

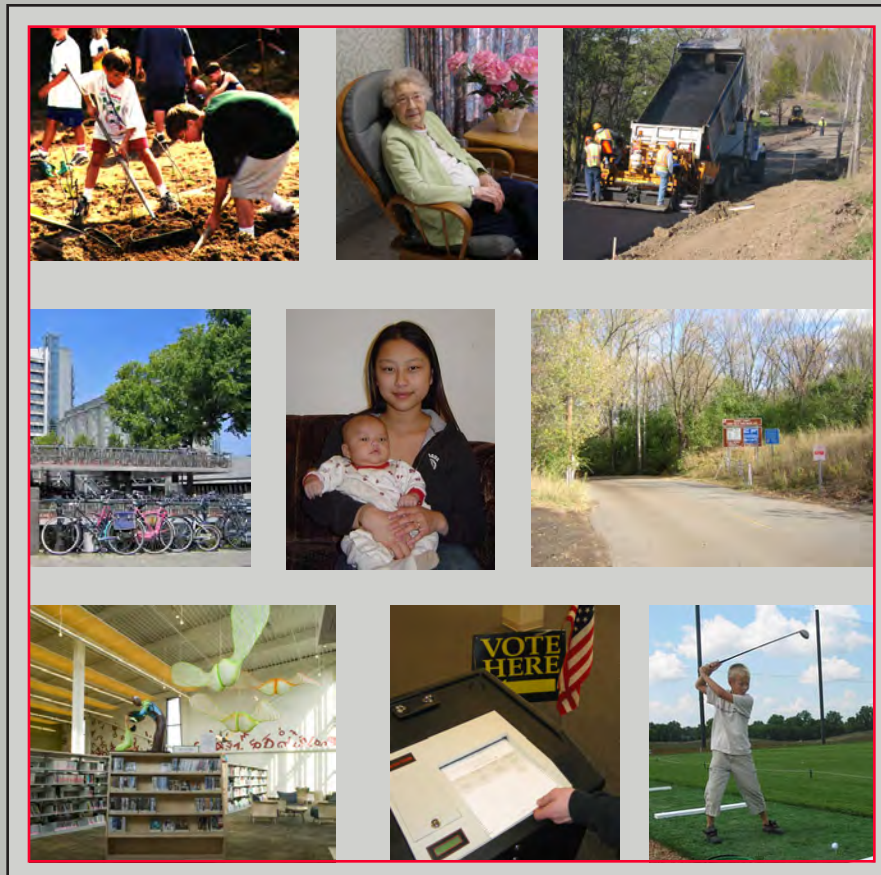
**Because of the differing capabilities of the Internet and the printed page, the layout and pagination of the Acrobat Version (.pdf) of the 2007 Comprehensive Annual Financial Report does not correspond exactly to that of the printed version. The information reported in both versions is the same.**

**For your convenience, the Table of Contents for this document, as well as the Index for the Notes to the Financial Statements and the Table of Contents for the Statistical Section, includes links to specific pages. These links are all highlighted in blue font to differentiate between the linked and non-linked pages.**



# Comprehensive Annual Financial Report

Year ended December 31, 2007



Ramsey County, Minnesota  
15 W. Kellogg Blvd., #270  
St. Paul, Minnesota 55102

## FINANCIAL HIGHLIGHTS

(Dollars in thousands except per capita amounts)		2007	2006	Percent Change
<b>Government-wide Financial Statements:</b>				
<b>Assets</b>		\$ 1,082,494	\$ 1,001,727	8.1%
<b>Liabilities</b>		\$ 341,881	\$ 308,500	10.8%
<b>Net Assets</b>		\$ 740,613	\$ 693,227	6.8%
<b>Government-wide Financial Statements:</b>				
<b>Revenues</b>		\$ 611,774	\$ 577,711	5.9%
<b>Expenses</b>		\$ 564,389	\$ 509,800	10.7%
<b>Increase in Net Assets</b>		\$ 47,385	\$ 67,911	
<b>Expense per Capita</b>		\$ 1,128.82	\$ 1,033.63	9.2%
<b>Investment/Cash Ratio</b>		99.0%	99.0%	-
<b>Average Investment Book Yield</b>		4.92%	4.57%	7.7%
<b>General Obligation Debt</b>		\$ 213,153	\$ 213,400	(0.1%)
<b>Net General Obligation Debt Per Capita</b>		\$ 360.00	\$ 342.80	5.0%
<b>Bond Ratings</b>	Moody's Investor Services	Aaa	Aaa	
	Standard & Poor's	AAA	AAA	
<b>Property Taxes</b>	Levy (General County)	\$ 233,697	\$ 222,719	4.9%
	Net Tax Capacity Rates	41.16	41.97	(1.9%)
	Net Tax Capacity	\$ 528,424	\$ 478,384	10.5%
	Market Values	\$ 45,931,488	\$ 41,244,396	11.4%
<b>Number of Budgeted Employees (FTE)</b>		3,796.28	3,743.48	1.4%

# Comprehensive Annual Financial Report

## of the

# County of Ramsey, Minnesota

Year Ended December 31, 2007

### BOARD OF COUNTY COMMISSIONERS

	<b>District</b>
Tony Bennett, Chair	1
Jan Parker	2
Janice Rettman	3
Toni Carter	4
Rafael Ortega	5
Jim McDonough	6
Victoria Reinhardt	7

David Twa

County Manager

Prepared by: Budgeting & Accounting Office of  
the County Manager's Department

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**SECTION I – INTRODUCTORY SECTION**



**RAMSEY COUNTY  
LIST OF PRINCIPAL OFFICIALS  
As of December 31, 2007**

	<b>Name</b>	<b>Term Expires</b>
<b>ELECTED</b>		
<b>Commissioners:</b>		
1st District	Tony Bennett, Chair	January 2009
2nd District	Jan Parker	January 2009
3rd District	Janice Rettman	January 2011
4th District	Toni Carter	January 2011
5th District	Rafael Ortega	January 2011
6th District	Jim McDonough	January 2011
7th District	Victoria Reinhardt	January 2009
County Attorney	Susan Gaertner	January 2011
County Sheriff	Bob Fletcher	January 2011
<b>APPOINTED</b>		
County Manager	David Twa	Indefinite
Assessor	Stephen Baker	December 31, 2008
Property Records & Revenue Director	Mark Oswald (Started 1/14/08)	Indefinite
Information Services Director	Mary Mahoney	Indefinite
Community Corrections Director	Carol Roberts	Indefinite
Parks & Recreation Director	Gregory Mack	Indefinite
County Engineer	Kenneth Haider	May 30, 2009
Community Human Services Director	Monty Martin	Indefinite
Public Health Director	Robert Fulton	Indefinite

**CIVIL SERVICE APPOINTMENTS**

Human Resources Director	Gail Blackstone
Budgeting & Accounting Director	Julie Kleinschmidt



Working with You To Enhance  
Our Quality of Life

## Office of the County Manager

David J. Twa, County Manager

250 Court House  
15 West Kellogg Boulevard  
St. Paul, MN 55102

Tel: 651-266-8000

Fax: 651-266-8039

e-mail: david.twa@co.ramsey.mn.us

June 5, 2008

Honorable Chair and Commissioners  
Ramsey County Board of Commissioners  
Room 220 Court House  
St. Paul, Minnesota 55102

Commissioners:

The comprehensive annual financial report of Ramsey County is submitted for the fiscal year ended December 31, 2007. This report was prepared by the Office of Budgeting & Accounting. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with County management. This report conforms to generally accepted accounting principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB).

We believe the data are accurate in all material aspects, and set forth the financial position and results of operations 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.

Copies of this report will be sent to elected officials, County management, credit rating agencies, financial institutions, and governmental agencies, which have expressed an interest in Ramsey County's financial affairs.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management & Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." The schedule of expenditures of federal awards is included in this report on Schedule 12. The findings and recommendations and auditor's report on the internal control structure and compliance with applicable laws and regulations will be included in the Auditor's Management and Compliance letter to the County and is not part of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

### **GENERAL INFORMATION**

Ramsey County has an area of 170.2 square miles (107,520 acres) and is the State's second most populous county. Ramsey County was organized on October 27, 1849 and is governed by the general laws of the State of Minnesota. On November 6, 1992, the County became the first Home Rule Charter County in the State, which provides additional powers to the County. The City of Saint Paul comprises slightly less than half of the County's total taxable value, and is the Minnesota State Capital and the County Seat.

## **GOVERNMENTAL ORGANIZATION AND SERVICES**

A seven-member Board of Commissioners determines County policy and decides how money should be spent for the well-being of the people it represents. All members serve overlapping four-year terms of office. Each member also serves on numerous other boards and committees.

The Board appoints the County Manager who is the chief administrative officer of the County. The County Manager is responsible for the administration of Board policy and for the management of the various County departments.

The County provides a full range of services contemplated by statute. This includes public safety, recreation, public works, health services, judicial, cultural, human services, vital statistics, and tax assessment and collection. The County also operates, as enterprise funds, a nursing home and a home for developmentally disabled residents.

## **REPORTING ENTITY**

The financial reporting entity includes all funds of the County including component units. Component units are legally separate entities for which the primary government is financially accountable. The criteria used in determining the reporting entity are consistent with the GASB Statement 14.

Blended component units are legally separate entities which, in substance, are part of the primary government's operation and, therefore, part of the primary government. Accordingly, the Ramsey County Regional Railroad Authority and the Ramsey County Housing & Redevelopment Authority are reported as special revenue funds.

## **MAJOR COUNTY INITIATIVES**

### **Wakanheza Project**

The Saint Paul-Ramsey County Department of Public Health partnered with Twin Cities Public Television to create a TV program about the Wakanheza Project for broadcast in the Twin Cities and across Minnesota. The Wakanheza Project is a nationally recognized violence prevention approach that provides tools and strategies to help prevent abuse and harsh treatment of children as well as conflicts between adults and teenagers. Wakanheza means child in the Dakota language; its English translation is "Sacred Being."

### **At-Risk Youth Committee**

An At-Risk Youth Committee was formed to identify ways in which Ramsey County can proactively assure the health and safety of children and youth in Ramsey County. The Committee, represented by nine County departments, began by focusing on streamlining service processes, improving access to services, and reducing disparities that exist for families and children.

### **Active Living Ramsey County**

This is a collaborative effort to create and promote environments that make it safe and convenient for people to be more physically active and to bring about and sustain changes in design, transportation, and public/private policies that integrate physical activity into daily lives. Participants in the collaborative include elected officials and representatives from the County, cities, schools, health professionals, and County residents.

### **Mortgage Foreclosure Crisis**

Ramsey County began efforts to understand the impact of the mortgage foreclosure crisis. The County Board established a pilot program for suburban communities experiencing foreclosures and vacant building issues. The County hired a consultant to work on foreclosure and vacant property issues with the City of Saint Paul and the rest of the County.

### Facilities and Capital Improvements

- The County initiated an agreement for marketing the Ramsey County Riverfront Properties. In November, the County Board authorized negotiation of purchase agreements for the sale of all, or the RCGC-West "F" Building and Adult Detention Center portions, of the Riverfront Properties with two corporations, with a goal of minimizing the levy impact on the County. The purchase agreements will be returned to the Board in 2008 for a final decision.
- The new Maplewood Library was opened, and plans were discussed for remodeling the Roseville Library
- The building on 90 West Plato Boulevard was remodeled, and the Department of Property Records and Revenue and the Examiner of Titles moved to this site from the Ramsey County West building.
- A new state-of-the-art emergency communications center on the Ramsey County Law Enforcement Campus and a backup communications center at the Ramsey County Sheriff's Patrol Station in Arden Hills were completed. Three of the four existing dispatch centers in the County merged covering all dispatching activities in the County except in one municipality.
- An expansion and remodeling project began on the Ramsey County Correctional Facility.
- A Comprehensive Capital Assets Management and Preservation Plan was established to finance predictable life-cycle maintenance of buildings and grounds.
- The name of the Ramsey Nursing Home was changed to the Ramsey County Care Center. One wing is being converted to a Transitional Care Unit, and construction began on an enclosed courtyard for dementia residents, enhanced walking paths, gazebos, and gardens.
- The former Maplewood Library and the former Sheriff Patrol Station on County Road E were sold.
- The Ramsey County Regional Railroad Authority began pursuing redevelopment of the Union Depot in downtown Saint Paul into a multi-modal transit hub where Amtrak, intracity bus, light rail transit, commuter rail, and intercity buses will meet for a seamless transfer.
- Station locations, alignment, cost, and funding for the Central Corridor light rail transit project were finalized.

### **COUNTY DEBT POLICY**

The Joint Property Tax Advisory Committee, created by State Statute, is made up of elected officials from Ramsey County, the City of Saint Paul and the Saint Paul Public Schools. Their charge is to reduce the overall tax burden on Saint Paul citizens through tax reform legislation, integration/consolidation of service delivery and creation of joint ventures.

As a member of this Committee, the County will issue debt only for financing capital assets that, because of their long-term nature or because of budgetary constraints, cannot be acquired from current or budgeted resources. Debt is not used for operational needs.

Debt issues of the County will be sold competitively unless a unique circumstance dictates a negotiated or private placement sale.

The County strives to maintain the highest possible credit rating on its debt obligations. It has received the highest credit rating possible on its debt obligations.

Ramsey County's debt program is monitored and measured against financial industry standard benchmarks including benchmarks adopted by the Joint Property Tax Advisory Committee as described in the 2005 report on General Obligation Debt Overlapping on the Saint Paul Tax Base.

In addition to these debt management benchmarks, the group has recommended that the participating jurisdictions expand their efforts to jointly use facilities and transfer facilities between member jurisdictions as needs change.

## **INDEPENDENT AUDIT**

Minnesota State Law requires an audit to be made of the books of account, financial records, and transactions of the County. This requirement has been complied with and the Auditor's report has been included in this report.

In addition to meeting the requirements set forth in state laws, the audit is also designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The County's Auditors will issue a management and compliance letter covering the review made as part of the examination of Ramsey County's system of internal control and compliance with applicable legal provisions. This letter also reflects the results of the County's single audit under provisions of the OMB Circular A-133.

## **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ramsey County for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This is the 33<sup>rd</sup> year the County has received this award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports 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 conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for the 2007 annual approved budget. The County has received this award for the past 24 years. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

## **ACKNOWLEDGMENTS**

The preparation of this report is the result of the dedicated service of all the financial staff of the County. We would like to express our appreciation to all staff that assisted and contributed to its preparation. We would also like to thank the County Board of Commissioners for their support in maintaining the highest standards of professionalism in the management of the County's finances.

Sincerely,

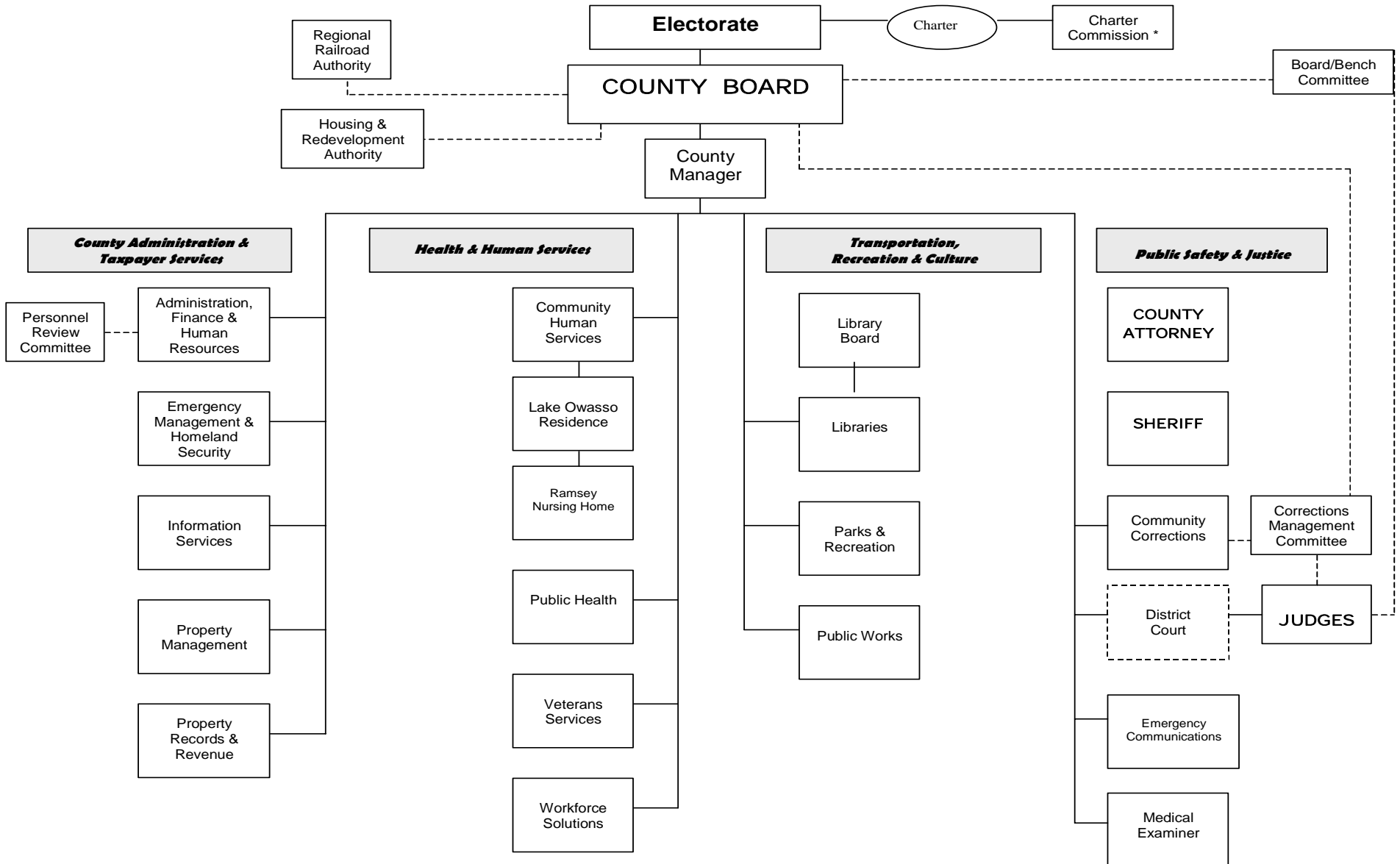


David Twa  
County Manager



Julie Kleinschmidt, Director  
Budgeting & Accounting

# RAMSEY COUNTY ORGANIZATION CHART



**BOLD** Elected      - - - - Policy      [---] State of Minnesota      \* Appointed by District Court

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ramsey County  
Minnesota

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

President

*Jeffrey R. Emery*

Executive Director

## **SECTION II – FINANCIAL SECTION**





REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA

## OFFICE OF THE STATE AUDITOR

SUITE 500  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
state.auditor@state.mn.us (E-mail)  
1-800-627-3529 (Relay Service)

### INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Ramsey County

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County, Minnesota, as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Ramsey County's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information has been derived from the County's 2006 financial statements and, in our report dated June 19, 2007, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note IV.G., Ramsey County has implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

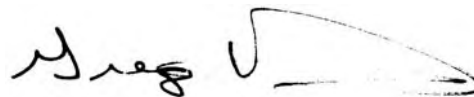
The Management's Discussion and Analysis and the Required Supplementary Information Other Than MD&A, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise Ramsey County's basic financial statements. The major debt service fund budget and actual schedule, combining statements, and supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2008, on our consideration of Ramsey 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



REBECCA OTTO  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

June 5, 2008

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Ramsey County offers readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2007. Readers are encouraged to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found on pages 10-13 of this report.

### Financial Highlights

- The assets of Ramsey County's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$738,622,194 (net assets). Of this amount, \$209,183,481 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$48,975,500.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$314,825,931, an increase of \$1,993,063 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$148,606,027, or 36.9% of total general fund expenditures.
- The County's total General Obligation debt increased by \$305,000 (.2%) during the current fiscal year.

### Overview of the Financial Statements

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

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

The Statement of Net Assets presents information on all of Ramsey County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets 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 the 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 (business-type activities). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, human services, conservation of natural resources, economic development, and culture and recreation. The business-type activities of the County include a nursing home, a home for developmentally delayed residents, special law enforcement services for certain municipalities, and a golf course.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate Regional Railroad Authority and a legally separate Housing & Redevelopment Authority for which Ramsey County is financially accountable. Although legally separate, the County Board of Commissioners serves as the governing board of these organizations. Therefore, they function as departments of the County, and have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 31-33 of this report.

**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. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

- 1) 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 fund 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.

The County maintains four governmental fund types: General, Special Revenue, Debt Service, and Capital Projects. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund, and the debt service fund, which are considered to be major funds. Data from the other governmental funds 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.

The basic governmental fund financial statements can be found on pages 34-35 of this report.

- 2) The County maintains two different types of proprietary funds: 1) Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Nursing Home, Lake Owasso Residence, Ponds at Battle Creek, and Law Enforcement Services operations. 2) Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its Information Services, Firearms Range, and part of its Property Management operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Lake Owasso Residence and Ponds at Battle Creek, which are considered major funds. Data for the other two enterprise funds are combined into a single, aggregated presentation. Individual fund data for each nonmajor enterprise fund is provided in the form of combining statements elsewhere in this report. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 37-40 of this report.

- 3) Fiduciary 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 statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Data from the fiduciary funds are combined into a single aggregated presentation. Individual fund data for each fiduciary fund is provided in the form of combining statements elsewhere in this report.

The basic fiduciary fund financial statements can be found on pages 41-42 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 43-75 of this report.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund budget and schedules on the County's Other Post Employment Benefit Plan. Required supplementary information can be found on pages 77-81 of this report. Immediately following the required

supplementary information is a budget to actual presentation of the Debt Service Major Fund. After that, the combining statements referred to earlier in connection with nonmajor governmental, enterprise and internal service funds are presented. Combining fund statements and schedules can be found on pages 87-108 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$740,612,513 at the close of the most recent fiscal year.

The largest portion of Ramsey County's net assets (62%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### NET ASSETS

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Current and Other Assets	\$ 439,338,845	\$394,494,295	\$ 8,423,861	\$ 6,734,484	\$ 447,762,706	\$ 401,228,779
Capital Assets	<u>624,445,367</u>	<u>590,521,396</u>	<u>10,285,256</u>	<u>9,977,227</u>	<u>634,730,623</u>	<u>600,498,623</u>
Total Assets	1,063,784,212	985,015,691	18,709,117	16,711,711	1,082,493,329	1,001,727,402
Long-term Liabilities						
Outstanding	226,616,404	208,607,453	9,937,701	10,202,644	236,554,105	218,810,097
Other Liabilities	<u>98,545,614</u>	<u>86,761,544</u>	<u>6,781,097</u>	<u>2,928,506</u>	<u>105,326,711</u>	<u>89,690,050</u>
Total Liabilities	325,162,018	295,368,997	16,718,798	13,131,150	341,880,816	308,500,147
Net Assets:						
Invested in Capital Assets,						
Net of Related Debt	458,280,718	437,027,997	3,379,797	3,520,751	461,660,515	440,548,748
Restricted	71,157,995	84,675,877	-	50,657	71,157,995	84,726,534
Unrestricted	<u>209,183,481</u>	<u>167,942,820</u>	<u>(1,389,478)</u>	<u>9,153</u>	<u>207,794,003</u>	<u>167,951,973</u>
Total Net Assets	<u>\$ 738,622,194</u>	<u>\$689,646,694</u>	<u>\$ 1,990,319</u>	<u>\$ 3,580,561</u>	<u>\$ 740,612,513</u>	<u>\$ 693,227,255</u>

The government's net assets increased by \$47,385,258 during the current fiscal year. This increase is primarily due to increases in infrastructure construction for highways and bridges and building projects funded by capital contributions and grants.

**Governmental Activities** - Governmental activities increased the County's net assets by \$48,975,500, thereby accounting for all of the total growth in the net assets. Key elements of this increase are as follows:

- Capital Assets increased by \$33,923,971. The majority of this increase in capital assets was from highway construction and building projects funded by capital contributions and grants.

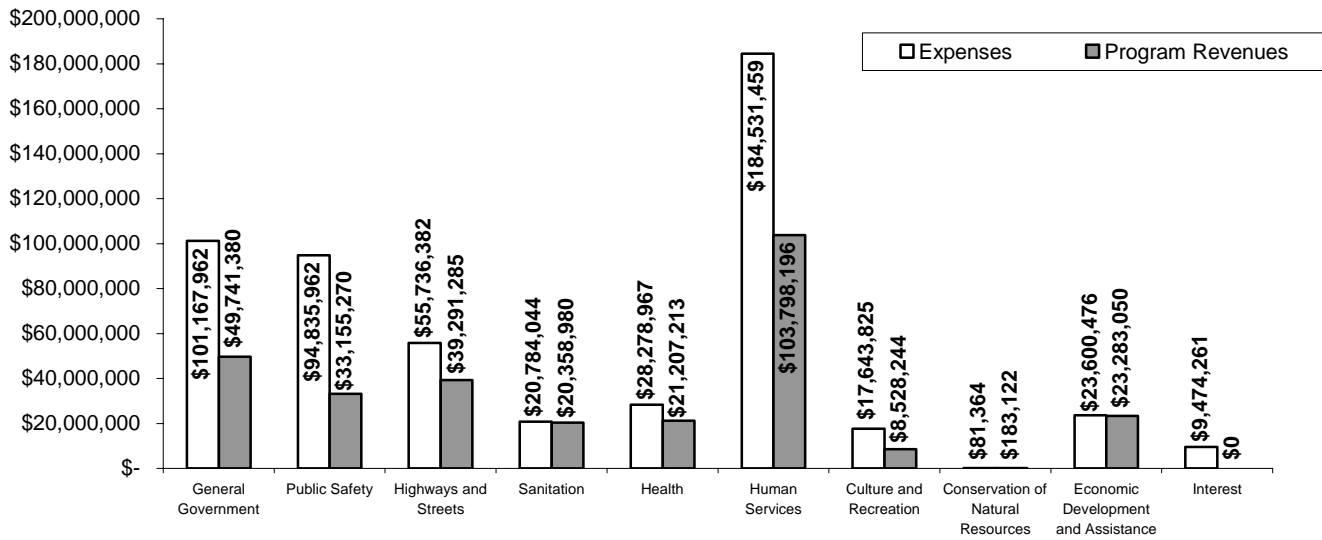
- Property tax and charges for services collections increased in part due to the continuing State policy of relying more heavily on property taxes to finance services.

### CHANGES IN NET ASSETS

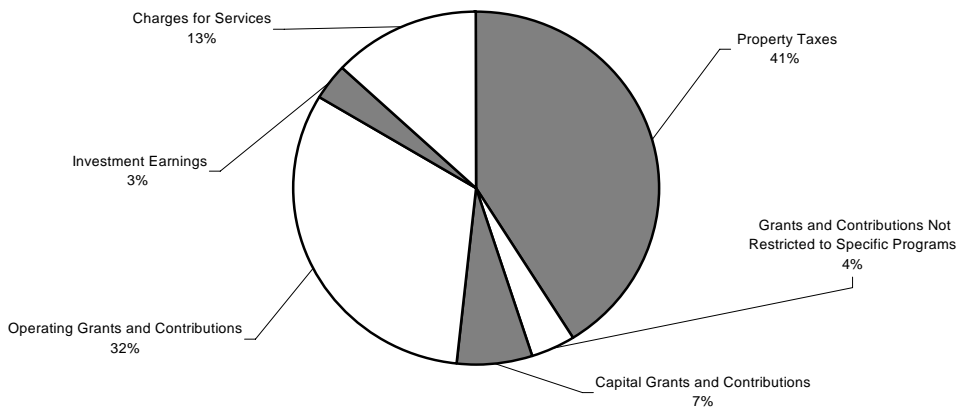
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program Revenues:						
Charges for Services, Fines & Other	\$ 73,016,302	\$ 79,967,637	\$25,553,021	\$24,832,147	\$ 98,569,323	\$104,799,784
Operating Grants & Contributions	184,743,092	164,691,555	426,151	258,573	185,169,243	164,950,128
Capital Grants & Contributions	41,787,346	33,294,903	142,417	68,018	41,929,763	33,362,921
General Revenues:						
Property Taxes	241,069,599	217,391,017	-	-	241,069,599	217,391,017
Grants & Contributions Not						
Restricted to Specific Programs	23,416,716	35,053,797	-	54,170	23,416,716	35,107,967
Investment Earnings	20,381,154	15,581,358	149,835	142,025	20,530,989	15,723,383
Other	<u>1,079,083</u>	<u>6,391,503</u>	<u>9,253</u>	<u>(15,406)</u>	<u>1,088,336</u>	<u>6,376,097</u>
Total Revenues	585,493,292	552,371,770	26,280,677	25,339,527	611,773,969	577,711,297
Expenses:						
General Government	101,167,962	83,775,008	-	-	101,167,962	83,775,008
Public Safety	94,835,962	93,123,718	-	-	94,835,962	93,123,718
Highways/Streets	55,736,382	35,186,475	-	-	55,736,382	35,186,475
Sanitation	20,784,044	17,071,936	-	-	20,784,044	17,071,936
Health	28,278,967	26,343,037	-	-	28,278,967	26,343,037
Human Services	184,531,459	176,236,609	-	-	184,531,459	176,236,609
Culture & Recreation	17,643,825	18,916,977	-	-	17,643,825	18,916,977
Conservation of Natural Resources	81,364	413,943	-	-	81,364	413,943
Economic Development & Assistance	23,600,476	22,931,445	-	-	23,600,476	22,931,445
Interest	9,474,261	9,433,629	-	-	9,474,261	9,433,629
Lake Owasso Residence	-	-	8,702,482	8,177,791	8,702,482	8,177,791
Ponds at Battle Creek	-	-	694,747	701,798	694,747	701,798
Ramsey Nursing Home	-	-	13,608,395	12,435,723	13,608,395	12,435,723
Law Enforcement Services	-	-	<u>5,248,385</u>	<u>5,051,851</u>	<u>5,248,385</u>	<u>5,051,851</u>
Total Expenses	<u>536,134,702</u>	<u>483,432,777</u>	<u>28,254,009</u>	<u>26,367,163</u>	<u>564,388,711</u>	<u>509,799,940</u>
Increase (Decrease) in Net Assets						
Before Transfers	<u>49,358,590</u>	<u>68,938,993</u>	<u>(1,973,332)</u>	<u>(1,027,636)</u>	<u>47,385,258</u>	<u>67,911,357</u>
Transfers	<u>(383,090)</u>	<u>(619,561)</u>	<u>383,090</u>	<u>619,561</u>	-	-
Increase (Decrease) in Net Assets	48,975,500	68,319,432	(1,590,242)	(408,075)	47,385,258	67,911,357
Net Assets – Beginning	<u>689,646,694</u>	<u>621,327,262</u>	<u>3,580,561</u>	<u>3,988,636</u>	<u>693,227,255</u>	<u>625,315,898</u>
Net Assets – End	<u>\$738,622,194</u>	<u>\$689,646,694</u>	<u>\$ 1,990,319</u>	<u>\$ 3,580,561</u>	<u>\$740,612,513</u>	<u>\$693,227,255</u>

The following charts provide comparisons of governmental activities' program revenues and expenses and also show the sources of governmental activities' revenues.

**Expenses and Program Revenues - Governmental Activities**



**Revenues by Source - Governmental Activities**



**Business-type Activities** - Business-type activities decreased the County's net assets by \$1,590,242, a 44.4% decrease from the previous year. Key elements of this decrease are as follows:

- An expense for OPEB of \$913,914 was included to comply with GASB Statement 45 in 2007.
- Lake Owasso Residence had a decrease of net assets of \$606,299 due to capital expenses not included in the reimbursement rate. However, once the long-term debt and interest have

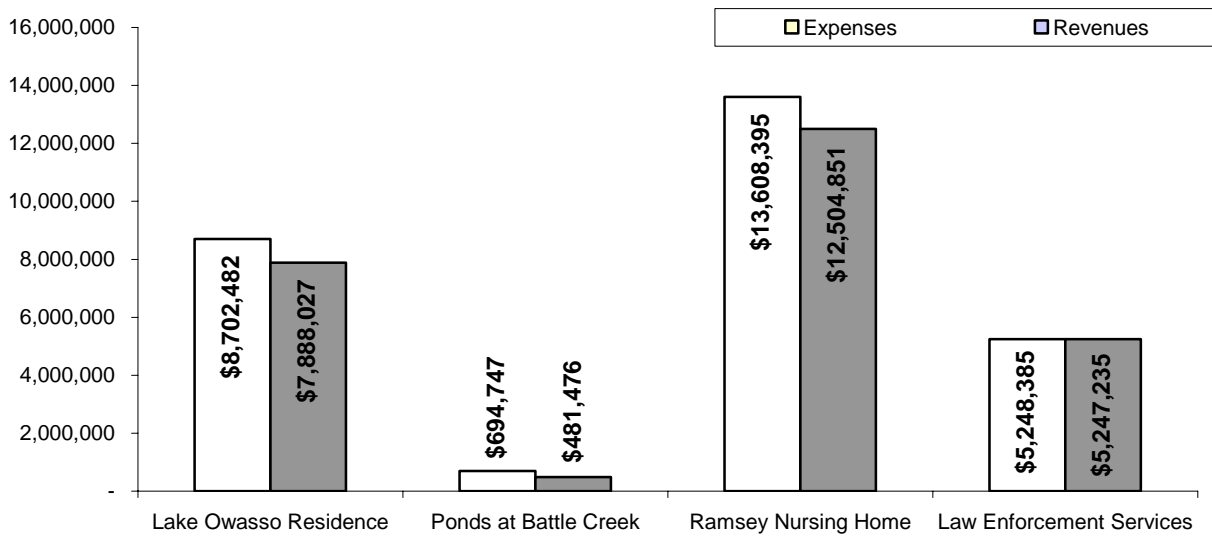


been paid, the property reimbursement rate will continue and finance some of the depreciation expense.

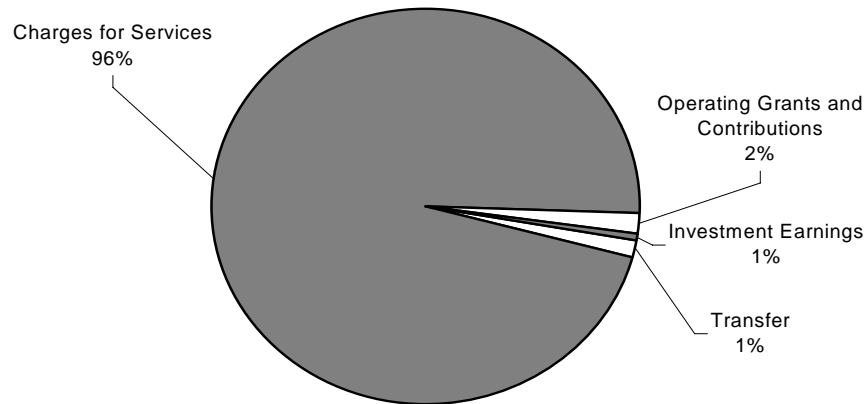
- Ponds at Battle Creek had a decrease in net assets of \$278,101 due to an operating loss and interest expense. It is anticipated the Golf Course would operate at a loss the first several years until revenues would be sufficient to cover expenses.

The following charts provide comparisons of business-type activities' program revenues and expenditures and also show the sources of business-type activities' revenues.

**Expenses and Program Revenues - Business-Type Activities**



**Revenues by Source - Business-Type Activities**



## **Financial Analysis of the Government's Funds**

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$314,825,931, a total fund balance increase of \$1,993,063 in comparison with the prior year. Approximately 66.5% of this total amount \$209,222,827 constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending, because it has already been committed (1) to liquidate contracts and purchase orders of the prior period \$34,698,136; (2) temporary loans to Other Funds \$14,339,453; or (3) for a variety of other restricted purposes \$56,565,515.

The General Fund is the chief operating fund of Ramsey County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$148,606,027, while total fund balance reached \$174,789,935. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 36.9% of total General Fund expenditures, while total fund balance represents 43.4% of that same amount.

The fund balance of the County's general fund decreased by \$1,190,192 during the current fiscal year. Key factors in this decrease are as follows:

- Better interest rates help reduce the decrease.
- Transfer of \$23,290,254 to an Internal Service Fund set up for OPEB.

The Debt Service Fund had a total fund balance of \$45,721,696, all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$9,314,181. The decrease was due to using a portion of fund balance to finance future debt payments and the redemption of refunding bonds.

The Capital Projects Fund had a fund balance of \$17,541,779 planned for construction. The fund balance decreased by \$6,949,200, primarily due to completing several major projects.

**Proprietary Funds** – The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of Lake Owasso Residence at the end of the year amounted to \$220,024. The total decrease in net assets for the fund was \$606,299. This was a result of an increase in personal services and interest expense and recognizing OPEB expense.

Ponds at Battle Creek had a decrease in net assets of \$278,101 due to an operating loss and interest expense. The County has provided a temporary loan to help pay the long-term debt until fees can be generated to cover these costs.

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was an increase of \$17,997,247 in appropriations. Unbudgeted State and Federal revenues became available for additional human service and public safety programs.

The variance of final budget versus actual was due to rising interest rates and to partially fund future Other Post-Employment Benefits (OPEB) expenses and project grants that have not been completed.

### **Capital Asset and Debt Administration**

**Capital Assets** – The County’s investment in capital assets for its governmental and business type activities as of December 31, 2007, amounts to \$634,730,623 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, park facilities, roads, highways, and bridges. The total increase in the County’s investment in capital assets for the current fiscal year was 5.7% (a 5.7% increase for governmental activities and a 3.1% increase for business-type activities).

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

- A variety of street construction projects continued into 2007; construction in progress as of the end of the current fiscal year had reached \$91,867,178, a decrease of \$2,097,555 from the prior year.
- A Public Safety Communications System was completed in 2007 totaling over \$32 million.
- The Adult Correctional Facility Addition continued into 2007 totaling \$6,207,365.
- The Ramsey Nursing Home started a \$2.2 million renovation and is creating a 26-bed Transitional Care Unit in 2007.

**Capital Assets**  
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land	\$ 85,156,692	\$ 80,240,213	\$ 107,073	\$ 107,073	\$ 85,263,765	\$ 80,347,286
Buildings & Improvements	217,378,613	202,690,302	6,211,812	6,446,557	223,590,425	209,136,859
Improvements Other Than Buildings	14,698,826	15,491,031	2,729,516	2,854,901	17,428,342	18,345,932
Equipment	29,103,070	13,222,121	566,843	542,696	29,669,913	13,764,817
Infrastructure	186,911,000	184,938,996	-	-	186,911,000	184,938,996
Construction in Progress	91,197,166	93,938,733	670,012	26,000	91,867,178	93,964,733
Total	<u>\$624,445,367</u>	<u>\$590,521,396</u>	<u>\$10,285,256</u>	<u>\$9,977,227</u>	<u>\$634,730,623</u>	<u>\$600,498,623</u>

Additional information on the County’s capital assets can be found in note IV.C on pages 57-58 of this report.

**Long-term Debt** – At the end of the current fiscal year, the County had total General Obligation bonded debt outstanding of \$194,625,000, which is backed by the full faith and credit of the government.

**Outstanding Debt**  
General Obligation and Revenue Bonds

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General Obligation Bonds	\$183,255,000	\$184,720,000	\$11,370,000	\$9,430,000	\$194,625,000	\$194,150,000
Notes Payable	6,072,000	6,242,000	-	-	6,072,000	6,242,000
Lease Revenue Bonds	<u>12,400,000</u>	<u>12,895,000</u>	-	-	<u>12,400,000</u>	<u>12,895,000</u>
Total	<u>\$201,727,000</u>	<u>\$203,857,000</u>	<u>\$11,370,000</u>	<u>\$9,430,000</u>	<u>\$213,097,000</u>	<u>\$213,287,000</u>

The County’s total bonded debt decreased by \$190,000 (.09%) during the current fiscal year. The decrease was primarily due to various remodeling projects around the County being completed.

The County maintains a “AAA” rating from Standard & Poor’s and a “Aaa” rating from Moody’s for general obligation debt.

Minnesota state statutes limit the amount of general obligation debt a governmental entity may issue to 2% of its total market value of taxable property in the County. The current debt limitation for the County is \$918,629,760, which is significantly in excess of its outstanding general obligation debt.

Additional information on the County’s long-term debt can be found in note IV.I on pages 62-67 of this report.

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

- The unemployment rate for the County is currently 4.4%, which is an increase from a rate of 3.8% a year ago. This compares to the state's average unemployment rate of 4.6% and the national average rate of 4.6%.
- The County is a fully developed urban center. Its roads and transportation system make access to the County easy for all citizens. Its population continues to grow but at a slower pace than in the previous decades. In 1980, the population was 485,765. In 2007, the population estimated by the Metropolitan Council was 499,891.
- Estimated Market Value of Taxable Property in the County increased almost \$3,670,000,000 in 2007 to \$45,931,488,000 or 8.89%. Residential property recorded an increase in value of 11.5% while commercial values increased 12.0%.
- Although many of the above indicators appear to show Ramsey County as economically strong and stable, it is important to be aware of some of the other dynamics that may affect it in the coming years. Ramsey is faced with the problems of older urban Counties. Its infrastructure of roads and bridges are aging and will require replacement and rebuilding in the coming years. Taxes will have to be used to effect these changes. This issue has been addressed by a functional consolidation of roads plan developed in 1993. The plan, which is complete, upgrades many roads and bridges in the County. Municipalities will become responsible for maintaining certain County roads and transfer major arterials to the County. This functional alignment focused additional funds to roads and allowed further use of County State aid funds.

All of these factors were considered in preparing the County's budget for the 2007 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund was \$148,606,027. The County has appropriated \$681,226 of this amount for spending in the 2008 fiscal year budget. It is intended that this use of available fund balance will lessen the need to raise taxes during the 2008 fiscal year. The 2008 approved budget included a 3.56% increase in spending. A 4.82% increase in the 2008 Property Tax Levy was approved, in part, to offset anticipated State revenue reductions and increased public safety initiatives.

## **Requests for Information**

This financial report is designed to provide a general overview of Ramsey 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 Office of Budgeting & Accounting, Suite 270, 15 West Kellogg Boulevard, Saint Paul, Minnesota 55102.

# **BASIC FINANCIAL STATEMENTS**

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

	Governmental	Business-type	Total	
	Activities	Activities	2007	2006
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 337,312,172	\$ 7,159,610	\$ 344,471,782	\$ 301,182,882
Cash with Trustee	9,302,195	3,108,856	12,411,051	21,364,149
Restricted Cash and Cash Equivalents	3,000	-	3,000	3,000
Petty Cash and Change Funds	26,540	20,500	47,040	46,515
Imprest Cash	60,000	-	60,000	60,000
Cooperative Investment	-	55,320	55,320	30,913
Receivables (Net):				
Taxes	4,080,902	-	4,080,902	2,797,237
Accounts	8,037,542	254,043	8,291,585	3,933,507
Cooperative Investment Receivable	-	-	-	17,244
Accrued Interest	3,420,345	47,383	3,467,728	3,375,210
Internal Balances	4,217,992	(4,217,992)	-	-
Due from Other Governments	34,130,451	1,905,470	36,035,921	33,362,639
Lease Receivable	17,962,000	-	17,962,000	18,642,000
Loan Receivables	13,618,078	-	13,618,078	13,009,781
Prepaid Items	167,856	-	167,856	105,003
Inventories	1,313,868	43,790	1,357,658	1,586,419
Total Current Assets	<u>433,652,941</u>	<u>8,376,980</u>	<u>442,029,921</u>	<u>399,516,499</u>
Non Current Assets:				
Advance to Other Governments	4,500	-	4,500	57,893
Advance to Other Organizations	503,666	-	503,666	343,121
Deferred Charges	5,177,738	46,881	5,224,619	1,311,266
Capital Assets not being Depreciated:				
Land	85,156,692	107,073	85,263,765	80,347,286
Construction in Progress	91,197,166	670,012	91,867,178	93,964,733
Capital Assets being Depreciated:				
Improvements other than Buildings	35,526,670	3,654,711	39,181,381	37,790,898
Buildings	268,951,379	9,523,290	278,474,669	262,281,204
Building Improvements	15,102,832	1,627,845	16,730,677	13,141,243
Equipment	80,604,203	2,522,066	83,126,269	65,183,035
Infrastructure	365,986,273	-	365,986,273	357,587,007
Less: Accumulated Depreciation	<u>(318,079,848)</u>	<u>(7,819,741)</u>	<u>(325,899,589)</u>	<u>(309,796,783)</u>
Total Non Current Assets	<u>630,131,271</u>	<u>10,332,137</u>	<u>640,463,408</u>	<u>602,210,903</u>
Total Assets	<u>1,063,784,212</u>	<u>18,709,117</u>	<u>1,082,493,329</u>	<u>1,001,727,402</u>

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

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

**EXHIBIT 1**  
**(continued)**

	Governmental	Business-type	Total	
	Activities	Activities	2007	2006
<b>LIABILITIES</b>				
Current Liabilities:				
Salaries Payable	9,963,560	831,163	10,794,723	9,326,284
Accounts Payable	15,337,244	614,652	15,951,896	16,699,715
Contracts Payable	9,945,956	-	9,945,956	3,632,676
Interest Payable, Current	3,978,415	245,213	4,223,628	4,196,292
Unamortized Premium on Bonds	349,083	7,852	356,935	267,071
Loan Payable, Current	16,500	-	16,500	18,482
Capital Lease, Current	55,552	-	55,552	51,960
Due to Other Governments	9,021,866	357,464	9,379,330	6,110,408
General Obligation and Revenue Bonds Payable, Current	19,750,000	3,530,000	23,280,000	21,050,000
Claims and Judgments Payable, Current	2,881,287	-	2,881,287	2,076,737
Vacation and Compensatory Time Payable	15,615,486	1,194,753	16,810,239	15,432,026
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	3,000	-	3,000	3,000
<b>Total Current Liabilities</b>	<b>86,917,949</b>	<b>6,781,097</b>	<b>93,699,046</b>	<b>78,864,651</b>
Non Current Liabilities:				
Advance from Other Governments	5,128,621	-	5,128,621	6,150,483
Unearned Revenue	6,499,044	-	6,499,044	4,674,916
General Obligation and Revenue Bonds Payable, Long-term	181,977,000	7,840,000	189,817,000	192,237,000
Unamortized Premium on Bonds	4,346,291	321,155	4,667,446	4,287,295
Loans Payable, Long-term	35,920	-	35,920	52,413
Capital Lease, Long-term	-	-	-	55,552
Compensated Absences Payable	18,054,678	862,632	18,917,310	18,451,862
Claims and Judgments Payable, Long-term	3,536,036	-	3,536,036	3,725,975
Net OPEB Liability	18,666,479	913,914	19,580,393	-
<b>Total Non Current Liabilities</b>	<b>238,244,069</b>	<b>9,937,701</b>	<b>248,181,770</b>	<b>229,635,496</b>
<b>Total Liabilities</b>	<b>325,162,018</b>	<b>16,718,798</b>	<b>341,880,816</b>	<b>308,500,147</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	458,280,718	3,379,797	461,660,515	440,548,748
Restricted for:				
Debt Service	45,721,696	-	45,721,696	55,035,877
Capital Projects	3,466,240	-	3,466,240	7,186,824
Solid Waste	20,354,267	-	20,354,267	20,565,333
Other Purposes	1,615,792	-	1,615,792	1,938,500
Unrestricted	209,183,481	(1,389,478)	207,794,003	167,951,973
<b>Total Net Assets</b>	<b>\$ 738,622,194</b>	<b>\$ 1,990,319</b>	<b>\$ 740,612,513</b>	<b>\$ 693,227,255</b>

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



**RAMSEY COUNTY, MINNESOTA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Fees, Fines, Charges and Other	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
							2007	2006
<b>Governmental Activities:</b>								
General Government	\$ 101,167,962	\$ 17,929,840	\$ 28,311,540	\$ 3,500,000	\$ (51,426,582)	\$ -	\$ (51,426,582)	\$ (45,180,720)
Public Safety	94,835,962	9,702,158	14,579,839	8,873,273	(61,680,692)	-	(61,680,692)	(64,719,604)
Highways and Streets	55,736,382	4,384,943	6,014,034	28,892,308	(16,445,097)	-	(16,445,097)	(4,233,772)
Sanitation	20,784,044	17,864,232	2,494,748	-	(425,064)	-	(425,064)	4,093,908
Health	28,278,967	7,865,494	13,341,719	-	(7,071,754)	-	(7,071,754)	(6,193,337)
Human Services	184,531,459	8,276,649	95,521,547	-	(80,733,263)	-	(80,733,263)	(69,482,245)
Culture and Recreation	17,643,825	6,291,835	1,714,644	521,765	(9,115,581)	-	(9,115,581)	(10,626,378)
Conservation of Natural Resources	81,364	179,122	4,000	-	101,758	-	101,758	(33,599)
Economic Development and Assistance	23,600,476	522,029	22,761,021	-	(317,426)	-	(317,426)	330,694
Interest	9,474,261	-	-	-	(9,474,261)	-	(9,474,261)	(9,433,629)
<b>Total Governmental Activities</b>	<b>536,134,702</b>	<b>73,016,302</b>	<b>184,743,092</b>	<b>41,787,346</b>	<b>(236,587,962)</b>	<b>-</b>	<b>(236,587,962)</b>	<b>(205,478,682)</b>
<b>Business-type Activities:</b>								
Lake Owasso Residence	8,702,482	7,793,049	19,968	75,010	-	(814,455)	(814,455)	(547,407)
Ponds at Battle Creek	694,747	481,476	-	-	-	(213,271)	(213,271)	(254,897)
Ramsey Nursing Home	13,608,395	12,344,360	93,084	67,407	-	(1,103,544)	(1,103,544)	(417,744)
Law Enforcement Services	5,248,385	4,934,136	313,099	-	-	(1,150)	(1,150)	11,623
<b>Total Business-type Activities</b>	<b>28,254,009</b>	<b>25,553,021</b>	<b>426,151</b>	<b>142,417</b>	<b>-</b>	<b>(2,132,420)</b>	<b>(2,132,420)</b>	<b>(1,208,425)</b>
<b>Total Government</b>	<b>\$ 564,388,711</b>	<b>\$ 98,569,323</b>	<b>\$ 185,169,243</b>	<b>\$ 41,929,763</b>	<b>(236,587,962)</b>	<b>(2,132,420)</b>	<b>(238,720,382)</b>	<b>(206,687,107)</b>
<b>General revenues:</b>								
Property Taxes					241,069,599	-	241,069,599	217,391,017
Grants and Contributions Not Restricted to Specific Programs					23,416,716	-	23,416,716	35,107,967
Investment Earnings					20,381,154	149,835	20,530,989	15,723,383
Miscellaneous					-	-	-	3,034,326
Gain on Disposition of Capital Assets					1,079,083	9,253	1,088,336	3,341,771
Transfer					(383,090)	383,090	-	-
<b>Total General Revenues and Transfers</b>					<b>285,563,462</b>	<b>542,178</b>	<b>286,105,640</b>	<b>274,598,464</b>
Change in Net Assets					48,975,500	(1,590,242)	47,385,258	67,911,357
Net Assets - Beginning					689,646,694	3,580,561	693,227,255	625,315,898
Net Assets - Ending					<b>\$ 738,622,194</b>	<b>\$ 1,990,319</b>	<b>\$ 740,612,513</b>	<b>\$ 693,227,255</b>

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

**RAMSEY COUNTY, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2007  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

**EXHIBIT 3**

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds	
					2007	2006
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 166,344,322	\$ 18,175,347	\$ 36,520,030	\$ 79,167,514	\$ 300,207,213	\$ 286,201,881
Cash with Trustee	-	9,302,195	-	-	9,302,195	18,227,581
Petty Cash and Change Funds	23,555	-	-	2,910	26,465	25,940
Imprest Cash	60,000	-	-	-	60,000	60,000
Receivables (Net):						
Taxes	4,914,656	435,711	-	551,391	5,901,758	4,565,775
Accounts	1,868,779	-	740,774	5,419,277	8,028,830	3,538,108
Accrued Interest	3,163,388	157,154	-	99,803	3,420,345	3,327,827
Due from Other Funds	411,077	-	85,411	221,991	718,479	944,376
Due from Other Governments	19,270,410	-	8,539,658	6,114,568	33,924,636	31,574,097
Lease Receivable	-	17,962,000	-	-	17,962,000	18,642,000
Loans Receivable	6,245,000	250,000	-	7,123,078	13,618,078	13,009,781
Inventories	1,260,246	-	-	48,212	1,308,458	1,524,963
Advance to Other Funds	13,660,787	-	175,000	-	13,835,787	8,216,606
Advance to Other Governments	-	-	-	4,500	4,500	57,893
Advance to Other Organizations	503,666	-	-	-	503,666	343,121
Deferred Charges	-	-	-	4,000,000	4,000,000	-
Restricted Cash and Cash Equivalents	2,000	-	-	-	2,000	2,000
Total Assets	<u>217,727,886</u>	<u>46,282,407</u>	<u>46,060,873</u>	<u>102,753,244</u>	<u>412,824,410</u>	<u>390,261,949</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Salaries Payable	8,386,948	-	-	1,225,097	9,612,045	8,303,049
Accounts Payable	11,566,602	-	22,639	1,864,283	13,453,524	15,865,493
Contracts Payable	-	-	9,507,504	438,452	9,945,956	3,632,676
Due to Other Funds	1,704,696	-	21,074	684,229	2,409,999	1,282,741
Due to Other Governments	5,049,468	-	626,808	3,200,454	8,876,730	5,618,851
Deferred Revenue	14,041,049	435,711	10,412,244	13,788,208	38,677,212	29,644,576
Advance from Other Funds	-	-	4,932,400	4,780,000	9,712,400	6,841,000
Advance from Other Governments	2,007,196	125,000	2,996,425	-	5,128,621	6,150,483
Claims and Judgments Payable	179,992	-	-	-	179,992	88,212
Liabilities Payable from Restricted Assets	2,000	-	-	-	2,000	2,000
Total Liabilities	<u>42,937,951</u>	<u>560,711</u>	<u>28,519,094</u>	<u>25,980,723</u>	<u>97,998,479</u>	<u>77,429,081</u>
Fund Balances:						
Reserved for:						
Encumbrances	10,549,171	-	19,523,416	4,625,549	34,698,136	23,620,062
Advances	14,164,453	-	175,000	-	14,339,453	8,610,620
Inventories	1,260,246	-	-	48,212	1,308,458	1,524,963
Petty Cash	83,555	-	-	2,810	86,365	85,840
Aggregate Material Pit Restoration	126,483	-	-	-	126,483	118,970
Debt Service with Trustee	-	9,436,849	-	-	9,436,849	18,131,722
Debt Service Fund	-	18,322,847	-	9,322,513	27,645,360	22,822,800
Lease Receivable	-	17,962,000	-	-	17,962,000	18,642,000
Unreserved, Reported in:						
General Fund	148,606,027	-	-	-	148,606,027	155,942,520
Special Revenue Funds	-	-	-	62,773,437	62,773,437	50,668,433
Capital Projects Fund	-	-	(2,156,637)	-	(2,156,637)	12,664,938
Total Fund Balances	<u>174,789,935</u>	<u>45,721,696</u>	<u>17,541,779</u>	<u>76,772,521</u>	<u>314,825,931</u>	<u>312,832,868</u>
Total Liabilities and Fund Balances	<u>\$ 217,727,886</u>	<u>\$ 46,282,407</u>	<u>\$ 46,060,873</u>	<u>\$ 102,753,244</u>		
Amounts reported for governmental activities in the statement of net assets are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					621,719,719	587,420,769
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.					30,318,736	23,162,546
Internal services funds are used by management to charge the costs of management information systems and property management services to individual funds. The assets and liabilities of the internal services funds are included in governmental activities in the Statement of Net Assets.					19,513,199	13,964,488
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.					(247,755,391)	(247,733,977)
Net assets of governmental activities					<u>\$ 738,622,194</u>	<u>\$ 689,646,694</u>

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

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds	
					2007	2006
<b>REVENUES</b>						
Taxes	\$ 192,640,485	\$ 16,773,634	\$ -	\$ 30,371,814	\$ 239,785,933	\$ 216,674,650
Licenses and Permits	640,505	-	-	831,196	1,471,701	1,394,880
Intergovernmental	163,461,160	1,033,394	30,712,170	42,046,256	237,252,980	242,690,517
Private Grants and Donations	701,280	-	-	432,679	1,133,959	422,816
Charges for Services	40,985,589	-	24,618	20,145,008	61,155,215	62,043,508
Fines and Forfeitures	453	-	-	845,515	845,968	745,971
Sales	1,762,213	-	2,099	804,116	2,568,428	2,850,049
Rental Income	1,226,824	-	-	273,892	1,500,716	1,658,210
Investment Earnings	17,229,537	1,961,751	1,189,866	2,132,982	22,514,136	17,560,179
Program Recoveries - Community						
Human Services	4,021,196	-	-	-	4,021,196	3,790,928
Miscellaneous	4,450,947	-	3,589,060	776,294	8,816,301	5,529,616
Total Revenues	<u>427,120,189</u>	<u>19,768,779</u>	<u>35,517,813</u>	<u>98,659,752</u>	<u>581,066,533</u>	<u>555,361,324</u>
<b>EXPENDITURES</b>						
Current:						
General Government	76,023,109	-	-	14,845,719	90,868,828	87,579,800
Public Safety	101,922,337	-	-	1,930,180	103,852,517	93,978,150
Highways and Streets	15,308,044	-	-	-	15,308,044	14,898,949
Sanitation	716,648	-	-	19,861,608	20,578,256	17,027,293
Health	18,419,654	-	-	9,426,175	27,845,829	27,620,672
Human Services	179,287,714	-	-	185,512	179,473,226	178,479,898
Culture and Recreation	9,541,746	-	-	9,291,117	18,832,863	17,816,393
Conservation of Natural Resources	51,254	-	-	-	51,254	406,016
Economic Development and Assistance	-	-	-	23,650,189	23,650,189	22,915,902
Capital Projects:						
General Government	-	-	7,363,402	-	7,363,402	1,385,385
Public Safety	-	-	12,841,260	-	12,841,260	11,927,157
Highways and Streets	1,737,963	-	40,181,038	-	41,919,001	27,670,094
Health	-	-	26,960	-	26,960	121,250
Human Services	-	-	236,139	-	236,139	108,346
Culture and Recreation	-	-	4,390,367	-	4,390,367	8,918,404
Conservation of Natural Resources	-	-	-	-	-	4,168
Debt Service:						
Bond Issuance Costs	-	-	86,872	-	86,872	70,093
Principal Retirement	68,102	12,230,000	-	-	12,298,102	11,835,252
Interest	8,608	9,642,710	-	-	9,651,318	9,373,553
Total Expenditures	<u>403,085,179</u>	<u>21,872,710</u>	<u>65,126,038</u>	<u>79,190,500</u>	<u>569,274,427</u>	<u>532,136,775</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>24,035,010</u>	<u>(2,103,931)</u>	<u>(29,608,225)</u>	<u>19,469,252</u>	<u>11,792,106</u>	<u>23,224,549</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Xcel Energy Loan Proceeds	-	-	-	-	-	76,940
Bonds Issued	-	-	18,610,000	-	18,610,000	6,750,000
Discount/Premium on Sale of Bonds	-	-	690,659	-	690,659	31,046
Sale of Capital Assets	-	-	3,300,000	-	3,300,000	6,000,000
Redemption of Refunded Bonds	-	(8,510,000)	-	-	(8,510,000)	-
Transfers In	1,525,128	1,400,000	2,959,023	10,000	5,894,151	2,331,539
Transfers Out	(26,541,460)	(100,250)	(2,900,657)	(24,981)	(29,567,348)	(2,950,973)
Total Other Financing Sources (Uses)	<u>(25,016,332)</u>	<u>(7,210,250)</u>	<u>22,659,025</u>	<u>(14,981)</u>	<u>(9,582,538)</u>	<u>12,238,552</u>
Net Change in Fund Balances	<u>(981,322)</u>	<u>(9,314,181)</u>	<u>(6,949,200)</u>	<u>19,454,271</u>	<u>2,209,568</u>	<u>35,463,101</u>
Fund Balances - Beginning	175,980,127	55,035,877	24,490,979	57,325,885	312,832,868	277,083,129
Increase (decrease) in reserve for inventories	(208,870)	-	-	(7,635)	(216,505)	286,638
Fund Balances - Ending	<u>\$ 174,789,935</u>	<u>\$ 45,721,696</u>	<u>\$ 17,541,779</u>	<u>\$ 76,772,521</u>	<u>\$ 314,825,931</u>	<u>\$ 312,832,868</u>

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

**RAMSEY COUNTY, MINNESOTA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>2007</u>	<u>2006</u>
Net change in fund balances - total governmental funds (Exhibit 4)	\$ 2,209,568	\$ 35,463,101
Amounts reported for governmental activities in the Statement of Activities (Exhibit 2) are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	35,027,613	29,860,121
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	(728,663)	(2,787,026)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	7,156,190	197,379
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, the governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,507,443	4,977,266
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.	21,544,745	137,626
Internal service funds are used by management to charge the costs of management information systems and property management services to individual funds.	(17,912,720)	367,379
The net revenue of certain activities of internal service funds is reported with governmental activities.	171,324	103,586
Net change in net assets of governmental activities (Exhibit 2)	<u>\$ 48,975,500</u>	<u>\$ 68,319,432</u>

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

**RAMSEY COUNTY, MINNESOTA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
DECEMBER 31, 2007**

**EXHIBIT 6**

**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>		
	<b>Lake Owasso Residence</b>	<b>Ponds at Battle Creek</b>	<b>Other Enterprise Funds</b>	<b>Total</b>		<b>2007</b>	<b>2006</b>
				<b>2007</b>	<b>2006</b>		
<b>ASSETS</b>							
Current Assets:							
Cash and Cash Equivalents	\$ 1,558,266	\$ 2,463,147	\$ 3,138,197	\$ 7,159,610	\$ 3,276,415	\$ 37,104,959	\$ 11,704,586
Cash with Fiscal Agent	3,108,856	-	-	3,108,856	3,136,568	-	-
Petty Cash and Change Funds	6,500	-	14,000	20,500	20,500	75	75
Cooperative Investment	-	-	55,320	55,320	30,913	-	-
Accounts Receivable (Net)	-	5,905	248,138	254,043	387,801	8,712	7,598
Cooperative Investment Receivable	-	-	-	-	17,244	-	-
Accrued Interest Receivable	47,383	-	-	47,383	47,383	-	-
Due from Other Funds	-	-	-	-	-	3,572,177	1,030,961
Due from Other Governments	655,893	-	1,249,577	1,905,470	1,679,009	205,815	109,533
Prepaid Items	-	-	-	-	-	167,856	105,003
Inventories	22,075	-	21,715	43,790	54,191	5,410	7,265
Restricted Cash and Cash Equivalents	-	-	-	-	-	1,000	1,000
<b>Total Current Assets</b>	<b>5,398,973</b>	<b>2,469,052</b>	<b>4,726,947</b>	<b>12,594,972</b>	<b>8,650,024</b>	<b>41,066,004</b>	<b>12,966,021</b>
Noncurrent Assets:							
Deferred Charges	25,638	11,221	10,022	46,881	38,271	-	-
Capital Assets:							
Land	7,873	-	99,200	107,073	107,073	-	-
Improvements Other Than Buildings	648,856	2,581,891	423,964	3,654,711	3,654,711	19,698	19,698
Buildings	4,072,132	933,506	4,517,652	9,523,290	9,491,866	-	-
Building Improvements	23,349	-	1,604,496	1,627,845	1,567,077	7,832,728	7,495,865
Equipment	514,746	351,657	1,655,663	2,522,066	2,471,136	8,569,576	8,573,939
Construction in Progress	-	-	670,012	670,012	26,000	-	-
Less Accumulated Depreciation	(1,330,026)	(760,120)	(5,729,595)	(7,819,741)	(7,340,636)	(13,696,354)	(12,988,875)
<b>Total Capital Assets (Net of Accumulated Depreciation)</b>	<b>3,936,930</b>	<b>3,106,934</b>	<b>3,241,392</b>	<b>10,285,256</b>	<b>9,977,227</b>	<b>2,725,648</b>	<b>3,100,627</b>
<b>Total Noncurrent Assets</b>	<b>3,962,568</b>	<b>3,118,155</b>	<b>3,251,414</b>	<b>10,332,137</b>	<b>10,015,498</b>	<b>2,725,648</b>	<b>3,100,627</b>
<b>Total Assets</b>	<b>9,361,541</b>	<b>5,587,207</b>	<b>7,978,361</b>	<b>22,927,109</b>	<b>18,665,522</b>	<b>43,791,652</b>	<b>16,066,648</b>
<b>LIABILITIES</b>							
Current Liabilities:							
Salaries Payable	286,830	2,864	541,469	831,163	771,814	351,515	251,421
Accounts Payable	38,126	2,954	573,572	614,652	274,246	1,883,720	559,976
Interest Payable	137,388	56,841	50,984	245,213	200,167	-	-
Unamortized Bond Discount/Premium	-	3,733	4,119	7,852	3,999	-	-
Loan Payable	-	-	-	-	-	335	2,339
Due to Other Funds	415,773	19,271	567,010	1,002,054	576,238	878,603	116,358
Due to Other Governments	5,709	375	351,380	357,464	305,950	35,793	33,761
General Obligation Bonds Payable - Current	3,275,000	145,000	110,000	3,530,000	310,000	-	-
Vacation and Compensatory Time Payable	411,930	9,788	773,035	1,194,753	1,062,330	674,947	485,286
Payable from Restricted Assets:							
Customer Deposits Payable	-	-	-	-	-	1,000	1,000
<b>Total Current Liabilities</b>	<b>4,570,756</b>	<b>240,826</b>	<b>2,971,569</b>	<b>7,783,151</b>	<b>3,504,744</b>	<b>3,825,913</b>	<b>1,450,141</b>
Noncurrent Liabilities:							
Loan Payable	-	-	-	-	-	-	335
General Obligation Bonds Payable	2,935,000	2,765,000	2,140,000	7,840,000	9,120,000	-	-
Unamortized Bond Discount/Premium	246,673	-	74,482	321,155	246,673	-	-
Advance from Other Funds	378,206	3,695,181	50,000	4,123,387	1,375,606	-	-
Compensated Absences Payable	374,590	15,794	472,248	862,632	835,971	878,612	653,651
Net OPEB Liability	-	-	-	-	-	19,580,393	-
<b>Total Noncurrent Liabilities</b>	<b>3,934,469</b>	<b>6,475,975</b>	<b>2,736,730</b>	<b>13,147,174</b>	<b>11,578,250</b>	<b>20,459,005</b>	<b>653,986</b>
<b>Total Liabilities</b>	<b>8,505,225</b>	<b>6,716,801</b>	<b>5,708,299</b>	<b>20,930,325</b>	<b>15,082,994</b>	<b>24,284,918</b>	<b>2,104,127</b>
<b>NET ASSETS</b>							
Invested in Capital Assets, Net of Related Debt	636,292	193,201	2,550,304	3,379,797	3,520,751	2,725,648	3,100,627
Restricted for Capital Projects	-	-	-	-	50,657	-	-
Unrestricted	220,024	(1,322,795)	(280,242)	(1,383,013)	11,120	16,781,086	10,861,894
<b>Total Net Assets</b>	<b>\$ 856,316</b>	<b>\$ (1,129,594)</b>	<b>\$ 2,270,062</b>	<b>1,996,784</b>	<b>3,582,528</b>	<b>\$ 19,506,734</b>	<b>\$ 13,962,521</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(6,465)	(1,967)		
Net Assets of Business-Type Activities				<b>\$ 1,990,319</b>	<b>\$ 3,580,561</b>		

The notes to the financial statements are an integral part of this statement

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds		
	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	Total		2007	2006
				2007	2006		
<b>OPERATING REVENUES:</b>							
Charges for Services	\$ 7,777,490	\$ 417,636	\$ 17,244,769	\$ 25,439,895	\$ 24,742,238	\$ 34,370,926	\$ 18,712,266
Sales	-	-	797	797	763	769	5,136
Rental Income	-	59,768	-	59,768	53,668	-	-
Miscellaneous	-	4,072	32,930	37,002	35,478	91,983	168,319
Total Operating Revenues	<u>7,777,490</u>	<u>481,476</u>	<u>17,278,496</u>	<u>25,537,462</u>	<u>24,832,147</u>	<u>34,463,678</u>	<u>18,885,721</u>
<b>OPERATING EXPENSES:</b>							
Personal Services	7,124,272	270,464	14,392,951	21,787,687	20,040,227	10,635,489	7,615,033
Other Services and Charges	700,236	139,454	2,989,947	3,829,637	3,689,975	11,977,674	9,542,256
Supplies	364,382	37,425	1,026,496	1,428,303	1,396,300	459,614	397,385
OPEB Expense	-	-	-	-	-	29,213,298	-
Depreciation	180,707	110,083	396,226	687,016	707,039	899,957	888,776
Total Operating Expenses	<u>8,369,597</u>	<u>557,426</u>	<u>18,805,620</u>	<u>27,732,643</u>	<u>25,833,541</u>	<u>53,186,032</u>	<u>18,443,450</u>
Operating Income (Loss)	<u>(592,107)</u>	<u>(75,950)</u>	<u>(1,527,124)</u>	<u>(2,195,181)</u>	<u>(1,001,394)</u>	<u>(18,722,354)</u>	<u>442,271</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Intergovernmental Revenue	35,527	-	406,183	441,710	312,743	60,376	24,008
Amortization of Bond Issuance Costs	(610)	(536)	(481)	(1,627)	(1,146)	-	-
Amortization of (Discount) Premium on Bonds	-	-	3,776	3,776	-	-	-
Interest Expense	(330,818)	(136,827)	(50,984)	(518,629)	(528,595)	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	(388)	(388)	(23,188)	432	805
Gain (Loss) on Sale of Capital Assets	3,690	-	5,563	9,253	6,207	-	-
Investment Earnings	113,037	-	36,798	149,835	142,025	915,652	-
Miscellaneous Revenue	-	-	-	-	1,575	-	-
Total Nonoperating Revenues (Expenses)	<u>(179,174)</u>	<u>(137,363)</u>	<u>400,467</u>	<u>83,930</u>	<u>(90,379)</u>	<u>976,460</u>	<u>24,813</u>
Income before Contributions and Transfers	(771,281)	(213,313)	(1,126,657)	(2,111,251)	(1,091,773)	(17,745,894)	467,084
Capital Contributions	75,010	-	67,407	142,417	68,018	-	-
Transfers In	199,170	657	357,906	557,733	619,561	23,290,254	-
Transfers Out	(109,198)	(65,445)	-	(174,643)	-	(147)	(127)
Change in Net Assets	<u>(606,299)</u>	<u>(278,101)</u>	<u>(701,344)</u>	<u>(1,585,744)</u>	<u>(404,194)</u>	<u>5,544,213</u>	<u>466,957</u>
Total Net Assets - Beginning	1,462,615	(851,493)	2,971,406			13,962,521	13,495,564
Total Net Assets - Ending	<u>\$ 856,316</u>	<u>\$ (1,129,594)</u>	<u>\$ 2,270,062</u>			<u>\$ 19,506,734</u>	<u>\$ 13,962,521</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(4,498)	(3,881)		
Change in Net Assets of Business-type Activities (Exhibit 2)				<u>\$ (1,590,242)</u>	<u>\$ (408,075)</u>		

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

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds	
	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	Total		2007	2006
				2007	2006		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from Customers and Users	\$ 7,759,530	\$ 480,585	\$ 17,279,381	\$ 25,519,496	\$ 24,326,551	\$ 15,289,095	\$ 1,414,313
Receipts from Interfund Services Provided	-	-	-	-	-	16,535,971	17,360,839
Payments to Suppliers	(1,069,700)	(176,977)	(3,648,793)	(4,895,470)	(5,246,803)	(20,462,104)	(8,804,745)
Payments to Employees	(6,642,557)	(238,519)	(13,773,835)	(20,654,911)	(19,908,906)	(9,309,273)	(7,469,639)
Net Cash Provided (Used) for Operating Activities	<u>47,273</u>	<u>65,089</u>	<u>(143,247)</u>	<u>(30,885)</u>	<u>(829,158)</u>	<u>2,053,689</u>	<u>2,500,768</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Intergovernmental Revenue	35,527	-	406,183	441,710	312,743	60,376	24,008
Transfers In	199,170	-	357,906	557,076	557,076	23,290,254	-
Transfers Out	(109,198)	(65,445)	-	(174,643)	-	(147)	(127)
Interfund Loans	-	(506,169)	-	(506,169)	204,803	-	-
Private Donations	75,010	-	-	75,010	1,575	-	-
Net Cash Provided (Used) for Noncapital Financing Activities	<u>200,509</u>	<u>(571,614)</u>	<u>764,089</u>	<u>392,984</u>	<u>1,076,197</u>	<u>23,350,483</u>	<u>23,881</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Interfund Loans	-	2,747,781	-	2,747,781	278,513	-	-
Proceeds from the Sale of Capital Assets	3,690	-	33,250	36,940	25,530	615	805
Proceeds from Sale of Bonds	-	-	2,321,873	2,321,873	-	-	-
Purchases of Capital Assets	(95,333)	(5,966)	(854,413)	(955,712)	(380,346)	(525,162)	(554,089)
Principal Paid on Capital Debt	(170,000)	(140,000)	-	(310,000)	(303,513)	-	-
Interest Paid on Capital Debt	(334,714)	(138,212)	-	(472,926)	(332,059)	-	-
Repayment of Loan	-	-	-	-	-	(2,339)	(5,087)
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(596,357)</u>	<u>2,463,603</u>	<u>1,500,710</u>	<u>3,367,956</u>	<u>(711,875)</u>	<u>(526,886)</u>	<u>(558,371)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from Sale of Investments	-	-	2,175	2,175	32,521	-	-
Dividend Received	-	-	10,216	10,216	32,278	-	-
Interest Income	113,037	-	-	113,037	97,372	915,652	-
Net Cash Provided (Used) for Investing Activities	<u>113,037</u>	<u>-</u>	<u>12,391</u>	<u>125,428</u>	<u>162,171</u>	<u>915,652</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(235,538)	1,957,078	2,133,943	3,855,483	(302,665)	25,792,938	1,966,278
Cash and Cash Equivalents, January 1	4,909,160	506,069	1,018,254	6,433,483	6,736,148	11,705,661	11,343,313
Cash and Cash Equivalents, December 31	<u>\$ 4,673,622</u>	<u>\$ 2,463,147</u>	<u>\$ 3,152,197</u>	<u>\$ 10,288,966</u>	<u>\$ 6,433,483</u>	<u>\$ 37,498,599</u>	<u>\$ 13,309,591</u>

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

RAMSEY COUNTY, MINNESOTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds		
	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	Total		2007	2006
				2007	2006		
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>							
Operating Income (Loss)	\$ (592,107)	(75,950)	\$ (1,527,124)	\$ (2,195,181)	\$ (1,001,394)	\$ (18,722,354)	\$ 442,271
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:							
Depreciation Expense	180,707	110,083	396,226	687,016	707,039	899,957	888,776
Noncash Transfers	-	-	-	-	12,485	-	-
Provision for Uncollectible Accounts	-	-	16,950	16,950	30,000	-	-
Changes in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable	-	(893)	117,700	116,807	(126,860)	(346)	(8,506)
(Increase) Decrease in Cooperative Investment Receivable	-	-	17,244	17,244	-	-	-
(Increase) Decrease in Due from Other Funds	(17,960)	-	-	(17,960)	-	(2,541,984)	(83,447)
(Increase) Decrease in Due from Other Governments	-	-	(208,501)	(208,501)	(359,573)	(96,282)	(37,453)
(Increase) Decrease in Prepaid Items	-	-	-	-	42,225	(62,853)	37,395
(Increase) Decrease in Inventories	4,269	-	6,132	10,401	7,322	1,855	(1,451)
Increase (Decrease) in Salaries Payable	29,761	569	29,019	59,349	62,390	100,094	17,853
Increase (Decrease) in Accounts Payable	(617)	351	340,679	340,413	(43,357)	1,323,744	(454,634)
Increase (Decrease) in Due to Other Funds	406,428	13,310	512,246	931,984	(133,691)	762,245	(49,427)
Increase (Decrease) in Due to Other Governments	(4,323)	31	55,801	51,509	(94,945)	2,032	17,920
Increase (Decrease) in Vacation and Compensatory Time Payable	59,618	5,023	67,782	132,423	78,237	189,661	57,714
Increase (Decrease) in Compensated Absences Payable	(18,503)	12,565	32,599	26,661	(9,036)	224,962	69,827
Increase (Decrease) in Net OPEB Liability Payable	-	-	-	-	-	19,580,393	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 47,273</b>	<b>\$ 65,089</b>	<b>\$ (143,247)</b>	<b>\$ (30,885)</b>	<b>\$ (829,158)</b>	<b>\$ 1,661,124</b>	<b>\$ 896,838</b>

Noncash Capital and Related Financing Activity:

Contributions of Capital Assets in the Ramsey Nursing Home Fund amounted to \$67,407 and \$65,860 in 2007 and 2006 respectively.

The fair value of Ramsey Nursing Home Investment decreased by \$24,407 in 2007, and decreased by \$53,342 in 2006.

Disposal of Capital Assets had a Net Book Value of \$388 in 2007 and \$23,180 in 2006 for the Ramsey Nursing Home.

The Internal Service Funds disposed of capital assets with a net book value of zero.



## EXHIBIT 9

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

	Private Purpose Trust Funds		Agency Fund	
	2007	2006	2007	2006
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 2,234,063	\$ 2,545,416	\$ 26,259,734	\$ 33,140,053
Petty Cash and Change Funds	-	-	50	50
Receivables:				
Taxes	-	-	-	205
Accounts	-	773	21,048,875	18,911,342
Due from Other Governments	-	-	26,435	55,120
Advance to Other Governments	-	-	-	50,893
Total Assets	<u>2,234,063</u>	<u>2,546,189</u>	<u>47,335,094</u>	<u>52,157,663</u>
<b>LIABILITIES</b>				
Salaries Payable	-	-	11,376	6,426
Custodial Payable	4,898	15,852	37,778,087	36,354,192
Due to Other Governments	-	-	9,545,631	15,797,045
Total Liabilities	<u>4,898</u>	<u>15,852</u>	<u>47,335,094</u>	<u>52,157,663</u>
<b>NET ASSETS</b>				
Held in trust for private purposes	<u>\$ 2,229,165</u>	<u>\$ 2,530,337</u>		

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

**RAMSEY COUNTY, MINNESOTA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2006**

	<b>Private Purpose Trust Funds</b>	
	<b>2007</b>	<b>2006</b>
<b>ADDITIONS</b>		
Receipts from Clients	\$ 12,925,589	\$ 12,804,044
Investment Earnings	12,034	11,304
Total Additions	<u>12,937,623</u>	<u>12,815,348</u>
<b>DEDUCTIONS</b>		
Payments to Clients or on Behalf of Clients	<u>13,238,795</u>	<u>12,806,686</u>
Change in Net Assets	(301,172)	8,662
Net assets - Beginning	<u>2,530,337</u>	<u>2,521,675</u>
Net assets - Ending	<u>\$ 2,229,165</u>	<u>\$ 2,530,337</u>

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

Ramsey County, Minnesota  
Notes to the Basic Financial Statements  
December 31, 2007

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**RAMSEY COUNTY, MINNESOTA**  
**Notes to the Financial Statements**  
**December 31, 2007**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Ramsey County, Minnesota, was created by the Legislative Assembly of the Territory of Minnesota in 1849. The County operated under a County Board-Executive Director form of government until November 6, 1992. On November 6, 1992, Ramsey County became the first County in the State to be governed by a home-rule charter. The Charter defines the powers and structure of the County. The seven members of the Board of County Commissioners are elected by district for four years. The County Manager is appointed by the Board on an indefinite basis.

The accounting practices of Ramsey County, Minnesota, conform to generally accepted accounting principles applicable to governmental units. This financial report has been prepared in conformity with Governmental Accounting Standard Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as amended, Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, as amended, and Statement No. 38, *Certain Financial Statement Note Disclosures*. The following is a summary of significant accounting principles.

As required by generally accepted accounting principles, these financial statements present Ramsey County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operations or financial relationships with the County.

**Blended Component Units:**

The Ramsey County Regional Railroad Authority was created by the Ramsey County Board pursuant to State statute. The seven member Regional Railroad Authority Board is appointed by the Ramsey County Board of Commissioners. Currently, the Regional Railroad Authority consists of the seven Ramsey County Commissioners. The Authority has the power to levy taxes, issue bonds and enter into contracts and agreements. The Authority is solely liable for its obligations. Separate financial statements can be obtained from Ramsey County Budgeting & Accounting Office.

The Ramsey County Housing & Redevelopment Authority was created in 1993 by the Ramsey County Board pursuant to State Statute. The five member Housing & Redevelopment Authority is appointed by the Ramsey County Board of Commissioners. Currently, the Housing & Redevelopment Authority consists of five members from the Ramsey County Board. The Authority's financial activities are presented in the Housing & Redevelopment Authority Special Revenue Fund. Separate financial statements are not available.

**Joint Ventures:**

A joint powers agreement between Ramsey and Washington Counties created the Ramsey/Washington County Resource Recovery Project Board as a joint venture to administer the Resource Recovery Facility. The Project Board is composed of four representatives from Washington County appointed by the Washington County Board and five Ramsey County Commissioners appointed by the Ramsey County Board. All administrative decisions are made by the Project Board except for: budget approval, levying taxes or assessing service charges and establishing the tipping fee to be charged at the facility which require the approval of the County Boards. Details of Ramsey County's share of the joint venture can be found in Note V. Separate financial statements can be obtained from Ramsey County Budgeting & Accounting Office.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported

**RAMSEY COUNTY, MINNESOTA**  
**Notes to the Financial Statements**  
**December 31, 2007**

separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. **Shared revenues are generally recognized in the period the appropriation goes into effect.** Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Ramsey County considers all revenues to be *available* if they are collected within 60 days after the end of the current period. Property and other taxes, **shared revenues**, licenses, and interest are all considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure (other than those financed by proprietary funds).

The County reports the following major proprietary funds:

**RAMSEY COUNTY, MINNESOTA**  
**Notes to the Financial Statements**  
**December 31, 2007**

The *Lake Owasso Residence fund* provides residential treatment services to 64 people who are developmentally delayed or have related conditions ages 16 through adult.

*Ponds at Battle Creek* is a golf course on 80 acres of land owned by Ramsey County Community Corrections Department. The course will not only expand golf services to County residents, but also provide transferable work opportunities for workhouse inmates under the Productive Day Program.

Additionally, the government reports the following fund types:

*Internal service funds* are used to account for goods or services provided by one department or agency to other departments or agencies of the County, or other governments, on a cost-reimbursement basis.

- Data Processing – to provide electronic data processing services to County departments and other governmental units.
- General County Buildings – to account for rents received from occupants of several County Buildings and to pay all expenses incurred in operating and maintaining the building.
- Telecommunications – to account for all expenses incurred in operating the telephone system in the Ramsey County Buildings.
- Firearms Range – to provide a Firearms Range to law enforcement personnel of the County and other local governments.
- Retiree Insurance – to provide resources for the Other Post-Employment Benefit Liability.

The *private-purpose trust funds* are used to account for client resources held in trust to pay expenses on their behalf and missing heir funds until they are located.

The County has an *agency fund*, which is custodial in nature and does not present results of operations or have a measurement focus. The agency fund is accounted for using the accrual basis of accounting. This fund is used to account for assets that the County holds for others in an agency capacity, including pass-through funds that are equivalent to pure cash conduits; inmate and other governmental agency funds held in the custody of the County; and revenues collected on behalf of other governmental units related to property taxes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions, as well as any related interest earnings; and (3) capital grants and contributions, as well as any related interest earnings. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 the Lake Owasso Residence, Ponds at Battle Creek, Ramsey Nursing Home, and Law Enforcement Services enterprise funds, and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of 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.

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

**D. Assets, Liabilities, and Net Assets or Equity**

**1. Cash and Cash Equivalents**

Ramsey County has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Additionally, each fund's equity in the County's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

**2. Deposits and Investments**

The cash balances of substantially all funds are pooled and invested for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value at December 31, 2007, based on market prices. Pursuant to Minn. Stat. § 385.07, investment earnings on cash and pooled investments of governmental and fiduciary funds are credited to the General Fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants. Pooled investment earnings for 2007 were \$17,229,537.

**3. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 1% of the current year's property tax levy.

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is divided into two billings: the first billing (due from property owners on May 15<sup>th</sup>) and the second billing (due on October 15<sup>th</sup> or November 15<sup>th</sup>). Taxes, which remain unpaid by property owners at December 31, are considered delinquent.

**4. Inventories and Prepaid Items**

Inventory is valued at cost using the first-in/first-out (FIFO) method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time of purchase on the fund financial statements and converted to the consumption method for the government-wide statements.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in

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excess of two years, as well as certain exceptions that are considered to be high risk to theft. Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

General infrastructure assets acquired prior to January 1, 2002 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1980 and are reported at actual historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset 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 is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	10-50
Building Improvements	5-20
Infrastructure	20-75
Improvements Other Than Buildings	10-20
Machinery and Equipment	2-20

**6. Compensated Absences**

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Under the County's personnel policies and union contracts, County employees are granted vacation and sick leave in varying amounts based on length of services. Certain County employees are also granted compensatory time. Unused accumulated vacation leave, compensatory time, and vested sick leave are paid to employees upon termination. Unvested sick leave is available to employees in the event of illness-related absences and is not paid to employees upon termination. Each permanent employee earns up to 25 days vacation leave and 15 days of sick leave per year.

**7. 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, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

**8. Restricted Assets/Fund Equity**

Certain funds of the County are classified as restricted assets on the statement of net assets because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. Therefore, their use is limited by applicable laws and regulations. These legal restrictions include:



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Debt Service	\$45,721,696
Capital Projects	3,466,240
Solid Waste	20,354,267
Aggregate Material	126,483
Criminal Forfeiture	449,460
Underground Storage Tanks	100,000
County Recorder's Equipment	762,712
Election Equipment	<u>177,137</u>
	<u>\$71,157,995</u>

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**9. Estimates in Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**E. Prior Year Comparative Data**

The basic financial statements include partial prior year comparative information. Such information does not include all of the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the County's financial statements for the year ended December 31, 2006, from which such partial information was derived.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$247,755,391 difference are as follows:

Bonds and Notes Payable	\$201,727,000
Loans Payable	52,086
Capital Lease	55,552
Less: Deferred Charge for Issuance Costs (Amortized Over the Life of the Debt)	(1,177,738)
Accrued Interest Payable	3,978,415
Unamortized Premium on Bonds	4,695,374
Estimated Payable for Outstanding Claims	6,237,331
Compensated Absences Payable, Vacation, & Comp Time Payable	32,116,604
Due to Other Governments	<u>70,767</u>
Net Adjustment to Reduce Fund Balance – Total Governmental Activities to Arrive at Net Assets – Governmental Activities	<u>\$247,755,391</u>

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**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$35,027,613 difference are as follows:

Capital Outlay	\$55,570,598
Depreciation Expense	<u>(20,542,985)</u>
Net Adjustment to Increase Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$35,027,613</u>

The second element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets.”

In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold. The details of this \$728,663 difference is as follows:

Loss on Disposal/Sale of Capital Assets	<u>\$(728,663)</u>
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Another element of that reconciliation states that “the issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,507,443 difference are as follows:

Debt issued or Incurred:	
Issuance of General Obligation Bonds	\$(18,610,000)
Unamortized Premium on Sale of Bonds	(690,659)
Principal Repayments:	
General Obligation Debt	12,060,000
Redemption of Refunded Bond Issuances	8,510,000
Capital Loan from State of Minnesota for Pedestrian Tunnel	170,000
Payments on Capital Lease Obligation for Food Service Equipment – LEC	51,961
Payments on Xcel Energy Loans	<u>16,141</u>
Net adjustment to Increase Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ 1,507,443</u>

Finally, the reconciliation states, “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.” The details of this \$21,544,745 difference are as follows:

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Compensated Absences	\$(1,269,955)
Claims and Judgments	(522,831)
Accrued Interest	17,710
Arbitrage Expense	42,503
Bond Issuance Costs	86,872
Amortization of Bond Issuance Costs	(182,129)
Amortization of Bond Premium	298,973
Offset Operating Transfers from Internal Service Funds	23,290,107
Inventory (Change From Consumption to Purchase Method)	<u>(216,505)</u>
Net Adjustment to Decrease Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$21,544,745</u>

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Deficit Fund Equity**

The Ponds at Battle Creek Enterprise Fund showed a net loss of \$278,101 for the year, resulting in a deficit of net assets of \$1,129,594.

The Workforce Solutions Special Revenue Fund reported a net change in Fund Balance of \$159 for 2007, decreasing the negative Fund Balance to \$4,301. It is expected future revenues will eliminate the negative Fund Balance.

**B. Budgetary Information**

The County Board adopts an annual budget for certain Special Revenue Funds (County Library, Solid Waste/Recycling Service Fee, Saint Paul Public Health JPA, Regional Railroad Authority, and Forfeited Tax Sale), the County Debt Service Fund, and Regional Railroad Authority Debt Service Fund. These budgets are prepared on the modified accrual basis of accounting. Annual budgets are not adopted for the Capital Project Fund, Regional Railroad Authority Capital Project Fund, and certain Special Revenue Funds. Some of these funds have budgets, which are approved at the time the project or budget is initially authorized and overlap fiscal years. Other Special Revenue Funds are not budgeted. The following Special Revenue Funds either have budgets that overlap the County's fiscal year or are not budgeted: Housing & Redevelopment Authority, Workforce Solutions, State Funding for Courts, State Public Defender, Gifts and Donations, Sheriff, Corrections, Property Records, County Attorney, Health Promotion/Health Improvement, Parks & Recreation, Nursing Home Patients Activity, and Law Library. The Capital Projects Fund, Regional Railroad Authority Capital Projects Fund, and those Special Revenue Funds, whose budgets overlap fiscal years, are not consistent with the County's method of financial reporting; therefore, comparisons between the results of operations and budgets in these funds are not relevant and are not presented.

Based on a process established by the County Manager and staff, all departments of the government submit requests for appropriations to the County Manager every two years. After review, analysis and discussions with the departments, the County Manager's proposed budget is presented to the County Board for review. The Board holds public hearings and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function, and department. Budgets may be amended during the year with the approval of the County Manager or County Board as required by the County's Administrative Code. The County Manager is authorized to transfer budgeted amounts within departments or appropriate certain revenues received in excess of the original budget estimate. Transfers of appropriations between departments and other transfers of appropriations require County Board approval. Supplemental appropriations are reviewed by the County Manager's office and

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submitted to the County Board for their approval. If approved, the adjustments are implemented by the Budgeting and Accounting Office by budget revision. Supplemental appropriations required during the year were immaterial. Expenditures may not legally exceed budgeted appropriations at the department level. All appropriations, except Capital Project Fund and Regional Railroad Authority Capital Project Fund, which are not expended, encumbered, or reserved, as described above, lapse at year end.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts, capital reserves, and other commitments for the expenditure of monies) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Reconciliation of County's total cash and investments to the basic financial statements follows:

Government-wide	
Governmental Activities	
Cash and Cash equivalents	\$337,312,172
Cash with trustee	9,302,195
Restricted cash	3,000
Petty cash	26,540
Imprest cash	60,000
Business-type activities	
Cash and Cash equivalents	7,159,160
Cash with trustee	3,108,856
Petty cash	20,500
Cooperative investment	55,320
Fiduciary funds	
Cash and Cash equivalents	26,259,734
Petty cash	50
Private Purpose Trust funds	
Cash and Cash equivalents	<u>2,234,063</u>
Cash and Investments	<u>\$385,541,590</u>
Deposits	\$ 66,696,563
Investments	306,271,566
Investments with trustee	12,411,051
Cooperative investment	55,320
Petty Cash	47,090
Imprest Cash	<u>60,000</u>
Total Cash and Investments	<u>\$385,541,590</u>

**1. Deposits**

Minn. Stat. §§ 118A.02 and 118A.04 authorize the County to designate a depository for public funds and to invest in certificates of deposit. Minn. Stat. § 118A.03 requires that all county deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at

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least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

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. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the 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.

*Custodial Credit Risk-Deposits.* Custodial credit risk is the risk that, in the event of a financial institution failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2007, the County's deposits were not exposed to custodial credit risk.

## **2. Investments**

Minn. Stat. §§ 118A.04 and 118A.05 generally authorize the following types of investments as available to the County:

- (a) securities which are direct obligations or are guaranteed or insured issued of the United States, its agencies, or instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. § 118A.04, subd. 6;
- (b) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (c) 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;
- (d) bankers' acceptances of United States banks;
- (e) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- (f) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

*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. The County minimizes its exposure to interest rate risk by investing in both shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Ramsey County has adopted a simulation model of reporting of its investments and their sensitivity to fluctuation in interest rates to comply with Government Accounting Standards Board Statement No. 40, "Deposit and Investment Risk Disclosures". As presented, assumptions are made of interest rate changes of 50, 100, 150, and 200 basis points; it also assumes that interest rate changes occurred on December 31, 2007. The investment portfolio has an average book yield of 4.92%, modified duration of 3.21 years and an effective duration of 1.60 years.

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<b><u>Ramsey County:</u></b>	<b><u>+50 Basis Pts</u></b>	<b><u>+100 Basis Pts</u></b>	<b><u>+150 Basis Pts</u></b>	<b><u>+200 Basis Pts</u></b>
U.S. Agency Securities:				
Federal Home Loan	122,660,000	121,700,000	120,503,000	119,122,000
Federal Home Loan Mtg. Corp.	18,231,000	18,117,000	17,969,000	17,788,000
Federal National Mtg. Assn.	26,332,000	26,162,000	25,972,000	25,748,000
Federal Farm Credit	17,213,000	16,982,000	16,732,000	16,475,000
Overseas Private Investment Corp	172,000	171,000	169,000	168,000
Federal Discount Notes	122,627,629	122,627,629	122,627,629	122,627,629
Griffin Bldg Revenue Bonds: Debt Sv				
Money Market Savings Acct	800,804	800,804	800,804	800,804
Griffin Bldg Revenue Bonds: RF				
Money Market Savings Acct	162	162	162	162
Federal Home Loan	1,115,845	1,115,845	1,115,845	1,115,845
US Treasury SLUG's	<u>10,494,237</u>	<u>10,494,237</u>	<u>10,494,237</u>	<u>10,494,237</u>
Total Investments	<u>\$319,646,677</u>	<u>\$318,170,677</u>	<u>\$316,383,677</u>	<u>\$314,339,707</u>

The Ramsey County Board of Commissioners officially approved Ramsey County's investment policy in September of 1998. In November of 1999, a few changes were made to the policy, which were also approved by the Ramsey County Board. The policy is a bit more restricted than what is prescribed in Chapter 118A of Minnesota Statutes governing the investment of public funds. Ramsey County's policy restricts Agency Debentures to be up to 60% of the portfolio, Structured Agency Notes up to 30% with no inverses, Agency Mortgage Pass-Thru's up to 30%, Agency CMO's up to 30%, Municipal Bonds up to 30%, and Bankers Acceptances up to 50%. Commercial Paper, Certificates of Deposits, Repurchase Agreements, and GIC's are consistent with language of Chapter 118A.

Chapter 118A of the Minnesota Statutes allows Reverse Repurchase agreements as an investment to create leverage. The Ramsey County policy currently does not allow the use of Reverse Repurchase Agreements, Options, or Future Contracts.

*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.

The County's exposure to credit risk as of December 31, 2007, is as follows:

<b><u>Ramsey County:</u></b>	<b><u>Credit Risk</u></b>	<b><u>Custody Credit Risk</u></b>	<b><u>Par</u></b>	<b><u>Fair Value</u></b>	<b><u>% of Total Portfolio</u></b>
U.S. Agency Securities:					
Federal Home Loan	AAA / Aaa	Custody (a)	120,635,000	122,045,155	37.95%
Federal Home Loan Mtg. Corp.	AAA / Aaa	Custody (a)	18,000,000	18,079,880	5.66%
Federal National Mtg. Assn.	AAA / Aaa	Custody (a)	26,000,000	26,133,110	8.18%
Federal Farm Credit	AAA / Aaa	Custody (a)	17,035,000	17,265,757	5.36%
Overseas Private Investment Corp	n.a.	Custody (a)	165,570	120,035	0.05%
Federal Discount Notes	AAA / Aaa	Custody (a)	<u>123,700,000</u>	<u>122,627,629</u>	38.91%
Ramsey County's Portfolio			<u>305,535,570</u>	<u>306,271,566</u>	
<b><u>Escrow Accounts:</u></b>					
Griffin Bldg Revenue Bonds: DS. Fund					
Money Market Savings Account	n.a.	Escrow (b)	800,804	800,804	0.25%
Griffin Building Revenue Bonds:					
Money Market Savings Account	n.a.	Escrow (b)	162	162	0.00%
Federal Home Loan	AAA / Aaa	Escrow (b)	1,082,000	1,115,846	0.34%
US Treasury SLUG's	n.a.	Escrow (b)	<u>10,494,239</u>	<u>10,494,239</u>	3.30%
Escrow Account Totals			<u>12,377,205</u>	<u>12,411,051</u>	
Total Investments			<u>317,912,775</u>	<u>318,682,617</u>	<u>100.00%</u>

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- (a) Securities held in custody are in Ramsey County's name.
- (b) Securities held by the escrow agent.

*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. It is the County's policy that U.S. Treasury Securities, U.S. Agency Securities, and obligations backed by U.S. Treasury and/or U.S. Agency Securities, may be held without limit.

*Custodial Credit Risk.* The custodial credit risk for investments is 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 are in the possession of an outside party. Ramsey County's policy states all securities purchased by the County will be held by a third party safekeeping agency appointed as custodian by the County, consistent with Section 118A.06 of the Minnesota Statutes. The custodian shall issue a safekeeping receipt to the County for each transaction detailing all pertinent aspects of the specific security and the name and account which the security is held. All security transactions entered into by the County, with the exception of money market mutual funds, fixed income mutual fund, and repurchase agreements, shall be conducted on a delivery versus payment basis. At December 31, 2007, all of the investments held in escrow accounts listed above totaled \$12,411,048 and were subject to custodial credit risk.

**B. Receivables**

Governmental funds report *deferred 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 *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent Property Taxes Receivable	\$ 5,901,758	\$ -
Receivables that do not provide Current Financial Resources	13,014,939	-
Loans Receivable	12,953,357	-
Forfeited Tax Sale Contracts Receivable	308,113	-
Grant Drawdowns Prior to Meeting Eligibility Requirements	-	4,999,045
Earnest Money	-	1,500,000
	<u>\$32,178,167</u>	<u>\$6,499,045</u>

**Direct financing leases:**

**PEDESTRIAN CONNECTION**

Using loan funds obtained through an agreement with the Minnesota Public Facilities Authority, the County built a pedestrian connection from the RiverCentre complex to the core downtown St. Paul area. Under an agreement with the City of St. Paul, the City is required to make lease payments to the County in an amount equal to 105% of the loan payments due from the County to the Minnesota Public Facilities Authority.

The City is responsible for the operation and maintenance of the pedestrian connection. At the expiration of the term of the lease in the year 2030, the connection will become the sole property of the City. As a result, the pedestrian connection is not included in the County's capital assets.

Terms of the lease are as follows:

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<u>Years Ended December 31</u>	<u>Lease Receivable</u>
2008	\$ 392,985
2009	396,702
2010	395,060
2011	393,240
2012	396,239
2013-2017	1,961,675
2018-2022	1,960,557
2023-2027	1,949,231
2028-2030	<u>1,165,836</u>
	9,011,525
Less Interest	<u>(2,939,525)</u>
Present Value of Lease Receivable	<u>\$6,072,000</u>

**BENZ BUILDING**

Issuing \$13,845,000 of lease revenue bonds in 2003, the County renovated and remodeled the Benz Building to be used for the Saint Paul Police Headquarters Facility and leased by the City of Saint Paul. The term of the lease is for 20 years beginning January 1, 2004 to December 31, 2023. The City of Saint Paul will pay base rent on a semi-annual basis equal to the debt service payment including principal and interest.

The City may buy out the lease and exercise a purchase option at any time during the lease as well as purchase the property for \$1,500,000 at the end of the lease term. As a result, the building is not included in the County's capital assets.

Terms of the lease are as follows:

<u>Years Ended December 31</u>	<u>Lease Receivable</u>
2008	\$ 1,048,368
2009	1,049,818
2010	1,055,568
2011	1,032,568
2012	1,054,567
2013-2017	5,303,122
2018-2022	5,374,525
2023	<u>1,073,687</u>
	16,993,223
Less Interest	<u>(5,102,223)</u>
Present Value of Lease Receivable	<u>\$11,890,000</u>

**REGIONS HOSPITAL**

The lease agreement granted Regions Hospital use of the property through December 2046 under the condition that it (i) provide care to the indigent of Ramsey County throughout the lease term; (ii) pay all taxes, utilities, maintenance, and insurance costs with respect to the property; (iii) use its best efforts to continue providing, and consult with the Ramsey County Board of Commissioners before discontinuing, its major or unique services, including but not limited to the trauma center, burn unit, graduate medical education, and research services; and (iv) not assign the lease to a for-profit corporation.

The property leased is classified as a capital lease and is not included in the County's capital assets. The lease requires that a minimum dollar amount of indigent care be provided to Ramsey County residents. In the event the value of charity care does not meet the lease requirement, the Hospital can fulfill the obligation by making capital improvements to the hospital property. The value of charity care is reduced by Ramsey County's direct cash support, if any.



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**C. Capital Assets**

Capital asset activity for the year ended December 31, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 80,240,213	\$ 5,113,379	\$ (196,900)	\$ 85,156,692
Construction in progress	<u>93,938,733</u>	<u>18,555,017</u>	<u>(21,296,584)</u>	<u>91,197,166</u>
Total capital assets, not being depreciated	<u>174,178,946</u>	<u>23,668,396</u>	<u>(21,493,484)</u>	<u>176,353,858</u>
Capital assets, being depreciated:				
Buildings	252,789,338	18,907,802	(2,745,761)	268,951,379
Building Improvements	10,987,707	4,115,125	-	15,102,832
Improvements other than buildings	34,722,646	1,011,072	(207,048)	35,526,670
Equipment	62,711,899	21,202,686	(3,310,382)	80,604,203
Infrastructure	<u>357,587,007</u>	<u>14,425,149</u>	<u>(6,025,883)</u>	<u>365,986,273</u>
Total capital assets being depreciated	<u>718,798,597</u>	<u>59,661,834</u>	<u>(12,289,074)</u>	<u>766,171,357</u>
Less accumulated depreciation for:				
Buildings	(54,822,015)	(5,207,741)	658,983	(59,370,773)
Building Improvements	(6,264,728)	(1,031,005)	(9,092)	(7,304,825)
Improvements other than buildings	(19,231,615)	(1,600,543)	4,314	(20,827,844)
Equipment	(49,489,778)	(5,255,598)	3,244,243	(51,501,133)
Infrastructure	<u>(172,648,011)</u>	<u>(8,348,055)</u>	<u>1,920,793</u>	<u>(179,075,273)</u>
Total accumulated depreciation	<u>(302,456,147)</u>	<u>(21,442,942)</u>	<u>5,819,241</u>	<u>(318,079,848)</u>
Total capital assets being depreciated, net	<u>416,342,450</u>	<u>38,218,892</u>	<u>(6,469,833)</u>	<u>448,091,509</u>
Governmental activities capital assets, net	<u>\$590,521,396</u>	<u>\$61,887,288</u>	<u>\$(27,963,317)</u>	<u>\$624,445,367</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 107,073	\$ -	\$ -	\$ 107,073
Construction in progress	<u>26,000</u>	<u>670,212</u>	<u>(26,000)</u>	<u>670,012</u>
Total capital assets, not being Depreciated	<u>133,073</u>	<u>670,212</u>	<u>(26,000)</u>	<u>777,085</u>
Capital assets, being depreciated:				
Buildings	9,491,866	31,424	-	9,523,290
Building improvements	1,567,077	60,768	-	1,627,845
Improvements other than buildings	3,654,711	-	-	3,654,711
Equipment	<u>2,471,136</u>	<u>286,917</u>	<u>(235,987)</u>	<u>2,522,066</u>
Total capital assets being depreciated	<u>17,184,790</u>	<u>379,109</u>	<u>(235,987)</u>	<u>17,327,912</u>
Less accumulated depreciation for:				
Buildings	(3,842,933)	(244,394)	-	(4,087,327)
Building improvements	(769,453)	(151,592)	69,049	(851,996)
Improvements other than buildings	(799,810)	(125,385)	-	(925,195)
Equipment	<u>(1,928,440)</u>	<u>(165,645)</u>	<u>138,862</u>	<u>(1,955,223)</u>
Total accumulated depreciation	<u>(7,340,636)</u>	<u>(687,016)</u>	<u>207,911</u>	<u>(7,819,741)</u>
Total capital assets being depreciated, net	<u>9,844,154</u>	<u>(307,907)</u>	<u>(28,076)</u>	<u>9,508,171</u>
Business-type activities capital assets, net	<u>\$ 9,977,227</u>	<u>\$ 362,105</u>	<u>\$(54,076)</u>	<u>\$ 10,285,256</u>

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Depreciation expense was charged to functions / programs as follows:

Governmental activities:	
General government	\$ 4,272,663
Public safety	3,447,600
Highways and streets, including depreciation of infrastructure assets	9,680,851
Health	185,549
Sanitation	88,668
Human Services	482,148
Culture and recreation	2,292,520
Conservation of natural resources	20,303
Economic development and assistance	72,683
Capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>899,957</u>
Total depreciation expense – governmental activities	<u>\$21,442,942</u>
Business-type activities:	
Lake Owasso Residence	\$ 180,707
Ramsey Nursing Home	234,135
Ponds at Battle Creek	110,083
Law Enforcement Services	<u>162,091</u>
Total depreciation expense – business-type activities	<u>\$ 687,016</u>

**Construction Commitments**

The government has active construction projects as of December 31, 2007. The projects include widening and construction of existing streets and bridges, and the construction of new county building facilities. At year-end the government's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Road and bridge construction	\$58,998,539	\$ 9,147,262
County building facilities	<u>6,687,356</u>	<u>11,302,876</u>
	<u>\$65,685,895</u>	<u>\$20,450,138</u>

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of December 31, 2007, is as follows:

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*Due to/from other funds:*

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental Funds	\$ 333,311
	Lake Owasso Residence	1,171
	Ponds at Battle Creek	912
	Capital Projects Fund	16,894
	Nonmajor Enterprise Funds	46,229
	Internal Service Funds	12,560
Nonmajor Governmental Funds	General	221,991
Capital Projects Fund	Nonmajor Governmental Funds	85,411
Internal Service Funds	General	1,482,705
	Nonmajor Governmental Funds	265,507
	Capital Projects Funds	4,180
	Lake Owasso Residence	414,602
	Ponds at Battle Creek	18,359
	Nonmajor Enterprise Funds	520,781
	Internal Service Funds	<u>866,043</u>
Total		<u>\$4,290,656</u>

These balances reflect the interfund goods and services provided and not paid at year-end but expected to be paid in the subsequent year.

Advances are usually loans that are outstanding more than one year.

*Advances to / from other funds:*

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Capital Projects Fund	\$ 4,932,400
	Nonmajor Governmental Funds	4,780,000
	Lake Owasso Residence	378,206
	Nonmajor Enterprise Funds	50,000
	Ponds at Battle Creek	3,520,181
Capital Projects	Ponds at Battle Creek	<u>175,000</u>
Total		<u>\$13,835,787</u>

These balances are primarily working capital loans made to other funds and not scheduled to be paid back in the subsequent year.

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*Interfund transfers:*

	Transfer In							Total
	General	Debt Service	Capital Projects	Nonmajor Governmental	Internal Service Funds	Lake Owasso Residence	Ponds at Battle Creek	
Transfer out:								
General	\$ -	\$ -	\$1,500,000	\$24,981	\$147	\$ -	\$ -	\$ 1,525,128
Debt Service	-	-	1,400,000	-	-	-	-	1,400,000
Capital Projects Fund	2,684,130	100,250	-	-	-	109,198	65,445	2,959,023
Nonmajor								
Governmental	10,000	-	-	-	-	-	-	10,000
Lake Owasso Residence	199,170	-	-	-	-	-	-	199,170
Ponds at Battle Creek	-	-	657	-	-	-	-	657
Nonmajor Enterprise	357,906	-	-	-	-	-	-	357,906
Internal Service Funds	<u>23,290,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,290,254</u>
Total transfers out	<u>\$26,541,460</u>	<u>\$100,250</u>	<u>\$2,900,657</u>	<u>\$24,981</u>	<u>\$147</u>	<u>\$109,198</u>	<u>\$65,445</u>	<u>\$29,742,138</u>

Transfers are used to move revenues from the General Fund to finance various programs accounted for in other funds and move restricted funds to the Debt Service Fund. Also move revenues from Refunded Bonds from Debt Service Fund to the Agency Fund and move revenues from the General Fund to the Retiree Insurance to partially finance the OPEB liability.

**E. HRA Conduit Debt Obligations**

The HRA has issued Rental Housing Revenue Bonds to facilitate the development of housing facilities designed for occupancy by persons of low or moderate income which improves the economic and housing conditions of the County. The bonds are secured by the financed property and are payable solely from the revenues of the housing projects. The HRA has issued Revenue Bonds to facilitate the development of enterprises engaged in providing health care services to residents of Ramsey County. The bonds are secured by the financial property and are payable solely from the revenues of the health care operation.

The bonds do not constitute a charge, lien, or encumbrance, legal or equitable, upon any property or funds of the HRA, nor is the HRA subject to any liability thereon. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Conduit bonds have an outstanding principal balance of \$105.2 million at December 31, 2007. There were seven conduit bond issuances at December 31, 2007.

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**F. Leases payable**

Operating Leases

The county leases real estate and equipment under leases expiring at various dates through 2015. Total costs for such leases were \$1,850,621 for year ended December 31, 2007. The future minimum lease payments for these leases are as follows:

<u>Year Ending Dec. 31</u>	<u>General Fund</u>
2008	\$2,096,359
2009	1,861,944
2010	1,437,221
2011	1,024,623
2012	704,593
2013-2015	<u>320,821</u>
Total	<u>\$7,445,561</u>

Capital Leases

Ramsey County has entered into a lease agreement as lessee for financing the acquisition of food service equipment at the new Adult Detention Center. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Equipment	\$296,955

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2007 were as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2008	\$59,391
Less: amount representing interest	<u>(3,840)</u>
Present value of minimum lease payments	<u>\$55,551</u>

**G. Loans payable**

The County has taken advantage of the Xcel Energy Local Government Energy Conservation Program to complete energy retrofits of various County buildings. Xcel's program provides low interest and no interest loans for building energy retrofits, based on energy savings generated; a one-time bounty for reduced kilowatt consumption and partial funding for engineering audits and design services.

Based on Xcel's program guidelines, after an assessment of needs has been made of energy conservation measures, a loan application, limited to two times the annual energy consumption, is submitted to Xcel for all construction and equipment costs. After the application has been approved by Xcel, the energy conservation project is competitively bid, and construction/installation completed. Upon completion of the project, a loan agreement is submitted to Xcel, and Xcel then issues the loan proceeds and sets up a repayment schedule through the monthly electric/gas bills. At that time, Xcel also pays the actual engineering costs up to 15% of the loan amount.

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Since Xcel loan proceeds are not received until project completion, the County must provide upfront funding for projects, which have received application approval from Xcel. All outstanding applications have been approved as of December 31, 2007. The future minimum loan payments are:

<u>Year Ending Dec. 31</u>	<u>Government Activities</u>
2008	\$17,349
2009	16,190
2010	14,555
2011	<u>6,008</u>
Total minus Loan payments	54,102
Less: Interest	<u>(1,682)</u>
Present Value of Minimum Loan Payments	<u>\$52,420</u>

**H. Sick Leave, Vacation, and Compensatory Time**

Under the County's personnel policies and union contracts, county employees are granted vacation and sick leave in varying amounts based on length of service. Certain employees are also granted compensatory time. Unused accumulated vacation, vested sick leave, and compensatory time are paid to employees upon termination. Each permanent employee earns up to 25 days vacation leave and 15 days of sick leave per year.

**I. Long Term Obligations**

General Obligation Bonds and Notes

The county issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and notes have been issued for both governmental and business-type activities. The outstanding amount of general obligation bonds and notes issued in prior years was \$200,392,000. During the year, general obligation bonds totaling \$20,860,000 were issued to provide funding for various capital projects and to refinance certain general obligation bonds.

**RAMSEY COUNTY, MINNESOTA**  
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The following is a list of the long-term debt transactions of the County for the year ended December 31, 2007:

	Payable <u>January 1</u>	Additions	Deductions	Payable <u>December 31</u>	Due Within <u>One Year</u>
<b>GOVERNMENTAL ACTIVITIES:</b>					
General Obligation Bonds	\$184,720,000	\$18,610,000	\$20,075,000	\$183,255,000	\$19,065,000
Note Payable	6,242,000	-	170,000	6,072,000	175,000
Lease Revenue Bonds	<u>12,895,000</u>	<u>-</u>	<u>495,000</u>	<u>12,400,000</u>	<u>510,000</u>
Total General Obligation Bonds, Notes Payable, and Lease Revenue Bonds	<u>203,857,000</u>	<u>18,610,000</u>	<u>20,740,000</u>	<u>201,727,000</u>	<u>19,750,000</u>
<b>Loans Payable:</b>					
Governmental Funds	68,221	-	16,136	52,085	16,165
Internal Service Funds:					
General County Buildings	<u>2,674</u>	<u>-</u>	<u>2,339</u>	<u>335</u>	<u>335</u>
Total Loans Payable	<u>70,895</u>	<u>-</u>	<u>18,475</u>	<u>52,420</u>	<u>16,500</u>
Capital Lease	<u>107,512</u>	<u>-</u>	<u>51,961</u>	<u>55,551</u>	<u>55,551</u>
Claims and Judgments Payable					
Governmental Funds	<u>5,802,712</u>	<u>3,592,207</u>	<u>2,977,596</u>	<u>6,417,323</u>	<u>2,881,287</u>
<b>Compensated Absences:</b>					
Governmental Funds	30,846,651	18,251,631	16,981,678	32,116,604	14,940,540
Internal Service Funds:					
Data Processing	747,478	421,390	344,816	824,052	384,214
General County Buildings	343,150	578,599	249,652	672,097	263,342
Telecommunication	<u>48,308</u>	<u>37,749</u>	<u>28,649</u>	<u>57,408</u>	<u>27,390</u>
Total Compensated Absences	<u>31,985,587</u>	<u>19,289,369</u>	<u>17,604,795</u>	<u>33,670,161</u>	<u>15,615,486</u>
<b>Governmental Activities</b>					
Long-term Liabilities	<u>241,823,706</u>	<u>41,491,576</u>	<u>41,392,827</u>	<u>241,922,455</u>	<u>38,318,824</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>					
<b>General Obligation Bonds:</b>					
<b>Enterprise Funds:</b>					
Lake Owasso Residence	6,380,000	-	170,000	6,210,000	3,275,000
Ponds at Battle Creek	3,050,000	-	140,000	2,910,000	145,000
Ramsey County Nursing Home	<u>-</u>	<u>2,250,000</u>	<u>-</u>	<u>2,250,000</u>	<u>110,000</u>
Total General Obligation Bonds	<u>9,430,000</u>	<u>2,250,000</u>	<u>310,000</u>	<u>11,370,000</u>	<u>3,530,000</u>
<b>Compensated Absences:</b>					
<b>Enterprise Funds:</b>					
Lake Owasso Residence	745,404	503,921	462,805	786,520	411,930
Ponds at Battle Creek	7,994	21,141	3,553	25,582	9,788
Ramsey County Care Center	840,121	611,228	513,828	937,521	465,273
Law Enforcement Services	<u>304,781</u>	<u>268,038</u>	<u>265,057</u>	<u>307,762</u>	<u>307,762</u>
Total Compensated Absences	<u>1,898,300</u>	<u>1,404,328</u>	<u>1,245,243</u>	<u>2,057,385</u>	<u>1,194,753</u>
Business-Type Activities Long- Term Liabilities	<u>\$ 11,328,300</u>	<u>\$ 3,654,328</u>	<u>\$ 1,555,243</u>	<u>\$ 13,427,385</u>	<u>\$ 4,724,753</u>

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Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund.

Long-term debt payable at December 31, 2007 comprises the following individual issues:

COUNTY GENERAL OBLIGATION DEBT:

County-wide General Obligation Bonds:

\$2,485,000 1998 Capital Improvement Plan Series A Bonds, due in annual installments of \$240,000 to \$295,000 through February 1, 2008 - interest at 4.3992%	295,000
\$5,485,000 1999 Capital Improvement Plan Series A Bonds, due in annual installments of \$145,000 to \$440,000 through February 1, 2019 - interest at 4.5494%	2,660,000
\$12,335,000 2000 Capital Improvement Plan Series 2000A, due in annual installments of \$450,000 to \$820,000 through February 1, 2020 – interest at 5.7653%	8,090,000
\$4,045,000 2000 Capital Improvement Plan Series 2000A, due in annual Lake Owasso installments of \$140,000 to \$340,000 through February 1, 2020 – interest at 5.7653%	3,275,000
\$11,210,000 2001 Capital Improvement Plan Series 2001A, due in annual installments of \$405,000 to \$740,000 through February 1, 2021 – interest at 4.7863%	7,775,000
\$31,160,000 2002 Capital Improvement Plan Series 2002A, due in annual installments of \$260,000 to \$5,655,000 through February 1, 2022 – interest at 4.9683%	29,760,000
\$3,550,000 Capital Improvement Plan Series 2002A, due in annual Ponds at Battle Creek installments of \$110,000 to \$260,000 through February 1, 2022 – interest at 4.9683%	2,910,000
\$30,885,000 2002 CIP Refunding Series 2002B, due in annual installments of \$1,325,000 to \$3,840,000 through February 1, 2015 – interest at 4.5544%	21,770,000
\$4,400,000 2002 State Aid Street Bonds Series 2002C, due in annual installments of \$85,000 to \$285,000 through February 1, 2028 – interest at 4.525%	3,960,000
\$27,015,000 2003 Capital Improvement Plan Series 2003A, due in annual installments of \$910,000 to \$1,905,000 through February 2023 – interest at 3.7818%	23,025,000
\$12,910,000 2004 Capital Improvement Plan Refunding Bonds 2004A due in annual installments of \$210,000 to \$1,280,000 through February 1, 2017 – interest at 2.5-4%	9,985,000
\$31,960,000 2004 General Obligation Bond Capital Improvement Plan Bonds 2004D due in annual installments of \$645,000 to \$2,790,000 through February 1, 2024 – interest at 3.5-5%	25,485,000
\$9,750,000 2004 General Obligation Bonds 2004E, due in annual installments of \$325,000 to \$705,000 through February 1, 2024 – interest at 3.25-4.6%	8,385,000
\$2,500,000 2005 General Obligation Bonds 2005A, due in annual installments of \$215,000 to \$295,000 through February 1, 2015 – interest at 4.0275%	2,070,000



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\$15,075,000 2005 General Obligation Capital Improvement Plan Refunding Bonds, Series 2005B due in annual installments of \$815,000 to \$1,615,000 through February 1, 2020 – interest at 3.8381% 15,075,000

\$2,935,000 2005 General Obligation Capital Improvement Plan Refunding Bonds, Series 2005B, due in annual Lake Owasso installments of \$195,000 to \$310,000 through February 1, 2020 – interest at 3.8381% 2,935,000

\$6,750,000 2006 General Obligation Bonds 2006A, due in annual installments of \$210,000 to \$495,000 through February 1, 2026 – interest at 4.1099% 6,310,000

\$18,610,000 2007 General Obligation Bonds 2007A, due in annual installments of \$645,000 to \$1,170,000 through February 1, 2007, interest at 4.1920% 18,610,000

\$2,250,000 2007 General Obligations Bonds 2007A, due in annual Nursing Home installments of \$75,000 to \$160,000 through February 1, 2027, interest at 4.1920% 2,250,000

Total County General Obligation Bonds 194,625,000

General Obligation Notes Payable:

\$6,872,000 2001 General Obligation Notes due in annual installments of \$150,000 to \$372,000 through August 30, 2030 – interest at 3.59%. 6,072,000

Total County General Obligation Debt 200,697,000

REVENUE BONDS:

Public Facility Lease Revenue Bonds:

\$13,845,000 2003 Public Facility Lease Revenue Series A Bonds, due in annual installments of \$470,000 to \$1,025,000 through January 1, 2024 – interest at 4.5366% 12,400,000

Total General Obligation Debt and Revenue Bond Debt \$213,097,000

Annual Requirement to Amortize Long-Term Debt

The annual requirements to amortize all long-term debt outstanding as of December 31, 2007, carrying interest rates of 3.5% to 5.77% are:

Years Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2008	\$ 19,750,000	\$ 8,927,264	\$ 3,530,000	\$ 480,378
2009	12,430,000	8,119,193	420,000	363,443
2010	12,395,000	7,594,083	435,000	346,250
2011	12,685,000	7,052,646	445,000	328,550
2012	13,115,000	6,478,839	465,000	308,988
2013-2017	64,005,000	22,959,868	2,670,000	1,182,173
2018-2022	49,535,000	10,030,226	2,670,000	478,710
2023-2027	16,440,000	1,654,776	735,000	90,625
2028-2030	1,372,000	85,960	-	-
Total	<u>\$201,727,000</u>	<u>\$72,902,855</u>	<u>\$11,370,000</u>	<u>\$3,579,117</u>

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The County is subject to Minn. Stat., Sect. 475.53, Subd. 1, as amended January 31, 1990, which limits the amount of bonded debt (exclusive of revenue bonds) that the County may have outstanding to 2 percent of the market value of property within the County. At December 31, 2007, the statutory limit for the County was \$918,629,760 providing a debt margin of \$745,256,745.

There is \$27,759,696 available in the Debt Service Fund to service the General Obligation Bonds. There are a number of limitations and restrictions contained in the various bond indentures. The County is in compliance with all significant limitations and restrictions.

The County's proportionate share of debt at December 31, 2007 of all local governmental units which provide services within the County's boundaries, and which must be borne by properties in the County, is summarized below:

	<u>Outstanding</u>	<u>Percentage Applicable To the County</u>	<u>County's Share Of Debt</u>
<u>Direct Debt</u>			
Ramsey County	\$213,097,000	100.00%	\$ 213,097,000
<u>Overlapping Debt</u>			
Cities	28,377,579	9.96%	2,828,344
School Districts	183,965,000	63.61%	117,019,966
Other	185,250,000	15.80%	29,269,500
<u>Underlying Debt</u>			
Cities and Towns	143,997,958	100.00%	143,997,958
School Districts	521,407,474	100.00%	521,407,474
Other	<u>15,340,853</u>	100.00%	<u>15,340,853</u>
TOTAL	<u>\$1,291,435,684</u>		<u>\$1,042,961,095</u>

RAP Lease Purchase Agreement and Certificates of Participation

In 1996, Ramsey County entered into a lease-purchase agreement with Norwest Bank Minnesota, National Association (Trustee), whereby the Trustee issued \$3,465,000 in Certificates of Participation (COPS) to finance the acquisition of land and a building located in St. Paul. Subsequently, Ramsey County sub-leased the facility to Ramsey Action Program (RAP) to be developed into a one-stop service center housing a variety of programs offered by RAP and other non-profit and public agencies dedicated to relieving poverty. The COPS represent proportionate interests in lease payments to be made under the lease-purchase agreement. The County is obligated through the lease-purchase agreement to make all lease payments and other obligations of the County under the lease. RAP is obligated under the sub-lease agreement to pay directly the Trustee, as agent and on behalf of the County, monthly lease payments in an amount equal to the annual expenses of the County due to the Trustee. RAP will own the land and the building at the conclusion of the agreement.

The original 1996 Series COPS issue was refunded in 2004, via the issue 2004B of \$1,855,000 Refunding Certificates of Participation (tax exempt), and issue 2004C of \$620,000 Refunding Certificates of Participation (taxable). The taxable portion of the issue was requested by RAP to allow for sub-leasing of the property to for-profit tenants. As of December 31, 2007, the outstanding balance of the 2004B Refunding COPS (tax exempt) is \$1,855,000 and the 2004C Refunding COPS (taxable) is \$305,000. The outstanding debt will be paid off on January 1, 2017 for the 2004B Refunding COPS and January 1, 2010 for the 2004C Refunding COPS. The terms of the refunding agreement transferred trustee rights to Wells Fargo Bank, National Association.

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Bond Refundings

In 2005, the County issued \$18,010,000 General Obligation Capital Improvement Plan Refunding Bonds Series 2005B to refund the 1996A and 2000A series General obligation Capital Improvement Plan bonds. These are crossover refundings with the proceeds deposited with an escrow agent. The 1996A series were called on February 1, 2007, and the series 2000A series will be called on February 1, 2008, and be redeemed with proceeds of the escrow account. On February 1, 2008, the County will "crossover" and begin making payments on the 2005B General Obligation Capital Improvement Plan Refunding bonds.

**J. Rental and Lease Income**

**Woodview Detention Center:**

The County has rented the Woodview Detention Center to the Volunteers of America to be used for office space. The cost of the Center carried on the County's books is \$499,009. Depreciation is \$9,458 per year with a net book value of \$159,721 at the end of 2007. The lease requires monthly payments of \$12,500 through December 31, 2008.

**Roseville Library:**

The County Library rents 1,800 square feet of space to Dunn Brothers Coffee in the Roseville Library. The cost of the Roseville Library carried on the County's books is \$4,585,450. Depreciation is \$91,709 per year with a net book value of \$2,945,122 at the end of 2007. The lease period runs through January 2009, and requires the following payments:

	<u>Annual</u>
	<u>Installments</u>
2008	\$64,225
2009	<u>5,352</u>
	<u>\$69,577</u>

**K. Unreserved – Fund Balance**

In the fund financial statements, Unreserved Fund Balances were designated to show the portion segregated from unreserved spendable resources as follows:

	<u>General</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>
Designated for:		
Capital Expenditures	\$ 8,604,764	\$ 388,158
Subsequent Years' Budget/Expenditure	6,904,613	33,030,254
Unrealized Gain on Investments	1,884,333	-
Supporting Housing Priorities	2,148,689	695,847
Other Post-Employment Benefits	-	160,240
Cash Flow	78,637,740	2,993,937
Asset Replacement	-	50,000
Solid Waste Management	-	8,606,870
Resource Recovery Project	-	10,924,327
Health Promotion/Health Improvement	-	87,698
Capital Project/Computer System	12,102,021	-
Self Insurance	<u>6,119,742</u>	-
Total Designated	116,401,902	56,937,331
Undesignated	<u>32,204,125</u>	<u>5,836,106</u>
Total Unreserved	<u>\$148,606,027</u>	<u>\$62,773,437</u>

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**L. Investment Earnings:**

Generally accepted accounting principles require the County to record the difference between the market value and cost of investments. This difference is included as a gain or loss in investment earnings. In 2007, the investment earnings for the General Fund, including unrealized gains on investments, is as follows:

Interest on Investments	\$13,612,185
Unrealized Gain on Investments	<u>3,617,352</u>
	<u>\$17,229,537</u>

**V. OTHER INFORMATION**

**A. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County currently reports all of its risk management activities in its General Fund except for Solid Waste risk management activities which are reported in the Solid Waste/Recycling Service Fee Special Revenue Fund and the Ramsey Nursing Home risk management activities which are reported in the Ramsey Nursing Home Enterprise Fund. Premiums are paid into the General Fund by the other funds and are available to pay claims, claim reserves, and administrative costs of the program.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended <u>12/31/07</u>	Year Ended <u>12/31/06</u>
Unpaid claims, beginning of fiscal year	\$5,802,712	\$5,999,739
Incurred claims (including IBNRs)	3,592,207	2,182,934
Claim payments	<u>2,977,596</u>	<u>2,379,961</u>
Unpaid claims, end of fiscal year	<u>\$6,417,323</u>	<u>\$5,802,712</u>

The County carries commercial insurance for:

- 1) Ramsey Nursing Home (self-insured for workers compensation),
- 2) Lake Owasso Residence,
- 3) Law Enforcement Service, and
- 4) Job Training Partnership Act (Administration of program only)

The County also participates in the Workers Compensation Reinsurance Association (WCRA) as required by State law. Ramsey County is responsible for costs up to \$1,600,000 for any claim. The WCRA becomes responsible for the amount in excess of \$1,600,000. The limit changes each year. A premium is paid by the County to the association based on the County's total salary costs.

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At December 31, 2007, Solid Waste/Recycling Service Fee Special Revenue Fund investments of \$1,000,000 were held for the purpose of funding the County's future claims liability. As a result, \$1,000,000 of Solid Waste/Recycling Service Fee Special Revenue Fund balance is designated for payment of future claims liabilities.

There were no significant reductions in insurance or increases in expenditures from the County's self-insurance accounts from the previous year or settlements in excess of insurance coverage or self-insurance balances for any of the past three fiscal years.

**B. Subsequent Event**

The issuance of bonds not to exceed \$12,550,000 General Obligation Bonds in 2008 (the "Bonds") is authorized to finance: (1) the costs of improvements set forth in the 2008 Capital Improvement Budget of the County; and (2) the costs of any other improvements set forth in the County's Capital Improvement Budgets of any year, to the extent proceeds of the Bonds are not expended on improvements set forth in the 2008 Capital Improvement Budget due to changes occurring after the issuance of the Bonds. \$6,100,000 was issued on June 2, 2008. The balance will be issued later in 2008.

The County Board, on June 5, 2007, also approved the sale of the site known as the Taco Johns Site. This site was sold in early 2008.

**C. Contingent Liabilities**

**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 OMB Circular A-133 or audits by the grantor agency.

**D. Joint Ventures**

**RESOURCE RECOVERY PROJECT**

Ramsey and Washington Counties have jointly entered into a construction agreement and a service agreement with Xcel Energy to build and operate a resource recovery facility which would produce refuse derived fuel to be burned at Xcel's electric plants. The service agreement was amended in 1993 to transfer Xcel's duties to its subsidiary NRG Energy Inc. (NRG). In 2005, NRG became a publicly held company and was no longer a subsidiary of Xcel. The service agreement obligates the Counties to deliver 280,800 tons of solid waste per year to the project and pay NRG a service fee based on each ton of solid waste handled by the facility subject to a minimum fee based on 280,800 tons per year minimum and subject to certain other adjustments. NRG is obligated to accept, process, transport, and dispose of most of the Counties' waste for twenty years.

The joint powers agreement, as discussed in Note 1, established the apportionment between the two Counties of the administrative costs and service fee payments to NRG. The first year of operations began at 80% Ramsey County and 20% Washington County and was adjusted retroactively to 73% Ramsey County and 27% Washington County based on the actual proportion of waste delivered from each County to the facility, as determined by NRG. The joint powers agreement provides for an annual adjustment of these cost allocation percentages.

From 1990 through 1993, the Counties financed the entire Service Fee, plus Project Board administrative costs, from the tipping fee charged at the facility. During 1993 and 1994, several court decisions directed that counties could not prohibit solid waste from being delivered out of state. In order to ensure environmentally responsible management of solid waste in Ramsey and Washington Counties, both counties approved lowering the tipping fee at the Newport Resource Recovery Facility, from \$66.79 per

**RAMSEY COUNTY, MINNESOTA**  
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ton to \$50 per ton, effective January 1, 1994. It became necessary to collect part of the revenue needed to operate the Newport Resource Recovery Facility from the generators of waste. Ramsey and Washington Counties continued the tipping fee at \$50 per ton until the tipping fee was lowered to \$38 per ton effective June 1, 1996. In August of 2005, the tipping fee was lowered to \$34 per ton.

The approved 2007 Project budget for the estimated shortfall in the Service Fee was \$18,980,972, financed by Ramsey and Washington Counties. The 2007 budget for the Service Fee assumed waste deliveries to the Resource Recovery Facility of 350,000 tons. During 2007, 325,883 tons of solid waste was delivered to the facility from Ramsey and Washington Counties. The facility also accepted 82,147 tons of out of County waste. 286,663 tons were processed into 256,626 tons of refuse derived fuel (RDF). Process residue and other waste landfilled totaled 67,809 tons. The facility operation resulted in a 88.0% reduction in solid waste being landfilled.

In June 2001, Ramsey and Washington Counties both approved a process to fully explore and consider development and implementation of a public collection system for solid waste. The process was to engage participation of residents, municipalities, solid waste haulers, businesses, and citizen groups as the counties consider development and implementation of a public solid waste collection system. The timeline for this process would allow for potential implementation of public collection in January 2003. During 2002, the Counties both decided not to implement public collection and instead decided to change the method for collecting the solid waste fee. Beginning in 2003, the fee is collected by waste haulers from the waste generators. This change removes the fee from the property tax statements and more closely ties the fee to the waste generator.

In October 2006, the Facility was sold by NRG to Resource Recovery Technology (RRT). The Counties approved the sale and have entered into a new processing agreement with RRT. The new agreement is effective January 1, 2007 through December 31, 2012. The terms of the agreement call for payments to RRT for each ton of Ramsey Washington MSW delivered to the facility up to a maximum of 350,000 tons. The payment to RRT starts at \$40 per ton delivered for 2007 and 2008. The fee is then reduced to \$33 per ton in 2009, \$20 per ton in 2010, \$15 per ton in 2011, and \$10 per ton in 2012. The agreement also calls for a Hauler Rebate Program to be established by the Resource Recovery Project. The Rebate Program began January 1, 2007, and calls for a rebate to be paid to the haulers for each ton of Ramsey Washington MSW delivered to the facility. The amount of the rebate in 2007 is \$12 per ton delivered. The new agreement calls for RRT to contract with haulers and landfills so the project has terminated all contracts with those entities effective December 31, 2006.

The joint powers agreement also selected Ramsey County to be the administrative entity for the Project Board, effective January 1, 1987. Prior to January 1, 1987, Washington County administered project funding from proceeds of \$4,000,000 General Obligation Bonds of 1983. The bonds were issued pursuant to the joint powers agreement to finance preliminary costs for the planning and acquisition of the Resource Recovery Facility. Ramsey County has paid its share of the principal and interest on the bonds, which was set at two-thirds at the time of the bond issuance.

Summary financial information for this joint venture as of and for the year ended December 31, 2007 have been subjected to audit in the following table:

	Total Project	Ramsey County's Share
Total Fund Assets	\$ 7,469,421	\$ 5,452,677
Total Fund Liabilities	1,541,564	1,125,342
Total Fund Balance	5,927,857	4,327,336
Total Revenues	17,308,975	12,635,552
Total Expenditures	17,321,885	12,644,976
Net (Decrease) in Fund Balance	\$ (12,910)	\$ (9,424)

**RAMSEY COUNTY, MINNESOTA**  
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**VERIFICATION COLLABORATIVE EXECUTIVE COMMITTEE**

Ramsey County entered into a joint powers agreement pursuant to the provisions of Minnesota Statute Sect. 471.59, to oversee any entity under contract to provide vendor certification services to the members of the Inclusiveness in Contracting Collaborative and to handle appeals of vendor certification status and other certification-related matters that may arise from time to time. The committee is composed of one representative of each of the members. Ramsey County joined with Hennepin County, the City of Minneapolis, the City of St. Paul, and Independent School District 625. Currently, a fiscal agent is not needed.

**E. Jointly Governed Organizations**

Ramsey County, in conjunction with other local governments and various private organizations have formed the collaboratives listed below:

- North Suburban Collaborative: The collaborative was established to receive and expend grant funds on new prevention and early intervention children services. The Roseville School District is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Financial statements are available from the Roseville School District, 1251 West County Road B2, Roseville, MN 55113.
- Children's Mental Health Collaborative: The collaborative was established to receive and expend grant funds on new prevention and early intervention children's mental health issues. Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited.
- Saint Paul-Ramsey County Children's Initiative Collaborative: The collaborative was established to receive and expend grant funds on new prevention and early intervention family services. Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited. Therefore, no audited financial statements are available.
- Ramsey County LCTS Collaborative Partnership: The collaborative was established to receive and redistribute grant funds to other collaboratives. Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited. Therefore, no audited financial statements are available.
- Inclusiveness Contracting Collaborative: The collaborative was established to create a centralized program for certification of businesses in the members' respective small businesses, minority-owned business, or women-owned business enterprise programs. An outside contractor, Impact Inc. is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited. Therefore, no audited financial statements are available.

**F. Defined Benefit Pension Plans – Statewide**

**Plan description:**

All full-time and certain part-time employees of Ramsey County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund (the Public Employees Correctional Fund), which are cost sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356.

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Public Employees Retirement Fund members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security, and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, firefighters, and peace officers, who qualify for membership by statute, are covered by the Public Employees Police and Fire Fund. Members who are employed in a County correctional institution as a correctional guard or officer, a joint jailer/dispatcher, or as a supervisor of correctional guards or officers or of joint jailer/dispatchers, and are directly responsible for the direct security, custody, and control of the County correctional institution and its inmates, are covered by the Public Employees Correctional Fund.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement 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 Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each year thereafter. For a Coordinated Plan member, the annuity accrual rate is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each successive year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For the Public Employees Police and Fire Fund members, the annuity accrual rate is 3.0 percent of average salary for each year of service. For Public Employees Correctional Fund members, the annuity accrual rate is 1.9 percent of average salary for each year of service.

For all Public Employees Retirement Fund members hired prior to July 1, 1989, whose annuity is calculated using Method 1, and for all Public Employees Police and Fire Fund and Public Employees Correctional Fund members, a full annuity is available when age plus years of service equal 90. A reduced retirement annuity is also available to eligible members seeking early retirement.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees, who are entitled to benefits but are not yet receiving them, are bound by the provisions in effect at the time they last terminated public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org); by writing to PERA at 60 Empire Drive, Suite 200, Saint Paul, Minnesota 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

**Funding policy:**

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Minn. Stat. ch. 353 sets the rates for employer and employee contributions. The County makes annual contributions to the pension plans equal to the amount required by state statutes. Public Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.10 and 5.75 percent, respectively, of their annual covered salary in 2007. Contribution rates in the Coordinated Plan increased in 2008 to 6.00 percent. Public Employees Police and Fire Fund members were required to contribute 7.80 percent of their annual covered salary in 2007. That rate increased to 8.60 percent in 2008. Public Employees Correctional Fund members are required to contribute 5.83 percent of their annual covered salary.



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The County is required to contribute the following percentages of annual covered payroll in 2007 and 2008:

	<u>2007</u>	<u>2008</u>
Public Employee Retirement Fund		
Basic Plan Members	11.78%	11.78%
Coordinated Plan Members	6.25%	6.50%
Public Employees Police and Fire Fund	11.70%	12.90%
Public Employees Correctional Fund	8.75%	8.75%

The County's contributions for the years ending December 31, 2007, 2006, and 2005, for the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund, were:

<u>Year</u>	Public Employees Retirement Fund	Public Employees Police & Fire Fund	Public Employees Correctional Fund
2007	\$10,517,024	\$1,893,472	\$1,575,912
2006	9,725,396	1,692,628	1,492,234
2005	8,878,364	1,453,899	1,394,596

These contributions are equal to the contractually required contributions for each year as set by state statute.

**Defined Contribution Plan**

Four Board members of Ramsey County are covered by the Public Employees Defined Contribution Plan, a multiple-employer, deferred compensation plan administered by PERA in accordance with Minn. Stat. Ch. 353D. The 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. Minn. Stat. Ch. 353D.03 specifies the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official, who decides to participate, contributes five percent of salary, which is matched by the employer. Employees may elect to make member contributions in an amount not to exceed the employer share. Employee and employer 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 2.00 percent of employer contributions and 0.25 percent of the assets in each member account annually.

Total contributions by dollar amount and percentage of covered payroll made by the County during the year ended December 31, 2007, were:

	<u>Employee</u>	<u>Employer</u>
Contribution amount	\$12,887	\$12,887

**G. Other Post Employment Benefits**

**Plan Description**

In addition to providing the pension benefits described above, the County provides post-employment health care insurance 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. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the County's Retiree Health Insurance Fund, an internal service fund.

**RAMSEY COUNTY, MINNESOTA**  
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**Benefits Provided**

The County provides post-employment health care insurance benefits to its retirees. To be eligible for benefits, an employee or elected official must qualify for retirement under the County's retirement plan.

All health care benefits are provided through the County's third party health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

**Membership**

At December 31, 2007, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	1,581
Terminated Employees Entitled to Benefits but not yet Receiving them	20
Active Employees	<u>3,242</u>
Total	<u>4,843</u>
 Participating Employers	 <u><u>1</u></u>

**Funding Policy**

The County negotiates the contribution percentages between the County and employees through the union contracts and personnel policy. All retirees contribute 20-29% of the actuarially determined premium to the plan and the County contributes the remainder to cover the cost of providing the benefits to the retirees via the third party plan (pay as you go). This amount fluctuates on an annual basis. For the fiscal year ending December 31, 2007, retirees contributed \$1,073,768 and the County contributed \$9,632,905.

**Annual OPEB Costs and Net OPEB Obligation**

The County first had an actuarial valuation performed for the plan as of January 1, 2007, to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2007. The County's annual OPEB cost (expense) of \$29,213,298 was equal to the ARC for the fiscal year, as the transition liability was set at zero as of December 31, 2007. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the County's net OPEB obligation for 2007 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2007	\$29,213,298	\$9,632,905	32.97%	\$19,580,393
CUMULATIVE NET OPEB OBLIGATION				<u>\$19,580,393</u>

The net OPEB obligation (NOPEBO) as of December 31, 2007, was calculated as follows:

Annual Required Contribution	\$29,213,298
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB Cost	<u>29,213,298</u>
Contributions Made	<u>9,632,905</u>
Increase (Decrease) in Net OPEB Obligation	19,580,393
Net OPEB Obligation Beginning of Year	<u>-</u>
 NET OPEB OBLIGATION END OF YEAR	 <u>\$19,580,393</u>

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Funded Status and Funding Progress. The funded status of the plan as of January 1, 2007, was as follows:

Actuarial accrued liability (AAL)	\$315,651,119
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	315,651,119
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	184,854,555
UAAL as a percentage of covered payroll	170.76%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer, are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. 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 to that point. 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 the long-term perspective of the calculations.

In the January 1, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 5.25% investment rate of return and an annual healthcare cost trend rate range of 8.5% to 5.0%. The actuarial value of assets was not determined as the County has not advanced its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was twenty-nine years.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

SCHEDULE 1

**RAMSEY COUNTY, MINNESOTA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Property Taxes	\$ 199,141,818	\$ 191,376,851	\$ 192,640,485	\$ 1,263,634
Licenses and Permits	709,112	709,112	640,505	(68,607)
Intergovernmental	141,753,819	166,482,792	163,461,160	(3,021,632)
Private Grants and Donations	125	1,510,558	701,280	(809,278)
Charges for Services	48,378,601	47,315,448	40,985,589	(6,329,859)
Fines and Forfeitures	13,000	453	453	-
Sales	1,235,172	1,686,215	1,762,213	75,998
Rental Income	1,291,084	1,235,084	1,226,824	(8,260)
Investment Earnings	8,400,000	8,405,553	17,183,020	8,777,467
Program Recoveries - Community				
Human Services	3,894,893	3,945,236	4,021,196	75,960
Miscellaneous	502,957	1,117,923	1,368,973	251,050
Total Revenues	<u>405,320,581</u>	<u>423,785,225</u>	<u>423,991,698</u>	<u>206,473</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
County Board of Commissioners	1,551,256	1,704,932	1,672,896	(32,036)
Charter Commission	4,154	4,154	1,763	(2,391)
Courts	2,786,754	4,677,149	4,676,786	(363)
County Manager	9,278,980	9,766,546	9,203,517	(563,029)
Property Records and Revenue	13,727,373	13,727,092	11,870,267	(1,856,825)
Attorney	31,012,812	31,689,589	29,820,261	(1,869,328)
Property Management	4,928,222	1,094,091	1,061,925	(32,166)
Veterans Service Officer	357,039	385,318	385,049	(269)
Central Services	414,496	414,496	349,725	(64,771)
Contingency	2,000,000	1,152,407	-	(1,152,407)
Computer Equipment and Software	5,820,690	5,874,686	1,993,534	(3,881,152)
Unallocated General Expenditures	6,686,660	6,675,660	6,060,624	(615,036)
Total General Government	<u>78,568,436</u>	<u>77,166,120</u>	<u>67,096,347</u>	<u>(10,069,773)</u>
Public Safety:				
Emergency Communications	11,014,525	11,014,016	9,715,133	(1,298,883)
Sheriff	35,785,116	37,419,327	36,461,183	(958,144)
Community Corrections	55,960,292	57,434,943	55,994,081	(1,440,862)
Medical Examiner	1,772,794	1,927,794	1,863,029	(64,765)
Total Public Safety	<u>104,532,727</u>	<u>107,796,080</u>	<u>104,033,426</u>	<u>(3,762,654)</u>
Highways and Streets:				
Public Works	<u>16,092,420</u>	<u>16,247,527</u>	<u>16,070,469</u>	<u>(177,058)</u>
Sanitation:				
Environmental Health	<u>733,237</u>	<u>801,562</u>	<u>681,126</u>	<u>(120,436)</u>
Health:				
Public Health	19,460,315	20,862,753	16,721,001	(4,141,752)
Miscellaneous Health	375,000	375,000	375,000	-
Total Health	<u>19,835,315</u>	<u>21,237,753</u>	<u>17,096,001</u>	<u>(4,141,752)</u>

(continued)

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

**SCHEDULE 1**  
(continued)

**RAMSEY COUNTY, MINNESOTA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>EXPENDITURES (continued)</b>				
Human Services				
Income Maintenance	29,746,390	28,472,406	28,442,113	(30,293)
Social Services	144,006,086	159,497,478	154,417,355	(5,080,123)
Total Human Services	<u>173,752,476</u>	<u>187,969,884</u>	<u>182,859,468</u>	<u>(5,110,416)</u>
Culture and Recreation:				
Parks and Recreation	8,679,386	8,955,217	8,685,482	(269,735)
St Paul-Ramsey Historical Society	91,282	91,282	91,282	-
Landmark Center Management	910,706	910,706	910,706	-
Total Culture and Recreation	<u>9,681,374</u>	<u>9,957,205</u>	<u>9,687,470</u>	<u>(269,735)</u>
Conservation of Natural Resources:				
Extension Service	65,965	65,965	65,965	-
Total Conservation of Natural Resources	<u>65,965</u>	<u>65,965</u>	<u>65,965</u>	<u>-</u>
Debt Service:				
Principal Retirement	118	17,219	17,219	-
Total Expenditures	<u>403,262,068</u>	<u>421,259,315</u>	<u>397,607,491</u>	<u>(23,651,824)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>2,058,513</u>	<u>2,525,910</u>	<u>26,384,207</u>	<u>23,858,297</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Sale of Land	-	10,000	-	(10,000)
Operating Transfers In	1,936,955	1,515,147	1,739,048	223,901
Operating Transfers Out	<u>(4,313,604)</u>	<u>(25,984,384)</u>	<u>(26,553,885)</u>	<u>(569,501)</u>
Total Other Financing Sources (Uses)	<u>(2,376,649)</u>	<u>(24,459,237)</u>	<u>(24,814,837)</u>	<u>(355,600)</u>
Net Change in Fund Balances	(318,136)	(21,933,327)	1,569,370	23,502,697
Adjustment	(2,550,692)	(2,550,692)	(2,550,692)	-
Fund Balances - Beginning	175,980,127	175,980,127	175,980,127	-
Increase (Decrease) in Reserve for Inventories	-	-	(208,870)	(208,870)
Fund Balances - Ending	<u>\$ 173,111,299</u>	<u>\$ 151,496,108</u>	<u>\$ 174,789,935</u>	<u>\$ 23,293,827</u>

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

**SCHEDULE 2**

**RAMSEY COUNTY, MINNESOTA  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POST-EMPLOYMENT BENEFIT PLAN  
December 31, 2007**

<u>Year Ended December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2007	\$ 9,632,905	\$ 29,213,298	32.97%

The County implemented GASB Statement No. 45 for the fiscal year ended December 31, 2007. Information for prior years is not available.

**SCHEDULE 3**

**RAMSEY COUNTY, MINNESOTA  
SCHEDULE OF FUNDING PROGRESS  
OTHER POST-EMPLOYMENT BENEFIT PLAN  
December 31, 2007**

<b>Actuarial Valuation Date December 31</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) Projected Unit Credit</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded Actuarial Accrued Liability (UAAL) (2)-(1)</b>	<b>(5) Active Members Covered Payroll</b>	<b>(6) UAAL As a Percentage of Covered Payroll (4) / (5)</b>
2007	-	\$ 315,651,119	0.00%	\$ 315,651,119	\$ 184,854,555	170.76%

The County implemented GASB Statement No. 45 for the fiscal year ended ended December 31, 2007. Information for prior years is not available.



**RAMSEY COUNTY, MINNESOTA**  
**Notes to the Required Supplementary Information**  
**December 31, 2007**

**Budgetary Information**

The County Board adopts an annual budget for the General Fund.

The Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds is prepared on a GAAP basis. Results of operations included in the Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – General Fund are presented on a Non-GAAP budgetary basis. The primary difference between the two bases of accounting is that the “actual on a budgetary basis” column includes encumbrances and does not include expenditures from prior year budget reserves.

Adjustments necessary to convert actual expenditures reported on the budgetary basis in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual to the GAAP basis as reported in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds are:

	<u>General</u>
Actual Expenditures – Budgetary Basis	\$397,607,491
Decrease:	
Encumbrances	(12,038,470)
Increase:	
Expenditures in 2007 from December 31, 2006	<u>17,516,158</u>
Expenditures – GAAP Basis	<u>403,085,179</u>
Unbudgeted Revenue	(2,926,946)
Encumbrances	(12,038,470)
Expenditures in 2007 from December 31, 2006 Reserves for Encumbrances	<u>17,516,158</u>
Adjustment to Reconcile Statement of Revenues, Expenditures and Change in Fund Balances – Budget and Actual to Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 2,550,692</u>

Based on a process established by the County Manager and staff, all departments of the government submit requests for appropriations to the County Manager every two years. After review, analysis and discussions with the departments, the County Manager’s proposed budget is presented to the County Board for review. The Board holds public hearings and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function, and department. Budgets may be amended during the year with the approval of the County Manager or County Board as required by the County’s Administrative Code. The County Manager is authorized to transfer budgeted amounts within departments or appropriate certain revenues received in excess of the original budget estimate. Transfers of appropriations between departments and other transfers of appropriations require County Board approval. Supplemental appropriations are reviewed by the County Manager’s office and submitted to the County Board for their approval. If approved, the adjustments are implemented by the Budgeting and Accounting Office by budget revision. Supplemental appropriations required during the year were immaterial. Expenditures may not legally exceed budgeted appropriations at the department level. All appropriations, which are not expended, encumbered, or reserved, lapse at year end.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts, capital reserves, and other commitments for the expenditure of monies) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**MAJOR FUND BUDGET AND ACTUAL  
SCHEDULE**

**RAMSEY COUNTY, MINNESOTA**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Property taxes	\$ 16,954,121	\$ 16,251,056	\$ 16,773,634	\$ 522,578
Intergovernmental	976,646	1,679,711	1,033,394	(646,317)
Investment Earnings	1,607,968	2,495,880	1,961,751	(534,129)
Total revenues	<u>19,538,735</u>	<u>20,426,647</u>	<u>19,768,779</u>	<u>(657,868)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	12,805,000	12,810,000	12,810,000	-
Interest	9,054,421	9,937,334	9,927,169	(10,165)
Total expenditures	<u>21,859,421</u>	<u>22,747,334</u>	<u>22,737,169</u>	<u>(10,165)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(2,320,686)</u>	<u>(2,320,687)</u>	<u>(2,968,390)</u>	<u>(647,703)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Redemption of Refunded Bonds	-	(8,510,000)	(8,510,000)	-
Operating Transfers In	-	-	1,400,000	1,400,000
Operating Transfers Out	-	-	(100,250)	(100,250)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(8,510,000)</u>	<u>(7,210,250)</u>	<u>1,299,750</u>
Net Changes In Fund Balance	<u>(2,320,686)</u>	<u>(10,830,687)</u>	<u>(10,178,640)</u>	<u>652,047</u>
Adjustment	864,459	864,459	864,459	-
Fund balances - beginning	55,035,877	55,035,877	55,035,877	-
Fund balances - ending	<u>\$ 53,579,650</u>	<u>\$ 45,069,649</u>	<u>\$ 45,721,696</u>	<u>\$ 652,047</u>

# **COMBINING STATEMENTS**

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**County Library** - To provide a public library system where governmental units do not maintain their own. The tax levy is on suburban property only.

**Solid Waste/Recycling Service Fee** - To account for collection of a waste management service charge imposed by the County, pursuant to Minnesota Statutes Sections 400.08 and 473.811, subd. 3A, on all generators of mixed municipal solid waste. These funds are used to pay for waste management programs throughout the County. A portion of the funds are remitted to the Resource Recovery Project Board for Ramsey County's share of vendor service fees for operation of a resource recovery facility. The Project Board is a joint venture with Washington County.

**Housing & Redevelopment Authority** - To account for funds provided by the U.S. Department of Housing and Urban Development for development projects in suburban communities benefiting persons of low and moderate income. This fund was formerly known as the Community Development Block Grants Special Revenue Fund.

**Workforce Solutions** - Originally enacted in 1973 under the Comprehensive Employment and Training Act (CETA) and revised in 1982 by the Federal Government to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons. In addition, the fund also accounts for state dislocated worker programs and the Minnesota Youth Program. Workforce Solutions also performs services under the MFIP program to assist welfare recipients to prepare for and obtain employment.

**State Funding for Courts** - To account for funds provided by the State to finance the eventual takeover of the Courts system.

**State Public Defender** - To account for funds provided by the State to finance the operations of the Public Defender Office under the State takeover of the Courts system.

**Saint Paul Public Health JPA** – A portion of the Saint Paul Public Health Department was merged into the Ramsey County Public Health Department on July 1, 1997 by a joint powers agreement between Ramsey County and Saint Paul. This fund accounts for some of the activities previously performed by the former Saint Paul Public Health Department.

**Gifts and Donations** – To account for gifts and donations made for various purposes such as books for the libraries, activities and personal hygiene items for nursing home patients, provision of Home Delivered Meals, etc.

## NONMAJOR GOVERNMENTAL FUNDS (Continued)

**Regional Railroad Authority** - To provide for the preservation of a railway corridor for future public transit use and to provide for the preservation and improvement of local rail service.

**Sheriff** – To account for revenues and expenditures dedicated for specific activities and projects of the Sheriff's Department.

**Corrections** – To account for revenues from various sources to benefit Community Corrections clients.

**Property Records** - To account for certain fees which are to be used for providing modern, retrievable information from the county's system of recorded documents and clean up of polluted property.

**County Attorney** - To account for revenues and expenditures dedicated for specific activities or projects of the County Attorney's Office.

**Health Promotion/Health Improvement** – To account for funds provided by the County's health insurer for work-site health promotion purposes.

**Parks & Recreation** – To account for funds provided by grants and donations to develop an inter-city skating program and replace/repair buildings and other improvements in the County's Regional Park & Trail System.

**Nursing Home Patients' Activity** – To account for revenues from donations, canteen and vending machines, and expenditures for patients' activities and recreational supplies.

**Forfeited Tax Sale** – To account for all funds collected per State Statute for sale of real estate forfeited for unpaid taxes.

**Law Library** – To account for revenues and expenditures of the Law Library. Revenue is derived from fees collected from certain litigants and expenditures are primarily law books and operational costs to run the Library.

**Regional Railroad Authority Debt Service Fund** – To account for revenue dedicated to pay for principal and interest on future long-term debt for the Regional Rail Authority.

**Regional Railroad Authority Capital Projects Fund** – To account for revenues and expenditures of major capital projects in the Regional Railroad Authority.

**RAMSEY COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2007  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

**STATEMENT 1**

	County Library Special Revenue Fund	Solid Waste/ Recycling Service Fee Special Revenue Fund	Housing and Redevelopment Authority Special Revenue Fund	Workforce Solutions Special Revenue Fund	State Funding For Courts Special Revenue Fund	State Public Defender Special Revenue Fund	St. Paul Public Health JPA Special Revenue Fund	Gifts and Donations Special Revenue Fund	Regional Railroad Authority Special Revenue Fund	Sheriff Special Revenue Fund
<b>ASSETS</b>										
Cash and Cash Equivalents	\$ 5,031,438	\$ 21,582,671	\$ 904,995	\$ 1,445,498	\$ 1,690	\$ 1,909,901	\$ 4,242,229	\$ 396,276	\$ 16,462,784	\$ 366,202
Petty Cash and Change Funds	1,450	50	-	350	-	100	640	-	100	-
Receivables (Net):										
Taxes	142,976	5,046	-	-	-	-	-	-	403,369	-
Accounts	19,911	1,340,128	3,869	-	-	-	229,152	-	18,104	-
Accrued Interest	-	-	90,207	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	221,991	-	-	-
Due from Other Governments	3,446	6,845	60,907	4,395,964	532,816	-	1,074,285	-	-	-
Loans Receivable	-	414,721	6,023,357	-	-	-	-	-	-	-
Inventories	5,576	-	-	-	-	-	42,299	-	-	-
Advance to other Governments	-	4,500	-	-	-	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>5,204,797</u>	<u>23,353,961</u>	<u>7,083,335</u>	<u>5,841,812</u>	<u>534,506</u>	<u>1,910,001</u>	<u>5,810,596</u>	<u>396,276</u>	<u>16,884,357</u>	<u>366,202</u>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Salaries Payable	222,070	64,899	13,306	360,219	254,506	138,831	148,988	-	-	-
Accounts Payable	249,213	223,921	3,293	198,214	-	1,436	285,789	19,119	3,179	87,269
Contracts Payable	-	-	43,932	-	-	-	156,459	-	75,417	-
Due to Other Funds	203,408	233,487	5,586	72,980	-	-	10,283	-	97,246	1,584
Due to Other Governments	2,644	2,472,340	141,976	57,824	-	-	488,551	-	33,032	1,790
Deferred Revenue	272,430	5,047	6,058,926	656,876	-	1,769,734	125,283	-	406,799	-
Advance from Other Funds	-	-	-	4,500,000	280,000	-	-	-	-	-
Total Liabilities	<u>949,765</u>	<u>2,999,694</u>	<u>6,267,019</u>	<u>5,846,113</u>	<u>534,506</u>	<u>1,910,001</u>	<u>1,215,353</u>	<u>19,119</u>	<u>615,673</u>	<u>90,643</u>
Fund Balances:										
Reserved for:										
Encumbrances	67,986	823,020	-	-	-	-	767,071	-	1,826,461	-
Inventories	5,576	-	-	-	-	-	42,299	-	-	-
Petty Cash	1,450	50	-	350	-	-	640	-	100	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Unreserved	4,180,020	19,531,197	816,316	(4,651)	-	-	3,785,233	377,157	14,442,123	275,559
Total Fund Balances	<u>4,255,032</u>	<u>20,354,267</u>	<u>816,316</u>	<u>(4,301)</u>	<u>-</u>	<u>-</u>	<u>4,595,243</u>	<u>377,157</u>	<u>16,268,684</u>	<u>275,559</u>
Total Liabilities and Fund Balances	<u>\$ 5,204,797</u>	<u>\$ 23,353,961</u>	<u>\$ 7,083,335</u>	<u>\$ 5,841,812</u>	<u>\$ 534,506</u>	<u>\$ 1,910,001</u>	<u>\$ 5,810,596</u>	<u>\$ 396,276</u>	<u>\$ 16,884,357</u>	<u>\$ 366,202</u>

(Continued)

**RAMSEY COUNTY, MINNESOTA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2007  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

**STATEMENT 1  
(Continued)**

	Corrections Special Revenue Fund	Property Records Special Revenue Fund	County Attorney Special Revenue Fund	Health Promotion Health Improvement Special Revenue Fund	Parks and Recreation Special Revenue Fund	Nursing Home Patients' Activity Special Revenue Fund	Forfeited Tax Sale Special Revenue Fund	Law Library Special Revenue Fund	Regional Railroad Authority Debt Service Fund	Regional Railroad Authority Capital Projects Fund	Total Nonmajor Governmental Funds	
											2007	2006
<b>ASSETS</b>												
Cash and Cash Equivalents	\$ 490,409	\$ 4,408,883	\$ 449,460	\$ 87,698	\$ 475,810	\$ 15,567	\$ 28,623	\$ 845,200	\$ 9,322,513	\$ 10,699,667	\$ 79,167,514	\$ 61,526,344
Petty Cash and Change Funds	200	-	-	-	-	-	-	20	-	-	2,910	2,910
Receivables (Net):												
Taxes	-	-	-	-	-	-	-	-	-	-	551,391	307,804
Accounts	-	-	-	-	-	-	308,113	-	-	3,500,000	5,419,277	2,194,922
Accrued Interest	-	9,596	-	-	-	-	-	-	-	-	99,803	82,485
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	221,991	1,386
Due from Other Governments	-	-	-	-	-	-	-	40,305	-	-	6,114,568	5,220,831
Loans Receivable	-	685,000	-	-	-	-	-	-	-	-	7,123,078	6,514,781
Inventories	-	-	-	-	-	-	337	-	-	-	48,212	55,847
Advance to other Governments	-	-	-	-	-	-	-	-	-	-	4,500	7,000
Deferred Charges	-	-	-	-	-	-	-	-	-	4,000,000	4,000,000	-
Total Assets	<u>490,609</u>	<u>5,103,479</u>	<u>449,460</u>	<u>87,698</u>	<u>475,810</u>	<u>15,567</u>	<u>337,073</u>	<u>885,525</u>	<u>9,322,513</u>	<u>18,199,667</u>	<u>102,753,244</u>	<u>75,914,310</u>
<b>LIABILITIES AND FUND BALANCES</b>												
Liabilities:												
Salaries Payable	-	-	-	-	-	-	10,872	11,406	-	-	1,225,097	927,777
Accounts Payable	14,100	747,712	-	-	-	1,687	61	29,290	-	-	1,864,283	759,408
Contracts Payable	-	-	-	-	-	-	-	-	-	162,644	438,452	264,503
Due to Other Funds	-	15,000	-	-	-	-	2,461	6,338	-	35,856	684,229	365,036
Due to Other Governments	1,413	-	-	-	-	-	884	-	-	-	3,200,454	2,162,942
Deferred Revenue	-	685,000	-	-	-	-	308,113	-	-	3,500,000	13,788,208	9,397,759
Advance from Other Funds	-	-	-	-	-	-	-	-	-	-	4,780,000	4,711,000
Total Liabilities	<u>15,513</u>	<u>1,447,712</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,687</u>	<u>322,391</u>	<u>47,034</u>	<u>-</u>	<u>3,698,500</u>	<u>25,980,723</u>	<u>18,588,425</u>
Fund balances:												
Reserved for:												
Encumbrances	-	-	-	-	-	-	-	-	-	1,141,011	4,625,549	2,038,150
Inventories	-	-	-	-	-	-	337	-	-	-	48,212	55,847
Petty Cash	200	-	-	-	-	-	-	20	-	-	2,810	2,810
Debt Service	-	-	-	-	-	-	-	-	9,322,513	-	9,322,513	4,560,645
Unreserved	474,896	3,655,767	449,460	87,698	475,810	13,880	14,345	838,471	-	13,360,156	62,773,437	50,668,433
Total Fund Balances	<u>475,096</u>	<u>3,655,767</u>	<u>449,460</u>	<u>87,698</u>	<u>475,810</u>	<u>13,880</u>	<u>14,682</u>	<u>838,491</u>	<u>9,322,513</u>	<u>14,501,167</u>	<u>76,772,521</u>	<u>57,325,885</u>
Total Liabilities and Fund Balances	<u>\$ 490,609</u>	<u>\$ 5,103,479</u>	<u>\$ 449,460</u>	<u>\$ 87,698</u>	<u>\$ 475,810</u>	<u>\$ 15,567</u>	<u>\$ 337,073</u>	<u>\$ 885,525</u>	<u>\$ 9,322,513</u>	<u>\$ 18,199,667</u>	<u>\$ 102,753,244</u>	<u>\$ 75,914,310</u>



**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

**STATEMENT 2**

	County Library Special Revenue Fund	Solid Waste/ Recycling Service Fee Special Revenue Fund	Housing and Redevelopment Authority Special Revenue Fund	Workforce Solutions Special Revenue Fund	State Funding For Courts Special Revenue Fund	State Public Defender Special Revenue Fund	St. Paul Public Health JPA Special Revenue Fund	Gifts and Donations Special Revenue Fund	Regional Railroad Authority Special Revenue Fund	Sheriff Special Revenue Fund
<b>REVENUES</b>										
Taxes	\$ 7,220,336	\$ 5,537	\$ -	\$ 579,029	\$ -	\$ -	\$ 3,028,576	\$ -	\$ 2,647,167	\$ -
Licenses and Permits	-	697,981	-	-	-	-	67,715	-	-	65,500
Intergovernmental	645,876	1,362,999	1,647,632	20,960,096	6,702,909	3,803,505	5,087,336	-	1,088,588	300,090
Private Grants and Donations	-	-	-	-	-	-	50,000	281,131	-	91,139
Charges for Services	-	16,413,767	93,119	-	-	-	1,600,165	-	-	205,742
Fines and Forfeitures	555,563	-	-	-	-	-	-	-	-	233,828
Sales	50,486	-	-	-	-	-	-	-	-	461,845
Rental Income	230,736	-	-	-	-	-	-	-	43,156	-
Investment Earnings	159,457	1,023,129	154,159	-	-	-	17,505	8,841	761,675	2,568
Miscellaneous	36,454	147,129	348,576	-	131	40	200,892	-	1,570	1,000
Total Revenues	8,898,908	19,650,542	2,243,486	21,539,125	6,703,040	3,803,545	10,052,189	289,972	4,542,156	1,361,712
<b>EXPENDITURES</b>										
Current:										
General Government	-	-	-	-	6,703,040	3,803,545	-	3,150	1,761,282	-
Public Safety	-	-	-	-	-	-	-	1,773	-	1,379,783
Sanitation	-	19,861,608	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	9,415,938	10,237	-	-
Human Services	-	-	-	-	-	-	-	134,133	-	-
Culture and Recreation	8,733,776	-	-	-	-	-	-	138,962	-	-
Economic Development and Assistance	-	-	2,111,064	21,539,125	-	-	-	-	-	-
Total Expenditures	8,733,776	19,861,608	2,111,064	21,539,125	6,703,040	3,803,545	9,415,938	288,255	1,761,282	1,379,783
Excess (Deficiency) of Revenues Over (Under) Expenditures	165,132	(211,066)	132,422	-	-	-	636,251	1,717	2,780,874	(18,071)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	-	-	-	-	-	-	10,000	-	-	-
Transfers Out	-	-	-	-	-	-	(24,981)	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	(14,981)	-	-	-
Net Change in Fund Balances	165,132	(211,066)	132,422	-	-	-	621,270	1,717	2,780,874	(18,071)
Fund Balances - Beginning	4,089,511	20,565,333	683,894	(4,142)	-	-	3,981,355	375,440	13,487,810	293,630
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	-
Fund Balances - Beginning as Restated	4,089,511	20,565,333	683,894	(4,142)	-	-	3,981,355	375,440	13,487,810	293,630
Increase (Decrease) in Reserve for Inventories	389	-	-	(159)	-	-	(7,382)	-	-	-
Fund Balances - Ending	\$ 4,255,032	\$ 20,354,267	\$ 816,316	\$ (4,301)	\$ -	\$ -	\$ 4,595,243	\$ 377,157	\$ 16,268,684	\$ 275,559

(Continued)

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

**STATEMENT 2**  
**(Continued)**

	Corrections Special Revenue Fund	Property Records Special Revenue Fund	County Attorney Special Revenue Fund	Health Promotion Health Improvement Special Revenue Fund	Parks and Recreation Special Revenue Fund	Nursing Home Patients' Activity Special Revenue Fund	Forfeited Tax Sale Special Revenue Fund	Law Library Special Revenue Fund	Regional Railroad Authority Debt Service Fund	Regional Railroad Authority Capital Projects Fund	Total Nonmajor Governmental Funds	
											2007	2006
<b>REVENUES</b>												
Taxes	\$ -	\$ 729,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,761,868	\$ 11,400,000	\$ 30,371,814	\$ 21,220,591
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	831,196	775,421
Intergovernmental	-	-	-	-	445,478	-	911	836	-	-	42,046,256	39,763,817
Private Grants and Donations	100	-	-	-	10,309	-	-	-	-	-	432,679	283,324
Charges for Services	282,395	997,578	-	-	-	-	2,453	549,789	-	-	20,145,008	21,382,773
Fines and Forfeitures	-	-	56,124	-	-	-	-	-	-	-	845,515	738,771
Sales	193,481	-	-	-	-	-	98,304	-	-	-	804,116	1,273,630
Rental Income	-	-	-	-	-	-	-	-	-	-	273,892	307,372
Investment Earnings	948	4,700	-	-	-	-	-	-	-	-	2,132,982	1,969,144
Miscellaneous	11,289	-	-	-	400	10,788	15,818	2,207	-	-	776,294	880,564
Total Revenues	488,213	1,731,579	56,124	-	456,187	10,788	117,486	552,832	4,761,868	11,400,000	98,659,752	88,595,407
<b>EXPENDITURES</b>												
Current:												
General Government	-	1,500,660	8,396	-	-	-	166,342	569,605	-	329,699	14,845,719	15,418,334
Public Safety	548,624	-	-	-	-	-	-	-	-	-	1,930,180	1,233,908
Sanitation	-	-	-	-	-	-	-	-	-	-	19,861,608	16,385,988
Health	-	-	-	-	-	-	-	-	-	-	9,426,175	8,857,427
Human Services	-	-	-	40,267	-	11,112	-	-	-	-	185,512	169,005
Culture and Recreation	-	-	-	-	418,379	-	-	-	-	-	9,291,117	8,702,152
Economic Development and Assistance	-	-	-	-	-	-	-	-	-	-	23,650,189	22,915,902
Total Expenditures	548,624	1,500,660	8,396	40,267	418,379	11,112	166,342	569,605	-	329,699	79,190,500	73,682,716
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,411)	230,919	47,728	(40,267)	37,808	(324)	(48,856)	(16,773)	4,761,868	11,070,301	19,469,252	14,912,691
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	-	-	-	-	-	-	-	-	10,000	553,362
Transfers Out	-	-	-	-	-	-	-	-	-	-	(24,981)	(425,984)
Total Other Financing Sources (Uses) Net Change in Fund Balances	(60,411)	230,919	47,728	(40,267)	37,808	(324)	(48,856)	(16,773)	4,761,868	11,070,301	19,454,271	15,040,069
Fund Balances - Beginning	535,507	3,424,848	401,732	127,965	438,002	14,204	64,021	855,264	4,560,645	3,430,866	57,325,885	41,914,829
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	-	-	360,000
Fund Balances - Beginning as Restated	535,507	3,424,848	401,732	127,965	438,002	14,204	64,021	855,264	4,560,645	3,430,866	57,325,885	42,274,829
Increase (Decrease) in Reserve for Inventories	-	-	-	-	-	-	(483)	-	-	-	(7,635)	10,987
Fund Balances - Ending	\$ 475,096	\$ 3,655,767	\$ 449,460	\$ 87,698	\$ 475,810	\$ 13,880	\$ 14,682	\$ 838,491	\$ 9,322,513	\$ 14,501,167	\$ 76,772,521	\$ 57,325,885

SCHEDULE 5

**RAMSEY COUNTY, MINNESOTA**  
**COUNTY LIBRARY FUND SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<b>ACTUAL AMOUNTS ON BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET OVER (UNDER)</b>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Taxes	\$ 7,419,945	\$ 7,146,778	\$ 7,220,336	\$ 73,558
Intergovernmental	328,847	608,987	645,876	36,889
Charges for Services	1,350	1,350	-	(1,350)
Fines and Forfeitures	550,000	550,000	555,563	5,563
Sales	55,000	55,000	50,486	(4,514)
Rental Income	105,000	105,000	230,736	125,736
Investment Earnings	75,000	158,988	159,457	469
Miscellaneous	-	37,067	36,454	(613)
Total Revenues	<u>8,535,142</u>	<u>8,663,170</u>	<u>8,898,908</u>	<u>235,738</u>
<b>EXPENDITURES</b>				
Current:				
Culture and Recreation	8,535,142	8,663,170	8,570,498	(92,672)
Total Expenditures	<u>8,535,142</u>	<u>8,663,170</u>	<u>8,570,498</u>	<u>(92,672)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>328,410</u>	<u>328,410</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>328,410</u>	<u>328,410</u>
Adjustment	(163,278)	(163,278)	(163,278)	-
Fund Balances - Beginning	4,089,511	4,089,511	4,089,511	-
Increase (Decrease) in Reserve for Inventories	<u>-</u>	<u>-</u>	<u>389</u>	<u>389</u>
Fund Balances - Ending	<u>\$ 3,926,233</u>	<u>\$ 3,926,233</u>	<u>\$ 4,255,032</u>	<u>\$ 328,799</u>

SCHEDULE 6

**RAMSEY COUNTY, MINNESOTA**  
**SOLID WASTE/RECYCLING SERVICE FEE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE**  
**BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL ON A BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET OVER (UNDER)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 5,537	\$ 5,537
Licenses and Permits	729,000	729,000	697,981	(31,019)
Intergovernmental	1,393,648	1,378,451	1,362,999	(15,452)
Charges for Services	15,897,376	15,897,376	16,413,767	516,391
Investment Income	-	-	1,023,129	1,023,129
Miscellaneous	171,962	171,962	147,129	(24,833)
Total Revenues	<u>18,191,986</u>	<u>18,176,789</u>	<u>19,650,542</u>	<u>1,473,753</u>
<b>EXPENDITURES</b>				
Current:				
Sanitation	21,726,385	22,718,388	20,247,838	(2,470,550)
Total Expenditures	<u>21,726,385</u>	<u>22,718,388</u>	<u>20,247,838</u>	<u>(2,470,550)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,534,399)</u>	<u>(4,541,599)</u>	<u>(597,296)</u>	<u>3,944,303</u>
Adjustment	386,230	386,230	386,230	-
Fund Balance-Beginning	<u>20,565,333</u>	<u>20,565,333</u>	<u>20,565,333</u>	<u>-</u>
Fund Balance-Ending	<u>\$ 17,417,164</u>	<u>\$ 16,409,964</u>	<u>\$ 20,354,267</u>	<u>\$ 3,944,303</u>

SCHEDULE 7

**RAMSEY COUNTY, MINNESOTA  
 SAINT PAUL PUBLIC HEALTH JPA SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE  
 BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL ON A BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET OVER (UNDER)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ 3,028,576	\$ 3,028,576	\$ 3,028,576	\$ -
Licenses and Permits	59,000	59,000	67,715	8,715
Intergovernmental	4,245,267	4,276,318	5,087,336	811,018
Private Grants & Donations	-	50,000	50,000	-
Charges for Services	1,641,708	1,641,708	1,600,165	(41,543)
Investment Earnings	-	17,505	17,505	-
Miscellaneous	5,000	5,000	200,892	195,892
Total Revenues	<u>8,979,551</u>	<u>9,078,107</u>	<u>10,052,189</u>	<u>974,082</u>
<b>EXPENDITURES</b>				
Current:				
Health	8,979,551	9,472,107	7,257,491	(2,214,616)
Total Expenditures	<u>8,979,551</u>	<u>9,472,107</u>	<u>7,257,491</u>	<u>(2,214,616)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(394,000)</u>	<u>2,794,698</u>	<u>3,188,698</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	-	10,000	10,000	-
Operating Transfers Out	-	(24,981)	(24,981)	-
Total Other Financing Sources (Uses)	-	(14,981)	(14,981)	-
Net Change in Fund Balance	-	(408,981)	2,779,717	3,188,698
Adjustment	(2,158,447)	(2,158,447)	(2,158,447)	-
Fund Balance - Beginning	<u>3,981,355</u>	<u>3,981,355</u>	<u>3,981,355</u>	<u>-</u>
Increase (Decrease) in Reserve for Inventories	-	-	(7,382)	(7,382)
Fund Balance - Ending	<u>\$ 1,822,908</u>	<u>\$ 1,413,927</u>	<u>\$ 4,595,243</u>	<u>\$ 3,181,316</u>

SCHEDULE 8

**RAMSEY COUNTY , MINNESOTA  
REGIONAL RAILROAD AUTHORITY SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL ON A BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET OVER (UNDER)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ 3,245,930	\$ 2,433,577	\$ 2,647,167	\$ 213,590
Intergovernmental	-	1,372,353	1,088,588	(283,765)
Investment Earnings	100,000	100,000	761,675	661,675
Rental Income	59,400	59,400	43,156	(16,244)
Miscellaneous	-	-	1,570	1,570
Total Revenues	<u>3,405,330</u>	<u>3,965,330</u>	<u>4,542,156</u>	<u>576,826</u>
<b>EXPENDITURES</b>				
Current:				
General Government	<u>3,405,330</u>	<u>3,965,330</u>	<u>2,795,655</u>	<u>(1,169,675)</u>
Total Expenditures	<u>3,405,330</u>	<u>3,965,330</u>	<u>2,795,655</u>	<u>(1,169,675)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,746,501</u>	<u>1,746,501</u>
Adjustment	1,034,373	1,034,373	1,034,373	-
Fund Balance - Beginning	13,487,810	13,487,810	13,487,810	-
Fund Balance - Ending	<u>\$ 14,522,183</u>	<u>\$ 14,522,183</u>	<u>\$ 16,268,684</u>	<u>\$ 1,746,501</u>

**SCHEDULE 9**

**RAMSEY COUNTY, MINNESOTA  
FORFEITED TAX SALE SPECIAL REVENUE FUND  
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS ON</u> <u>BUDGETARY</u> <u>BASIS</u>	<u>FINAL BUDGET</u> <u>OVER</u> <u>(UNDER)</u>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 911	\$ 911
Charges for Services	27,840	27,840	2,453	(25,387)
Sales	600,000	600,000	98,304	(501,696)
Miscellaneous	-	-	15,818	15,818
Total Revenues	<u>627,840</u>	<u>627,840</u>	<u>117,486</u>	<u>(510,354)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	<u>627,840</u>	<u>627,840</u>	<u>180,154</u>	<u>(447,686)</u>
Total Expenditures	<u>627,840</u>	<u>627,840</u>	<u>180,154</u>	<u>(447,686)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(62,668)</u>	<u>(62,668)</u>
Adjustment	13,812	13,812	13,812	-
Fund Balance - Beginning	64,021	64,021	64,021	-
Increase (Decrease) in Reserve for Inventories	-	-	(483)	(483)
Fund Balance - Ending	<u>\$ 77,833</u>	<u>\$ 77,833</u>	<u>\$ 14,682</u>	<u>\$ (63,151)</u>

**RAMSEY COUNTY , MINNESOTA  
 REGIONAL RAILROAD AUTHORITY DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES  
 BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL ON A BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET OVER (UNDER)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ 4,761,868	\$ 4,761,868	\$ 4,761,868	\$ -
Total Revenues	<u>4,761,868</u>	<u>4,761,868</u>	<u>4,761,868</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General Government	4,761,868	4,761,868	-	(4,761,868)
Total Expenditures	<u>4,761,868</u>	<u>4,761,868</u>	<u>-</u>	<u>(4,761,868)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>4,761,868</u>	<u>4,761,868</u>
Fund Balance - Beginning	4,560,645	4,560,645	4,560,645	-
Fund Balance - Ending	<u>\$ 4,560,645</u>	<u>\$ 4,560,645</u>	<u>\$ 9,322,513</u>	<u>\$ 4,761,868</u>



## **NONMAJOR ENTERPRISE FUNDS**

To account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Ramsey Nursing Home** – To provide health care services for the physically and mentally handicapped.

**Law Enforcement Services** – To provide law enforcement services to certain communities in Ramsey County beyond the services normally provided or available to all communities within the County.

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

	Ramsey Nursing Home	Law Enforcement Services	Total Nonmajor Enterprise Funds	
			2007	2006
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 2,794,374	\$ 343,823	\$ 3,138,197	\$ 1,004,254
Petty Cash and Change Funds	14,000	-	14,000	14,000
Cooperative Investment	55,320	-	55,320	30,913
Accounts Receivable (Net)	248,138	-	248,138	382,788
Cooperative Investment Receivable	-	-	-	17,244
Due from Other Governments	916,549	333,028	1,249,577	1,041,076
Inventories	21,715	-	21,715	27,847
Total Current Assets	<u>4,050,096</u>	<u>676,851</u>	<u>4,726,947</u>	<u>2,518,122</u>
Noncurrent Assets:				
Deferred charges	10,022	-	10,022	-
Capital Assets:				
Land	99,200	-	99,200	99,200
Improvements Other Than Buildings	423,964	-	423,964	423,964
Building	4,517,652	-	4,517,652	4,517,652
Building Improvements	1,604,496	-	1,604,496	1,543,729
Equipment	937,412	718,251	1,655,663	1,602,172
Construction in Progress	670,012	-	670,012	26,000
Less Accumulated Depreciation	<u>(5,267,912)</u>	<u>(461,683)</u>	<u>(5,729,595)</u>	<u>(5,468,845)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>2,984,824</u>	<u>256,568</u>	<u>3,241,392</u>	<u>2,743,872</u>
Total Noncurrent Assets	<u>2,994,846</u>	<u>256,568</u>	<u>3,251,414</u>	<u>2,743,872</u>
Total Assets	<u>7,044,942</u>	<u>933,419</u>	<u>7,978,361</u>	<u>5,261,994</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Salaries Payable	387,381	154,088	541,469	512,450
Accounts Payable	566,693	6,879	573,572	232,893
Interest Payable	50,984	-	50,984	-
Unamortized Bond Discount/Premium	4,119	-	4,119	-
Due to Other Funds	531,996	35,014	567,010	54,764
Due to Other Governments	4,233	347,147	351,380	295,579
General Obligation Bonds Payable-Current	110,000	-	110,000	-
Vacation and Compensatory Time Payable	465,273	307,762	773,035	705,253
Total Current Liabilities	<u>2,120,679</u>	<u>850,890</u>	<u>2,971,569</u>	<u>1,800,939</u>
Noncurrent Liabilities:				
General Obligation Bonds Payable	2,140,000	-	2,140,000	-
Unamortized Bond Discount/Premium	74,482	-	74,482	-
Advance from Other Funds	-	50,000	50,000	50,000
Compensated Absences Payable	472,248	-	472,248	439,649
Total Noncurrent Liabilities	<u>2,686,730</u>	<u>50,000</u>	<u>2,736,730</u>	<u>489,649</u>
Total Liabilities	<u>4,807,409</u>	<u>900,890</u>	<u>5,708,299</u>	<u>2,290,588</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	2,293,736	256,568	2,550,304	2,743,872
Unrestricted	(56,203)	(224,039)	(280,242)	227,534
Total Net Assets	<u>\$ 2,237,533</u>	<u>\$ 32,529</u>	<u>\$ 2,270,062</u>	<u>\$ 2,971,406</u>

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

	Ramsey Nursing Home	Law Enforcement Services	Total Nonmajor Enterprise Funds	
			2007	2006
<b>OPERATING REVENUES:</b>				
Charges for Services	\$ 12,311,430	\$ 4,933,339	\$ 17,244,769	\$ 16,721,624
Sales	-	797	797	763
Miscellaneous	32,930	-	32,930	32,475
Total Operating Revenues	<u>12,344,360</u>	<u>4,934,136</u>	<u>17,278,496</u>	<u>16,754,862</u>
<b>OPERATING EXPENSES:</b>				
Personal Services	10,304,405	4,088,546	14,392,951	13,294,573
Other Services and Charges	2,171,096	818,851	2,989,947	2,857,571
Supplies	847,599	178,897	1,026,496	971,903
Depreciation	234,135	162,091	396,226	360,802
Total Operating Expenses	<u>13,557,235</u>	<u>5,248,385</u>	<u>18,805,620</u>	<u>17,484,849</u>
Operating Income (Loss)	<u>(1,212,875)</u>	<u>(314,249)</u>	<u>(1,527,124)</u>	<u>(729,987)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Intergovernmental Revenue	93,084	313,099	406,183	292,775
Amortization of Bond Issuance Costs	(481)	-	(481)	-
Amortization of (Discount) Premium on Bonds	3,776	-	3,776	-
Interest Expense	(50,984)	-	(50,984)	-
Gain (Loss) on Disposal of Capital Assets	(388)	-	(388)	(23,188)
Gain on Sale of Capital Assets	-	5,563	5,563	6,207
Investment Earnings (Loss)	36,798	-	36,798	28,701
Private Donations	-	-	-	1,575
Total Nonoperating Revenues (Expenses)	<u>81,805</u>	<u>318,662</u>	<u>400,467</u>	<u>306,070</u>
Income Before Contributions and Transfers	<u>(1,131,070)</u>	<u>4,413</u>	<u>(1,126,657)</u>	<u>(423,917)</u>
Capital Contributions	67,407	-	67,407	68,018
Transfers In	357,906	-	357,906	370,391
Change in Net Assets	<u>(705,757)</u>	<u>4,413</u>	<u>(701,344)</u>	<u>14,492</u>
Total Net Assets - Beginning	<u>2,943,290</u>	<u>28,116</u>	<u>2,971,406</u>	<u>2,956,914</u>
Total Net Assets - Ending	<u>\$ 2,237,533</u>	<u>\$ 32,529</u>	<u>\$ 2,270,062</u>	<u>\$ 2,971,406</u>

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

	Ramsey Nursing Home	Law Enforcement Services	Total Nonmajor Enterprise Funds	
			2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers and Users	\$ 12,241,865	\$ 5,037,516	\$ 17,279,381	\$ 16,273,297
Payments to Suppliers	(2,640,526)	(1,008,267)	(3,648,793)	(3,995,540)
Payments to Employees	(9,694,688)	(4,079,147)	(13,773,835)	(13,241,787)
Net Cash Provided (Used) for Operating Activities	(93,349)	(49,898)	(143,247)	(964,030)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Intergovernmental Revenue	93,084	313,099	406,183	292,775
Transfers In	357,906	-	357,906	357,906
Private Donations	-	-	-	1,575
Net Cash Provided (Used) for Noncapital Financing Activities	450,990	313,099	764,089	652,256
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from the Sale of Capital Assets	-	33,250	33,250	25,530
Proceeds from Sale of Bonds	2,321,873	-	2,321,873	-
Purchases of Capital Assets	(672,084)	(182,329)	(854,413)	(239,701)
Net Cash Provided (Used) for Capital and Related Financing Activities	1,649,789	(149,079)	1,500,710	(214,171)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from Sale of Investments	2,175	-	2,175	32,521
Dividends Received	10,216	-	10,216	32,278
Net Cash Provided (Used) for Investing Activities	12,391	-	12,391	64,799
Net Increase (Decrease) in Cash and Cash Equivalents	2,019,821	114,122	2,133,943	(461,146)
Cash and Cash Equivalents, January 1	788,553	229,701	1,018,254	1,479,400
Cash and Cash Equivalents, December 31	2,808,374	343,823	3,152,197	1,018,254
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	(1,212,875)	(314,249)	(1,527,124)	(729,987)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	234,135	162,091	396,226	360,802
Noncash Transfers	-	-	-	12,485
Provision for Uncollectible Accounts	16,950	-	16,950	30,000
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	117,700	-	117,700	(102,828)
(Increase) Decrease in Cooperative Investment Receivable	17,244	-	17,244	-
(Increase) Decrease in Due from Other Governments	(254,385)	45,884	(208,501)	(359,573)
(Increase) Decrease in Prepaid Items	-	-	-	42,225
(Increase) Decrease in Inventories	6,132	-	6,132	3,874
Increase (Decrease) in Salaries Payable	22,601	6,418	29,019	35,753
Increase (Decrease) in Accounts Payable	340,094	585	340,679	(38,891)
Increase (Decrease) in Due to Other Funds	523,350	(11,104)	512,246	(138,526)
Increase (Decrease) in Due to Other Governments	(1,695)	57,496	55,801	(96,398)
Increase (Decrease) in Vacation and Compensatory Time Payable	64,801	2,981	67,782	45,741
Increase (Decrease) in Compensated Absences Payable	32,599	-	32,599	(28,707)
Net Cash Provided (Used) by Operating Activities	\$ (93,349)	\$ (49,898)	\$ (143,247)	\$ (964,030)

Noncash Investing, Capital and Financing Activities:

Contributions of Capital Assets in the Ramsey Nursing Home Fund amounted to \$67,407 and \$65,860 in 2007 and 2006 respectively. The fair value of Ramsey Nursing Home Investment increased by \$24,407 in 2007, and decreased by \$53,342 in 2006.

Disposal of Capital Assets had a Net Book Value of \$388 in 2007 and \$23,188 in 2006 for the Ramsey Nursing Home.

## **INTERNAL SERVICE FUNDS**

To account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or other governments, on a cost-reimbursement basis.

**Data Processing** – To provide electronic data processing services to county departments and other governmental units.

**General County Buildings** – To account for rents received from occupants of several County Buildings and to pay all expenses incurred in operating and maintaining the building.

**Telecommunications** – To account for all expenses incurred in operating the telephone system in the Ramsey County Government Center-West Building, Ramsey County Government Center-East Building, and City/County Courthouse.

**Firearms Range** – To provide a Firearms Range to law enforcement personnel of the County and other local governments.

**Retiree Insurance** – To account for the County's contribution to Retiree Insurance and OPEB expenses in compliance with GASB Statement #45.

**RAMSEY COUNTY, MINNESOTA  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2007**

**STATEMENT 6**

**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

	Data Processing	General County Buildings	Telecomm- unications	Firearms Range	Retiree Insurance	Total Internal Service Funds	
						2007	2006
<b>ASSETS</b>							
Current assets:							
Cash and Cash Equivalents	\$ 43,729	\$ 9,149,459	\$ 2,858,352	\$ 38,489	\$ 25,014,930	\$ 37,104,959	\$ 11,704,586
Petty Cash and Change Funds	75	-	-	-	-	75	75
Accounts Receivable (Net)	2,593	599	5,520	-	-	8,712	7,598
Due from Other Funds	1,204,569	341,710	300,485	-	1,725,413	3,572,177	1,030,961
Due from Other Governments	29,371	16,400	155,656	4,388	-	205,815	109,533
Prepaid Items	167,856	-	-	-	-	167,856	105,003
Inventories	5,410	-	-	-	-	5,410	7,265
Restricted Cash and Cash Equivalents	-	1,000	-	-	-	1,000	1,000
Total Current Assets	<u>1,453,603</u>	<u>9,509,168</u>	<u>3,320,013</u>	<u>42,877</u>	<u>26,740,343</u>	<u>41,066,004</u>	<u>12,966,021</u>
Noncurrent Assets:							
Capital Assets:							
Improvements Other Than Buildings	-	19,698	-	-	-	19,698	19,698
Building Improvements	137,738	7,694,990	-	-	-	7,832,728	7,495,865
Equipment	5,154,997	394,043	3,020,536	-	-	8,569,576	8,573,939
Less Accumulated Depreciation	(5,164,360)	(6,079,905)	(2,452,089)	-	-	(13,696,354)	(12,988,875)
Total Capital Assets (Net of Accumulated Depreciation)	<u>128,375</u>	<u>2,028,826</u>	<u>568,447</u>	<u>-</u>	<u>-</u>	<u>2,725,648</u>	<u>3,100,627</u>
Total Assets	<u>1,581,978</u>	<u>11,537,994</u>	<u>3,888,460</u>	<u>42,877</u>	<u>26,740,343</u>	<u>43,791,652</u>	<u>16,066,648</u>
<b>LIABILITIES</b>							
Current Liabilities:							
Salaries Payable	181,761	151,610	18,144	-	-	351,515	251,421
Accounts Payable	82,090	810,605	184,015	485	806,525	1,883,720	559,976
Loan Payable	-	335	-	-	-	335	2,339
Due to Other Funds	437,066	376,827	35,838	28,872	-	878,603	116,358
Due to Other Governments	19,815	12,903	3,072	3	-	35,793	33,761
Vacation and Compensatory Time Payable	384,214	263,343	27,390	-	-	674,947	485,286
Payable from Restricted Assets:							
Customer Deposits Payable	-	1,000	-	-	-	1,000	1,000
Total Current Liabilities	<u>1,104,946</u>	<u>1,616,623</u>	<u>268,459</u>	<u>29,360</u>	<u>806,525</u>	<u>3,825,913</u>	<u>1,450,141</u>
Noncurrent Liabilities:							
Loan Payable	-	-	-	-	-	-	335
Compensated Absences Payable	439,838	408,756	30,018	-	-	878,612	653,651
Net OPEB Liability	-	-	-	-	19,580,393	19,580,393	-
Total Noncurrent Liabilities	<u>439,838</u>	<u>408,756</u>	<u>30,018</u>	<u>-</u>	<u>19,580,393</u>	<u>20,459,005</u>	<u>653,986</u>
Total Liabilities	<u>1,544,784</u>	<u>2,025,379</u>	<u>298,477</u>	<u>29,360</u>	<u>20,386,918</u>	<u>24,284,918</u>	<u>2,104,127</u>
<b>NET ASSETS</b>							
Invested in Capital Assets, Net of Related Debt	128,375	2,028,826	568,447	-	-	2,725,648	3,100,627
Unrestricted	(91,181)	7,483,789	3,021,536	13,517	6,353,425	16,781,086	10,861,894
Total Net Assets	<u>\$ 37,194</u>	<u>\$ 9,512,615</u>	<u>\$ 3,589,983</u>	<u>\$ 13,517</u>	<u>\$ 6,353,425</u>	<u>\$ 19,506,734</u>	<u>\$ 13,962,521</u>

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

**STATEMENT 7**

	Data Processing	General County Buildings	Telecomm- unications	Firearms Range	Retiree Insurance	Total Internal Service Funds	
						2007	2006
<b>OPERATING REVENUES:</b>							
Charges for Services	\$ 7,656,884	\$ 13,665,005	\$ 1,654,313	\$ 33,907	\$ 11,360,817	\$ 34,370,926	\$ 18,712,266
Sales	-	769	-	-	-	769	5,136
Miscellaneous	482	89,859	1,642	-	-	91,983	168,319
Total Operating Revenues	<u>7,657,366</u>	<u>13,755,633</u>	<u>1,655,955</u>	<u>33,907</u>	<u>11,360,817</u>	<u>34,463,678</u>	<u>18,885,721</u>
<b>OPERATING EXPENSES:</b>							
Personal Services	5,436,703	4,658,752	540,034	-	-	10,635,489	7,615,033
Other Services and Charges	2,857,796	8,356,687	733,757	29,434	-	11,977,674	9,542,256
Supplies	33,781	386,598	37,112	2,123	-	459,614	397,385
OPEB Expense	-	-	-	-	29,213,298	29,213,298	-
Depreciation	16,416	579,185	304,356	-	-	899,957	888,776
Total Operating Expenses	<u>8,344,696</u>	<u>13,981,222</u>	<u>1,615,259</u>	<u>31,557</u>	<u>29,213,298</u>	<u>53,186,032</u>	<u>18,443,450</u>
Operating Income (Loss)	<u>(687,330)</u>	<u>(225,589)</u>	<u>40,696</u>	<u>2,350</u>	<u>(17,852,481)</u>	<u>(18,722,354)</u>	<u>442,271</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Intergovernmental Revenue	34,633	24,491	1,252	-	-	60,376	24,008
Investment Earnings (Loss)	-	-	-	-	915,652	915,652	-
Gain (Loss) on Disposal of Capital Assets	615	(183)	-	-	-	432	805
Total Nonoperating Revenues (Expenses)	<u>35,248</u>	<u>24,308</u>	<u>1,252</u>	<u>-</u>	<u>915,652</u>	<u>976,460</u>	<u>24,813</u>
Income Before Transfers	<u>(652,082)</u>	<u>(201,281)</u>	<u>41,948</u>	<u>2,350</u>	<u>(16,936,829)</u>	<u>(17,745,894)</u>	<u>467,084</u>
Transfers In	-	-	-	-	23,290,254	23,290,254	-
Transfers Out	(147)	-	-	-	-	(147)	(127)
Change in Net Assets	<u>(652,229)</u>	<u>(201,281)</u>	<u>41,948</u>	<u>2,350</u>	<u>6,353,425</u>	<u>5,544,213</u>	<u>466,957</u>
Total Net Assets - Beginning	689,423	9,713,896	3,548,035	11,167	-	13,962,521	13,495,564
Total Net Assets - Ending	<u>\$ 37,194</u>	<u>\$ 9,512,615</u>	<u>\$ 3,589,983</u>	<u>\$ 13,517</u>	<u>\$ 6,353,425</u>	<u>\$ 19,506,734</u>	<u>\$ 13,962,521</u>

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

**STATEMENT 8**

	Data Processing	General County Buildings	Telecomm- unications	Firearms Range	Retiree Insurance	Total Internal Service Funds	
						2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from Customers and Users	\$ 403,253	\$ 13,538,827	\$ 1,297,545	\$ 49,470	\$ -	\$ 15,289,095	\$ 1,414,313
Receipts from Interfund Services Provided	6,900,567	-	-	-	9,635,404	16,535,971	17,360,839
Payments to Suppliers	(2,507,852)	(8,484,181)	(611,428)	(32,263)	(8,826,380)	(20,462,104)	(8,804,745)
Payments to Employees	(4,904,451)	(3,906,063)	(498,759)	-	-	(9,309,273)	(7,469,639)
Payments for Interfund Services Used	(392,565)	-	-	-	-	(392,565)	(1,603,930)
Net Cash Provided (Used) for Operating Activities	(501,048)	1,148,583	187,358	17,207	809,024	1,661,124	896,838
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Intergovernmental Revenue	34,633	24,491	1,252	-	-	60,376	24,008
Transfers In	-	-	-	-	23,290,254	23,290,254	-
Transfers Out	(147)	-	-	-	-	(147)	(127)
Net Cash Provided (Used) for Noncapital Financing Activities	34,486	24,491	1,252	-	23,290,254	23,350,483	23,881
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Proceeds from the Sale of Capital Assets	615	-	-	-	-	615	805
Purchases of Capital Assets	(8,201)	(363,684)	(153,277)	-	-	(525,162)	(554,089)
Repayment of Loan	-	(2,339)	-	-	-	(2,339)	(5,087)
Net Cash Provided (Used) for Capital and Related Financing Activities	(7,586)	(366,023)	(153,277)	-	-	(526,886)	(558,371)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest Income	-	-	-	-	915,652	915,652	-
Net Cash Provided (Used) for Investing Activities	-	-	-	-	915,652	915,652	-
Net Increase (Decrease) in Cash and Cash Equivalents	(474,148)	807,051	35,333	17,207	25,014,930	25,400,373	362,348
Cash and Cash Equivalents, January 1	517,952	8,343,408	2,823,019	21,282	-	11,705,661	11,343,313
Cash and Cash Equivalents, December 31	43,804	9,150,459	2,858,352	38,489	25,014,930	37,106,034	11,705,661
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>							
Operating Income (Loss)	(687,330)	(225,589)	40,696	2,350	(17,852,481)	(18,722,354)	442,271
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:							
Depreciation Expense	16,416	579,185	304,356	-	-	899,957	888,776
Changes in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable	1,327	787	(2,760)	300	-	(346)	(8,506)
(Increase) Decrease in Due From Other Funds	(387,456)	(215,090)	(221,847)	7,822	(1,725,413)	(2,541,984)	(83,447)
(Increase) Decrease in Due From Other Governments	32,583	(2,503)	(133,803)	7,441	-	(96,282)	(37,453)
(Increase) Decrease in Prepaid Items	(62,853)	-	-	-	-	(62,853)	37,395
(Increase) Decrease in Inventories	1,855	-	-	-	-	1,855	(1,451)
Increase (Decrease) in Salaries Payable	25,236	72,671	2,187	-	-	100,094	17,853
Increase (Decrease) in Accounts Payable	39,832	321,492	156,218	(323)	806,525	1,323,744	(454,634)
Increase (Decrease) in Due to Other Funds	435,079	294,348	33,166	(348)	-	762,245	(49,427)
Increase (Decrease) in Due to Other Governments	7,690	(5,667)	44	(35)	-	2,032	17,920
Increase (Decrease) in Vacation and Compensatory Time Payable	58,123	126,161	5,377	-	-	189,661	57,714
Increase (Decrease) in Compensated Absences Payable	18,450	202,788	3,724	-	-	224,962	69,827
Increase (Decrease) in Net OPEB Liability Payable	-	-	-	-	19,580,393	19,580,393	-
Net Cash Provided (Used) by Operating Activities	\$ (501,048)	\$ 1,148,583	\$ 187,358	\$ 17,207	\$ 809,024	\$ 1,661,124	\$ 896,838

Non cash Capital and Related Financing Activity:  
Data Processing disposed of capital assets with a net book value of zero.



## **FIDUCIARY FUNDS**

To account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, and other governmental units.

### **Private Purpose Trust Funds:**

**Missing Heirs** – To account for unclaimed funds of heirs who cannot immediately be located.

**Lake Owasso Residence Trust** – To account for resident's assets held by the County.

**Ramsey Nursing Home Client Trust** – To account for client assets held by the County.

**Social Welfare** – To account for certain Community Human Services client assets held by the County.

### **Agency Fund:**

To account for assets held by a governmental unit as an agent for individuals/private organizations, and other governmental units.

## STATEMENT 9

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**PRIVATE PURPOSE TRUST FUNDS**  
**DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2006**

	<u>Missing Heirs</u>	<u>Lake Owasso Residence Client Trust</u>	<u>Ramsey Nursing Home Client Trust</u>	<u>Social Welfare</u>	<u>Total Private Purpose Trust Funds</u>	
					<u>2007</u>	<u>2006</u>
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 163,811	\$ 105,394	\$ 62,075	\$ 1,902,783	\$ 2,234,063	\$ 2,545,416
Accounts Receivable	-	-	-	-	-	773
Total Assets	<u>163,811</u>	<u>105,394</u>	<u>62,075</u>	<u>1,902,783</u>	<u>2,234,063</u>	<u>2,546,189</u>
<b>LIABILITIES</b>						
Custodial Payable	-	4,898	-	-	4,898	15,852
<b>NET ASSETS</b>						
Held in Trust for Private Purposes	<u>\$ 163,811</u>	<u>\$ 100,496</u>	<u>\$ 62,075</u>	<u>\$ 1,902,783</u>	<u>\$ 2,229,165</u>	<u>\$ 2,530,337</u>

**RAMSEY COUNTY, MINNESOTA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**PRIVATE PURPOSE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Missing Heirs</u>	<u>Lake Owasso Residence Client Trust</u>	<u>Ramsey Nursing Home Client Trust</u>	<u>Social Welfare</u>	<u>Total Private Purpose Trust Funds</u>	
					<u>2007</u>	<u>2006</u>
<b>ADDITIONS</b>						
Receipts from Clients	\$ 1,500	\$ 113,754	\$ 104,501	\$ 12,705,834	\$ 12,925,589	\$ 12,804,044
Investment Earnings	-	-	2,548	9,486	12,034	11,304
Total Additions	<u>1,500</u>	<u>113,754</u>	<u>107,049</u>	<u>12,715,320</u>	<u>12,937,623</u>	<u>12,815,348</u>
<b>DEDUCTIONS</b>						
Payments to Clients or on Behalf of Clients	<u>21,554</u>	<u>82,658</u>	<u>96,679</u>	<u>13,037,904</u>	<u>13,238,795</u>	<u>12,806,686</u>
Change in Net Assets	(20,054)	31,096	10,370	(322,584)	(301,172)	8,662
Net Assets - Beginning	<u>183,865</u>	<u>69,400</u>	<u>51,705</u>	<u>2,225,367</u>	<u>2,530,337</u>	<u>2,521,675</u>
Net Assets - Ending	<u>\$ 163,811</u>	<u>\$ 100,496</u>	<u>\$ 62,075</u>	<u>\$ 1,902,783</u>	<u>\$ 2,229,165</u>	<u>\$ 2,530,337</u>

**RAMSEY COUNTY, MINNESOTA  
AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Balance January 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2007</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 33,140,053	\$ 740,585,750	\$ 747,466,069	\$ 26,259,734
Petty Cash and Change Funds	50	-	-	50
Receivables (Net):				
Taxes	205	-	205	-
Accounts	18,911,342	21,048,875	18,911,342	21,048,875
Due from Other Governments	55,120	26,435	55,120	26,435
Advance to Other Governments	50,893	-	50,893	-
	<u>52,157,663</u>	<u>761,661,060</u>	<u>766,483,629</u>	<u>47,335,094</u>
<b>LIABILITIES</b>				
Salaries Payable	6,426	11,376	6,426	11,376
Custodial Payable	36,354,192	38,731,400	37,307,505	37,778,087
Due to Other Governments	15,797,045	9,545,631	15,797,045	9,545,631
	<u>\$ 52,157,663</u>	<u>\$ 48,288,407</u>	<u>\$ 53,110,976</u>	<u>\$ 47,335,094</u>

## **OTHER SUPPLEMENTARY INFORMATION**

**RAMSEY COUNTY, MINNESOTA**  
**SCHEDULE OF INTERGOVERNMENTAL REVENUES**  
**ALL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	Special Revenue Funds						Special Revenue Funds						Total	
	General Fund	County Library	Solid Waste/ Recycling Service Fee	Housing and Redevelopment Authority	Workforce Solutions	Parks and Recreation	State Funding For Courts	State Public Defender	St. Paul Public Health JPA	Regional Railroad Authority	Sheriff	Law Library		Forfeited Tax Sale
<b>Shared Revenue:</b>														
State-														
Highway Users Tax	\$ 6,470,458	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Watercraft Registration	44,173	-	-	-	-	-	-	-	-	-	-	-	-	
Market Value Homestead Credit	8,088,091	274,307	-	-	-	-	-	-	825,476	-	-	-	1,099,783	
Disparity Reduction Aid	241,958	-	-	-	-	-	-	-	-	-	-	-	-	
County Program Aid	16,306,267	187,195	-	-	-	-	-	-	-	-	-	-	187,195	
State Aid for Police Pension	1,445,675	-	-	-	-	-	-	-	-	-	-	-	-	
911 Telephone Fee	370,964	-	-	-	-	-	-	-	-	-	-	-	-	
PERA Rate Increase Aid	697,832	21,496	3,718	678	9,372	11,114	15,826	-	-	-	836	911	63,951	
<b>Total Shared Revenue</b>	<b>33,665,418</b>	<b>482,998</b>	<b>3,718</b>	<b>678</b>	<b>9,372</b>	<b>11,114</b>	<b>15,826</b>	<b>-</b>	<b>825,476</b>	<b>-</b>	<b>836</b>	<b>911</b>	<b>1,350,929</b>	
<b>Reimbursement for Services:</b>														
State-														
Minnesota Department of														
Attorney General	41,702	-	-	-	-	-	-	-	-	-	-	-	-	
Human Services	43,938,233	-	-	-	2,448	-	-	-	-	-	-	-	2,448	
Public Defense Board	-	-	-	-	-	-	3,787,679	-	-	-	-	-	3,787,679	
Education	188,635	-	-	-	-	-	-	-	-	-	-	-	-	
Federal-														
Justice	25,385	-	-	-	-	-	-	-	-	-	-	-	-	
Health and Human Services	845,208	19,181	-	380	-	-	-	-	-	-	-	-	19,561	
Family Service Collaborative	357,238	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Reimbursement for Services</b>	<b>45,396,401</b>	<b>19,181</b>	<b>-</b>	<b>380</b>	<b>2,448</b>	<b>-</b>	<b>3,787,679</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,809,688</b>	
<b>Grants:</b>														
State-														
Minnesota Department of														
Public Safety	1,555,989	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental Assistance	-	-	1,140,062	-	-	-	-	-	-	-	-	-	1,140,062	
Health	2,743,538	-	-	-	-	-	-	292,968	-	-	-	-	292,968	
Natural Resources	121,069	-	-	-	-	-	-	-	-	-	-	-	-	
Transportation	10,370	-	-	-	-	3,945	-	-	-	-	-	-	3,945	
Corrections	10,337,669	-	-	-	-	-	-	-	-	-	-	-	-	
Human Services	33,781,798	-	-	-	1,203,081	-	-	-	-	-	-	-	1,203,081	
Veteran Affairs	5,600	-	-	-	-	-	-	-	-	-	-	-	-	
Housing Finance	953,951	-	-	-	-	-	-	-	-	-	-	-	-	
Employment & Economic Development	-	-	-	-	2,656,350	-	-	-	-	-	-	-	2,656,350	
Commerce	-	-	-	-	-	-	-	-	-	-	-	-	-	
Trial Courts	-	-	-	-	-	-	6,691,795	-	-	-	-	-	6,691,795	
Miscellaneous Boards	104,917	6,973	-	-	-	-	-	-	-	-	-	-	6,973	
<b>Total State</b>	<b>49,614,901</b>	<b>6,973</b>	<b>1,140,062</b>	<b>-</b>	<b>3,859,431</b>	<b>3,945</b>	<b>6,691,795</b>	<b>-</b>	<b>292,968</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,995,174</b>	
Federal-														
Department of														
Agriculture	185,578	-	-	-	-	-	-	2,590,770	-	-	-	-	2,590,770	
Interior	25,000	-	-	-	-	-	-	-	-	-	-	-	-	
Justice	1,153,620	-	-	-	12,486	-	-	-	-	300,090	-	-	312,576	
Transportation	104,869	-	-	-	-	-	-	-	160,045	-	-	-	160,045	
Housing and Urban Development	653,189	-	-	1,646,574	-	-	-	839,065	-	-	-	-	2,485,639	
Labor	-	-	-	-	3,076,296	-	-	-	-	-	-	-	3,076,296	
Environmental Protection Agency	1,768	-	-	-	-	-	-	-	-	-	-	-	-	
Health and Human Services	31,233,169	-	-	-	14,000,063	-	-	1,359,533	-	-	-	-	15,359,596	
Homeland Security	562,926	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Federal</b>	<b>33,920,119</b>	<b>-</b>	<b>-</b>	<b>1,646,574</b>	<b>17,088,845</b>	<b>-</b>	<b>-</b>	<b>4,789,368</b>	<b>160,045</b>	<b>300,090</b>	<b>-</b>	<b>-</b>	<b>23,984,922</b>	
Local														
<b>Total Grants</b>	<b>84,036,525</b>	<b>142,936</b>	<b>1,359,281</b>	<b>1,646,574</b>	<b>20,948,276</b>	<b>445,478</b>	<b>6,691,795</b>	<b>-</b>	<b>5,087,336</b>	<b>300,090</b>	<b>-</b>	<b>-</b>	<b>36,871,844</b>	
Excess Tax Increment	125,532	-	-	-	-	-	-	-	-	-	-	-	-	
Payments in lieu of taxes	237,284	761	-	-	-	-	-	-	13,034	-	-	-	13,795	
<b>Total Intergovernmental Revenue</b>	<b>\$ 163,461,160</b>	<b>\$ 645,876</b>	<b>\$ 1,362,999</b>	<b>\$ 1,647,632</b>	<b>\$ 20,960,096</b>	<b>\$ 445,478</b>	<b>\$ 6,702,909</b>	<b>\$ 3,803,505</b>	<b>\$ 5,087,336</b>	<b>\$ 1,088,588</b>	<b>\$ 300,090</b>	<b>\$ 836</b>	<b>\$ 911</b>	<b>\$ 42,046,256</b>

(Continued)

RAMSEY COUNTY, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUES  
ALL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2007

	Debt Service Fund	Capital Projects Fund	Enterprise Funds	Internal Service Funds	Total All Funds
<b>Shared Revenue:</b>					
State-					
Highway Users Tax	\$ 300,943	\$ 5,524,288	\$ -	\$ -	\$ 12,295,689
Watercraft Registration	-	-	-	-	44,173
Market Value Homestead Credit	686,017	-	-	-	9,873,891
Disparity Reduction Aid	20,098	-	-	-	262,056
County Program Aid	15,693	-	-	-	16,509,155
State Aid for Police Pension	-	-	312,675	-	1,758,350
911 Telephone Fee	-	-	-	-	370,964
PERA Rate Increase Aid	-	-	54,170	29,824	845,777
<b>Total Shared Revenue</b>	<u>1,022,751</u>	<u>5,524,288</u>	<u>366,845</u>	<u>29,824</u>	<u>41,960,055</u>
<b>Reimbursement for Services:</b>					
State-					
Minnesota Department of Attorney General	-	-	-	-	41,702
Human Services	-	-	-	-	43,940,681
Public Defense Board	-	-	-	-	3,787,679
Education	-	-	-	-	188,635
Federal-					
Justice	-	-	-	-	25,385
Health and Human Services	-	-	74,865	30,552	970,186
Family Service Collaborative	-	-	-	-	357,238
<b>Total Reimbursement for Services</b>	<u>-</u>	<u>-</u>	<u>74,865</u>	<u>30,552</u>	<u>49,311,506</u>
<b>Grants:</b>					
State-					
Minnesota Department of Public Safety	-	-	-	-	1,555,989
Environmental Assistance	-	-	-	-	1,140,062
Health	-	-	-	-	3,036,506
Natural Resources	-	-	-	-	121,069
Transportation	-	7,877,996	-	-	7,892,311
Corrections	-	-	-	-	10,337,669
Human Services	-	-	-	-	34,984,879
Veteran Affairs	-	-	-	-	5,600
Housing Finance	-	-	-	-	953,951
Employment & Economic Development	-	-	-	-	2,656,350
Commerce	-	18,064	-	-	18,064
Trial Courts	-	-	-	-	6,691,795
Miscellaneous Boards	-	-	-	-	111,890
<b>Total State</b>	<u>-</u>	<u>7,896,060</u>	<u>-</u>	<u>-</u>	<u>69,506,135</u>
Federal-					
Department of Agriculture	-	-	-	-	2,776,348
Interior	-	-	-	-	25,000
Justice	-	-	-	-	1,466,196
Transportation	-	12,870,221	-	-	13,135,135
Housing and Urban Development	-	-	-	-	3,138,828
Labor	-	-	-	-	3,076,296
Environmental Protection Agency	-	-	-	-	1,768
Health and Human Services	-	-	-	-	46,592,765
Homeland Security	-	821,912	-	-	1,384,838
<b>Total Federal</b>	<u>-</u>	<u>13,692,133</u>	<u>-</u>	<u>-</u>	<u>71,597,174</u>
Local	-	3,599,689	-	-	4,992,942
<b>Total Grants</b>	<u>-</u>	<u>25,187,882</u>	<u>-</u>	<u>-</u>	<u>146,096,251</u>
Excess Tax Increment	-	-	-	-	125,532
Payments in lieu of taxes	10,643	-	-	-	261,722
<b>Total Intergovernmental Revenue</b>	<u>\$ 1,033,394</u>	<u>\$ 30,712,170</u>	<u>\$ 441,710</u>	<u>\$ 60,376</u>	<u>\$ 237,755,066</u>

**RAMSEY COUNTY, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

<b>Federal Grantor Pass Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>Department of Agriculture</b>			
Passed Through Minnesota Department of Education:			
School Breakfast Program	10.553	\$ 67,500	\$
National School Lunch Program	10.555	110,078	
Passed Through Minnesota Department of Health:			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	2,584,820	
Food Stamp Program - State Administrative Matching Grant	10.561	156,809	
Passed Through Minnesota Department of Agriculture:			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	5,950	
Passed Through Minnesota Department of Natural Resources:			
Cooperative Forestry Assistance	10.664	8,000	-
Total Department of Agriculture		<u>2,933,157</u>	<u>-</u>
<b>Department of Housing and Urban Development</b>			
Direct			
Community Development Block Grants (CDBG)	14.218	1,045,865	930,734
Supportive Housing Program	14.235	284,951	284,951
Lead Based Paint Hazard Control Program	14.900	418,037	
Passed Through Dakota County: Community Development Agency			
Home Investment in Affordable Housing (HOME)	14.239	600,709	60,000
Passed Through Minnesota Department of Health:			
Lead Based Paint Hazard Control Program	14.900	22,561	
Passed Through Hennepin County:			
Lead Based Paint Hazard Control Program	14.900	347,143	
Passed Through City of Minneapolis:			
Lead Based Paint Hazard Control Program	14.900	21,954	
Passed Through City of St. Paul:			
Community Development Block Grants (CDBG)	14.218	397,608	-
Total Department of Housing and Urban Development		<u>3,138,828</u>	<u>1,275,685</u>
<b>Department of the Interior</b>			
Direct			
U.S. Geological Survey - Research and Data Collection	15.808	25,000	
<b>Department of Justice</b>			
Direct			
Supervised Visitation, Safe Haven for Children	16.527	130,920	
Juvenile Justice and Delinquency Prevention	16.540	12,486	7,486
State Criminal Alien Assistance Program	16.606	543,163	
Passed Through Minnesota Department of Public Safety:			
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	209,141	
Crime Victim Assistance	16.575	147,478	
Byrne Formula Grant Program	16.579	50,000	
Community Prosecution and Project Safe Neighborhoods	16.609	45,931	
Byrne Memorial Justice Assistance Grants	16.738	200,568	189,545
Passed Through City of St. Paul			
Byrne Memorial Justice Assistance Grants	16.738	126,509	
Total Department of Justice		<u>1,466,196</u>	<u>197,031</u>

(continued)



**RAMSEY COUNTY, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
<b>Department of Labor</b>			
Direct			
Incentive Grants - Workforce Investment Act Section 503	17.267	45,426	8,000
Passed Through Minnesota Department of Employment and Economic Development:			
Workforce Investment Act (WIA) - Adult Programs	17.258	1,025,284	610,956
Workforce Investment Act (WIA) - Youth Activities	17.259	947,712	712,584
Workforce Investment Act (WIA) - Dislocated Workers	17.260	877,714	7,376
Incentive Grants - Workforce Investment Act Section 503	17.267	180,160	
Total Department of Labor		3,076,296	1,338,916
<b>Department of Transportation</b>			
Passed Through Minnesota Department of Public Safety:			
Highway Planning & Construction	20.205	12,885,441	
State and Community Highway Safety	20.600	51,971	
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	25,820	
Minimum Penalties for Repeat Offenders for DWI	20.608	11,859	
Passed Through Metropolitan Council:			
Federal Transit Capital and Operating Asst Formula Grants	20.507	160,045	
Total Department of Transportation		13,135,136	-
<b>Environmental Protection Agency</b>			
Passed Through Minnesota Department of Health:			
State Indoor Radon Grants	66.032	1,768	
<b>Department of Health and Human Services</b>			
Direct			
Family Planning Services	93.217	390,585	
Cons Knowledge Development & Application	93.230	131,336	
Refugee and Entrant Assistance Discretionary Grants	93.576	103,461	
Passed Through Minnesota Department of Human Services:			
Promoting Safe and Stable Families	93.556	220,616	220,616
Temporary Assistance for Needy Families (TANF)	93.558	13,726,266	8,100,078
Family Support Payments to States Assistance Payments	93.560	70,779	
Child Support Enforcement Research	93.564	9,000	
Refugee and Entrant Assistance-Targeted Assistance Grants	93.584	46,209	
Community Based Child Abuse Prevention Grants	93.590	178,716	62,755
Child Care Mandatory and Matching Funds	93.596	19,157,513	18,116,810
Child Welfare Services-State Grants	93.645	165,986	165,986
Foster Care Title IV-E	93.658	3,763,450	
Social Services Block Grant	93.667	4,187,272	
Child Abuse and Neglect State Grants	93.669	2,372	
Independent Living	93.674	89,846	89,846
Block Grant - Community Mental Health Services	93.958	272,698	
Block Grant - Prevention/Treatment Substance Abuse	93.959	476,677	

(continued)

RAMSEY COUNTY, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2007

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
<b>Department of Health and Human Services (continued):</b>			
Passed Through Minnesota Department of Health:			
Grants & Coop Agreements for Tuberculosis Control	93.116	10,000	
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185	57,000	
Immunization Grants	93.268	123,251	
Center for Disease Control-Investigations & Technical Assistance	93.283	1,337,434	
Temporary Assistance for Needy Families (TANF)	93.558	752,460	
Refugee and Entrant Assistance	93.566	78,892	
Breast and Cervical Cancer Control Programs	93.919	15,499	
Sexually Transmitted Disease Control Grant	93.977	84,960	
Maternal and Child Health Services Block Grant	93.994	869,577	645,897
Passed Through Hennepin County:			
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	106,852	
Outpatient Early Intervention Services with Respect to HIV	93.918	7,249	
Total Department of Health and Human Services		46,435,956	27,401,988
<b>Department of Homeland Security</b>			
Passed Through Minnesota Department of Public Safety:			
Urban Areas Security Initiative	97.008	854,008	
Emergency Management Performance Grants	97.042	125,992	
Homeland Security Grant Program	97.067	394,837	5,505
Passed Through Minnesota Department of Natural Resources:			
Boating Safety Financial Assistance	97.012	10,000	-
Total Department of Homeland Security		1,384,837	5,505
<b>Total Cash Federal Awards</b>		71,597,174	30,219,125
<b>Non-Cash Awards</b>			
<b>Department of Agriculture</b>			
Food Donation Program	10.550	10,740	
<b>Total Non-Cash Federal Awards</b>		10,740	-
<b>Total Federal Awards</b>		\$ 71,607,914	\$ 30,219,125

Notes to Schedule of Expenditures of Federal Awards

1. The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by Ramsey County. The County's reporting entity is defined in Note 1 to the financial statements.
2. The expenditures on this schedule are on the modified accrual basis of accounting. The basis used for CFDA No. 10.550 is the dollar value of vouchers issued.
3. Pass-through grant numbers were not assigned by the pass-through agencies.

## **SECTION III – STATISTICAL SECTION**

# Statistical Section

This part of Ramsey 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><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	117
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.	122
<b>Debt Capacity</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.	125
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place and to help make comparisons over time and with other governments.	129
<b>Operating Information</b> These schedules contain information about the county's operations and resources to help the reader understand how the county's financial information relates to the services the County provides and the activities it performs.	131

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The county implemented GASB Statement 34 in 2002; schedules presenting entity-wide information include information beginning in that year.

TABLE I

**RAMSEY COUNTY, MINNESOTA  
NET ASSETS BY COMPONENT  
LAST SIX YEARS**

(accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities						
Invested in capital assets, net of related debt	\$ 350,568,755	\$ 362,980,947	\$ 331,762,415	\$ 411,727,719	\$ 437,027,997	\$ 458,280,718
Restricted	24,145,375	61,572,424	106,484,915	92,804,198	84,675,877	71,157,995
Unrestricted	158,307,476	128,896,754	144,932,259	116,795,345	167,942,820	209,183,481
Total governmental activities net assets	<u>533,021,606</u>	<u>553,450,125</u>	<u>583,179,589</u>	<u>621,327,262</u>	<u>689,646,694</u>	<u>738,622,194</u>
Business-type activities						
Invested in capital assets, net of related debt	3,849,605	3,730,753	3,565,655	3,656,566	3,520,751	3,379,797
Restricted	-	231,962	66,411	46,163	50,657	-
Unrestricted	(216,463)	411,773	560,087	285,907	9,153	(1,389,478)
Total business-type activities net assets	<u>3,633,142</u>	<u>4,374,488</u>	<u>4,192,153</u>	<u>3,988,636</u>	<u>3,580,561</u>	<u>1,990,319</u>
Primary government						
Invested in capital assets, net of related debt	354,418,360	366,711,700	335,328,070	415,384,285	440,548,748	461,660,515
Restricted	24,145,375	61,804,386	106,551,326	92,850,361	84,726,534	71,157,995
Unrestricted	158,091,013	129,308,527	145,492,346	117,081,252	167,951,973	207,794,003
Total primary government net assets	<u>\$ 536,654,748</u>	<u>\$ 557,824,613</u>	<u>\$ 587,371,742</u>	<u>\$ 625,315,898</u>	<u>\$ 693,227,255</u>	<u>\$ 740,612,513</u>

**Note:** Accrual-basis financial information is available back to 2002 only, the year GASB Statement 34 was implemented.

**RAMSEY COUNTY, MINNESOTA**  
**CHANGES IN NET ASSETS**  
**LAST SIX YEARS**

(accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Expenses</b>						
Governmental activities:						
General government	\$ 93,519,244	\$ 88,644,095	\$ 49,037,867	\$ 69,903,388	\$ 83,775,008	\$ 101,167,962
Public safety	84,036,106	81,266,102	92,552,785	103,140,189	93,123,718	94,835,962
Highways and streets	23,609,628	19,587,607	46,613,526	26,016,187	35,186,475	55,736,382
Sanitation	15,851,946	14,801,190	15,737,538	17,850,477	17,071,936	20,784,044
Health	24,118,961	24,400,859	23,278,945	26,154,048	26,343,037	28,278,967
Human services	181,927,405	176,750,563	170,372,597	172,133,597	176,236,609	184,531,459
Culture and recreation	18,896,677	18,792,204	17,181,691	21,253,410	18,916,977	17,643,825
Conservation of natural resources	768,743	776,639	466,403	421,883	413,943	81,364
Economic development and assistance	25,747,275	23,877,182	22,938,963	22,774,299	22,931,445	23,600,476
Interest	7,826,063	7,297,704	9,648,967	9,259,922	9,433,629	9,474,261
Total governmental activities expenses	476,302,048	456,194,145	447,829,282	468,907,400	483,432,777	536,134,702
Business-type activities:						
Lake Owasso Residence	7,142,831	7,692,647	7,786,233	7,700,741	8,177,791	8,702,482
Ponds at Battle Creek	488	172,661	665,560	608,504	701,798	694,747
Ramsey Nursing Home	11,398,215	11,751,327	12,079,285	12,184,848	12,435,723	13,608,395
Office of Integrated Managed Care	1,242,876	711,578	-	-	-	-
Law Enforcement Services	4,474,209	4,588,613	4,790,221	4,945,064	5,051,851	5,248,385
Total business-type activities expenses	24,258,619	24,916,826	25,321,299	25,439,157	26,367,163	28,254,009
Total primary government expenses	500,560,667	481,110,971	473,150,581	494,346,557	509,799,940	564,388,711
<b>Program Revenues</b>						
Governmental activities:						
Fees, fines, charges and other:						
General government	22,131,397	15,641,123	14,140,880	14,721,943	25,586,857	17,929,840
Public safety	6,534,896	6,243,086	7,023,639	9,170,315	8,350,392	9,702,158
Highways and streets	2,863,501	2,853,955	1,388,395	1,959,189	2,451,634	4,384,943
Sanitation	1,173,952	13,063,110	15,817,903	16,870,909	19,659,083	17,864,232
Health	6,171,791	7,727,760	7,988,406	9,613,494	8,166,676	7,865,494
Human services	6,976,751	5,851,067	6,727,816	6,555,896	7,773,517	8,276,649
Culture and recreation	5,364,987	5,450,301	5,709,279	5,854,429	6,010,116	6,291,835
Conservation of natural resources	312,688	181,631	161,547	257,348	302,760	179,122
Economic development and assistance	624,540	5,054,419	1,349,226	3,896,699	1,666,602	522,029
Operating grants and contributions:						
General government	26,461,574	19,377,353	24,122,721	23,160,822	11,750,858	28,311,540
Public safety	19,345,021	17,515,627	13,617,565	12,788,912	13,857,784	14,579,839
Highways and streets	-	59,938	5,201,984	3,206,041	4,261,815	6,014,034
Sanitation	1,757,002	1,312,417	1,438,701	1,401,465	1,506,761	2,494,748
Health	10,342,476	11,937,292	9,318,922	11,167,848	11,983,024	13,341,719
Human services	114,448,042	109,200,218	93,048,708	93,618,417	98,980,847	95,521,547
Culture and recreation	901,079	293,722	914,335	337,490	677,345	1,714,644
Conservation of natural resources	118,516	49,280	85,618	78,061	77,584	4,000
Economic development and assistance	23,194,326	19,515,445	20,541,025	21,274,245	21,595,537	22,761,021
Capital grants and contributions:						
General government	-	901,702	19,955	605,391	1,256,573	3,500,000
Public safety	-	2,444,356	4,730,416	5,768,076	6,195,938	8,873,273
Highways and streets	20,784,558	22,337,802	10,218,516	17,905,823	24,239,254	28,892,308
Culture and recreation	1,218,077	2,282,440	195,432	1,921,921	1,603,138	521,765
Conservation of natural resources	-	-	3,000	26,552	-	-
Economic development and assistance	-	905,001	1,328,705	85,000	-	-
Total governmental activities program	270,725,174	270,199,045	245,092,694	262,246,286	277,954,095	299,546,740

TABLE II  
(Continued)

RAMSEY COUNTY, MINNESOTA  
CHANGES IN NET ASSETS  
LAST SIX YEARS

(accrual basis of accounting)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Business-type activities:						
Fees, fines, charges and other:						
Lake Owasso Residence	7,295,797	7,191,307	7,715,951	7,478,024	7,630,384	7,793,049
Ponds at Battle Creek	-	30,343	460,246	430,735	446,901	481,476
Ramsey Nursing Home	10,797,696	11,215,071	11,484,976	11,323,025	11,949,961	12,344,360
Office of Integrated Managed Care	13,000	193	-	-	-	-
Law Enforcement Services	4,171,818	4,313,810	4,550,667	4,613,674	4,804,901	4,934,136
Operating grants and contributions:						
Lake Owasso Residence	-	-	-	-	-	19,968
Ponds at Battle Creek	-	-	-	-	-	-
Ramsey Nursing Home	-	-	-	-	-	93,084
Office of Integrated Managed Care	1,017,242	934,065	-	-	-	-
Law Enforcement Services	-	258,969	254,128	-	258,573	313,099
Capital grants and contributions:						
Lake Owasso Residence	2,175	-	-	-	-	75,010
Ramsey Nursing Home	41,252	72,823	25,183	328,644	68,018	67,407
Total business-type activities program	23,338,980	24,016,581	24,491,151	24,174,102	25,158,738	26,121,589
Total primary government program revenues	294,064,154	294,215,626	269,583,845	286,420,388	303,112,833	325,668,329
Net (Expense)/Revenue						
Governmental activities	(205,576,874)	(185,995,100)	(202,736,588)	(206,661,114)	(205,478,682)	(236,587,962)
Business-type activities	(919,639)	(900,245)	(830,148)	(1,265,055)	(1,208,425)	(2,132,420)
Total primary government net expense	(206,496,513)	(186,895,345)	(203,566,736)	(207,926,169)	(206,687,107)	(238,720,382)
<b>General Revenues and Other Charges in Net Assets</b>						
Governmental activities:						
Property taxes	175,132,352	179,663,516	188,180,358	198,458,773	217,391,017	241,069,599
Grants and contributions not restricted to specific programs	28,641,355	23,078,325	23,566,382	35,262,802	35,053,797	23,416,716
Investment earnings	11,579,900	4,384,058	5,629,709	7,673,916	15,581,358	20,381,154
Miscellaneous	2,146,683	1,426,526	1,021,777	3,493,298	3,032,751	-
Lease proceeds	-	-	13,845,000	-	-	-
Gain on disposal/sale of capital assets	302,700	(657,353)	97,814	478,559	3,358,752	1,079,083
Transfers	(519,384)	(1,471,453)	(607,492)	(558,561)	(619,561)	(383,090)
Total governmental activities	217,283,606	206,423,619	231,733,548	244,808,787	273,798,114	285,563,462
Business-type activities:						
Grants and contributions not restricted to specific programs	297,460	79,249	54,292	314,170	54,170	-
Investment earnings	36,124	36,725	88,966	137,621	142,025	149,835
Miscellaneous	-	-	-	4,725	1,575	-
Gain on disposal/sale of capital assets	(4,840)	54,248	17,560	46,461	(16,981)	9,253
Transfers	519,384	1,471,453	607,492	558,561	619,561	383,090
Total business-type activities	848,128	1,641,675	768,310	1,061,538	800,350	542,178
Total primary government	218,131,734	208,065,294	232,501,858	245,870,325	274,598,464	286,105,640
<b>Change in Net Assets</b>						
Governmental activities	11,706,732	20,428,519	28,996,960	38,147,673	68,319,432	48,975,500
Business-type activities	(71,511)	741,430	(61,838)	(203,517)	(408,075)	(1,590,242)
Total primary government	\$ 11,635,221	\$ 21,169,949	\$ 28,935,122	\$ 37,944,156	\$ 67,911,357	\$ 47,385,258

Note: Accrual-basis financial information is available back to 2002 only, the year GASB Statement 34 was implemented.

TABLE III

**RAMSEY COUNTY, MINNESOTA  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST SIX YEARS**

*(modified accrual basis of accounting)*

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund						
Reserved	\$ 18,380,671	\$ 14,276,857	\$ 16,600,329	\$ 18,271,565	\$ 20,037,607	\$ 26,183,908
Unreserved						
Designated	97,712,255	96,639,755	90,228,057	105,631,733	125,350,133	116,401,902
Undesignated	25,079,440	28,022,435	28,704,212	29,441,401	30,592,387	32,204,125
Total General Fund	<u>141,172,366</u>	<u>138,939,047</u>	<u>135,532,598</u>	<u>153,344,699</u>	<u>175,980,127</u>	<u>174,789,935</u>
All Other Governmental Funds						
Reserved	72,653,648	27,834,096	81,494,745	71,413,941	73,519,370	79,419,196
Unreserved						
Designated						
Special revenue funds	22,163,668	29,278,356	35,689,366	35,481,628	45,240,562	56,937,331
Capital project fund	-	21,320,176	15,932,348	12,287,308	12,664,938	(2,156,637)
Undesignated						
Special revenue funds	7,768,347	5,321,751	4,325,063	4,555,554	5,427,871	5,836,106
Total all other governmental funds	<u>\$ 102,585,663</u>	<u>\$ 83,754,379</u>	<u>\$ 137,441,522</u>	<u>\$ 123,738,431</u>	<u>\$ 136,852,741</u>	<u>\$140,035,996</u>

Note: Due to changes in the county's reporting with GASB Statement 34, fund balance information is available back to 2002 only.



TABLE IV

**RAMSEY COUNTY, MINNESOTA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST SIX YEARS**

(modified accrual basis of accounting)

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Revenues</b>						
Property taxes	\$ 176,442,599	\$ 176,103,167	\$ 187,853,804	\$ 197,333,878	\$ 216,674,650	239,785,933
Licenses and permits	1,128,524	1,253,422	1,258,037	1,410,846	1,394,880	1,471,701
Intergovernmental	241,787,901	221,508,422	201,310,013	216,905,306	242,690,517	237,252,980
Private grants and donations	1,097,019	1,241,181	397,283	621,000	422,816	1,133,959
Charges for services	42,762,479	56,428,484	61,635,081	64,869,125	62,043,508	61,155,215
Fines and forfeitures	4,124,232	2,437,722	733,823	761,722	745,971	845,968
Sales	2,649,774	2,306,044	2,457,870	2,804,900	2,850,049	2,568,428
Rental income	929,341	1,007,022	1,346,306	1,387,051	1,658,210	1,500,716
Investment earnings	11,579,900	4,884,456	6,254,178	9,187,327	17,560,179	22,514,136
Program recoveries	5,600,073	4,116,529	4,020,666	3,948,060	3,790,928	4,021,196
Miscellaneous	5,645,316	7,126,047	4,748,409	7,104,859	5,529,616	8,816,301
Total revenues	<u>493,747,158</u>	<u>478,412,496</u>	<u>472,015,470</u>	<u>506,334,074</u>	<u>555,361,324</u>	<u>581,066,533</u>
<b>Expenditures</b>						
General government	87,599,504	81,731,833	79,591,902	88,857,578	87,579,800	90,868,828
Public safety	81,910,462	80,891,130	86,399,635	89,586,294	93,978,150	103,852,517
Highways and streets	14,054,555	15,023,259	14,087,001	14,321,647	14,898,949	15,308,044
Sanitation	15,850,612	14,778,330	15,742,726	17,852,048	17,027,293	20,578,256
Health	24,993,929	25,702,871	24,447,734	26,459,940	27,620,672	27,845,829
Human services	185,217,289	178,278,504	173,313,709	174,403,870	178,479,898	179,473,226
Culture and recreation	16,743,482	16,548,538	16,140,176	17,452,152	17,816,393	18,832,863
Conservation of natural resources	828,136	775,940	458,455	438,555	406,016	51,254
Economic development and assistance	25,678,477	23,634,515	23,122,428	22,734,910	22,915,902	23,650,189
Capital outlay	63,166,225	65,318,576	43,153,982	38,959,892	50,134,804	66,777,129
Debt service						
Bond issuance costs	1,079,357	229,302	363,672	134,111	70,093	86,872
Principal	43,829,429	15,496,354	11,517,541	11,913,241	11,835,252	12,298,102
Interest	6,541,233	7,418,382	8,326,082	9,660,213	9,373,553	9,651,318
Total expenditures	<u>567,492,690</u>	<u>525,827,534</u>	<u>496,665,043</u>	<u>512,774,451</u>	<u>532,136,775</u>	<u>569,274,427</u>
Excess of revenues over (under) expenditures	<u>(73,745,532)</u>	<u>(47,415,038)</u>	<u>(24,649,573)</u>	<u>(6,440,377)</u>	<u>23,224,549</u>	<u>11,792,106</u>
<b>Other Financing Sources (Uses):</b>						
Xcel Energy Loan Proceeds	-	-	-	-	76,940	-
Proceeds from bonds	80,290,000	27,015,000	54,620,000	17,575,000	6,750,000	18,610,000
Proceeds from loan	4,682,875	-	-	-	-	-
Discount/premium on bonds	1,146,128	1,007,203	1,770,673	1,057,776	31,046	690,659
Sale of capital assets	900,000	14,400	13,845,000	756,306	6,000,000	3,300,000
Redemption of refunded bonds	-	-	(2,345,000)	(10,505,000)	-	(8,510,000)
Transfers in	3,024,157	9,606,712	2,118,199	226,989	2,331,539	5,894,151
Transfers out	(3,542,913)	(11,263,221)	(2,725,691)	(805,676)	(2,950,973)	(29,567,348)
Total other financing sources (uses)	<u>86,500,247</u>	<u>26,380,094</u>	<u>67,283,181</u>	<u>8,305,395</u>	<u>12,238,552</u>	<u>(9,582,538)</u>
Net change in fund balances	<u>\$ 12,754,715</u>	<u>\$ (21,034,944)</u>	<u>\$ 42,633,608</u>	<u>\$ 1,865,018</u>	<u>\$ 35,463,101</u>	<u>2,209,568</u>

Debt service as a percentage of noncapital expenditures	10.09%	5.00%	4.51%	4.63%	4.41%	4.47%
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Note: Due to changes in the county's reporting with GASB Statement 34, fund balance information is available from 2002.

Table V

**RAMSEY COUNTY, MINNESOTA  
NET TAX CAPACITY AND MARKET VALUE OF PROPERTY  
LAST TEN FISCAL YEARS**

PAYABLE FISCAL PERIOD	REAL ESTATE			PERSONAL PROPERTY		NET FISCAL DISPARITY (1)	LESS TAX INCREMENT NET CAPTURED TAX CAPACITY	TOTAL		PERCENT OF TAXABLE MARKET VALUE	
	RESIDENTIAL	COMMERCIAL INDUSTRIAL	NET TAX CAPACITY	TAXABLE MARKET VALUE	NET TAX CAPACITY			TAXABLE MARKET VALUE	NET TAX CAPACITY (2)		TAXABLE MARKET VALUE
1999	\$ 203,149,844	\$ 130,019,165	\$ 333,169,009	\$ 19,178,518,010	\$ 13,988,644	\$ 405,934,600	\$ 24,589,335	\$ 27,809,167	\$ 343,937,821	\$ 19,584,452,610	1.76%
2000	215,146,749	142,295,833	357,442,582	20,705,655,394	14,179,694	422,659,400	25,188,986	32,264,176	364,547,086	21,128,314,794	1.73%
2001	239,458,505	166,287,124	405,745,629	22,946,288,200	13,809,251	412,474,200	24,968,205	39,704,914	404,818,171	23,358,762,400	1.73%
2002	210,627,086	106,947,310	317,574,396	25,264,935,700	8,437,837	425,801,700	15,476,414	25,517,872	315,970,775	25,690,737,400	1.23%
2003	232,709,558	121,254,997	353,964,555	28,452,378,400	8,614,622	436,524,200	18,141,924	27,493,190	353,227,911	28,888,902,600	1.22%
2004	260,973,656	129,435,303	390,408,959	31,879,341,300	8,929,442	450,608,900	14,929,192	30,443,069	383,824,524	32,329,950,200	1.19%
2005	305,043,385	133,723,605	438,766,990	36,273,669,900	9,351,087	471,470,300	13,244,590	31,946,107	429,416,560	36,745,140,200	1.17%
2006	343,211,827	146,572,708	489,784,535	40,782,233,700	9,166,212	462,162,600	12,982,384	33,549,332	478,383,799	41,244,396,300	1.16%
2007	382,683,298	164,138,472	546,821,770	45,462,936,100	9,300,648	468,551,900	12,882,615	40,581,499	528,423,534	45,931,488,000	1.15%
2008	404,185,641	184,897,196	589,082,837	48,590,277,100	10,017,460	505,113,100	15,266,511	47,852,805	566,514,003	49,095,390,200	1.15%

(1) Fiscal Disparity Net Tax Capacity is the increase in the tax base distributed to Ramsey County by the Other metropolitan counties pursuant to M.S. Chapter 473.F - Metropolitan Revenue distribution. There are no provisions in the law for calculating a market value for the Fiscal Disparity Net Tax Capacity.

(2) All taxable property in Minnesota is listed annually and reappraised at least once every four years with reference to its value on January 2 of that year. Property is currently appraised at "Market Value," defined as the usual selling price of the property which would be obtained at private sale and not at a forced or auction sale. Statutory percentages are then applied to this value to determine a property's "Taxable Net Tax Capacity," upon which taxes are levied, extended, and collected. The total net tax capacity is reduced by the amount of the tax increment financing captured net tax capacity.

unaudited

**RAMSEY COUNTY, MINNESOTA  
PROPERTY TAX RATES AND TAX LEVIES  
LAST TEN FISCAL YEARS**

**TABLE VI**

LEVY YEAR	PAYABLE YEAR	GENERAL FUND		GENERAL DEBT SERVICE	TOTAL GENERAL COUNTY	COUNTY LIBRARY REVENUE (1)	COUNTY LIBRARY DEBT (1)	VALLEY BRANCH WATERSHED DEBT (2)	METRO WATERSHED CAPITAL IMPROVEMENTS (2)	TOTAL
		GENERAL SERVICES	HUMAN SERVICES							
<u>TAX RATE AS A PERCENTAGE OF NET TAX CAPACITY (3)</u>										
1998	1999	22.405	17.170	3.610	43.185	3.089	0.747	0.821	-	47.842
1999	2000	22.103	15.180	3.712	40.995	3.133	0.711	0.781	-	45.620
2000	2001	20.651	14.472	3.596	38.719	2.889	0.558	0.719	-	42.885
2001	2002	27.592	18.510	4.647	50.749	3.899	0.718	-	-	55.366
2002	2003	27.734	18.250	4.302	50.286	3.732	0.585	-	-	54.603
2003	2004	27.078	17.789	4.572	49.439	3.198	0.498	-	-	53.135
2004	2005	25.636	16.156	4.056	45.848	3.025	0.337	-	-	49.210
2005	2006	25.541	14.465	3.548	43.554	2.819	0.250	-	-	46.623
2006	2007	24.454	14.294	3.219	41.967	2.746	0.230	-	-	44.943
2007	2008	24.808	13.339	3.011	41.158	2.577	0.288	-	-	44.023
<u>TAX LEVIES</u>										
1998	1999	\$ 85,503,325	\$ 65,525,453	\$ 12,454,087	\$ 163,482,865	\$ 6,149,168	\$ 1,512,655	\$ 8,124	-	\$ 171,152,812
1999	2000	90,186,859	61,903,210	13,457,145	165,547,214	6,465,154	1,499,958	7,781	-	173,520,107
2000	2001	92,781,098	65,015,640	14,428,727	172,225,465	6,727,469	1,349,649	16,885	-	180,319,468
2001	2002	99,131,050	66,502,260	15,090,354	180,723,664	7,056,979	1,352,694	-	-	189,133,337
2002	2003	103,504,290	68,110,222	15,084,238	186,698,750	7,384,610	1,222,757	-	-	195,306,117
2003	2004	104,154,621	68,422,784	17,587,559	190,164,964	6,616,255	1,029,947	-	-	197,811,166
2004	2005	111,196,210	70,077,008	17,591,732	198,864,950	6,918,441	771,317	-	-	206,554,708
2005	2006	122,936,213	69,623,923	17,077,462	209,637,598	7,184,837	637,049	-	-	217,459,485
2006	2007	129,778,535	75,859,525	17,080,720	222,718,780	7,569,452	633,671	-	-	230,921,903
2007	2008	140,864,381	75,739,837	17,093,059	233,697,277	7,526,427	839,346	-	-	242,063,050

(1) Tax Levy on suburban property only.

(2) Tax Levy on property in the watershed district only.

(3) Tax rates may be lower in certain tax areas due to Disparity Reduction Aid paid by the state to governmental units in certain state determined tax areas.

(4) To make comparable to prior year levies, amount for HACA aid has been added to County's certified levy.

Unaudited

TABLE VII

RAMSEY COUNTY, MINNESOTA  
 PROPERTY TAX LEVIES AND COLLECTIONS  
 LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Property Tax Credits (1)	Taxes Levied on Taxpayer	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Total Collections to Date		
						Amount	Percentage of Original Levy on Taxpayer	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
1998	\$ 162,519,301	\$ 12,279,654	\$ 150,239,647	\$ 346,917	\$ 149,892,730	\$ 148,330,593	98.73%	\$ 1,558,588	\$ 149,889,181	100.00%
1999	163,482,865	12,333,535	151,149,330	484,252	150,665,078	148,936,175	98.54%	1,722,725	150,658,900	100.00%
2000	165,547,214	14,341,142	151,206,072	250,821	150,955,251	149,128,001	98.63%	1,816,840	150,944,841	99.99%
2001	180,304,183	14,925,219	165,378,964	622,522	164,756,442	162,538,628	98.28%	2,207,604	164,746,232	99.99%
2002	189,146,194	27,524,379	161,621,815	249,906	161,371,909	159,790,921	98.87%	1,565,635	161,356,556	99.99%
2003	195,304,680	22,773,089	172,531,591	970,483	171,561,108	169,910,507	98.48%	1,621,469	171,531,976	99.98%
2004	197,811,635	12,743,098	185,068,537	1,500,388	183,568,149	181,440,412	98.04%	1,994,867	183,435,279	99.93%
2005	206,554,660	11,636,585	194,918,075	1,128,554	193,789,521	191,406,457	98.20%	2,047,889	193,454,346	99.83%
2006	217,459,484	10,143,743	207,315,741	797,442	206,518,299	203,455,200	98.14%	2,059,487	205,514,687	99.51%
2007	230,929,535	9,162,260	221,767,275	842,256	220,925,019	217,124,442	97.91%	-	217,124,442	98.28%

Source: County Department of Records and Revenue  
 1) Payments made by the State for Property Tax relief.

Unaudited

TABLE VIII

**RAMSEY COUNTY, MINNESOTA**  
**RATIO OF NET GENERAL OUTSTANDING DEBT BY TYPE**  
**TO ASSESSED VALUE, NET BONDED DEBT PER CAPITA AND PERSONAL INCOME**  
**LAST TEN FISCAL YEARS**

YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES		LESS DEBT SERVICE FUNDS	NET BONDED DEBT	NET TAX CAPACITY	PERCENT OF NET BONDED DEBT TO TAXABLE VALUE	NET BONDED DEBT PER CAPITA	PERCENTAGE OF PERSONAL INCOME
	GENERAL OBLIGATION BONDS	PUBLIC FACILITY LEASE REV. BONDS	CAPITAL LEASES	GENERAL OBLIGATION BONDS	TOTAL PRIMARY GOVERNMENT						
1998	\$ 169,711,357	\$ -	\$ 72,623	\$ -	\$ 169,783,980	\$ 70,984,886	\$ 98,799,094	\$ 343,937,821	28.73%	\$ 198.36	0.60%
1999	121,708,263	-	4,114	-	121,712,377	19,222,151	102,490,226	364,547,086	28.11%	205.84	0.60%
2000	121,164,678	-	-	4,045,000	125,209,678	17,422,401	107,787,277	444,323,085	24.26%	210.92	0.61%
2001	120,061,718	-	-	4,045,000	124,106,718	12,721,534	111,385,184	352,321,925	31.61%	217.35	0.62%
2002	147,453,680	13,845,000	-	7,595,000	168,893,680	13,662,884	155,230,796	380,721,101	40.77%	301.57	0.85%
2003	159,002,000	13,845,000	244,089	7,345,000	180,436,089	17,007,495	163,428,594	414,267,593	39.45%	317.17	0.86%
2004	199,827,000	13,845,000	201,570	7,075,000	220,948,570	30,310,653	190,637,917	461,362,667	41.32%	369.88	1.00%
2005	195,507,000	13,375,000	156,111	9,725,000	218,763,111	35,744,378	183,018,733	429,416,560	42.62%	355.03	0.96%
2006	190,962,000	12,895,000	107,512	9,430,000	213,394,512	36,513,877	176,880,635	478,383,799	36.97%	342.79	0.90%
2007	189,327,000	12,400,000	55,551	11,370,000	213,152,551	27,323,985	185,828,566	528,423,534	35.17%	360.00	0.86%

Unaudited

TABLE IX

**RAMSEY COUNTY, MINNESOTA  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<u>YEAR</u>	<u>GENERAL OBLIGATION BONDS</u>	<u>LESS DEBT SERVICE FUNDS</u>	<u>TOTAL</u>	<u>PERCENTAGE OF PERSONAL INCOME</u>	<u>PERCENTAGE OF NET TAX CAPACITY</u>	<u>NET BONDED DEBT PER CAPITA</u>
1998	\$169,711,357	\$70,984,886	\$98,726,471	0.60%	28.70%	\$198.21
1999	121,708,263	19,222,151	102,486,112	0.60%	28.11%	205.83
2000	125,209,678	17,422,401	107,787,277	0.61%	26.63%	210.92
2001	124,106,718	12,721,534	111,385,184	0.62%	35.25%	217.35
2002	155,048,680	13,662,884	141,385,796	0.78%	40.03%	274.67
2003	166,347,000	17,007,495	149,339,505	0.81%	38.91%	289.83
2004	206,902,000	30,310,653	176,591,347	0.90%	41.12%	342.62
2005	205,232,000	35,744,378	169,487,622	0.84%	35.43%	328.94
2006	200,392,000	36,513,877	163,878,123	0.77%	31.01%	332.27
2007	200,697,000	27,323,985	173,373,015	0.79%	30.60%	346.82

Unaudited

TABLE X

**RAMSEY COUNTY, MINNESOTA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2007**

<u>Government Unit</u>	<u>Debt Outstanding*</u>	<u>Estimated Percentage Application **</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
City of White Bear Lake	\$ 1,660,000	98.4%	\$ 1,633,440
City of Spring Lake Park	1,432,579	2.5%	35,814
City of St. Anthony	3,540,000	26.6%	941,640
City of Blaine	21,745,000	1.0%	217,450
School District #624	67,360,000	81.0%	54,561,601
School District #622	112,415,000	54.1%	60,816,515
School District #282	3,475,000	38.4%	1,334,400
North Metro Intermediate School District #916	715,000	43.0%	307,450
Metro Council	185,250,000	15.8%	29,269,500
Ramsey-Washington Metro Watershed District	860,853	100.0%	860,853
Capital Region Watershed	1,555,000	100.0%	1,555,000
City of Gem Lake	850,000	100.0%	850,000
City of St. Paul	99,785,000	100.0%	99,785,000
City of Maplewood	10,880,000	100.0%	10,880,000
City of Mounds View	1,375,958	100.0%	1,375,958
City of New Brighton	7,680,000	100.0%	7,680,000
City of North St. Paul	5,220,000	100.0%	5,220,000
City of Roseville	8,455,000	100.0%	8,455,000
City of Shoreview	5,285,000	100.0%	5,285,000
City of Vadnais Heights	2,227,000	100.0%	2,227,000
Town of White Bear	2,240,000	100.0%	2,240,000
School District #621	123,638,495	100.0%	123,638,495
School District #623	37,790,000	100.0%	37,790,000
School District #625	359,978,979	100.0%	359,978,979
Port Authority	12,925,000	100.0%	12,925,000
<b>Other debt</b>			
Ramsey County Capital Leases	55,551	100.0%	55,551
Ramsey County Public Facility Revenue Bonds	12,400,000	100.0%	12,400,000
Subtotal, overlapping debt			842,319,646
<b>Ramsey County Direct Debt</b>	190,247,000	100.0%	190,247,000
<b>Total direct and overlapping debt</b>			<u>\$1,032,566,646</u>

\* Debt Outstanding - That portion of the debt which is financed by tax levies.

\*\* Determined by ratio of net tax capacity of property subject to taxation in overlapping unit to net tax capacity of property subject to taxation in reporting unit.

Unaudited

**RAMSEY COUNTY, MINNESOTA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**TABLE XI**

**Legal Debt Margin Calculation for Fiscal Year 2007**

Assessed value	\$ 45,931,488,000
Debt Limit ( 2% of assessed value)	918,629,760
Debt applicable to limit:	
General obligation bonds	200,697,000
Less: Amount set aside for repayment of general obligation bonds	<u>(27,323,985)</u>
Total net debt applicable to limit	<u>173,373,015</u>
Legal debt margin	<u><u>\$ 745,256,745</u></u>

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt limit	\$ 391,689,052	\$ 422,566,296	\$ 467,600,850	\$ 507,175,248	\$ 513,814,712	\$ 577,778,052	\$ 646,599,044	\$ 734,902,804	\$ 824,887,926	\$ 918,629,760
Total net debt applicable to limit	98,379,865	102,121,971	106,916,529	111,213,520	155,230,796	163,184,505	176,591,347	169,487,622	163,878,123	173,373,015
Legal debt margin	<u>\$ 293,309,187</u>	<u>\$ 320,444,325</u>	<u>\$ 360,684,321</u>	<u>\$ 395,961,728</u>	<u>\$ 358,583,916</u>	<u>\$ 414,593,547</u>	<u>\$ 470,007,697</u>	<u>\$ 565,415,182</u>	<u>\$ 661,009,803</u>	<u>\$ 745,256,745</u>

Note: Limit on debt - Minnesota Statutes, Section 475.53, Subdivision 1 - "Except as otherwise provided -- no municipality, --, shall incur or be subject to a net debt in excess of 2 percent of the market value of taxable property in the municipality."

Unaudited



TABLE XII

**RAMSEY COUNTY, MINNESOTA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEAR'S AGO**

Taxpayer	Type of Business	2007			1998		
		Taxable Net Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity	Taxable Net Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity
NorthernStates Power (Xcel Energy)	Utility	\$ 8,863,659	1	1.6 %	\$ 2,408,344	4	0.7 %
3M	Corporate Headquarters /Manufacturing	6,265,547	2	1.1 %	8,839,352	1	2.6 %
Compass Retail Inc	Real Estate Investing (Rosedale)	2,484,500	3	0.4 %			
CSM Corporation & Investors	Property Management/ Real Estate Investing (Commercial/ Office/ Hotel/ Townhome)	2,192,682	4	0.4 %			
Minnesota Mutual Life Insurance	Insurance	2,082,664	5	0.4 %			
Target Corporation	Retail	1,886,000	6	0.3 %			
Maplewood Mall Associates LP	Real Estate Investing (Maplewood Mall)	1,851,670	7	0.3 %	2,423,715	3	0.7 %
Guidant(Cardiac Pacemakers Inc)	Medical Manufacturing	1,699,250	8	0.3 %			
US Bank Corp Prop & US Bancorp	Corp Office Building & Banking	1,675,829	9	0.3 %			
St Paul Fire and Marine Ins Co (St Paul Travelers)	Insurance	1,454,656	10	0.3 %	2,328,838	5	0.7 %
Equitable Life Assurance Society	Insurance/Real Estate				2,728,425	2	0.8 %
Dayton Hudson Corporation	Retail Merchandising				1,429,838	6	0.4 %
Deluxe Corporation	Printing Company				1,413,724	7	0.4 %
Principal Mutual Life Insurance Co.	Office Bldg., World Trade Center				1,387,474	8	0.4 %
Vance Minnesota Street Assoc.	Office Bldg., First Bank Building				1,041,527	9	0.3 %
Ford Motor Corporation	Truck Manufacturing				838,425	10	0.2 %

Source: Ramsey County Department of Property Records and Revenue

Unaudited

TABLE XIII

**RAMSEY COUNTY, MINNESOTA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Year</b>	<b>Population<sup>a</sup></b>	<b>Personal Income (millions of dollars)<sup>b</sup></b>	<b>Per Capita Personal Income<sup>b</sup></b>	<b>Public School Enrollment (K-12)<sup>c</sup></b>	<b>Annual Average Unemployment Rate<sup>d</sup></b>
1998	498,080	\$ 16,368	\$ 32,863	86,820	2.1%
1999	497,919	17,108	34,360	88,031	2.3%
2000	511,035	17,682	34,601	87,814	2.9%
2001	512,462	18,058	35,237	87,128	3.3%
2002	514,748	18,173	35,304	86,442	4.2%
2003	515,274	18,487	36,654	84,709	4.9%
2004	515,411	19,641	39,369	83,916	4.8%
2005	515,258	20,232	40,883	82,843	4.0%
2006	493,215	21,306	42,798	84,039	3.8%
2007	499,891	*	*	82,658	4.4%

\* - Figure for this period is not yet available.

<sup>a</sup> Source for 2000 is U.S. Census Bureau; all other years are estimates from the Metropolitan Council.

<sup>b</sup> U.S. Department of Commerce, Bureau of Economic Analysis.

<sup>c</sup> State Department of Education.

<sup>d</sup> Minnesota Department of Economic Security, Research and Planning.

Unaudited

TABLE XIV

**RAMSEY COUNTY, MINNESOTA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEAR'S AGO**

<u>Taxpayer</u>	<u>Fiscal Year 2007</u>			<u>Fiscal Year 1998</u>				
	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>		
U.S. Bank N.A.	51,000	a	1	19.18%	5,142	5	1.90%	
State of Minnesota	34,390		2	12.93%	49,078	d	1	17.69%
University of Minnesota	16,562	b	3	6.23%	3,997	e	8	1.44%
3M Company	14,500		4	5.45%	13,200		2	4.76%
Target Corporation	11,400	c	5	4.29%	-	-	-	-
Health East	7,000		6	2.63%	6,422		3	2.32%
Indep. School District #625	5,830		7	2.19%	6,083		4	2.19%
Ramsey County	4,484		8	1.69%	4,146		7	1.49%
United/Children's Hospital	4,000		9	1.50%	4,180		6	1.51%
Regions Hospital	4,000		10	1.50%	3,500		9	1.26%
City of St Paul	-		-	-	3,375		10	1.22%
	<u>153,166</u>			<u>57.60%</u>	<u>99,123</u>			<u>35.78%</u>

a: Employment figure nationwide headquarter in St. Paul

b: Includes Minneapolis campus

c: Includes entire Twin Cities area

d: Total number of employees statewide

e: St. Paul Campus only

Source: Minnesota Department of Employment and Economic Security.  
County's Official Statement

Unaudited

TABLE XV

**RAMSEY COUNTY, MINNESOTA  
INSURANCE IN FORCE  
DECEMBER 31, 2007**

<u>COMPANY NAME</u>	<u>POLICY NUMBER</u>	<u>POLICY PERIOD</u>	<u>COVERAGE-DEPARTMENTS</u>	<u>POLICY LIMIT</u>
St. Paul/Travelers	KTK-CMB-294T324-4-07	9/22/07-9/22/08	<b>COUNTY</b> Property Fire & Extended Coverage Boiler & Machinery Vehicles & Mobile Equipment	All Risk, Full Replacement, \$100,000 deductible B&M Perils \$500,000,000 limit
Travelers Insurance Company	103916124	9/22/07-9/22/08	Commercial Crime including Public Employee Dishonesty coverage	\$3,000,000 \$100,000 deductible
WCRA	40014	1/1/07-1/1/08	Reinsurance - Workers Compensation	\$1,600,000 retention limits
MN Risk Management Fund	0023PK08	7/1/07-7/1/08	<b>800 MHZ</b> Property Fire and Extended, Boiler and Machinery and Vehicle and Mobile Equipment	\$10,584,160 \$25,000 deductible
Berkley	WC22-04-109107-05	1/1/07-1/1/08	<b>WORKFORCE SOLUTIONS</b> Workers' Compensation	Under County Self- Insured Program as of 1/1/2007
MN Joint Underwriters Assn.	20041	7/1/06-7/1/07	<b>LAKE OWASSO</b> General & Professional Liability	Moved to Self- Insured Tort Fund
Berkley	WC22-04-109107-06	1/1/07-1/1/08	Workers' Compensation	Statutory Mod 1.70
National Indemnity Company of America	75 APR 202184	1/1/07-1/1/08	Automobile	\$1,000,000 \$500.00 deductible for Collision & Comprehensive.
Midwest Medical	MCL001174	7/1/07-7/1/08	<b>MEDICAL EXAMINER</b> Professional Liability Covers McGee, Froloff, and Mills Paid Directly by Medical Examiner	\$1,000,000/\$3,000,000 Claims made policy

(Continued)

Unaudited

**TABLE XV  
(Continued)**

**RAMSEY COUNTY, MINNESOTA  
INSURANCE IN FORCE  
DECEMBER 31, 2007**

<u>COMPANY NAME</u>	<u>POLICY NUMBER</u>	<u>POLICY PERIOD</u>	<u>COVERAGE-DEPARTMENTS</u>	<u>POLICY LIMIT</u>
			<b>NURSING HOME</b>	
CNA Surety/Western Surety Co.	0601 69042089	9/15/07-9/15/08	Patient's Bond	\$100,000
			<b>RESOURCE RECOVERY</b>	
MCIT	WC245006	1/1/07-1/1/08	Workers' Compensation	No employees, contract services with Ramsey County
MCIT	PC245007	1/1/07-1/1/08	Package Liability	\$300,000 per Claimant General Liability: \$1,000,000 each occurrence
			<b>REGIONAL RAIL</b>	
MN Joint Underwriting Association	J04-0016	7/1/07-7/1/08	Directors & Officers	\$1,000,000
MN Joint Underwriting Association	J040015	7/1/07-7/1/08	General Liability	\$1,000,000 \$250.00 deductible per event
League of MN Cities	CMC28690	7/12/07-7/12/08	Crime, Petrofund, Municipal & Auto Liability Rush Line Corridor	\$100,000 Crime \$250,000 Petrofund \$1,000,000 Muni & Auto Liability

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TABLE XVI

**RAMSEY COUNTY, MINNESOTA  
FULL-TIME-EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Full-Time Equivalent Employees as of December 31</u>									
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General government	890.57	893.03	898.43	896.73	902.03	896.08	709.88	709.08	719.08	723.73
Public safety	835.74	850.74	919.74	925.74	928.24	952.99	956.99	959.49	1,069.49	1,088.49
Highways and streets	153.78	150.13	144.13	132.13	131.13	131.13	123.13	122.18	122.18	126.68
Sanitation	-	-	-	-	-	-	-	-	-	-
Health	260.82	264.68	269.48	259.88	273.76	288.76	273.83	291.53	292.73	302.68
Human services	1,215.71	1,226.21	1,236.71	1,224.96	1,264.26	1,299.74	1,251.35	1,274.09	1,252.09	1,267.79
Culture and recreation	201.79	200.79	200.07	199.07	201.06	204.36	194.66	196.91	193.61	193.61
Conservation of natural resources	4.90	4.90	4.90	4.90	6.25	3.90	3.90	4.90	4.90	4.90
Economic development and assistance	43.40	43.40	45.40	74.40	79.40	76.20	78.40	89.40	89.40	88.40
<b>Total</b>	<b>3,606.71</b>	<b>3,633.88</b>	<b>3,718.86</b>	<b>3,717.81</b>	<b>3,786.13</b>	<b>3,853.16</b>	<b>3,592.14</b>	<b>3,647.58</b>	<b>3,743.48</b>	<b>3,796.28</b>

Source: County Budgeting and Accounting Office.

Unaudited

**RAMSEY COUNTY, MINNESOTA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>General government</b>										
County Building Operating Cost per Gross Square Foot	N/A	N/A	N/A	N/A	\$ 5.45	\$ 5.36	\$ 5.43	\$ 5.28	\$ 5.28	5.46*
<b>Public safety</b>										
Sheriff:										
Jail Facility Bookings	20,871	21,422	23,352	23,233	24,240	23,578	23,652	25,025	25,864	24,427
Warrants Issued & Cleared	N/A	N/A	19,761	18,855	20,140	18,467	17,059	15,598	15,118	15,029
Corrections:										
Adult Probation Cases	25,581	28,348	27,574	29,095	31,765	32,331	31,234	29,553	28,763	30,677
Juvenile Probation Cases	2,992	3,004	3,338	3,404	3,398	3,231	3,040	3,151	3,529	3,084
Average daily population All Facilities	447	425	454	469	503	515	505	531	539	523
<b>Highways and streets</b>										
Vehicle miles traveled on County roads	1,809,050	1,846,619	1,882,905	1,919,190	1,940,058	1,960,926	1,929,843	1,898,759	1,884,314	2,819,652**
<b>Health</b>										
WIC Nutrition Program Client served	N/A	N/A	N/A	N/A	N/A	26,161	27,744	28,610	29,436	29,649
Client personal care attendant assessments	N/A	N/A	N/A	N/A	N/A	1,438	1,884	1,772	1,710	1,649
<b>Human services</b>										
Financial Assistance Cases	32,410	32,347	33,067	34,993	37,881	39,247	40,937	41,536	43,053	43,507
Out of Home Placements	N/A	N/A	N/A	N/A	3,842	3,473	3,565	3,287	3,260	2,883
Applications for Financial Assistance	N/A	N/A	N/A	N/A	28,433	31,205	31,205	34,267	37,158	38,488
Services for Disabled Adults	N/A	N/A	N/A	207	438	714	916	1,145	1,366	1,567
Child Maltreatment Intake Reports	N/A	N/A	N/A	N/A	1,457	1,427	1,502	1,833	1,718	1,444
<b>Culture and recreation</b>										
Parks and recreation:										
Ice hours rented at ice arenas	N/A	N/A	N/A	N/A	13,423	12,774	15,389	15,814	15,746	15,605
Park shelter rentals	N/A	N/A	N/A	N/A	N/A	1,315	1,247	1,272	1,254	1,310
Libraries:										
Total Circulation	2,645,526	2,741,949	2,811,940	2,996,503	3,404,282	3,579,427	3,749,432	3,842,512	4,074,673	4,214,298
Visits to Library Buildings	1,291,641	1,390,843	1,490,569	1,531,946	1,641,497	1,626,456	1,623,429	1,681,171	1,674,239	1,788,536
Librarian reference assistance	244,261	169,732	293,211	313,277	293,569	269,444	274,712	272,302	264,372	270,215
<b>Economic development and assistance</b>										
Workforce Solutions:										
Percent of participants in voluntary programs employed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	73%	77%	81%
Percent of participants in mandatory programs employed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	63%	71%	79%

Source: County Budgeting and Accounting Office and individual county departments.

\* Includes only Property Management managed properties that have been occupied and in operation throughout all of 2007

\*\* 2007 combined all County roads, all other years include only Suburban County roads

N/A: Not available

Unaudited

TABLE XVIII

**RAMSEY COUNTY, MINNESOTA  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Public Safety</b>										
Patrol Station	1	1	1	1	1	1	1	1	1	1
Law Enforcement Center	1	1	1	1	1	1	1	1	1	1
Post Adjudicated Correctional Facilities	3	3	3	3	3	3	3	3	3	3
Pre-Adjudicated Correctional Facilities	1	1	1	1	1	1	1	1	1	1
<b>Highways and Streets</b>										
Centerline Miles of County Road Maintained	281	281	298	298	302	302	298	298	298	295
<b>Culture and Recreation</b>										
Parks and Recreation:										
Number of Regional Parks	6	6	6	6	6	6	6	6	6	6
Number of County Parks	9	9	9	9	9	9	9	9	9	9
Park Acreage:										
Developed	N/A	N/A	N/A	5,478	5,478	5,478	5,478	5,478	5,478	5,478
Undeveloped	N/A	N/A	N/A	636	636	636	636	636	636	636
County Golf Courses	4	4	4	4	4	4	5	5	5	5
Golf Dome (Practice Range)	1	1	1	1	1	1	1	1	1	1
Ice Arenas	11	10	11	11	11	11	11	11	11	11
Fairgrounds	1	1	1	1	1	1	1	1	1	1
Nature Center	1	1	1	1	1	1	1	1	1	1
Archery Range	1	1	1	1	1	1	1	1	1	1
Picnic Shelters	28	28	28	28	28	28	28	28	28	28
Pavilions	4	4	4	4	4	4	4	4	4	4
Libraries:										
Library Buildings	7	7	7	7	7	6*	6*	7	7	7

Source: County Budgeting and Accounting Office and individual county departments.

\* Services were suspended on June 1, 2003 at the North St. Paul Branch due to budgetary constraints and reopened in 2005

N/A: Not available

Unaudited