of Education Passed Through Minnesota Department of Health Special Education-Grants for Infants and Families	84.181	BO4MC32551	\$ 3,743	\$ -
U.S. Department of Health and Human Services Passed Through Minnesota Department of Health Public Health Emergency Preparedness Universal Newborn Hearing Screening	93.069	NU90TP922026	\$ 109,038	\$ -
	93.251	H61MC0035	1,100	-
Immunization Cooperative Agreements	93.268	6 NH231P000737-05-02	5,600	-
Immunization -- COVID	93.268	NH231P922628	412,493	-
Total Assistance Listing #93.268			<u>\$ 418,093</u>	<u>\$ -</u>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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 COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NU50CK000508	22,668	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	NU90TP922188	29,797	-
Temporary Assistance for Needy Families Cluster (Total Temporary Assistance for Needy Families 93.558-\$418,638)	93.558	NGA 1801MNTANF	14,693	-
Maternal and Child Health Services Block Grant to the States	93.994	BO4MC32551	41,208	-
Passed Through Minnesota Department of Human Services Promoting Safe and Stable Families	93.556	2101MNFPS	7,290	-
Temporary Assistance for Needy Families Cluster (Total Temporary Assistance for Needy Families 93.558-\$418,638)	93.558	2201MNTANF	403,945	-
Child Support Enforcement	93.563	2201MNCES	906,895	-
Child Support Enforcement	93.563	2201MNCSES	188,678	-
Total Assistance Listing #93.563			\$ 1,095,573	\$ -
Refugee and Entrant Assistance-State Administered Programs	93.566	2101MNRCA	997	-
Child Care Mandatory and Matching Funds of the Child Care Development Fund (CCDF Cluster)	93.596	2201MNCDF	60,541	-
Community-Based Child Abuse Prevention Grants	93.590	2102MNBCAP	30,445	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2101MNCWSS	8,311	-
Foster Care-Title IV-E	93.658	2201MNFOS	550,933	-
Social Services Block Grant	93.667	2201MNSOSR	301,918	-
Child Abuse and Neglect State Grants	93.669	2101MNNCAN	10,768	-
Chafee Foster Care Independence Program	93.674	2101MNCILC	76,500	-
COVID-19 Chafee Foster Care Independence Program	93.674	2101MNCILC	17,340	-
Total Assistance Listing #93.674			\$ 93,840	\$ -
Children's Health Insurance Program	93.767	2205MN5021	3,361	-
Medical Assistance Program (Medicaid Cluster)	93.778	2205MN5ADM	3,115,361	-
Medical Assistance Program (Medicaid Cluster)	93.778	2205MN5MAP	10,565	-
Total Assistance Listing #93.778			3,125,926	-
Block Grants for the Prevention and Treatment of Substance Abuse	93.959	B08TI010027/B08TI083047	3,350	-
Total U.S. Department of Health and Human Services			\$ 6,333,795	\$ -
U.S. Department of Homeland Security Passed Through Minnesota Department of Natural Resources Boating Safety Financial Assistance	97.012	R29G70CGBLA19	\$ 7,000	\$ -
Passed Through Minnesota Department of Public Safety Emergency Management Performance Grants	97.042	A-EMPG-S-2020-CARVERCO	26,049	-
Total U.S. Department of Homeland Security			33,049	-
U.S. Election Assistance Commission Passed Through Minnesota Secretary of State 2022 HAVA Election Security Grants	90.404	G53HAVA2020	46,641	-
Total Federal Expenditures			\$ 15,122,802	\$ 501,483

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, 2022**

**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 \$1,785,899 in federal awards during the year ended December 31, 2022, 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, 2022. 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		\$ 15,627,133
Grants received more than 60 days after year-end, unavailable in 2022		
Great Lakes Restoration	Assistance Listing Number 15.665	1,295
Immunization Cooperative Agreements	Assistance Listing Number 93.268	325,515
Stephanie Tubbs Jones Child Welfare Services Program	Assistance Listing Number 93.645	3,420
Chafee Foster Care Independence Program	Assistance Listing Number 93.674	8,709
Emergency Management Performance Grants	Assistance Listing Number 97.042	54,096
Unavailable in 2021, recognized as revenue in 2022		
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	<u>(56,075)</u>
Expenditures Per Schedule of Expenditures of Federal Awards		<u>\$ 15,122,802</u>

**CARVER COUNTY  
CHASKA, MINNESOTA**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE  
DECEMBER 31, 2022**

	<b>2022</b>
<b>Governmental funds capital assets:</b>	
Land	\$ 31,733,308
Improvements other than buildings	2,216,574
Buildings	63,993,377
Machinery and equipment	25,201,364
Infrastructure	227,210,567
Construction in progress	153,459,274
Total governmental funds capital assets	<b>\$ 503,814,464</b>
 <b>Investments in governmental funds capital assets by source:</b>	
General Fund	\$ 23,641,801
 Special Revenue Funds:	
Road and Bridge	4,730,611
Health and Human Services	2,665,320
Water Management Organization	81,062
Rail Authority	1,096,730
Total Special Revenue Funds	8,573,723
Capital Projects Funds	471,598,940
Total governmental funds capital assets	<b>\$ 503,814,464</b>

**CARVER COUNTY  
CHASKA, MINNESOTA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY  
DECEMBER 31, 2022**

Function and Activity	Land	Improvements Other than Buildings	Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Totals 2022
<b>General Government</b>							
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	-	-	-	305,242	-	-	305,242
Information Services	-	-	-	3,966,945	1,343,365	15,769	5,326,079
Attorney	-	-	-	5,717	-	-	5,717
Recorder	-	-	-	31,577	-	-	31,577
Building Maintenance	-	70,533	-	980,366	-	-	1,050,899
Veterans Services	-	-	61,870	127,068	-	-	188,938
Planning and Zoning	-	-	-	28,373	-	-	28,373
<b>Total General Government</b>	<b>6,102,298</b>	<b>1,812,433</b>	<b>45,673,805</b>	<b>6,501,042</b>	<b>9,656,103</b>	<b>15,769</b>	<b>69,761,450</b>
<b>Public Safety</b>							
Sheriff	-	-	83,473	5,726,235	-	49,053	5,858,761
Court Services	-	-	153,850	19,866	-	-	173,716
Emergency Management	-	-	-	39,565	-	-	39,565
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>237,323</b>	<b>5,785,666</b>	<b>-</b>	<b>49,053</b>	<b>6,072,042</b>
<b>Highways and Streets</b>							
Public Works	14,522,864	28,484	10,223,340	10,754,120	208,338,291	137,848,659	381,715,758
<b>Human Services</b>							
Health and Human Services	-	-	2,420,406	244,914	-	-	2,665,320
<b>Health</b>							
Community Health Services	-	-	2,528,604	65,430	-	-	2,594,034
<b>Culture and Recreation</b>							
Parks	10,001,007	289,092	1,346,384	970,761	9,187,842	15,545,793	37,340,879
Library	-	-	-	498,848	-	-	498,848
Regional Rail Authority	1,096,730	-	-	-	-	-	1,096,730
<b>Total Culture and Recreation</b>	<b>11,097,737</b>	<b>289,092</b>	<b>1,346,384</b>	<b>1,469,609</b>	<b>9,187,842</b>	<b>15,545,793</b>	<b>38,936,457</b>
<b>Conservation of Natural Resources</b>							
Environmental Services	-	65,959	1,563,515	320,835	-	-	1,950,309
Planning and Water	-	-	-	38,032	-	-	38,032
Water Management Organization	10,409	20,606	-	21,716	28,331	-	81,062
<b>Total Conservation of Natural Resources</b>	<b>10,409</b>	<b>86,565</b>	<b>1,563,515</b>	<b>380,583</b>	<b>28,331</b>	<b>-</b>	<b>2,069,403</b>
<b>Total governmental funds capital assets</b>	<b>\$ 31,733,308</b>	<b>\$ 2,216,574</b>	<b>\$ 63,993,377</b>	<b>\$ 25,201,364</b>	<b>\$ 227,210,567</b>	<b>\$ 153,459,274</b>	<b>\$ 503,814,464</b>

**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, 2022**

Function and Activity	Governmental Funds Capital Assets January 1	Additions	Deductions	Transfers	Governmental Funds Capital Assets December 31
General Government					
Commissioners	\$ 37,807	\$ -	\$ -	\$ -	\$ 37,807
Administration	57,061,879	-	-	-	57,061,879
Auditor	4,958,941	-	-	-	4,958,941
Finance	492,952	-	-	-	492,952
Treasurer	273,046	-	-	-	273,046
Assessor	223,325	-	-	81,917	305,242
Information Services	5,628,543	721,613	(1,024,077)	-	5,326,079
Attorney	5,717	-	-	-	5,717
Recorder	37,213	-	(5,636)	-	31,577
Building Maintenance	1,091,925	-	(93,809)	52,783	1,050,899
Veterans Services	188,938	-	-	-	188,938
Planning and Zoning	28,373	-	-	-	28,373
<b>Total General Government</b>	<b>70,028,659</b>	<b>721,613</b>	<b>(1,123,522)</b>	<b>134,700</b>	<b>69,761,450</b>
Public Safety					
Sheriff	9,770,726	314,494	(4,193,872)	(32,587)	5,858,761
Court Services	173,716	-	-	-	173,716
Emergency Management	39,565	-	-	-	39,565
<b>Total Public Safety</b>	<b>9,984,007</b>	<b>314,494</b>	<b>(4,193,872)</b>	<b>(32,587)</b>	<b>6,072,042</b>
Highways and Streets					
Public Works	373,985,759	23,342,356	(15,434,158)	(178,199)	381,715,758
Human Services					
Human Services	2,627,552	-	(22,482)	60,250	2,665,320
Health					
Community Health Services	2,654,284	-	-	(60,250)	2,594,034
Culture and Recreation					
Parks	35,931,459	1,419,603	(10,183)	-	37,340,879
Library	490,001	8,847	-	-	498,848
Regional Rail Authority	1,096,730	-	-	-	1,096,730
<b>Total Culture and Recreation</b>	<b>37,518,190</b>	<b>1,428,450</b>	<b>(10,183)</b>	<b>-</b>	<b>38,936,457</b>
Conservation of Natural Resources					
Environmental Services	1,829,473	77,749	(32,999)	76,086	1,950,309
Planning and Water	38,032	22,065	-	(22,065)	38,032
Water Management Organization	58,997	-	-	22,065	81,062
<b>Total Conservation of Natural Resources</b>	<b>1,926,502</b>	<b>99,814</b>	<b>(32,999)</b>	<b>76,086</b>	<b>2,069,403</b>
<b>Total Governmental Funds Capital Assets</b>	<b>\$ 498,724,953</b>	<b>\$ 25,906,727</b>	<b>\$ (20,817,216)</b>	<b>\$ -</b>	<b>\$ 503,814,464</b>



# **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.

<b>Contents:</b>	<b><u>Page</u></b>
 <b><u>FINANCIAL TRENDS</u></b>	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	118-123
 <b><u>REVENUE CAPACITY</u></b>	
These schedules contain information to help the reader assess the County's most significant revenue source, the property tax.	124-127
 <b><u>DEBT CAPACITY</u></b>	
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.	128-131
 <b><u>DEMOGRAPHIC AND ECONOMIC INFORMATION</u></b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	132-133
 <b><u>OPERATING INFORMATION</u></b>	
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.	134-139

**CARVER COUNTY  
CHASKA, MINNESOTA**

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 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	\$ 324,792,609
Restricted	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	36,124,309
Unrestricted	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	58,352,043
Total Primary government net position	<u>\$ 235,893,185</u>	<u>\$ 283,457,029</u>	<u>\$ 275,478,788</u>	<u>\$ 284,240,645</u>	<u>\$ 294,181,385</u>	<u>\$ 314,369,905</u>	<u>\$ 353,437,033</u>	<u>\$ 389,655,183</u>	<u>\$ 413,101,598</u>	<u>\$ 419,268,961</u>

**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)*

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities:										
General government	\$ 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	\$ 21,830,906
Public safety	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	31,996,774
Highway & streets	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	38,895,938
Human services	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	36,162,247
Health	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	3,793,001
Culture and recreation	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	7,653,882
Conservation of natural resources	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	6,301,247
Economic development	-	-	-	-	-	-	-	1,456,916	4,736,749	500,000
Interest on long-term debt	935,677	715,714	738,137	990,752	765,371	462,460	403,734	313,172	216,928	166,297
Total primary government expenses	82,705,149	89,175,622	88,151,930	100,070,079	108,364,308	122,351,940	114,319,463	132,981,235	151,658,935	147,300,292
<b>Program Revenues</b>										
Governmental activities:										
Fees, Charges, Fines, and Other										
General government	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	4,657,954
Public safety	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	5,273,729
Human services	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	4,546,207
Culture and recreation	636,969	503,684	493,846	498,878	497,969	507,393	519,610	546,839	295,849	367,347
Conservation of natural resources	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	2,410,023
Other activities	122,522	122,390	30,330	35,980	48,611	100,974	60,419	37,696	62,866	37,411
Operating grants and contributions	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	38,601,701
Capital grants and contributions	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	16,904,999
Total primary government program revenues	39,540,296	77,247,881	52,140,546	50,757,022	56,780,689	71,315,043	76,692,260	89,809,088	96,197,256	72,799,371
<b>Net (Expense) Revenue</b>										
Governmental activities:										
Total primary government net expense	(43,164,853)	(11,927,741)	(36,011,384)	(49,313,057)	(51,583,619)	(51,036,897)	(37,627,203)	(43,172,147)	(55,461,679)	(74,500,921)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes	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	78,980,504
Unrestricted grants and contributions	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	4,624,308
Payment in lieu of taxes	163,782	206,050	172,997	166,705	188,352	198,899	203,751	232,346	211,580	223,177
Investment earnings	(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)	(5,021,141)
Miscellaneous	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	1,861,436
Total primary government	48,579,549	59,491,585	59,244,128	58,074,914	61,524,359	71,225,417	76,694,331	79,390,297	78,908,094	80,668,284
<b>Change in Net Position</b>										
Governmental activities:	\$ 5,414,696	\$ 47,563,844	\$ 23,232,744	\$ 8,761,857	\$ 9,940,740	\$ 20,188,520	\$ 39,067,128	\$ 36,218,150	\$ 23,446,415	\$ 6,167,363

**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
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	1,456,916.00	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
2022	30,026,218	29,399,511	38,029,466	32,806,396	3,514,702	6,896,441	5,961,261	500,000	166,297	147,300,292

\* 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**

**GENERAL REVENUES**

Fiscal Year	Fees, Charges, Fines and Other	Operating Grants and Contributions	Capital Grants and Contributions
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
2022	17,292,671	38,601,701	16,904,999

Taxes	Payment in lieu of taxes	Grants and contributions not restricted to specific programs	Investment Income	Miscellaneous	Total
\$ 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
78,980,504	223,177	4,624,308	(5,021,141)	1,861,436	153,467,655

Data Source: Yearly Financial Statements

**CARVER COUNTY  
CHASKA, MINNESOTA**

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

*(modified accrual basis of accounting)*

	<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>2022</u>
General Fund										
Nonspendable	\$ 1,257	\$ 3,651	\$ 113,857	\$ 443,622	\$ 635,952	\$ 531,210	\$ 860,974	\$ 794,819	\$ 1,065,954	\$ 2,122,174
Restricted	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	4,555,012
Committed	-	-	-	-	-	-	-	4,237,489	11,263,622	-
Assigned	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	6,611,817
Unassigned	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	16,394,602
Subtotal General fund	<u>\$ 21,467,022</u>	<u>\$ 22,443,447</u>	<u>\$ 22,914,497</u>	<u>\$ 22,830,237</u>	<u>\$ 23,987,508</u>	<u>\$ 24,627,729</u>	<u>\$ 26,136,667</u>	<u>\$ 37,026,305</u>	<u>\$ 40,593,314</u>	<u>\$ 29,683,605</u>
All Other Governmental Funds										
Nonspendable	\$ 367,815	\$ 440,925	\$ 420,507	\$ 753,579	\$ 723,362	\$ 515,483	\$ 623,866	\$ 1,025,701	\$ 839,607	\$ 847,234
Restricted	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	14,427,772
Assigned	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	59,176,666
Unassigned	(98,493)	(157,563)	(158,189)	(102,733)	(95,635)	(72,218)	(223,460)	-	(51,283)	(183,296)
Subtotal all other governmental funds	<u>\$ 31,845,558</u>	<u>\$ 53,285,267</u>	<u>\$ 42,944,432</u>	<u>\$ 61,461,310</u>	<u>\$ 47,273,558</u>	<u>\$ 46,040,751</u>	<u>\$ 59,507,528</u>	<u>\$ 66,825,665</u>	<u>\$ 59,987,005</u>	<u>\$ 74,268,376</u>

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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 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	\$ 79,126,558
Special assessments	347,158	341,754	291,192	266,629	268,283	211,644	230,478	325,652	315,903	301,022
Licenses and permits	812,964	983,560	1,284,711	1,297,747	1,360,750	1,203,790	1,192,591	823,989	1,278,436	1,579,607
Intergovernmental	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	51,202,899
Charges for services	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	14,867,865
Fines and forfeits	258,682	242,376	214,048	255,563	239,068	243,898	240,484	232,428	216,725	254,862
Investment income	(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)	(5,002,492)
Other revenue	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	2,109,860
<b>Total revenues</b>	<b>85,295,396</b>	<b>132,844,202</b>	<b>115,083,339</b>	<b>110,309,083</b>	<b>109,880,536</b>	<b>138,481,629</b>	<b>142,836,182</b>	<b>178,066,308</b>	<b>177,397,318</b>	<b>144,440,181</b>
<b>Expenditures</b>										
Current										
General government	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	26,166,436
Public safety	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	24,859,913
Highways & streets	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	11,260,153
Human services	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	31,382,518
Health	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	3,413,692
Culture and recreation	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	6,394,849
Conservation of nat. resources	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	5,704,771
Economic development	-	-	-	-	-	-	-	1,456,916	4,736,749	500,000
Intergovernmental										
Highways & streets	166,093	165,748	175,449	181,991	186,766	211,260	209,379	219,739	202,043	302,086
Capital outlay	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	30,331,156
Debt Service										
Principal	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	3,092,153
Interest	949,815	812,715	790,794	947,638	1,002,608	784,584	652,435	558,925	456,681	442,496
<b>Total expenditures</b>	<b>95,156,996</b>	<b>120,623,876</b>	<b>139,697,898</b>	<b>102,872,198</b>	<b>117,591,829</b>	<b>139,603,656</b>	<b>128,429,214</b>	<b>160,345,069</b>	<b>180,940,374</b>	<b>143,850,223</b>
Excess of revenues over (under) expenditures	(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)	589,958
<b>Other Financing Sources (Uses)</b>										
General obligation bonds issued	-	9,555,000	-	7,190,000	-	-	-	-	-	2,530,000
Notes Payable Issued	-	-	13,439,062	2,228,135	168,048	-	-	-	-	-
Loans issued	72,048	81,429	51,776	54,922	116,722	216,842	113,349	268,790	89,521	206,755
Proceeds from sale of capital assets	75,550	60,224	1,242,265	64,350	23,135	527,584	360,316	21,604	161,306	59,940
Refunding bonds issued	5,150,000	-	-	-	-	-	-	-	-	-
Payments to bond escrow agent	-	-	-	-	(5,610,000)	-	-	-	-	-
Premium/(Discount) on debt issued	57,003	441,317	-	1,165,325	-	-	-	-	-	24,897
Transfers in	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	17,668,250
Transfers out	(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)	(17,668,250)
<b>Total other financing sources (uses)</b>	<b>4,143,354</b>	<b>10,137,970</b>	<b>14,782,598</b>	<b>10,702,732</b>	<b>(5,302,095)</b>	<b>744,426</b>	<b>473,665</b>	<b>290,394</b>	<b>250,827</b>	<b>2,821,592</b>
Increase (decrease) in inventories	(129,711)	57,838	(37,824)	293,001	(17,093)	(214,985)	95,082	196,142	20,578	(39,888)
<b>Net change in fund balances</b>	<b>\$ (5,847,957)</b>	<b>\$ 22,416,134</b>	<b>\$ (9,869,785)</b>	<b>\$ 18,432,618</b>	<b>\$ (13,030,481)</b>	<b>\$ (592,586)</b>	<b>\$ 14,975,715</b>	<b>\$ 18,207,775</b>	<b>\$ (3,271,651)</b>	<b>\$ 3,371,662</b>
Debt service as a percentage of noncapital expenditures	5.46%	8.76%	3.58%	9.95%	4.71%	5.70%	4.09%	3.39%	2.63%	2.66%

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
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%
2022	178,984,556	16,276,392,900	3,032,088	153,066,200	182,016,644	16,429,459,100	34.170	1.11%

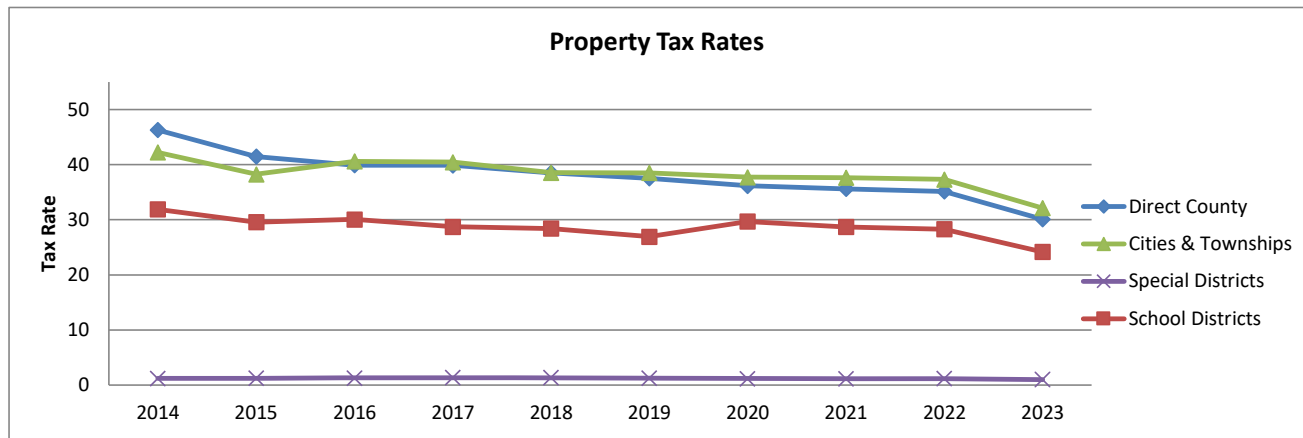
Valuations are determined as of January 1 of the year preceding the tax collection year.  
 Amounts are shown for the year in which taxes are payable.  
 Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

**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
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
2023	27.820	1.448	0.731	0.088	30.087	32.115	24.208	0.988



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**

2022			2013		
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	\$ 82,534,100	0.50%	Target Corporation	\$ 35,303,600	0.38%
CenterPoint Energy Minnegasco	50,884,100	0.31%	Northern States Power	32,603,400	0.35%
LFT Real Estate Company Inc	43,351,500	0.26%	CenterPoint Energy Minnegasco	29,383,700	0.31%
US Home Corporation	37,134,300	0.23%	Ameriprise Financial Inc	21,804,300	0.23%
Northern Natural Gas Co	30,905,300	0.19%	IRET Minnesota LLC	21,346,300	0.23%
Target Corporation	28,584,200	0.17%	Istar Minnesota LLC	18,512,500	0.20%
Istar Minnesota LLC	27,054,600	0.16%	Aurora Investments LLC	17,564,600	0.19%
United Healthcare Services Inc	22,644,600	0.14%	PHM/Chanhassen Inc	16,836,300	0.18%
SGO MN West Village LLC	22,512,300	0.14%	Hazeltine Natl Golf Club	15,941,700	0.17%
Aurora Investments LLC	19,757,400	0.12%	Rosemount Inc	15,489,700	0.17%
<b>Total</b>	<b>\$ 365,362,400</b>	<b>2.33%</b>	<b>Total</b>	<b>\$ 224,786,100</b>	<b>2.30%</b>

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 (2)	Market Value Credit Adjustment	Adjusted Certified Tax Levy	Collection within the Fiscal Year of the Levy (2)		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent	
					Amount (1)	% of Levy		Amount	% of Levy	Amount	% of Levy
2013	\$ 45,629,720	\$ (178,874)	\$ -	\$ 45,450,846	\$ 45,042,675	99.10%	\$ 405,774	\$ 45,448,449	99.99%	\$ 357	0.00%
2014	47,546,920	(151,095)	-	47,395,825	47,174,883	99.53%	218,222	47,393,105	99.99%	843	0.00%
2015	49,861,920	(161,162)	-	49,700,758	49,551,666	99.70%	145,511	49,697,177	99.99%	927	0.00%
2016	50,242,700	(274,800)	-	49,967,900	49,858,227	99.78%	106,009	49,964,236	99.99%	1,510	0.00%
2017	51,649,500	(273,092)	-	51,376,408	51,333,497	99.92%	38,036	51,371,533	99.99%	2,829	0.01%
2018	53,649,500	(208,985)	-	53,440,515	53,363,472	99.86%	71,468	53,434,940	99.99%	3,418	0.01%
2019	56,264,855	(143,292)	-	56,121,563	55,945,339	99.69%	169,540	56,114,879	99.99%	4,445	0.01%
2020	59,073,855	(142,513)	-	58,931,342	58,812,573	99.80%	107,661	58,920,234	99.98%	9,189	0.02%
2021	60,473,855	21,466	-	60,495,321	60,254,655	99.60%	211,367	60,466,022	99.95%	26,993	0.04%
2022	62,573,855	32,798	-	62,606,653	62,426,061	99.71%	-	62,426,061	99.71%	178,725	0.29%

(1) This amount includes fiscal disparities and any tax aid.

(2) 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
2013	\$ 26,354,561	\$ -	\$ 1,243,245	\$ -	\$ 27,597,806	\$ 289.09	\$ 272.68	0.47%	0.47%
2014	28,146,667	-	1,051,707	-	29,198,374	300.51	289.09	0.50%	0.50%
2015	25,117,349	13,439,062.00	878,319	-	39,434,730.00	399.15	300.51	0.63%	0.63%
2016	30,828,356	14,549,197	737,989	-	46,115,542	458.31	399.48	0.71%	0.71%
2017	22,325,218	13,588,245	690,814	-	36,604,277.00	355.87	459.95	0.53%	0.53%
2018	17,107,260	12,604,000	754,790	-	30,466,050.00	287.50	358.45	0.41%	0.41%
2019	14,268,196	11,610,000	703,049	-	26,581,245.00	248.01	294.21	0.35%	0.35%
2020	11,353,207	10,606,000	818,516	-	22,777,723.00	213.74	252.94	0.28%	0.28%
2021	8,809,578	9,592,000	729,100	-	19,130,678.00	175.83	213.74	0.22%	0.22%
2022	9,307,644	8,568,000	754,692	25,851.00	18,656,187.00	169.55	169.55	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 %
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	390.25	390.25	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	450.97	450.97	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	349.16	349.16	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	280.37	280.37	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	241.45	241.45	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%
2022	16,429,459,100	182,016,644	9,307,644	8,568,000	17,875,644	162.46	162.46	0.11%	0.11%	9.82%	9.82%

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, 2022**

Government Unit	Debt Outstanding (1)	Applicable to Carver County Percent	Amount
<b>Direct:</b>			
<b>Government Unit</b>			
General Obligation Bonds Payable (net of discount)	\$ 9,307,644	100.0%	\$ 9,307,644
General Obligation Notes Payable	8,568,000	100.0%	8,568,000
Loans Payable	754,692	100.0%	754,692
<b>Carver County</b>	<b>18,630,336</b>	<b>100.0%</b>	<b>18,630,336</b>
<b>Underlying:</b>			
Carver City	35,846,000	100.0%	35,846,000
Chanhassen City	26,520,000	97.7%	25,910,040
Chaska City	81,779,000	100.0%	81,779,000
Cologne	18,874,000	100.0%	18,874,000
Hamburg City	2,175,888	100.0%	2,175,888
Mayer	7,387,200	100.0%	7,387,200
New Germany City	7,032,300	100.0%	7,032,300
Norwood Young America City	13,952,000	100.0%	13,952,000
Victoria City	21,355,000	100.0%	21,355,000
Waconia City	54,593,551	100.0%	54,593,551
Watertown City	19,304,450	100.0%	19,304,450
<b>Total cities</b>	<b>288,819,389</b>	<b>99.8%</b>	<b>288,209,429</b>
School District #108	43,065,000	96.3%	41,471,595
School District #110	103,970,000	82.0%	85,255,400
School District #111	43,982,663	75.7%	33,294,876
School District #112	146,024,000 (2)	100.0%	146,024,000
School District #276	178,515,000	18.6%	33,203,790
School District #424	14,275,000	0.2%	28,550
School District #716	16,270,000 (3)	9.1%	1,480,570
School District #2687	35,585,000	0.6%	213,510
School District #2859	21,590,000	0.1%	21,590
<b>Total school districts</b>	<b>603,276,663</b>	<b>56.5%</b>	<b>340,993,881</b>
<b>Total Underlying debt</b>	<b>892,096,052</b>	<b>70.5%</b>	<b>629,203,310</b>
<b>Overlapping:</b>			
Metro Council	1,717,186,171 (4)	3.6%	61,818,702
<b>Total Overlapping debt</b>	<b>1,717,186,171</b>	<b>3.6%</b>	<b>61,818,702</b>
<b>Total direct, underlying and overlapping debt</b>	<b>\$ 2,627,912,559</b>	<b>27.0%</b>	<b>\$ 709,652,348</b>

(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.

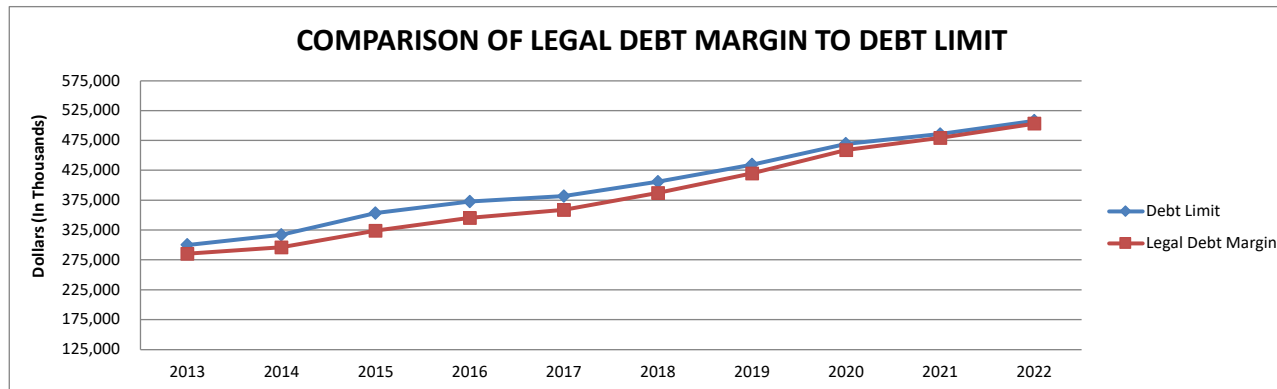
**Data Source:** Provided by Taxpayer Services Department

SCHEDULE XIV (Unaudited)

CARVER COUNTY  
CHASKA, MINNESOTA

LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS

	<u>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>2022</u>
<b>Assessor's Estimated Market Value</b>	\$ 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	\$ 16,929,129,100
<b>Legal debt margin</b>										
Debt limit (3% of Assessor's EMV)	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	507,873,873
Debt applicable to limit: (see schedule XII)										
General Obligation bonds & notes	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	17,875,644
Less: Amount reserved for repayment of general obligation debt	(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)	(13,229,873)
<b>Total debt applicable to limit</b>	<b>14,655,839</b>	<b>20,881,712</b>	<b>29,515,106</b>	<b>27,124,075</b>	<b>23,202,876</b>	<b>18,939,870</b>	<b>14,545,495</b>	<b>10,041,881</b>	<b>6,686,039</b>	<b>4,645,771</b>
<b>Legal debt margin</b>	<b>\$ 285,377,452</b>	<b>\$ 296,129,728</b>	<b>\$ 323,974,429</b>	<b>\$ 345,522,761</b>	<b>\$ 358,478,340</b>	<b>\$ 386,973,066</b>	<b>\$ 419,957,045</b>	<b>\$ 458,979,796</b>	<b>\$ 479,046,136</b>	<b>\$ 503,228,102</b>
<b>Total debt applicable to the limit as a percentage of debt limit</b>	<b>4.88%</b>	<b>6.59%</b>	<b>8.35%</b>	<b>7.28%</b>	<b>6.08%</b>	<b>4.67%</b>	<b>3.35%</b>	<b>2.14%</b>	<b>1.38%</b>	<b>0.91%</b>



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)
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	8,751,120,000	38.6	18,178
2022	110,034	Not Available	38.2	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)
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	80,562	2.9%	65,486	3.4%	55,710	5.3%
2022	Not available	2.2%	Not available	2.7%	Not available	3.6%

**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.gov>>
- 5.) DEED: Local Area Unemployment Statistics <<http://www.deed.state.mn.gov/lmi/tools/laus>>

\* All population estimates come from the Metropolitan Council if available at time of issuance otherwise United States Census Bureau (estimates) and adjusted the following year to Metropolitan Council data.

\*\* United States Census Bureau (estimates)

**CARVER COUNTY  
CHASKA, MINNESOTA**

**PRINCIPAL EMPLOYERS  
CURRENT AND TEN YEARS AGO**

2022 (1)			2013		
<u>Employer</u>	Estimated No. of Employees	Percentage of Total County Employment	<u>Employer</u>	Estimated No. of Employees	Percentage of Total County Employment
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 (3 locations within County)	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%
<b>Total</b>	<b>10,423</b>	<b>17.61%</b>	<b>Total</b>	<b>9,622</b>	<b>27.68%</b>
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.gov/lmi/tools/laus.htm>>
- 3.) Minnesota Department of Employment and Economic Development <<http://www.deed.state.mn.gov/lmi/tools/laus.htm>>

**CARVER COUNTY  
CHASKA, MINNESOTA**

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

<u>Function/program</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>2022</u>
<b>General Government</b>										
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	3.20	4.70	4.20	4.20	4.00	4.00	5.00	5.00	5.00
Property Assessment	12.00	12.00	12.00	12.00	13.00	13.00	14.00	14.00	14.00	15.00
Attorney	29.20	31.20	31.20	31.20	31.50	32.20	33.35	33.35	32.65	32.65
License Centers	0.00	0.00	0.00	0.00	0.00	0.00	18.50	19.00	19.50	20.60
Election and Licensing	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00	4.00	4.00
Property Tax	22.90	24.60	24.60	25.35	23.35	25.50	5.00	5.00	7.00	7.00
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	15.00	16.00	16.00	16.00	16.00
Finance	7.50	7.50	7.50	7.50	7.50	7.50	8.30	8.30	8.50	9.00
Employee Relations	7.00	9.00	9.00	10.00	10.00	11.20	11.20	11.20	11.20	12.20
Information Services	23.00	24.25	27.50	27.50	29.00	31.00	32.25	33.50	33.50	35.00
Property Records	6.00	6.00	7.00	7.00	8.00	8.00	8.00	8.00	9.60	10.00
Veterans Services	3.70	4.10	4.60	4.60	4.20	5.20	5.20	5.20	5.20	4.80
Land Management	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
<b>Public Safety</b>										
Court Services	16.05	16.10	16.10	16.10	16.10	16.50	16.50	16.50	16.80	17.60
Sheriff	157.77	160.77	160.77	160.19	160.50	163.90	161.90	163.90	163.90	163.45
<b>Highways &amp; Streets</b>										
Public works	45.75	48.00	47.00	47.77	51.77	55.00	57.00	58.00	57.90	60.40
<b>Human Services</b>										
Social Services	177.68	180.73	191.13	212.18	219.08	218.68	224.88	227.48	234.88	233.93
<b>Health</b>										
Public Health Services	21.30	21.50	19.00	19.00	19.00	19.00	19.00	17.60	18.40	19.40
<b>Culture &amp; Recreation</b>										
Library	36.63	38.10	42.85	42.92	42.92	42.91	42.93	42.93	43.23	42.80
Parks	6.00	6.80	6.80	6.80	6.80	6.80	7.80	7.80	8.30	10.00
<b>Conservation of Natural Resources</b>										
University of MN Extension	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	0.90	0.90
Planning & Water Management	6.60	6.60	9.00	10.40	8.40	8.60	8.60	8.60	9.00	7.80
Environmental Services	10.65	11.15	11.40	11.90	12.40	12.40	13.40	13.40	13.50	15.00
<b>Total</b>	<b>622.23</b>	<b>641.10</b>	<b>661.65</b>	<b>686.11</b>	<b>697.22</b>	<b>709.89</b>	<b>725.31</b>	<b>732.26</b>	<b>744.96</b>	<b>754.53</b>

**Note:**  
FTE counts exclude Short-Term OnCall (STOC)

Employees listed by FTE Equivalent  
**Data Source:** Finance Department

**CARVER COUNTY  
CHASKA, MINNESOTA**

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

<u>Function/program</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>2022</u>
<u>General Government</u>										
Administrative Services										
Square Feet of Building Space (1)	610,665	610,665	610,665	610,665	618,665	618,665	618,665	618,665	618,665	618,665
Employee Relations										
New Hires Processed	168	192	163	205	214	157	189	165	155	177
Terminations Processed	123	165	140	174	187	161	190	146	160	141
Collective Bargaining Agreements	11	11	11	11	11	11	11	10	10	10
Financial Services										
Cash Receipts Processed	6,862	5,854	5,811	6,278	5,950	5,862	5,778	4,889	5,127	13,056
Claims Paid	13,507	13,603	14,001	13,147	12,502	11,722	12,151	11,230	10,508	10,667
Contracts Maintained	424	482	616	601	548	516	585	499	520	598
Journal Entries	776	646	728	721	699	620	601	629	469	499
Budget Amendments Entered	127	127	141	179	162	164	161	131	129	157
Capital Assets Inventoried	81	62	80	60	56	110	72	83	49	63
Property Records and Taxpayer Services										
Deeds Recorded	3,962	3,447	3,857	3,864	5,051	4,030	3,522	4,250	5,530	3,986
Birth and Death Certificate Copies Issued	5,792	5,783	5,835	6,207	6,308	6,531	7,133	5,939	7,019	8,083
Marriage Licenses Processed	507	485	478	507	508	470	441	375	494	524
Passports Processed	4,310	4,869	6,520	6,972	6,858	6,229	5,948	2,375	5,390	8,362
Motor Vehicle Registrations	56,697	59,332	61,577	66,066	63,529	66,548	60,580	48,276	47,100	45,267
% of Voter Turnout (General Election)	0%	65%	0%	91%	0%	81%	0%	95%	0%	74%
Real Estate Documents Processed (2)	24,822	17,828	16,419	11,452	9,948	8,814	7,848	6,158	5,720	4,578
Electronic Documents Received (2)	-	-	4,735	10,163	10,825	10,209	12,812	24,135	25,329	15,099
Real Property Parcels	42,617	43,173	42,759	41,517	41,800	42,136	42,869	45,115	45,989	47,050
Personal Property Parcels	-	-	-	188	185	185	185	187	175	183
Number of New Homes Constructed	610	573	508	641	627	622	572	716	849	800
Properties Appraised	8,670	9,144	8,871	8,428	8,363	11,596	8,856	14,979	12,993	12,742

**CARVER COUNTY  
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(Continued)**

<u>Function/program</u>	<u>Fiscal Year</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>2022</u>
<u>Public Safety</u>										
Sheriff's Office										
Calls for Service Received:	50,640	53,068	53,081	55,221	53,687	51,970	56,362	48,473	48,041	51,330
Chaska Calls	11,375	11,298	10,864	11,289	11,568	11,724	11,463	9,775	9,053	13,144
County Calls	39,265	41,770	42,217	43,932	42,119	40,246	38,974	38,698	38,988	38,186
Part I Crimes	818	865	928	246	-	-	-	-	-	-
Part II Crimes	1,587	1,645	1,789	655	-	-	-	-	-	-
Group A Crimes	-	-	-	1,047	1,650	1,492	1,475	1,773	1,728	1,351
Group B Crimes	-	-	-	306	554	512	539	458	425	415
Misc. Non-Criminal Incidents	36,860	39,260	39,500	41,674	15,459	15,846	15,604	15,826	15,542	13,050
Fire Calls	640	730	769	720	760	745	1,182	802	840	828
Medical Calls	2,445	2,549	2,531	2,786	2,942	3,194	4,514	3,092	3,618	3,153
Drug Cases	222	267	260	241	672	275	239	240	202	238
Crashes	1,410	1,424	1,463	1,429	1,454	1,344	1,438	880	771	2,087
Fatal Crashes	6	9	4	1	3	5	4	5	2	4
Personal Injury Crashes	194	160	190	180	164	166	141	139	88	137
Property Damage Crashes	1,210	1,255	1,269	1,248	1,287	1,173	1,295	736	681	973
Alarm calls	1,400	1,312	1,297	1,232	1,290	1,225	1,282	1,103	1,170	1,227
Citations Issued	4,313	4,530	5,180	8,298	5,492	3,067	2,842	3,620	2,650	3,455
Total Arrests	542	590	590	964	1,203	1,258	1,184	1,048	896	1,109
Drug Arrests	76	100	89	224	288	259	274	168	209	132
Civil Papers Served	1,201	1,183	1,259	1,334	1,530	1,250	1,174	1,370	1,415	1,655
Warrants	753	948	893	892	1,088	907	947	779	878	880
Number of Prisoners Transported	425	574	472	568	526	650	607	436	463	445
Prisoners Transported (Miles)	41,738	57,906	40,133	53,693	53,165	60,253	54,020	31,841	38,343	34,264
Inmates Booked:	1,927	1,856	1,831	2,023	2,223	1,968	1,944	1,344	1,209	1,317
Total Carver County Inmates Booked	1,352	1,511	1,507	1,529	1,614	1,560	1,638	1,143	1,113	1,232
Males Booked	1,050	1,166	1,168	1,216	1,193	1,174	1,220	868	847	934
Females Booked	302	345	339	313	421	386	418	274	266	298
Boarded Inmates from Other Jurisdictions	575	345	324	494	609	408	306	201	96	85
Average Daily Inmate Population	62	76	63	83	89	78	70	34	31	33
Prisoners Days Stayed	22,398	27,775	23,005	30,529	32,493	28,551	25,482	12,599	11,365	12,060
Jail Medical Unit- Inmate Interaction	2,279	1,948	1,795	1,970	4,283	4,649	4,123	2,626	1,877	2,717
Total Juveniles Booked:	265	284	272	245	242	199	247	158	168	134
Carver County Juveniles Booked	87	113	128	109	89	71	76	50	74	75
Male Juveniles Booked	72	75	78	74	62	55	58	36	49	49
Female Juveniles Booked	15	38	50	35	27	16	18	14	25	26
Boarded Juveniles from Other Jurisdictions	178	171	144	136	153	128	171	108	94	59
Average Daily Juvenile Population	3	3	3	3	3	2	3	2	2	2
Juvenile Resident Days Stayed	980	1,142	1,226	1,123	1,125	902	1,169	730	805	752

**CARVER COUNTY  
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(Continued)**

<u>Function/program</u>	<u>Fiscal Year</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>2022</u>
<u>Court Services</u>										
Number of Probation Supervision Clients/Offenders	1,274	1,136	1,102	1,071	1,122	1,283	1,269	962	1,059	1,178
Number of Probation Supervision Cases	1,470	1,167	1,208	1,206	1,434	1,386	1,350	1,056	1,172	1,302
Number of Offender Risk Assessments Completed	650	855	677	680	766	825	1,104	912	838	989
Number of Offender Drug/Alcohol Tests Completed	3,457	4,479	3,638	3,861	3,384	3,124	3,472	1,712	1,817	1,745
Number of Offender Probation Violations Filed	288	273	251	238	263	229	295	169	233	241
<u>Highways &amp; Streets</u>										
<u>Road &amp; Bridge</u>										
Resurfacing (miles)	11.2	9.9	9.4	8.5	8.7	19.0	17.8	12.1	14.2	7.0
Vehicle/Equipment Units Serviced	355	360.0	361.0	256.0	319.0	308.0	312.0	323.0	319.0	315.0
<u>Human Services</u>										
<u>Health and Human Services</u>										
Financial Assistance End of Year Caseload	3,453	6,165	6,674	7,792	7,744	7,238	6,407	7,984	9,341	8,955
Child Support Annual Disbursements	\$ 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	\$7,024,412
Open Child and Family Workgroups	300	335	730	730	770	1,032	991	837	812	825
Developmentally Disabled Clients	346	334	341	352	377	355	408	420	401	448
Crisis Program Clients Served	9,459	9,098	8,738	5,762	6,991	6,195	6,162	7,209	7,692	8,431
Detox Visits	193	163	166	167	146	115	74	92	77	61
Child Support End of Year Caseload	1,902	1,816	1,779	1,838	1,821	1,792	1,740	1,767	1,736	1,700
Children in Out-Of Home Placement	53	59	91	161	83	115	173	166	155	124
Child Care Assistance End of Year Caseload	132	128	131	141	143	138	169	113	146	187
Licensed Family Day Care Homes	167	155	144	139	128	118	114	104	102	101
Encore Adult Day Services Participants	46	48	54	58	54	53	62	43	25	40
DD Screening	222	212	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MnChoices Assessments	N/A	N/A	451	585	1,133	1,103	1,191	1,191	1,262	1,394
Workforce Resource Center Average Daily Client Usage	77	69	58	52	51	38	47	5	4	16
Workforce Services Enrolled Clients	644	640	584	600	617	556	368	283	482	532
SmartLink Transit Passenger Trips	193,832	190,023	154,143	161,088	159,292	165,309	117,119	11,170	32,880	40,938
<u>Health</u>										
<u>Public Health</u>										
Information & Resources Calls	646	594	420	363	501	527	419	247	236	807
Children 0-3 Enrolled in Follow Along Program	1,309	1,241	1,170	846	946	566	531	523	616	662
MRC Volunteers Registered	120	120	120	112	113	97	114	20	34	164

**CARVER COUNTY  
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(Continued)**

<u>Function/program</u>	<u>Fiscal Year</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>2022</u>
<u>Culture &amp; Recreation</u>										
Library										
Library Visits	557,219	551,358	535,064	525,656	505,807	482,482	533,596	121,465	182,719	277,409
Library Circulation	1,039,915	1,059,994	1,064,549	1,018,472	993,786	997,988	1,084,590	679,654	925,539	1,062,652
Number of Materials	242,603	255,474	279,462	273,183	267,642	367,427	235,381	234,281	229,646	232,568
Queries for Information	67,353	56,186	57,954	59,954	48,672	74,709	89,648	25,475	40,534	40,869
Public Service Hours	13,217	13,303	14,994	15,348	15,185	17,542	17,542	7,165	13,981	13,248
Attendance of Library Hosted Programs	27,441	29,042	34,650	35,028	32,145	35,084	39,949	29,179	32,872	48,730
Park										
Park & Trail User Visits (annual use)	615,000	675,120	686,240	583,000	710,000	750,000	791,300	Not Available	Not Available	Not Available
Historical Society										
Attendance of Programs hosted in Schools	2,546	4,373	4,038	3,675	4,018	5,597	4,409	1,534	2,015	2,227
Attendance of Programs hosted in Museum	2,798	1,592	1,193	1,035	787	456	1,758	140	496	231
Attendance of Programs hosted in Library	478	648	1,067	1,035	643	1,842	2,410	397	822	1,035
Attendance of Programs - other	2,341	4,869	2,995	3,367	3,746	2,816	2,759	651	2,722	3,253
<u>Conservation of Natural Resources</u>										
Land & Water Services										
Environmental Center Visits	26,812	27,423	33,641	35,000	40,146	34,659	28,424	24,482	29,659	33,155
Appliances Recycled (in units)	3,036	2,952	3,111	3,811	3,975	3,855	4,036	4,431	4,112	4,456
Tons of Tires Recycled	33	37	30	44	39	39	37	38	31	27
Tons of Electronics Recycled	316	292	292	350	308	254	219	211	198	166
Tons of Household Hazardous Waste Recycled	210	215	228	380	332	262	251	276	311	296
Building Permits Issued	478	557	635	615	652	565	668	639	873	789
New & Replacement On-site Sewer Systems	95	95	107	70	100	156	78	99	91	84
Hazardous Waste Generators Licensed/Re-licensed	297	300	304	340	307	298	298	294	296	293
Planning Commission/Board of Adjustment Actions	45	42	60	58	55	26	45	54	54	42
Minor Subdivisions	35	31	43	22	69	57	59	39	47	36
Zoning Permits Issued	172	167	120	159	263	292	216	183	111	148
Wetland Conservation Act Contacts	271	266	137	223	244	231	239	261	262	255
Number of Water Projects Approved	62	65	109	49	56	69	58	59	81	115
Number of Feedlot Inspections	58	71	49	17	19	20	22	18	47	48

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>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>2022</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	40	40	40	42	42	69	70	70	73	75
Emergency management vehicles	2	1	2	2	2	2	2	2	2	2
Highways & Streets										
Mileage:										
County State Aid Highway (CSAH)	226	229	223	230	233	233	229	232	232	232
County Road	50	55	50	44	44	44	50	44	44	44
Bridges (total)	23	24	24	24	25	25	25	25	25	24
Traffic signals	30	30	27	27	29	29	29	29	29	29
Culverts	32	32	32	32	35	35	35	35	35	46
Culture and Recreation										
Parks acreage	899	899	894	894	894	894	894	894	894	928
County parks	1	1	1	1	1	1	1	1	1	1
Regional parks & trails	6	6	6	6	6	6	6	6	7	7
Playground structures	4	4	4	4	4	4	3	3	3	3
Buildings/shelters	21	21	21	21	21	20	18	18	18	18
Fairgrounds	1	1	1	1	1	1	1	1	1	1
Libraries	5	5	6	6	6	6	6	6	6	6
Conservation of Natural Resources										
Environmental Resource Facility	1	1	1	1	1	1	1	1	1	1

**Note:** Starting in 2009, Carver County and Scott County partnered together to create Smartlink Transit. Human Services no longer maintains the transportation buses.

**Data Sources:**  
Various County Divisions