

GOODHUE COUNTY SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022

The purpose of this Report is to provide a summary of financial information concerning Goodhue County for interested citizens. Questions about this report should be directed to Finance & Taxpayer Services at (651) 385-3040.

A FULL AND COMPLETE COPY OF THE COUNTY'S ANNUAL COMPREHENSIVE FINANCIAL REPORT IS ALSO AVAILABLE UPON REQUEST BY CALLING FINANCE & TAXPAYER SERVICES AT (651) 385-3040, OR BY WRITING TO GOODHUE COUNTY FINANCE & TAXPAYER SERVICES AT 509 WEST 5TH STREET, RED WING, MN 55066. YOU WILL ALSO FIND A FULL COPY ON OUR WEBSITE AT: www.co.goodhue.mn.us/894/Financial-Statements.

CURRENT COUNTY OFFICIALS

COUNTY COMMISSIONERS: 651-385-3001 Office

1st District: Linda Flanders	651-212-6084 Home
2 nd District: Brad Anderson	651-380-7809 Cell
3 rd District: Todd Greseth	507-319-9550 Cell
4 th District: Jason Majerus	651-923-5185 Home
5 th District: Susan Betcher	651-380-2517 Cell

ELECTED MANAGERS:

Attorney: Stephen O'Keefe	651-267-4950 Office
Sheriff: Marty Kelly	651-267-2702 Office

APPOINTED MANAGERS:

Administrator: Scott Arneson	651-385-3001
Court Services: Rhonda VanSchoonhoven	651-267-4907
Facilities: Tim Redepinning	651-385-3207
Finance: Brian Anderson	651-385-3043
Health & Human Services: Nina Arneson	651-385-6115
Information Technology: John Smith	651-385-3224
Land Use Management/Recorder: Lisa Hanni	651-385-3104
Public Works: Jess Greenwood	651-385-3025
Veteran's Service Officer: Justin Kent	651-385-3256

A User's Guide to County Financial Statements

The following definitions will help citizens understand the terminology that is used in the county's financial statement.

Basic Financial Statements

Goodhue County's basic financial statements consist of three parts: government-wide financial statements, fund financial statements, and notes to the financial statements. The management's discussion and analysis and certain budgetary comparison schedules are required to accompany the basic financial statements, and therefore, are included as required supplementary information.

Government-wide financial statements display information about the county's financial reporting entity as a whole, including its component units. Information is included for all funds except for fiduciary-type activities.

Fund financial statements display separate financial information for the county's governmental, proprietary, and fiduciary funds. Information for governmental funds is presented separately for major funds and in aggregate total for non-major funds. Fiduciary fund information is presented in aggregate by fund type.

Notes to the financial statements provide additional information and disclosure for information in the financial statements.

Governmental activities are generally activities of the county financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds.

Financial reporting entity consists of the primary government (county), organizations for which the county is financially accountable and other organizations for which the nature and significance of their relationship with the county are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a county's financial reporting entity is the primary government, the county.

Primary Government is a term used in connection with defining the financial reporting entity. The primary government is the focus of the financial reporting entity. For the county, the primary government represents the financial activities, funds, or accounts directly under the control of the county board.

Component Unit describes a legally separate organization for which the county board is financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the county are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

County Governmental Fund Types

The **General Fund** is the general operating fund of the county. It is used to account for all financial resources except those that are required to be accounted for in another fund.

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

Debt Service Funds are used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of general long-term debt.

County Fiduciary Funds

Fiduciary Funds are used to account for assets held by the county as an agent for individuals, private organizations, or other governments. These assets cannot be used to support the county’s own activities.

Character Classification of County Expenditures

The county’s governmental expenditures are classified by character, or the period’s expenditures are presumed to benefit. The county has the following character classifications:

Current operating expenditures are presumed to benefit the current fiscal period.

Debt service is presumed to benefit prior fiscal periods as well as current and future periods and includes amount expended for the payment of principal, interest and other costs associated with debt.

Intergovernmental represents resources transferred by the county to other governments.

Classification of County Functions

Functions are a group of related activities aimed at accomplishing a major service or regulatory program for which the county is responsible. The county has the following function classifications:

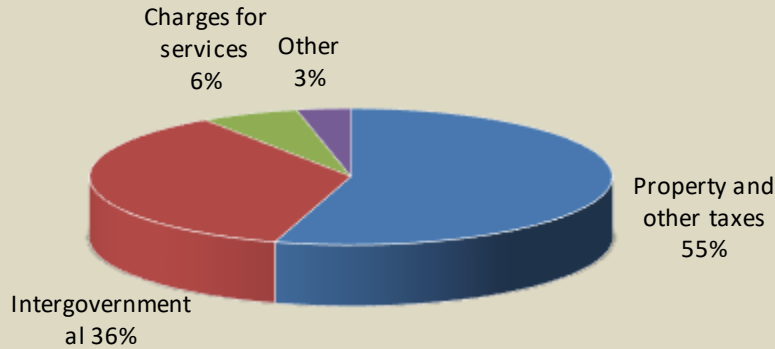
Function	Purpose	Departments
General Government	Support of general county operations and government not included under other functions	Board of Commissioners Administration Finance & Taxpayer Services Planning & Zoning Veterans' Service Office Other general services
Public Safety	Protection of persons and property	Sheriff Detention Center Emergency Management Court Services E-911 System
Highways and Streets	Construction and maintenance of county highways and streets	Construction Maintenance Administration
Sanitation	Removal and disposal of waste	Solid Waste Management Recycling Center Landfill
Human Services	Provide public assistance and institutional care for individuals unable to provide essential needs for themselves	Income Maintenance Social Services
Health	Conservation and improvement of public health	Healthy Communities/Behaviors Quality Assurance-Health Services Disaster Preparedness Infectious Diseases Administration
Culture and Recreation	Maintenance of cultural and recreational opportunities for residents and visitors	Byllesby Dam Parks Historical Society Regional Library Other Recreation
Conservation	Development and conservation of natural resources (water, soil, forests)	County Extension Soil & Water Conservation
Economic Development	Provide resources to grow economic development in the county, including opportunities for disadvantaged persons or businesses	Community Development Regional Railroad Authority

A PROFILE OF GOODHUE COUNTY

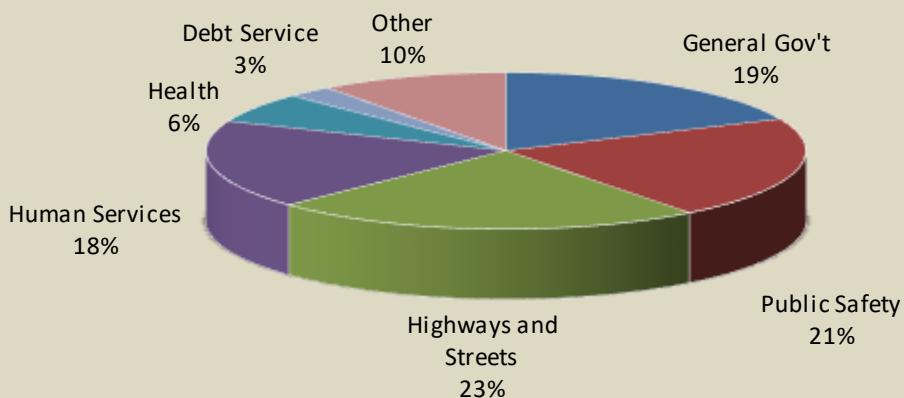
<u>Key Indicator</u>	Total 2022	Total 2021	Percent Increase (Decrease)
Estimated Population	n/a	47,968	
Total Tax Capacity	86,520,028	84,927,305	1.88%
% of Property Taxes Collected	99.50%	99.80%	-0.30%
Total General Revenues	48,977,460	46,189,402	6.04%
Total Program Revenues	38,012,461	30,463,670	24.78%
<u>Total Expenses:</u>			
Governmental activities	70,438,092	62,510,199	12.68%
<u>Capital Assets:</u>			
Governmental activities	142,941,277	143,771,894	-0.58%
<u>Total Outstanding Net Bonded Debt of Goodhue County:</u>			
General Obligation	13,735,000	15,130,000	-9.22%
<u>Bond Rating on Most Recent General Obligation Bond Issue</u>			
	Aa2	Aa2	
<u>Total Government-wide Net Position:</u>			
Governmental activities	194,543,208	177,991,379	9.30%
Total Number of Full-Time Employees	336	332	1.20%
Total Number of Part-Time Employees	20	20	0.00%

Goodhue County's 2022 Governmental Funds' Finances

Where it comes from...



Where it goes...



Goodhue County Statement of Net Position
December 31, 2022

	Primary Government	
	Governmental	
	Activities	
<u>Assets</u>		
Cash and pooled investments	\$	72,909,218
Petty cash and change funds		2,450
Taxes receivable		
Delinquent		315,994
Special assessments - Current		163,994
Special assessments - Noncurrent		814,279
Accounts receivable		253,591
Accrued interest receivable		407,836
Lease receivable		184,162
Loans receivable		551,326
Due from other governments		12,764,315
Prepaid items		1,359,054
Investment in joint venture		10,078,578
Nondepreciable capital assets		
Land		9,770,608
Construction-in-progress		4,680,640
Depreciable/Amortizable capital assets		
Land improvements		263,063
Right-to-use assets (Net)		153,370
Building (Net)		23,145,943
Machinery, vehicles, furniture, and equipment (Net)		11,014,333
Infrastructure (Net)		93,913,320
Total Assets	\$	242,746,074
<u>Deferred Outflows of Resources</u>		
Deferred pension outflows	\$	18,200,143
Deferred OPEB outflows		253,140
Total Deferred Outflows of Resources	\$	18,453,283
<u>Liabilities</u>		
Accounts payable	\$	1,233,211
Salaries payable		1,807,050
Contracts payable		849,440
Due to other governments		206,076
Unearned Revenue		3,669,561
Accrued interest payable		165,380
Customer deposits		41,486
Long-term liabilities		
Due within one year		3,312,459
Due in more than one year		15,600,772
Net Pension Liability		36,878,250
OPEB Liability		1,709,632
Total Liabilities	\$	65,473,317
<u>Deferred Inflows of Resources</u>		
Taxes received for future periods	\$	27,176
Lease related		180,267
Deferred pension inflows		922,777
Deferred OPEB inflows		52,612
Total Deferred Inflows of Resources	\$	1,182,832
<u>Net Position</u>		
Net investment in capital assets	\$	128,702,041
Restricted for		
General government		1,733,045
Public safety		571,668
Highways and streets		7,476,518
Human services		523,913
Conservation of natural resources		222,644
Economic development		546,963
Debt Service		2,720,876
Gravel pit postclosure		334,475
Opioid epidemic response		1,158,382
Unrestricted		50,552,683
Total Net Assets	\$	194,543,208

**Goodhue County Summary of Activities
For the Year Ended December 31, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net</u>
Primary Government			
<u>Governmental activities:</u>			
General government	\$ 14,260,250	\$ 8,807,710	\$ (5,452,540)
Public safety	17,737,445	2,752,046	(14,985,399)
Highways and streets	19,606,629	11,708,681	(7,897,948)
Sanitation	1,201,253	400,658	(800,595)
Human Services	10,537,862	8,633,407	(1,904,455)
Health	4,422,307	5,409,376	987,069
Culture and recreation	1,024,644	122,348	(902,296)
Conservation of natural resources	1,143,107	178,235	(964,872)
Economic development	125,501	-	(125,501)
Interest	379,094	-	(379,094)
Total governmental activities	\$ 70,438,092	\$ 38,012,461	\$ (32,425,631)
Total Primary Government	\$ 70,438,092	\$ 38,012,461	\$ (32,425,631)
General Revenues and other			
Taxes			\$ 45,532,917
Other general revenues			3,444,543
Net change in net position - Primary Government			\$ 16,551,829

Goodhue County Statement of Fiduciary Net Position December 31, 2022			
	Social Welfare Private-Purpose Trust Fund	Custodial Funds	
<u>Assets</u>			
Cash and pooled investments	\$ 195,535	\$ 1,577,384	
Accounts receivable	-	656,389	
Due from other governments	-	4,239	
Total Assets	\$ 195,535	\$ 2,238,012	
<u>Liabilities</u>			
Due to individuals	\$ -	\$ 1,192	
Due to other governments	-	1,577,988	
Total Liabilities	\$ -	\$ 1,579,180	
<u>Net Position</u>			
Restricted for individuals, organizations and other governments	\$ 195,535	\$ 658,832	
Total Net Position	\$ 195,535	\$ 658,832	

**Goodhue County - Governmental Funds
Balance Sheet
December 31, 2022**

	General Fund	Road and Bridge Fund	Health & Human Service Fund	Economic Development Fund	Debt Service Fund	Ditch Fund	Nonmajor Waste Mgmt Fund	Total Governmental Funds
Assets:								
Cash and pooled investments	\$ 35,498,201	\$ 15,728,820	\$ 17,191,000	\$ 463,704	\$ 2,877,001	\$ 129,360	\$ 1,021,132	\$ 72,909,218
Petty cash and change funds	1,775	50	550	-	-	-	75	2,450
Taxes receivable - Delinquent	188,914	45,266	63,434	338	13,380	-	4,662	315,994
Special assessments - Current	78,090	-	-	-	-	85,904	-	163,994
Special assessments - Noncurrent	219,561	-	-	-	-	594,718	-	814,279
Accounts receivable	47,695	10,504	186,668	-	-	-	8,724	253,591
Accrued interest receivable	407,836	-	-	-	-	-	-	407,836
Due from other funds	1,520	9,361	-	-	-	-	-	10,881
Due from other governments	539,368	9,535,896	2,683,403	-	-	-	5,648	12,764,315
Prepaid items	612,656	508,374	229,311	-	2,035	-	6,678	1,359,054
Loans Receivable	-	-	-	551,326	-	-	-	551,326
Advance to other funds	700,000	-	-	-	-	-	-	700,000
Lease receivable	151,617	32,545	-	-	-	-	-	184,162
Total assets	\$ 38,447,233	\$ 25,870,816	\$ 20,354,366	\$ 1,015,368	\$ 2,892,416	\$ 809,982	\$ 1,046,919	\$ 90,437,100
Liabilities:								
Accounts payable	\$ 272,615	\$ 395,939	\$ 474,569	\$ -	\$ 3,100	\$ 54,517	\$ 32,471	\$ 1,233,211
Salaries payable	1,066,909	155,169	559,073	-	-	-	25,899	1,807,050
Contracts payable	-	849,440	-	-	-	-	-	849,440
Due to other funds	6,931	-	1,520	-	-	-	2,430	10,881
Due to other governments	53,655	50,971	96,584	-	-	-	4,866	206,076
Unearned Revenue	3,669,561	-	-	-	-	-	-	3,669,561
Customer deposits	41,486	-	-	-	-	-	-	41,486
Advance from other funds	-	-	-	-	-	700,000	-	700,000
Total Liabilities	\$ 5,111,157	\$ 1,451,519	\$ 1,131,746	\$ -	\$ 3,100	\$ 754,517	\$ 65,666	\$ 8,517,705
Deferred Inflows of Resources:								
Unavailable revenue	\$ 463,530	\$ 7,543,063	\$ 1,290,561	\$ 332,854	\$ 9,263	\$ 680,622	\$ 3,183	\$ 10,323,076
Lease related	148,007	32,260	-	-	-	-	-	180,267
Taxes received for future periods	16,285	3,988	5,427	32	1,024	-	420	27,176
Total deferred inflows of resources	\$ 627,822	\$ 7,579,311	\$ 1,295,988	\$ 332,886	\$ 10,287	\$ 680,622	\$ 3,603	\$ 10,530,519
Fund balances:								
Nonspendable	\$ 616,266	\$ 508,659	\$ 229,311	\$ -	\$ 2,035	\$ -	\$ 6,678	\$ 1,362,949
Restricted	2,569,736	-	766,515	546,963	2,876,994	-	-	6,760,208
Committed	5,402,395	615,117	150,500	135,519	-	-	35,075	6,338,606
Assigned	6,468,335	15,716,210	16,780,306	-	-	-	935,897	39,900,748
Unassigned	17,651,522	-	-	-	-	(625,157)	-	17,026,365
Total fund balance	\$ 32,708,254	\$ 16,839,986	\$ 17,926,632	\$ 682,482	\$ 2,879,029	\$ (625,157)	\$ 977,650	\$ 71,388,876
Total liabilities, Deferred Inflows of Resources and fund balance	\$ 38,447,233	\$ 25,870,816	\$ 20,354,366	\$ 1,015,368	\$ 2,892,416	\$ 809,982	\$ 1,046,919	\$ 90,437,100

Goodhue County - Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2022

	General Fund	Road and Bridge Fund	Health & Human Service Fund	Economic Development Fund	Debt Service Fund	Ditch Fund	Nonmajor Waste Mgmt Fund	Total Governmental Funds
Revenues:								
Taxes	\$ 24,335,311	\$ 10,888,877	\$ 7,999,354	\$ 47,118	\$ 1,509,066	\$ -	\$ 618,994	\$ 45,398,720
Special assessments	70,283	-	-	-	-	-	-	70,283
Licenses and permits	658,601	13,735	-	-	-	-	9,240	681,576
Intergovernmental	10,391,325	8,998,884	10,225,646	674	40,415	-	154,416	29,811,360
Charges for services	1,800,077	375,123	1,922,594	-	-	-	77,065	4,174,859
Fines and forfeits	11,982	-	-	-	-	-	-	11,982
Gifts and contributions	24,324	-	7,400	-	-	-	-	31,724
Investment earnings	62,618	281	9,530	-	-	-	4,427	76,856
Miscellaneous	1,503,417	34,635	1,067,355	-	-	-	171,652	2,777,059
Total revenues	\$ 38,857,938	\$ 20,311,535	\$ 21,231,879	\$ 47,792	\$ 1,549,481	\$ -	\$ 1,035,794	\$ 83,034,419
Expenditures:								
Current								
General government	\$ 12,954,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,954,997
Public safety	14,537,586	-	-	-	-	-	-	14,537,586
Highways and streets	-	16,491,133	-	-	-	-	-	16,491,133
Sanitation	356,902	-	-	-	-	-	3,035,691	3,392,593
Human services	54,505	-	13,603,277	-	-	-	-	13,657,782
Health	-	-	4,637,740	-	-	-	-	4,637,740
Culture and recreation	926,498	1,647,175	-	-	-	-	-	2,573,673
Conservation of natural resources	804,913	-	-	-	-	307,737	-	1,112,650
Economic development	3,840	-	-	121,662	-	-	-	125,502
Capital outlay								
General government	748,624	-	-	-	-	-	-	748,624
Public safety	1,298,321	-	-	-	-	-	-	1,298,321
Highways and streets	119,036	-	-	-	-	-	-	119,036
Sanitation	376,445	-	-	-	-	-	-	376,445
Human services	-	-	10,525	-	-	-	-	10,525
Health	-	-	5,290	-	-	-	-	5,290
Debt service								
Principal	15,303	-	12,881	-	1,395,000	-	-	1,423,184
Interest	1,611	-	1,350	-	411,194	-	-	414,155
Administrative (fiscal) charges	-	-	-	-	6,000	-	-	6,000
Intergovernmental								
Highways and streets	-	771,290	-	-	-	-	-	771,290
Total expenditures	\$ 32,198,581	\$ 18,909,598	\$ 18,271,063	\$ 121,662	\$ 1,812,194	\$ 307,737	\$ 3,035,691	\$ 74,656,526
Excess of Revenues								
Over (Under) Expenditures	\$ 6,659,357	\$ 1,401,937	\$ 2,960,816	\$ (73,870)	\$ (262,713)	\$ (307,737)	\$ (1,999,897)	\$ 8,377,893
Other financing sources (uses):								
Transfers in	\$ 37,494	\$ 28,651	\$ 481,485	\$ -	\$ -	\$ -	\$ 2,110,569	\$ 2,658,199
Transfers out	(2,620,705)	-	(7,500)	-	-	(29,994)	-	(2,658,199)
Issuance of leases	66,608	-	15,815	-	-	-	-	82,423
Sale of capital assets	29,655	-	-	-	-	-	-	29,655
Total other financing sources (uses)	\$ (2,486,948)	\$ 28,651	\$ 488,800	\$ -	\$ -	\$ (29,994)	\$ 2,110,569	\$ 112,078
Changes in Fund Balances	\$ 4,172,409	\$ 1,430,588	\$ 3,450,616	\$ (73,870)	\$ (262,713)	\$ (337,731)	\$ 110,672	\$ 8,489,971
Fund Balances - January 1	28,535,845	15,409,398	14,476,016	756,352	3,141,742	(287,426)	866,978	62,898,905
Fund Balances - December 31	\$ 32,708,254	\$ 16,839,986	\$ 17,926,632	\$ 682,482	\$ 2,879,029	\$ (625,157)	\$ 977,650	\$ 71,388,876

