

2020 Financial Overview and Fund Balance Report Highlights

General Fund fund balance

The fund balance reflects the health of our organization. The general fund is the largest of the funds within Ramsey County and most of our activity happens in this fund.

Highlights for 2020:

The general fund fund balance increased by \$39.7M or 15% from \$263.6M in 2019 to \$303.3M in 2020

- CARES - \$9.0M
- Repayment of Capital project advance \$11.6M
- Increase in supportive housing \$12.5M

The unassigned portion of the general fund increased by \$20.6M or 13% from \$158.5M in 2019 to \$179.1M in 2020.

- Repayment of advance from capital projects fund
- Reduction in classifications of fund balance. The reclassification was from assigned to unassigned for projects completed.

Debt

Outstanding debt increased by \$26.3M or 14.1%.

- New bond issuance in December 2020, but overall remains steady.

Net Position

Net position increased by \$146.4M or 17.9% to \$963.0M.

- Increase in transit and transportation improvement tax and nominal work completed
- Increase in property tax
- Increase in intergovernmental revenue

Taxable Market Value

Taxable market value increased by \$7.7B or 6.7% from \$55.1B in 2019 to \$59.4B in 2020.

- Steady increase since 2014

Recognition

Independent organizations evaluate the health of Ramsey County. We have been recognized with a AAA bond rating and these organizations have favorably commented on our strong management, stable operations, healthy reserves, low debt burden and strong budgeting practices.

The Government Finance Officer's Association issues awards each year and Ramsey County is the recipient of all three, which include the Comprehensive Annual Financial Statement, the budget presentation, and the Popular Annual Financial Report.

The state auditors have recently completed their review of our 2020 financial information and have issued an unmodified, clean audit opinion.

Fund Balance Policy

The general fund balance policy calls for maintaining an unrestricted general fund balance of no more than 50% of the current years revenues, current years expenditures or the subsequent year's operating budget.

- The unrestricted fund balance dropped in 2019 due to the advance to the capital projects fund and the recovery in 2020 reflects the payment back.

Fund Balance Policy Calculation

	<u>2020 General Fund Operating Revenues</u>	<u>2020 General Fund Operating Expenditures</u>	<u>2020 Approved Budget</u>
Unrestricted Fund Balance	235,052,912	235,052,912	235,052,912
50% Policy Amount	419,490,466	389,935,137	268,100,662
Amount Over (Under) Policy Amount	<u>(184,437,554)</u>	<u>(154,882,225)</u>	<u>(33,047,750)</u>

The other portion of this policy calls for us to maintain no less than 2 months of expenses. We rely heavily on property taxes and the receipting of these taxes occur twice a year. The importance of maintaining the unassigned fund balance is to ensure we have sufficient cash to pay for our obligations throughout the year. Although there have been slight fluctuations, we remained well above the policy and ended 2020 at 4 months.