FINAL OFFICIAL STATEMENT DATED JUNE 11, 2019

NEW ISSUE	**Moody's Rating: Aaa**
NOT BANK QUALIFIED	**S&P Rating: AAA**

In the opinion of Kennedy & Graven, Chartered, Bond Counsel for the Bonds, based on present federal and Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect), and assuming compliance with certain covenants, interest to be paid on the Bonds is excluded from gross income for federal income tax purposes and, to the same extent, from taxable net income of individuals, estates and trusts for Minnesota income purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. No opinion will be expressed by Kennedy & Graven, Chartered regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds. The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations. See "TAX EXEMPTION" and "OTHER FEDERAL AND STATE TAX CONSIDERATIONS" herein.

$10,600,000
Ramsey County, Minnesota
General Obligation Capital Improvement Plan Bonds, Series 2019A (the "Bonds")
(Book Entry Only)

Dated Date: Date of Delivery	**Interest Due: Each February 1 and August 1, commencing February 1, 2020**

The Bonds will mature February 1 in the years and amounts as follows:

Maturity (February 1)	Amount	Interest Rate	Yield	CUSIP 751622	Maturity (February 1)	Amount	Interest Rate	Yield	CUSIP 751622
2020	$950,000	5.00%	1.39%	RE 3	2030	$320,000	4.00%	1.90%*	RQ 6
2021	$540,000	5.00%	1.42%	RF 0	2031	$335,000	2.50%	2.60%	RR 4
2022	$565,000	5.00%	1.43%	RG 8	2032	$345,000	2.625%	2.71%	RS 2
2023	$600,000	5.00%	1.44%	RH 6	2033	$350,000	2.750%	2.79%	RT 0
2024	$625,000	5.00%	1.45%	RJ 2	2034	$360,000	2.750%	2.86%	RU 7
2025	$655,000	5.00%	1.47%	RK 9	2035	$370,000	2.875%	2.92%	RV 5
2026	$690,000	5.00%	1.51%	RL 7	2036	$385,000	2.875%	2.98%	RW 3
2027	$725,000	5.00%	1.56%	RM 5	2037	$395,000	3.00%	3.04%	RX 1
2028	$765,000	4.00%	1.67%*	RN 3	2038	$405,000	3.00%	3.09%	RY 9
2029	$800,000	4.00%	1.75%*	RP 8	2039	$420,000	3.125%	3.14%	RZ 6

* *Priced to the first optional call date of February 1, 2027.*

The County may elect on February 1, 2027, and on any day thereafter, to redeem Bonds due on or after February 1, 2028 at a price of par plus accrued interest.

The Bonds are general obligations of Ramsey County, Minnesota (the "County") for which the County pledges its full faith and credit and power to levy direct general ad valorem taxes. The proceeds of the Bonds will be used to finance various capital improvement projects in accordance with the County's 2018-2023 Capital Improvement Plan.

The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases may be made in book entry form only, in the principal amount of $5,000 and integral multiples thereof. Investors will not receive physical certificates representing their interest in the Bonds purchased. (See "Book Entry System" herein.) The Finance Director/Chief Finance Officer of the County will serve as registrar (the "Registrar") for the Bonds. The Bonds will be available for delivery at DTC on or about June 27, 2019.

Please see the "UNDERWRITING" section herein for discussion regarding the Purchaser of the Bonds.

FTN Financial Capital Markets

RAMSEY COUNTY, MINNESOTA

BOARD OF COMMISSIONERS

Jim McDonough	Chair (District 6)
Vacant	Commissioner (District 1)
Mary Jo McGuire	Commissioner (District 2)
Trista MatasCastillo	Commissioner (District 3)
Toni Carter	Commissioner (District 4)
Rafael E. Ortega	Commissioner (District 5)
Victoria Reinhardt	Commissioner (District 7)

COUNTY MANAGER

Ryan T. O'Connor

FINANCE DIRECTOR/CHIEF FINANCE OFFICER

Lee Mehrkens

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC
Saint Paul, Minnesota

BOND COUNSEL

Kennedy & Graven, Chartered
Minneapolis, Minnesota

The Official Statement dated June 11, 2019 is a Final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

The County designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter. By delivering an offer with respect to the purchase of the Bonds, the senior managing underwriter has agreed that (i) it accepts such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the Bonds for purposes of assuring the receipt by each such participating underwriter of the Final Official Statement.

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations with respect to the Bonds, other than as contained in the Preliminary Official Statement or the Final Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County.

Certain information contained in the Preliminary Official Statement or the Final Official Statement may have been obtained from sources other than records of the County and, while believed to be reliable, is not guaranteed as to completeness or accuracy. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE PRELIMINARY OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE PRELIMINARY OFFICIAL STATEMENT NOR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COUNTY SINCE THE RESPECTIVE DATE THEREOF.

References herein to laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Preliminary Official Statement or the Final Official Statement, they will be furnished upon request.

Any CUSIP numbers for the Bonds included in the Final Official Statement are provided for convenience of the owners and prospective investors. The CUSIP numbers for the Bonds are assigned by an organization unaffiliated with the County. The County is not responsible for the selection of the CUSIP numbers and makes no representation as to the accuracy thereof as printed on the Bonds or as set forth in the Final Official Statement. No assurance can be given by the County that the CUSIP numbers for the Bonds will remain the same after the delivery of the Final Official Statement or the date of issuance and delivery of the Bonds.

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OFFICIAL STATEMENT

$10,600,000

RAMSEY COUNTY, MINNESOTA

GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2019A

(BOOK ENTRY ONLY)

INTRODUCTORY STATEMENT

This Official Statement contains certain information relating to Ramsey County, Minnesota (the "County") and its issuance of $10,600,000 General Obligation Capital Improvement Plan Bonds, Series 2019A (the "Bonds"). The Bonds are general obligations of the County for which the County pledges its full faith and credit and power to levy direct general ad valorem taxes.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with SEC Rule 15c2-12 (the "Rule"), pursuant to the Award Resolution and Continuing Disclosure Certificate to be executed on behalf of the County on or before closing, the County has and will covenant (the "Certificate") for the benefit of holders or beneficial owners of the Bonds to provide certain financial information and operating data relating to the County to the Municipal Securities Rulemaking Board annually, and to provide notices of the occurrence of certain events enumerated in the Rule to the Municipal Securities Rulemaking Board and to any state information depository. The specific nature of the Undertakings, as well as the information to be contained in the annual report or the notices of material events, is set forth in the Certificate in substantially the form attached hereto as Appendix II, subject to such modifications thereof or additions thereto as: (i) consistent with requirements under the Rule, (ii) required by the purchaser of the Bonds from the County and (iii) acceptable to the Chair of the County Board, and County Manager, and Chief Clerk of the County.

The County believes it has complied for the past five years in all material respects with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule, except to the extent the following are deemed to be material. In reviewing its past disclosure practices, the County notes the following:

- Prior continuing disclosure undertakings entered into by the County included language stating that the County's audited financial statements would be filed "as soon as available." Although not always filed "as soon as available," the audited financial statements were filed within the required twelve (12) month timeframe as provided for in each undertaking.

A failure by the County to comply with the Certificate will not constitute an event of default on the Bonds (although holders or other beneficial owners of the Bonds will have the sole remedy of bringing an action for specific performance). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

THE BONDS

General Description

The Bonds are dated as of the date of delivery and will mature annually as set forth on the front cover of this Official Statement. The Bonds are issued in book entry form. Interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2020. Interest will be payable to the holder (initially Cede & Co.) registered on the books of the Registrar as of the fifteenth day of the calendar month next preceding such interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Principal of and interest on the Bonds will be paid as described in the section herein entitled "Book Entry System." The Finance Director/Chief Finance Officer of the County will serve as Registrar for the Bonds.

Redemption Provisions

Mailed notice of redemption shall be given to the registered owner(s) of the Bonds in accordance with the requirements of DTC which currently requires no less than twenty (20) days nor more than sixty (60) days prior to the redemption date. Failure to give such written notice to any registered owner of the Bonds or any defect therein shall not affect the validity of any proceedings for the redemption of the Bonds. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Optional Redemption

The County may elect on February 1, 2027, and on any day thereafter, to redeem Bonds due on or after February 1, 2028. Redemption may be in whole or in part and if in part at the option of the County and in such manner as the County shall determine. If less than all the Bonds of a maturity are called for redemption, the County will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

Book Entry System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing

Corporation, and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the County, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to County or agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and the County's Home Rule Charter. The County's Home Rule Charter authorizes the issuance of bonds by ordinance adopted by the County Board. The proceeds of the Bonds will be used to finance various capital improvement projects in accordance with the County's 2018-2023 Capital Improvement Plan.

SOURCES AND USES OF FUNDS

The composition of the Bonds is as follows:

Sources of Funds:	
Principal Amount	$10,600,000.00
Reoffering Premium	999,942.30
Total Sources of Funds	$11,599,942.30
Uses of Funds:	
Project Costs	$11,498,702.56
Costs of Issuance and Underwriter's Compensation	101,239.74
Total Uses of Funds	$11,599,942.30

SECURITY AND FINANCING

The Bonds are general obligations of the County for which the County pledges its full faith and credit and power to levy direct general ad valorem taxes. The County levied for the Bonds in 2018 for collection in 2019 and will use receipt of these funds to make the February 1, 2020 principal and interest payment due on the Bonds. Thereafter, each year's collection of taxes, if collected in full, will be sufficient to pay 105% of the debt service due on the Bonds in each 12 month period ending February 1 of the subsequent year.

FUTURE FINANCING

The County does not anticipate issuing any additional long-term general obligation debt within the next 90 days.

LITIGATION

The County was subject to a data security incident in August 2018 in which hackers obtained access to the County's email system and used employee credentials to attempt to divert the paychecks of nine County employees. The credentials of 28 employees were compromised in the attempt. Because HIPAA protected health information could have been exposed, the County made required notice to The Office of Civil Rights of the U.S. Department of Health & Human Services, which has opened an investigation into the incident that may result in regulatory fines and penalties for the County.

The above will not affect the validity of the Bonds or the County's ability to meet its financial obligations.

LEGALITY

The Bonds are subject to approval as to certain matters by Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined or attempted to examine or verify, any of the financial or statistical statements, or data contained in this Official Statement and will express no opinion with respect thereto. A legal opinion in substantially the form set out in Appendix I herein will be delivered at closing.

TAX EXEMPTION

At closing Kennedy & Graven, Chartered, of Minneapolis, Minnesota, Bond Counsel for the Bonds, will render an opinion that, at the time of their issuance and delivery to the original purchaser, under present federal and State of Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect), the interest on the Bonds is excluded from gross income for purposes of United States income tax and is excluded, to the same extent, from taxable net income of individuals, estates and trusts for Minnesota income purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. No opinion will be expressed by Kennedy & Graven, Chartered regarding other federal or state tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds. Preservation of the exclusion of interest on the Bonds from federal gross income and state gross and taxable net income, however, depends upon compliance by the County with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from federal gross income and state gross and taxable net income.

The County will covenant to comply with requirements necessary under the Code to establish and maintain the Bonds as tax-exempt under Section 103 thereof, including without limitation, requirements relating to temporary periods for investments and limitations on amounts invested at a yield greater than the yield on the Bonds.

Original Issue Premium

The Bonds with a stated maturity of February 1, 2020 through February 1, 2030 (the "Premium Bonds"), have been sold at an amount in excess of the stated redemption price at maturity. Such excess of the purchase price of such Premium Bonds over the stated redemption price at maturity constitutes original issue premium with respect to such Premium Bonds. A purchaser of a Premium Bond must amortize any original issue premium over the term of such Premium Bond using constant yield principles, based on the purchaser's yield to maturity. As original issue premium is amortized, the purchaser's basis in such Premium Bond is reduced by a corresponding amount, resulting in an increase in the gain (or a decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Premium Bonds at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Premium Bonds.

Original Issue Discount

The Bonds with a stated maturity of February 1, 2031 through February 1, 2039 (the "Discount Bonds") have been sold at a discount from the principal amount payable on such Discount Bonds at maturity. The difference between the price at which a substantial amount of the Discount Bonds of a given maturity is first sold to the public (the "Issue Price") and the principal amount payable at maturity constitutes "original issue discount" under the Code. The amount of original issue discount that accrues to a holder of a Discount Bond under section 1288 of the Code is excluded from federal gross income to the same extent that stated interest on such Discount Bond would be so excluded. The amount of the original issue discount that accrues with respect to a Discount Bond under section 1288 is added to the owner's federal tax basis in determining gain or loss upon disposition of such Discount Bond (whether by sale, exchange, redemption or payment at maturity).

Interest in the form of original issue discount accrues under section 1288 pursuant to a constant yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of original issue discount that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Bonds, over (2) the amount of stated interest actually payable. For purposes of the preceding sentence, the adjusted issue price is determined by adding to the Issue Price for such Bonds the original issue discount that is treated as having accrued during all prior semiannual accrual periods. If a Discount Bond is sold or otherwise disposed of between semiannual compounding dates, then the original issue discount that would have accrued for that semiannual accrual period for federal income tax purposes is allocated ratably to the days in such accrual period.

If a Discount Bond is purchased at a price that exceeds the sum of the Issue Price plus accrued interest and accrued original issue discount, the amount of original issue discount that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of such Bond.

No opinion is expressed as to state and local income tax treatment of original issue discount. It is possible under certain state and local income tax laws that original issue discount on a Discount Bond may be taxable in the year of accrual, and may be deemed to accrue differently than under federal law.

Holders of Discount Bonds should consult their tax advisors with respect to the computation and accrual of original issue discount for federal income tax purposes and with respect to the state and local tax consequences of owning such Discount Bonds.

OTHER FEDERAL AND STATE TAX CONSIDERATIONS

Property and Casualty Insurance Companies

Property and casualty insurance companies are required to reduce the amount of their loss reserve deduction by the applicable percentage of the amount of tax-exempt interest received or accrued during the taxable year on certain obligations, including interest on the Bonds.

Foreign Insurance Companies

Foreign companies carrying on an insurance business in the United States are subject to a tax on income which is effectively connected with their conduct of any trade or business in the United States, including "net investment income." Net investment income includes tax-exempt interest such as interest on the Bonds.

Branch Profits Tax

A foreign corporation is subject to a branch profits tax imposed by Section 884 of the Code. A branch's earnings and profits may include tax-exempt municipal bond interest, such as interest on the Bonds.

Passive Investment Income of S Corporations

Passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for an S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than a certain percentage of the gross receipts of such S corporation is passive investment income.

General

The preceding is not a comprehensive list of all federal or State tax consequences which may arise from the receipt or accrual of interest on the Bonds. The receipt or accrual of interest on the Bonds may otherwise affect the federal income tax (or Minnesota income tax or franchise tax) liability of the recipient based on the particular taxes to which the recipient is subject and the particular tax status of other items of income or deductions. All prospective purchasers of the Bonds are advised to consult their own tax advisors as to the tax consequences of, or tax considerations for, purchasing or holding the Bonds.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations. Financial institutions are not generally entitled to a deduction for interest expenses allocable to the owners of tax-exempt obligations purchased after August 7, 1986.

RATINGS

Moody's Investors Service ("Moody's"), 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York and to S&P Global Ratings ("S&P"), 55 Water Street, New York, New York have assigned ratings of "Aaa" and "AAA," respectively to the Bonds. The ratings reflect only the opinion of Moody's or S&P. Any explanation of the significance of the ratings may be obtained only from Moody's or S&P.

There is no assurance that ratings will continue for any given period of time, or that such ratings will not be revised, suspended or withdrawn, if, in the judgment of Moody's or S&P, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

MUNICIPAL ADVISOR

The County has retained Baker Tilly Municipal Advisors, LLC, of Saint Paul, Minnesota as municipal advisor in connection with certain aspects of the issuance of the Bonds. In preparing this Official Statement, Baker Tilly Municipal Advisors, LLC has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for this Official Statement. Baker Tilly Municipal Advisors, LLC has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. Baker Tilly Municipal Advisors, LLC is an independent advisory firm, registered as a municipal advisor, and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

Springsted Incorporated and its wholly owned subsidiary, Springsted|Waters, a management consulting firm, combined with Baker Tilly Virchow Krause, LLP ("BTVK") on April 1, 2019. Baker Tilly Municipal Advisors, LLC is a wholly owned subsidiary of BTVK. Springsted|Waters was engaged to conduct the executive recruitment search for the County Manager of the County within the 24-month period ending on the date of this Official Statement. Springsted|Waters's fees for such services are based on a flat fee amount.

CERTIFICATION

The County has authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Bonds and a Final Official Statement following award of the Bonds. The Purchaser will be furnished with a certificate signed by the appropriate officers of the County stating that the County examined each document and that, as of the respective date of each and the date of such certificate, each document did not and does not contain any untrue statement of material fact or omit to state a material fact necessary, in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

UNDERWRITING

An underwriting syndicate managed by FTN Financial Capital Markets, in New York, New York with co-managers Morgan Stanley & Co. LLC; Raymond James & Associates, Inc.; Samuel A. Ramirez & Co., Inc.; UBS Financial Services Inc.; Wiley Bros. – Aintree Capital, LLC; and Ziegler (collectively, the "Purchaser") has agreed to purchase the Bonds from the County for a purchase price of $11,577,992.56 (representing the principal amount of $10,600,000.00, plus a reoffering premium of $999,942.30 and less the underwriter's compensation of $21,949.74). The Bonds are being offered for sale by the Purchaser to the public at the prices shown on the front cover of this Official Statement.

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COUNTY PROPERTY VALUES

Trend of Values[(a)]

Assessment/ Collection Year	Assessor's Estimated Market Value	Sales Ratio[(b)]	Economic Market Value[(c)]	Taxable Market Value	Market Value Per Capita	Adjusted Taxable Net Tax Capacity
2018/19	$53,700,170,500	N/A	N/A	$51,609,139,200	$94,467[(d)]	$625,957,471
2017/18	50,203,834,900	95.0%	$52,977,454,344	47,989,623,000	88,762[(d)]	587,990,147
2016/17	46,586,318,000	94.5	49,248,460,370	44,283,656,700	81,908	541,767,472
2015/16	43,807,052,300	95.1	46,139,970,795	41,446,691,700	77,663	503,155,640
2014/15	42,315,298,400	96.5	43,872,959,023	39,918,416,500	75,388	480,922,805

(a) *For a description of the Minnesota property tax system, see Appendix III.*

(b) *Sales Ratio Study for the year of assessment as posted by the Minnesota Department of Revenue, http://www.revenue.state.mn.us/propertytax/Pages/statistics-emv.aspx.*

(c) *Economic market values for the year of assessment as posted by the Minnesota Department of Revenue, http://www.revenue.state.mn.us/propertytax/Pages/statistics-emv.aspx.*

(d) *Based on the County's 2017 population of 546,317 as estimated by the U.S. Census. 2018 and 2019 population data are not yet available.*

Source: Ramsey County, Minnesota, March 2019, except as otherwise noted.

2018/19 Adjusted Taxable Net Tax Capacity: $625,957,471

Real Estate:		
Residential Homestead	$293,180,864	46.0%
Commercial/Industrial, Public Utility, and Railroad	199,438,541	31.3
Non-Homestead Residential	131,712,239	20.7
Other Classes	451,908	0.1
Personal Property	12,014,154	1.9
2018/19 Net Tax Capacity	$636,797,706	100.0%
Less: Captured Tax Increment	(38,778,166)	
Contribution to Fiscal Disparities	(69,135,685)	
Plus: Distribution from Fiscal Disparities	97,073,616	
2018/19 Adjusted Taxable Net Tax Capacity	$625,957,471	

Ten of the Largest Taxpayers in the County

Taxpayer	Type of Property	2018/19 Net Tax Capacity
Xcel Energy	Utility	$12,500,140
3M Company	Industrial and Consumer Products	3,928,467
Rosedale Mall	Shopping Center	3,098,356
Medtronic, Incorporated	Surgical and Medical Instrument Manufacturing	2,855,196
Burlington Northern Santa Fe Railway	Railroad	2,266,761
St. Paul Fire and Marine Insurance	Insurance	1,937,462
Maplewood Mall	Shopping Center	1,612,028
St. Paul Tower LP	Real Estate	1,607,676
Minnesota Life Insurance Company	Insurance	1,439,169
U.S. Bancorp	Banking	1,198,962
Total		$32,444,217*

* *Represents 5.2% of the County's 2018/19 adjusted taxable net tax capacity.*

COUNTY INDEBTEDNESS

Legal Debt Limit and Margin*

Legal Debt Limit (3% of Estimated Market Value)	$1,611,005,115
Less: Outstanding Debt Subject to Limit	(153,620,000)
Legal Debt Margin as of June 27, 2019	$1,457,385,115

* *The legal debt margin is referred to statutorily as the "Net Debt Limit" and may be increased by debt service funds and current revenues which are applicable to the payment of debt in the current fiscal year.*

NOTE: Certain types of debt are not subject to the legal debt limit. See Appendix III – Debt Limitations.

General Obligation Debt Supported Solely by Taxes[a]

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 6-27-19
3-1-10	$ 6,950,000	Capital Improvement Refunding	2-1-2021	$ 1,035,000
6-16-11	18,500,000	Capital Improvement	2-1-2031	12,085,000
12-29-11	37,765,000	Capital Improvement Refunding	2-1-2022	9,585,000
6-15-12	18,500,000	Capital Improvement	2-1-2032	12,820,000
12-15-12	13,185,000	Capital Improvement Refunding	2-1-2023	5,940,000
6-24-13	22,700,000	Capital Improvements	2-1-2033	15,120,000
6-24-13	12,000,000	Taxable Capital Improvements (RCC)	2-1-2033	9,310,000[b]
8-12-14	5,680,000	Library Refunding	2-1-2024	3,145,000
8-12-14	9,500,000	Taxable Capital Improvements (RCC)	2-1-2034	7,435,000[b]
8-12-14	3,300,000	Library	2-1-2034	2,840,000
8-12-14	6,870,000	Capital Improvement Refunding	2-1-2024	3,735,000
12-3-15	3,500,000	Capital Improvement	2-1-2025	1,880,000
12-3-15	14,445,000	Library	2-1-2035	12,850,000
8-18-16	5,435,000	Capital Improvement	2-1-2026	4,425,000
8-18-16	15,825,000	Capital Improvement Refunding	2-1-2027	10,960,000
6-7-18	11,200,000	Capital Improvement	2-1-2038	10,540,000
6-7-18	8,750,000	Library Refunding	2-1-2029	8,345,000
6-7-18	11,280,000	Capital Improvement Refunding	2-1-2030	10,970,000
6-27-19	10,600,000	Capital Improvement (the Bonds)	2-1-3029	10,600,000
Total				$153,620,000

(a) *These issues are subject to the legal debt limit.*

(b) *Proceeds of these issues are being used to finance the acquisition and remediation of the Rice Creek Commons development property (RCC) (formerly Twin Cities Army Ammunition Plant or TCAAP) located in the City of Arden Hills, Minnesota. The County expects to use future RCC land sale proceeds, or other sources, when available, to pay the debt service on these issues.*

General Obligation Municipal State Aid Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 6-27-19
12-15-12	$3,155,000	State Aid Street Refunding	2-1-2028	$2,015,000

General Obligation Revenue Debt

Date of Issue	Original Amount	Purpose	Final Maturity	Est. Principal Outstanding As of 6-27-19
5-4-01	$ 6,872,000	TRLF Loan	8-20-2030	$ 3,752,000*
2-25-16	17,900,000	Solid Waste Facility Revenue	2-1-2041	16,350,000
Total				$20,102,000

* *The County entered into a Transportation Revolving Loan Fund Agreement with the Minnesota Public Facilities Authority to finance a portion of the costs of the design and construction of an underground pedestrian connection between the RiverCentre Complex and the existing skyway system in Landmark Towers in the City of Saint Paul (the "City"). The loan is a general obligation of the County but is payable primarily from rental payments made by the City to the County pursuant to a facility lease.*

Estimated Calendar Year Debt Service Payments Including the Bonds

	General Obligation Debt Supported Solely by Taxes		General Obligation Municipal State Aid Debt	
Year	Principal	Principal & Interest(a)	Principal	Principal & Interest
2019 (at 6-27)	(Paid)	$ 2,855,735	(Paid)	$ 20,829
2020	$ 18,295,000	24,076,292	$ 210,000	249,558
2021	17,055,000	21,999,161	215,000	250,308
2022	16,720,000	20,892,689	220,000	250,958
2023	14,670,000	18,170,629	220,000	246,558
2024	11,140,000	14,126,099	220,000	242,158
2025	10,085,000	12,629,634	225,000	242,708
2026	10,135,000	12,275,651	230,000	243,014
2027	9,505,000	11,292,417	235,000	242,985
2028	8,625,000	10,096,621	240,000	242,700
2029	8,160,000	9,331,438		
2030	6,825,000	7,727,076		
2031	6,010,000	6,679,538		
2032	4,970,000	5,441,753		
2033	3,890,000	4,206,361		
2034	2,660,000	2,862,934		
2035	1,840,000	1,966,369		
2036	845,000	927,872		
2037	870,000	925,922		
2038	900,000	927,553		
2039	420,000	426,563		
Total	$153,620,000(b)	$189,838,307	$2,015,000	$2,231,776

(a) *Includes debt service on the Bonds based on the interest rates shown on the cover of this Official Statement.*

(b) *81.0% of this debt will be retired within ten years.*

Estimated Calendar Year Debt Service Payments Including the Bonds (continued)

	General Obligation Revenue Debt	
Year	Principal	Principal & Interest
2019 (at 6-27)	$ 260,000	$ 575,111
2020	800,000	1,412,863
2021	825,000	1,412,074
2022	850,000	1,410,477
2023	880,000	1,412,995
2024	905,000	1,409,630
2025	935,000	1,410,380
2026	965,000	1,410,172
2027	1,000,000	1,414,004
2028	1,025,000	1,406,773
2029	1,065,000	1,413,583
2030	1,092,000	1,406,180
2031	740,000	1,018,925
2032	765,000	1,021,350
2033	785,000	1,018,100
2034	810,000	1,019,175
2035	835,000	1,019,500
2036	860,000	1,019,075
2037	885,000	1,017,900
2038	910,000	1,015,406
2039	940,000	1,016,500
2040	970,000	1,016,656
2041	1,000,000	1,015,750
Total	$20,102,000*	$27,292,579

* *42.0% of this debt will be retired within ten years.*

Other Debt Obligations

Operating Leases

The County has entered into various operating leases for real estate and equipment, expiring on various dates through 2023. Total costs of these leases for the fiscal year ended December 31, 2017 were $2,554,832. The following is a schedule by years of future minimum lease payments required under these operating leases as of December 31:

Year Ending December 31	
2019	$ 5,239,494
2020	3,085,373
2021	2,817,524
2022	1,910,251
2023-2027	2,293,975
2028	78,070
Total	$15,424,687

Overlapping Debt

Taxing Unit[(a)]	2018/19 Adjusted Taxable Net Tax Capacity	Est. G.O. Debt As of 6-27-19[(b)]	Debt Applicable to Tax Capacity in County: Percent	Amount
Cities:				
Blaine	$ 79,526,016	$ 20,535,000[(c)]	0.8%	$ 164,280
Falcon Heights	5,448,885	1,210,000	100.0	1,210,000
Gem Lake	1,173,880	1,315,000	100.0	1,315,000
Little Canada	12,746,439	4,620,000	100.0	4,620,000
Maplewood	48,686,636	49,275,198	100.0	49,275,198
Mounds View	13,483,275	5,775,000[(d)]	100.0	5,775,000
New Brighton	25,663,242	29,180,000	100.0	29,180,000
North Oaks	15,052,716	230,000	100.0	230,000
North St. Paul	11,130,777	15,125,000	100.0	15,125,000
Roseville	56,719,583	17,495,000	100.0	17,495,000
St. Anthony	10416248	25,350,000	29.4	7,452,900
Saint Paul	310,878,014	256,090,000[(e)]	100.0	256,090,000
Shoreview	36,819,031	23,465,000	100.0	23,465,000
Spring Lake Park	6,894,513	4,180,000[(f)]	2.6	108,680
Vadnais Heights	18,923,003	5,530,000	100.0	5,530,000
White Bear Lake	31,648,353	13,320,000	98.0	13,053,600
Town of White Bear	15,672,197	600,000	100.0	600,000
School Districts:				
ISD No. 282 (St. Anthony-New Brighton)	12,149,350	30,205,000	39.5	11,930,975
ISD No. 621 (Mounds View)	110,865,152	218,790,000	100.0	218,790,000
ISD No. 622 (North Saint Paul-Maplewood-Oakdale)	100,917,118	133,415,000	52.1	69,509,215
ISD No. 623 (Roseville)	75,512,179	169,100,000	100.0	169,100,000
ISD No. 624 (White Bear Lake)	90,511,287	77,560,000	78.3	60,729,480
ISD No. 625 (Saint Paul)	310,879,394	254,145,000[(g)]	100.0	254,145,000
Other:				
Saint Paul Port Authority	310,878,014	46,175,000[(h)]	100.0	46,175,000
Metropolitan Council	4,281,620,797	5,735,000[(i)]	14.6	837,310
Metropolitan Transit District	3,433,535,041	145,125,000[(j)]	18.2	26,412,750
Total				$1,288,319,388

(a) *Only those taxing units with general obligation debt outstanding are included here.*

(b) *Includes general obligation debt supported by taxes, special assessments and tax increment, but excludes debt supported by revenues and tax and aid anticipation debt.*

(c) *Represents the total outstanding principal amount of debt issues for fire protection services issued by the City of Blaine that are apportioned between the cities of Blaine, Mounds View, and Spring Lake Park pursuant to a Joint Powers Agreement. The proportionate share for each city is adjusted annually. As of calendar year 2019, the proportionate shares for each city are 75.633%, 16.373%, and 7.994% for Blaine, Mounds View, and Spring Lake Park, respectively.*

(d) *Excludes the City of Mounds View's proportionate share of outstanding general obligation debt for fire improvements, which was issued by the City of Blaine and are apportioned between the cities of Blaine, Mounds View, and Spring Lake Park based on a Joint Powers Agreement. The proportionate share for each city is adjusted annually. As of calendar year 2019, the City of Mounds View's share is 16.373% of the total debt service on the bonds.*

(e) *Excludes approximately $25,860,000 of general obligation bonds anticipated to be issued on or about June 19, 2019.*

(f) *Excludes the City of Spring Lake Park's proportionate share of outstanding general obligation debt for fire improvements, which was issued by the City of Blaine and are apportioned between the cities of Blaine, Mounds View, and Spring Lake Park based on a Joint Powers Agreement. The proportionate share for each city is adjusted annually. As of calendar year 2019, the City of Spring Lake Park's share is 7.994% of the total debt service on the bonds.*

(g) *Includes installment purchase contracts and qualified school construction bonds. Excludes approximately $25,860,000 of general obligation bonds anticipated to be issued on or about June 19, 2019.*

(h) *Excludes business development program bonds and ballpark revenue bonds, which are payable from a limited tax. Includes bonds paid from taxes levied by the Authority and to which the City has pledged its full faith, credit and resources for payment.*

(i) *Excludes general obligation debt supported by wastewater revenues and housing rental payments. Includes certificates of participation.*

(j) *Excludes approximately $117,000,000 of general obligation transit revenue bonds to be issues on or about June 19, 2019.*

Debt Ratios*

	G.O. Direct Debt	G.O. Direct & Overlapping Debt
To 2018/19 Estimated Market Value ($53,700,170,500)	0.29%	2.69%
Per Capita (546,317 – 2017 MN State Demographer Estimate)	$281	$2,639

* *Excludes general obligation municipal state aid debt, general obligation revenue debt, and other debt obligations.*

COUNTY TAX RATES, LEVIES AND COLLECTIONS

Tax Capacity Rates for a City of Saint Paul Resident

					2018/19	
	2014/15	2015/16	2016/17	2017/18	Total	For Debt Only
Ramsey County	54.323%	53.880%	51.053%	49.363%	48.462%	3.446%
City of Saint Paul	43.827	42.575	42.641	49.918	50.266	4.907
Port Authority of Saint Paul	1.171	1.359	1.160	1.089	1.003	1.089
Housing and Redev. Auth. of Saint Paul	1.386	1.311	1.327	1.304	1.354	- 0 -
ISD No. 625 (Saint Paul)(a)	42.996	42.583	40.704	39.066	37.265	13.070
Metropolitan Council(b)	2.524	2.379	2.243	2.153	2.098	1.464
Special Districts(c)	6.122	6.610	6.421	6.933	6.883	- 0 -
Total	152.349%	150.697%	145.549%	149.826%	147.331%	23.976%

(a) *Independent School District No. 625 (Saint Paul) also has a 2018/19 tax rate of 0.20754% spread on the market value of property in support of an excess operating levy.*

(b) *The tax rate for the Metropolitan Transit District is included in the tax rate for the Metropolitan Council.*

(c) *Special Districts include Mosquito Control, Capitol Region Watershed, and Ramsey County Regional Rail Authority.*

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value. See Appendix III.

Source: Ramsey County, Minnesota.

Tax Capacity Rates for Selected Governmental Units in the County

					2018/19	
	2014/15	2015/16	2016/17	2017/18	Total	For Debt Only
Cities:						
Arden Hills	27.294%	26.539%	27.211%	25.532%	25.555%	- 0 -
Falcon Heights	23.470	25.855	26.342	31.780	37.356	4.406%
Lauderdale	28.856	29.042	29.678	29.919	29.347	- 0 -
Little Canada	30.696	30.331	28.903	26.664	26.131	- 0 -
Maplewood	46.353	48.507	47.248	45.911	44.693	9.570
Mounds View	42.886	40.105	37.531	37.742	38.009	4.339
New Brighton	36.193	36.176	36.837	37.103	37.063	- 0 -
North Saint Paul	35.169	38.707	41.866	42.465	43.363	10.739
Roseville	38.909	39.324	38.552	38.177	37.422	3.890
Shoreview	34.873	35.357	34.302	33.617	32.960	3.554
Vadnais Heights	26.904	26.820	26.845	24.872	24.127	2.764
White Bear Lake	20.368	19.690	18.969	19.058	20.190	1.120
School Districts:						
ISD No. 621 (Mounds View)	27.378	26.245	25.305	28.464	26.330	16.696
ISD No. 622 (North Saint Paul-Maplewood-Oakdale)	35.864	35.569	33.582	30.089	29.039	15.697
ISD No. 623 (Roseville)	17.180	20.958	18.894	34.396	31.687	17.560
ISD No. 624 (White Bear Lake)	26.660	26.236	23.476	23.685	26.081	16.805

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value. See Appendix III.

Source: Ramsey County, Minnesota.

County Tax Levies and Collections

		Collected During Collection Year		Collected and/or Abated As of 12-31-18	
Levy/Collect	Net Levy*	Amount	Percent	Amount	Percent
2018/19	$318,453,646		(In Process of Collection)		
2017/18	304,634,338	$302,353,172	99.3%	$302,353,172	99.3%
2016/17	290,931,535	288,772,474	99.3	290,332,613	99.8
2015/16	283,283,933	281,178,822	99.3	282,975,205	99.9
2014/15	275,263,767	272,896,122	99.1	275,025,845	99.9

* *The net levy excludes state aid for property tax relief and fiscal disparities, if applicable. The net levy is the basis for computing tax capacity rates. See Appendix III.*

Source: Ramsey County, Minnesota.

FUNDS ON HAND
As of December 31, 2018

Fund	Cash and Investments
General	$243,204,376
Special Revenue	109,817,074
Debt Service	34,961,429
Capital Projects	60,446,951
Enterprise	1,244,521
Internal Service	128,632,923
Trust and Agency	51,447,180
Total	$629,754,454

COUNTY INVESTMENTS

Investments as of February 28, 2019 were $546,625,684. County funds are invested in accordance with Minnesota Statutes, Chapters 118A and 356A; the County's investment policy; and written administrative procedures. The County's investment portfolios are managed using the "prudent investor" rule, which states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Minnesota Statutes also require that all County deposits be covered by insurance, surety bond, or collateral.

The County's investments are managed to attain a market rate of return throughout budgeting and economic cycles while preserving and protecting capital and maintaining necessary liquidity. The County maintains a diversified portfolio by allocating investments to a variety of investment types, issuers, and maturities. The County's investment portfolio consists of the types of investments authorized in the County's investment policy. On a quarterly basis, the County Investment and Debt Manager prepares a report for upper management detailing the County investment performance and activity, including the investment types and duration of the portfolio. A report detailing the County's investment performance and activity is provided annually to the Board of Commissioners.

GENERAL INFORMATION CONCERNING THE COUNTY

The County encompasses an area of approximately 170.2 square miles (108,928 acres) and is the State of Minnesota's second most populous county. The County was organized on October 27, 1849 and is governed by the general laws of the State of Minnesota as well as a number of special laws and its Home Rule Charter. On November 6, 1992, the County became the first home rule charter county in the State of Minnesota (the "State"). The City of Saint Paul comprises approximately 50% of the County's total tax base and is the State capital and the Ramsey County seat.

Population

Population statistics for municipalities within the County are:

Municipality	1990 U.S. Census	2000 U.S. Census	2010 U.S. Census	2017 Estimates*
Arden Hills	9,199	9,652	9,552	9,969
Falcon Heights	5,380	5,572	5,321	5,436
Gem Lake	439	419	393	447
Lauderdale	2,700	2,364	2,379	2,426
Little Canada	8,971	9,771	9,773	10,120
Maplewood	30,954	34,947	38,018	40,084
Mounds View	12,541	12,738	12,155	13,327
New Brighton	22,207	22,206	21,456	22,875
North Oaks	3,386	3,883	4,469	5,215
North Saint Paul	12,376	11,929	11,460	12,099
Roseville	33,485	33,690	33,660	35,987
Shoreview	24,587	25,924	25,043	26,447
Spring Lake Park (part)	103	105	178	185
St. Anthony (part)	2,449	2,348	3,070	3,756
Saint Paul	272,235	287,151	285,068	309,180
Vadnais Heights	11,041	13,069	12,302	12,704
White Bear Lake (part)	24,288	23,974	23,394	25,109
Town of White Bear	9,424	11,293	10,949	10,951
Ramsey County Total	485,765	511,035	508,640	546,317
Percent Change	--	5.2%	(0.5%)	7.4%

* *2019 population estimates are not yet available.*

Sources: U.S. Census Bureau, www.census.gov and the Minnesota State Demography Center, http://mn.gov/admin/demography.

The County's population by age group for the past five years is as follows:

Data Year/ Report Year	0-17	18-34	35-64	65 and Over
2018/19	131,512	142,176	200,884	81,108
2017/18	129,650	140,671	199,330	78,019
2016/17	129,009	140,901	199,069	75,810
2015/16	127,387	140,464	198,724	73,695
2014/15	125,279	139,904	196,948	70,948

Sources: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Transportation

The Minneapolis-Saint Paul metropolitan area is one of the nation's largest transportation centers. It is located at the head of navigation of the Mississippi River, with barge traffic through the nine-foot channel exceeding 14 million tons annually.

The Minneapolis-Saint Paul International Airport provides commercial and charter service. In addition, the Saint Paul Downtown Airport accommodates private air travel.

The Office of Transit Operations of the Transportation Division of the Metropolitan Council (MCTO) provides bus service for the County and the entire Minneapolis-Saint Paul metropolitan area.

Rail traffic in the area includes Burlington Northern Santa Fe, Union Pacific, Milwaukee Road, Soo Line and Rock Island Line Railroads and Amtrak. Overnight truck transportation to Chicago, St. Louis, Kansas City and Omaha is provided by more than 25 locally based companies.

Major Employers

The following are lists of major employers located throughout the County.

Private Employers

Employer	Product/Service	Approximate Employment
3M Company (Maplewood)	Industrial and consumer products	10,500
Medtronic (Mounds View)	Biomedical device manufacturing	4,000(a)
Securian Financial Group (Saint Paul)	Insurance and annuities	2,750
Boston Scientific (Arden Hills)	Medical technology supplier	2,532
Ecolab Inc. (Saint Paul)	Chemical products/cleaning systems	2,500
Target Corporation	Retail	2,371(b)
The Traveler's Companies, Inc. (Saint Paul)	Insurance	2,100
U.S. Bancorp (Saint Paul)	Financial services	2,000
Abbey Care Incorporated (St. Paul)	Home health care	1,300
Deluxe Corporation (Shoreview)	Business checks, forms and supplies	1,150
Marsden (Saint Paul)	Janitorial services	1,100
Land O' Lakes (Arden Hills)	Dairy products	850
Merrill Corporation	Administrative/management consulting services	820
McGough Construction (Roseville)	Non-residential construction	585
Infor (Saint Paul)	Software development	575
Symantec (Roseville)	Software developer	500
Sysco Minnesota (Mounds View)	Food products	485
Cub Foods	Grocery store	265
St. Paul Pioneer Press (St. Paul)	Newspaper	250

(a) *Represents employees at the Mounds View location only. Previous figure represented the company's worldwide employment.*

(b) *Includes full- and part-time employees in multiple locations throughout the County.*

Source: This does not purport to be a comprehensive list and is based on an April 2019 best efforts telephone survey of individual employers. Some employers do not respond to inquiries.

Non-Profit and Government Employers

Employer	Product/Service	Approximate Employment
University of Minnesota – Twin Cities	Post-secondary education	18,000[a]
State of Minnesota	State government	14,122[a]
Independent School District No. 625 (Saint Paul)	Public education	6,079[a]
Regions Hospital (Saint Paul)	Health care	5,593
Ramsey County	County government	4,406
United Hospital (Saint Paul)	Health care	3,600
City of Saint Paul	City government	2,995[b]
Independent School District No. 622 (North St. Paul-Maplewood-Oakdale)	Public education	1,776
University of St. Thomas (Saint Paul)	Post-secondary education	1,712
Independent School District No. 621 (Mounds View)	Public education	1,653
HealthEast Care System/St. John's Hospital (Maplewood)	Health care	1,517[c]
Children's Hospital and Clinics of Minnesota (Saint Paul)	Health care	1,376
Independent School District No. 624 (White Bear Lake)	Public education	1,200[c]
Century College (White Bear Lake)	Post-secondary education	900
Bethel University (Arden Hills)	Post-secondary education	800
Science Museum of Minnesota	Museum	591
City of Maplewood	City government	501[a]
Presbyterian Homes of Arden Hills (McKnight Care Center)	Nursing home	500

(a) *Includes full- and part-time employees.*

(b) *Includes 1,070 sworn police and fire employees.*

(c) *Represents the Maplewood location only. Previous figure represented the total number of employees in the HealthEast network.*

Source: *This does not purport to be a comprehensive list and is based on an April 2019 best efforts telephone survey of individual employers. Some employers do not respond to inquiries.*

Labor Force Data

	Annual Average 2015	Annual Average 2016	Annual Average 2017	Annual Average 2018	March 2019
Labor Force:					
Ramsey County	279,536	283,182	286,863	288,814	290,009
State of Minnesota	2,997,748	3,033,406	3,057,014	3,070,223	3,098,899
United States	157,129,916	159,187,166	160,319,750	162,075,000	162,823,000
Unemployment Rate:					
Ramsey County	3.5%	3.6%	3.2%	2.7%	3.4%
State of Minnesota	3.7	3.9	3.4	2.9%	4.1
United States	5.3	4.9	4.4	3.9%	3.9

Source: *Minnesota Department of Employment and Economic Development, https://apps.deed.state.mn.us/lmi/laus/Default.aspx. 2019 data are preliminary.*

Retail Sales and Effective Buying Income (EBI)

Ramsey County

Data Year/ Report Year	Total Retail Sales ($000)	Total EBI ($000)	Median Household EBI
2018/19	$9,698,389	$16,093,608	$54,792
2017/18	8,506,069	15,151,417	52,491
2016/17	8,465,024	14,307,888	48,976
2015/16	7,675,759	13,866,363	49,318
2014/15	5,984,635	12,840,803	46,377

The 2018/19 Median Household EBI for the State of Minnesota was $58,777. The 2018/19 Median Household EBI for the United States was $52,468.

Sources: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Additional Income Data and Home Values

	Per Capita Income	Median Household Income	Median Home Values ($000)
2017(a)	$32,544	$60,301	$208,700
2016(b)	31,256	57,717	199,200
2015(c)	30,333	56,104	N/A
2014(d)	30,076	55,460	194,000
2013(e)	29,484	54,247	198,200

(a) *Reflects 2013-2017 five-year average.*

(b) *Reflects 2012-2016 five-year average.*

(c) *Reflects 2011-2015 five-year average.*

(d) *Reflects 2010-2014 five-year average.*

(e) *Reflects 2009-2013 five-year average.*

Source: US Census Bureau; https://www.census.gov/quickfacts/. Most recent information available.

Building Permit Data for Ramsey County

Year	Total Number	Total Value
2019 (to 3-31)	1,141	$ 153,090,410
2018	18,044	1,177,805,934
2017	19,666	1,560,602,741
2016	18,905	912,868,942
2015	20,634	1,172,539,436
2014	19,169	1,127,002,425
2013	22,198	847,108,419
2012	18,409	775,248,943
2011	20,838	751,138,262
2010	20,190	571,762,190

Sources: Individual cities within the County.

Recent County Development Projects

Riverfront Properties

Riverfront Properties is a five-acre site located along the bluff overlooking the Mississippi River in downtown Saint Paul. Deconstruction and completion of a retaining wall to stabilize the bluff was completed in November of 2017 and the County issued a Request for Development Interest for the site on November 9, 2017. The County engaged with a preferred master developer in January 2019 to initiate a due diligence period. The County's vision for the site is a high-density, mixed use development incorporating office space, residential housing, hospitality, and street level retail. Infrastructure development is expected to begin in 2020 and housing and early commercial construction is anticipated for 2020/2021.

Rice Creek Commons

In April 2013, the County purchased the 427-acre site of the Twin Cities Army Ammunition Plant, located in the City of Arden Hills. Forty-four buildings have been demolished, environmental clean-up has been completed on the full site, and the soil has been cleaned to residential standards. In May 2016, Alatus LLC was chosen as the master developer for the mixed-use site. Construction of surrounding highway infrastructure and site access is currently underway or has been completed. Bids for internal site construction are expected in 2019, with infrastructure development expected to begin in 2020 and housing and early commercial construction anticipated for 2021. This redevelopment area is planned to include residential, commercial, and retail development.

Financial Institutions

The following financial institutions are located throughout the County*:

Alliance Bank
Associated Bank, National Association
BankCherokee
Community Resource Bank
Deerwood Bank
Farmers & Merchants Savings Bank
Flagship Bank Minnesota
Highland Bank
MidCountry Bank
North American Banking Company
North Star Bank
Peoples Bank Midwest
Sunrise Banks, National Association
Think Mutual Bank
Wells Fargo Bank, National Association
American National Bank
Bremer Bank, National Association
BMO Harris Bank, National Association
Coulee Bank
Drake Bank
First Farmers & Merchants National Bank
Great Southern Bank
Lake Area Bank
MidWestOne Bank
North Star Bank
Old National Bank
Premier Bank
TCF National Bank
U.S. Bank National Association

* *This does not purport to be a comprehensive list.*

Source: Federal Deposit Insurance Corporation, https://research.fdic.gov/bankfind/.

Health Care Services

The following is a summary of hospital facilities located throughout the County*:

Facility	Location	No. of Beds
Gillette Children's Specialty Hospital	City of Saint Paul	60 Hospital Beds
Healtheast Bethesda Hospital	City of Saint Paul	254 Hospital Beds
Healtheast St. John's Hospital	City of Maplewood	184 Hospital Beds 44 Infant Bassinets
Regions Hospital	City of Saint Paul	474 Hospital Beds 26 Infant Bassinets
St. Joseph's Hospital	City of Saint Paul	401 Hospital Beds 40 Infant Bassinets
United Hospital	City of Saint Paul	546 Hospital Beds 40 Infant Bassinets

In addition, there are 30 nursing homes and 54 supervised living facilities located throughout the County.

* *This does not purport to be a comprehensive list.*

Source: Minnesota Department of Health, http://www.health.state.mn.us/.

Education

Public Education

Ramsey County encompasses all or part of six independent school districts. Enrollment trends in these districts are as follows (grades kindergarten through twelve):

	2014/15	2015/16	2016/17	2017/18	2018/19
ISD No. 282 (St. Anthony)	1,809	1,813	1,853	1,832	1,837
ISD No. 621 (Mounds View)	11,011	11,401	11,556	11,647	11,957
ISD No. 622 (North Saint Paul/ Maplewood)	10,603	10,535	10,528	10,767	10,808
ISD No. 623 (Roseville)	7,530	7,616	7,684	7,768	7,655
ISD No. 624 (White Bear Lake)	8,220	8,313	8,483	8,744	8,860
ISD No. 625 (Saint Paul)	37,865	37,646	37,110	37,297	36,888

In addition to the public school systems, over 70 nonpublic elementary/secondary schools operate within the County.

Source: Minnesota Department of Education, https://education.mn.gov/MDE/Data/.

GOVERNMENTAL ORGANIZATION AND SERVICES

Organization

Pursuant to a referendum approved by Ramsey County voters on November 6, 1990, the County is governed by a home-rule charter. The charter was adopted by the Ramsey County Charter Commission on December 5, 1989 and went into effect on November 6, 1992. The charter defines the powers and structures of the County government and provides powers to County residents through the process of initiative, referendum and recall.

Bonding authority in the charter may not exceed the statutory limitations on indebtedness under Minnesota Statutes, Chapter 475. Also under the charter, the County continues to have unlimited taxing authority for payment of principal and interest on bonds.

The Board of Commissioners of Ramsey County (the "Board") consists of seven members elected from the seven districts of the County. All members serve overlapping four-year terms of office. Each Commissioner also serves on other boards and commissions such as the Ramsey County Extension Committee, the Association of Minnesota Counties, Ramsey/Washington Recycling and Energy Board, the Metropolitan Mosquito Control District, and the Solid Waste Management Coordinating Board.

Commissioners are not required to devote full time to their County duties; however, the position does demand a major portion of their time. The following individuals comprise the Board of Commissioners of Ramsey County:

		Expiration of Term
Jim McDonough	Chair (District 6)	January 2023
Vacant	Commissioner (District 1)	January 2021*
Mary Jo McGuire	Commissioner (District 2)	January 2021
Trista MatasCastillo	Commissioner (District 3)	January 2023
Toni Carter	Commissioner (District 4)	January 2023
Rafael E. Ortega	Commissioner (District 5)	January 2023
Victoria Reinhardt	Commissioner (District 7)	January 2021

* *Commissioner Huffman resigned effective June 1, 2019. A special election will be held to fill the District 1 seat for the remainder of the term.*

Management

Mr. Ryan T. O'Connor, County Manager, is the chief administrative officer of the County. The County Manager is responsible for ensuring the efficient and effective delivery of services to County residents, businesses, and visitors. The County Manager makes recommendations to the Board, implements the Board's policies, provides leadership and direction to department heads and staff, and develops and implements the County budget. The leaders of the County's four service teams and strategic term departments report to the County Manager.

The Board appoints the County Manager, and Mr. O'Connor was appointed effective July 30, 2018. Prior to his appointment, Mr. O'Connor served as the County's Deputy County Manager of the County's largest Service Team, Health and Wellness, since 2016. Mr. O'Connor joined the County in 2013 as Director of Policy and Planning. Prior to joining Ramsey County, Mr. O'Connor held policy and consulting positions with various local and international agencies including the Association of Minnesota Counties. He holds a bachelor's degree in political science and communications from the University of South Dakota and a master's degree in public affairs from Indiana University.

Mr. Lee Mehrkens is the Chief Finance Officer and Director of the Finance Department, a strategic team department reporting to the County Manager. The Finance Department directs and administers the financial affairs of the County and is responsible for cash management and investments; debt management; preparation and administration of the County's operating and capital improvement budgets; procurement; county-wide financial reporting systems; and preparation of the County's comprehensive annual financial report. Mr. Mehrkens was appointed effective May 11, 2009. Mr. Mehrkens holds a Bachelor's Degree in Public Administration from St. Cloud State University and a Master's Degree in Public Administration from the University of Wisconsin - Madison. His experience includes 29 years in public sector finance working for state and local governments. From 2005 to 2009, Mr. Mehrkens worked as the Director of Finance, Chief Financial Officer for the Minnesota Supreme Court and Minnesota Judicial Branch.

Service Teams

In February 2015, the Board adopted a new vision, mission and goals to set the strategic foundation for the organization for the years ahead. The vision, mission and goals recognize the importance of working across organizational boundaries to best serve the community. County employees, regardless of location, work under a unified set of goals that ensure the County is operating from a holistic, resident-centered perspective.

In support of the County's vision, mission and goals, the County continues to realign into an integrated service model comprised of four service teams, as noted below, and a County-wide Strategic Team. Each service team is led by a Deputy County Manager.

Service Team	Deputy County Manager
Health and Wellness	Dr. Paul Allwood
Safety and Justice	Mr. Scott Williams
Information and Public Records	Ms. Karen Francois
Economic Growth and Community Development	Ms. Johanna Berg

An overview of 2017 service highlights for each team is available as part of the County's online Popular Annual Financial Report, located at ramseycounty.us/PAFR. Information about the specific work of each department within the Service Teams can be found at ramseycounty.us/departments.

Strategic Team

The Strategic Team is comprised of the Policy and Planning division, Chief Clerk's Office, , as well as the Finance and Human Resources departments. Each entity reports directly to the County Manager. The Strategic Team is focused on shared goals and financial resources, encompassing the County Manager's budget, and on providing strategic support to the County Manager and the Board in advancing the County's vision, mission, and goals through all of the service teams and lines of business.

Health and Wellness

The Health and Wellness Service Team is comprised of the departments of Community Corrections, Financial Assistance Services, Healthcare Services, Public Health, Social Services, and Veterans Services. As a service team, the departments work together to provide resources for residents to succeed in their community and careers.

The team is led by Deputy County Manager Paul Allwood. Prior to this role, Dr, Allwood served as the Assistant Commissioner at the Minnesota Department of Health. Dr. Allwood received his Ph.D. and Master of Public Health degrees in environmental health and a Bachelor of Science in public health and life science from the University of Minnesota

Safety and Justice

The Safety and Justice Service Team includes Emergency Communications, Emergency Management and Homeland Security, and the Medical Examiner's Office. It also maintains primary strategic partnerships with the Offices of the Sheriff and County Attorney.

The team is led by Deputy County Manager Scott Williams. Mr. Williams has more than 25 years of public safety experience in local government and has served as the Director of Emergency Communications at the County for the past eight years. Mr. Williams holds master's and bachelor's degrees in geography from the University of North Dakota Information and Public Records

Information and Public Records

The Information and Public Records Service Team is comprised of the areas of Communications and Public Relations, County Assessor, Information Services, Project Management Office and Property Tax, Records and Election Services. As a service team, the departments coordinate and communicate with residents, government entities, and employees on the County's work and services.

The team is led by Deputy County Manager Karen Francois.. Ms. Francois has served as Assistant Commissioner of the Department of Employment and Economic Development at the State of Minnesota since 2016. Prior to that, she served as Director of the Contract Compliance and Employment Equity divisions at the City of Minneapolis from 2011 to 2016. From 2006 to 2011, Ms. Francois was director of Jacobs Well and Oasis India, an anti-human trafficking non-governmental organization founded by Ms. Francois and based in Bangalore, India. Ms. Francois earned a bachelor's degree in communications from the Virginia Polytechnic Institute and State University and has completed several leadership programs, including the Mini MBA at the University of Saint Thomas and The Shannon Leadership Institute.

Economic Growth and Community Investment

The Economic Growth and Community Investment Service Team is comprised of the departments of Parks and Recreation, Property Management, Public Works, and Workforce Solutions, as well as Community and Economic Development (the Housing Redevelopment Authority), Library, and Regional Railroad Authority, which are governed by boards. The team works to ensure that residents and businesses have access to economic opportunity, transit and transportation resources, good housing, information resources, and recreation and open spaces.

The team is led by Deputy County Manager Johanna Berg. Ms. Berg joined the County in July 2011 as Chief Information Officer after 16 years with the Minnesota Department of Human Services, where she held multiple senior leadership positions including Chief Information Officer. Ms. Berg earned a bachelor's degree in English from the University of Minnesota, where she also studied business administration.

The Ramsey/Washington County Recycling and Energy Board

In the early 1980's Ramsey County and Washington County created a joint powers board to oversee development of resource recovery capacity in the East Metro. That board, first called the Waste-to-Energy Project Board, and later the Resource Recovery Project Board, administered a service agreement for the privately-owned resource recovery facility in Newport. The counties amended the joint powers agreement and established the Ramsey/Washington Recycling & Energy Board (R&E Board) in 2015. The R&E Board consists of five Ramsey County Commissioners, four Washington County Commissioners, and two ex-officio non-voting members, one from the Minnesota Pollution Control Agency (MPCA) and one from the City of Newport. The R&E Board provides a range of joint solid waste services to all residents, businesses, and institutions in the two counties.

On December 31, 2015, the R&E Board purchased the Recycling and Energy Center (R&E Center) from Resource Recovery Technologies (RRT). The R&E Center produces refuse derived fuel (RDF) which is used to generate electricity at two Xcel Energy generating plants in Red Wing and Mankato. The Counties invested $24,488,000 in the purchase and contributed another $5.7 million in capital improvements to bring the R&E Center up to county standards. The Counties hired Great River Energy Newport Services (GRENS) to operate the R&E Center in 2016 and 2017. GRENS was a subsidiary of Great River Energy. The contract with GRENS allowed for a smooth transition from a privately held company to a public entity.

Following the transition period with GRENS, the R&E Board took over operations of the R&E Center on January 1, 2018. At that time, the 11 non-union and 49 union positions became employees of R&E. In addition, during 2018 R&E included seven employees engaged in planning, accounting, contract management, human resources, and joint activities management. 2018 was also the first year Ramsey and Washington Counties implemented waste designation. Waste designation is the term used in Minnesota law which allows Counties to enact an ordinance requiring all, or a portion of, solid waste to be delivered to a designated waste management facility such as the R&E Center. Using waste designation allows the counties to have certainty in waste volumes and revenue to operate and make improvements to the R&E Center.

The purchase of the R&E Center is indicative of both counties' long-term plans to use the R&E Center as a hub for ever more ambitious waste management initiatives. The R&E Board envisions the possible addition of mixed waste processing ("MWP") at the facility in the next few years. As well as the potential diversion of organics separated at the facility to anaerobic digestion. Along with shifting some, or all, of the RDF for gasification into biofuels and chemicals.

The R&E has two budgets. The Facility budget operates as an enterprise fund, which is primarily funded by tipping fees paid by haulers. The R&E Board also has a governmental fund, called the Joint Activities (JA) fund, that manages and coordinates a variety of waste and recycling programs for both Counties. The Joint Activities fund (JA) is funded from contributions by Washington County (27%) and Ramsey County (73%). The JA is responsible for project management, non-residential recycling, general outreach, and policy evaluations for the R&E Board. Hauler rebates have also been a project funded from JA.

Ramsey County serves as the fiscal agent for the R&E Board per the Joint Powers Agreement.

Public Utilities

All municipalities of the County, with the exception of the City of North Oaks, provide water and sewer utilities. Sanitary waste treatment is coordinated throughout the seven-county metropolitan area by Metropolitan Council Environmental Services.

Natural gas and electricity are provided by Xcel Energy and telephone service is furnished by CenturyLink.

County Employees and Bargaining Units

The County employs a total of 4,406 full- and part-time persons, including temporary employees. The status of the County's labor contracts are shown below.

Bargaining Units:	Approximate Number of Employees	Expiration of Contract
Local #151 Community Human Services	931	12/31/2020
Local #8 General Unit	842	12/31/2020
Local #320 Correctional Officers I, II	304	12/31/2020
Local #320 Community Corrections Workers	194	12/31/2020
Local #322 Deputy Sheriffs	180	12/31/2018*
Local #1076 Ramsey Nursing Home	114	12/31/2020
Local #8 Public Health Registered Nurses	130	12/31/2020
Local #707 Lake Owasso Residence	93	12/31/2020
Local #8 Assistant County Attorneys	86	12/31/2020
Local #349 Radio Dispatch and Telecommunications	99	12/31/2020
Local #1935 Parks and Recreation	101	12/31/2020
Local #49 Public Works	56	12/31/2020
Local #151 Employment Guidance Counselors	42	12/31/2020
Local #8 Professional Employees	53	12/31/2020
Local #320 Deputy Sheriff Sergeants	5	12/31/2020
Local #151 Licensed Practical Nurses	33	12/31/2020
Technical Employees Assoc. - Engineering Technicians	21	12/31/2020
Local #8 Assistant Public Defenders	11	Not County Contract
Local #184 Deputy Sheriff – Lieutenants	21	12/31/2020
State of Minnesota Judicial District (State)	9	Not County Contract
Local #320 Correctional Officers III – Sheriff	5	12/31/2020
Local #353 Dispatch Supervisors	6	12/31/2020
District Court Unrepresented	4	Not County Contract
Court Reporters (State)	1	Not County Contract
Local #320 Chief Correctional Officers	22	12/31/2020
Local #70 Operating Engineers	1	12/31/2020
Local #423 Sergeants	24	12/31/2020
Total Unionized	3,338	
Unrepresented	1,018	
Total Employees	4,406	

* *In negotiations.*

Pension Plans

All full-time and certain part-time employees are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). The PERA administers the General Employees Retirement Plan (GERP), the Public Employees Police and Fire Plan (PEPFP), and the Public Employees Correctional Plan (PECP), which are cost-sharing, multiple-employer retirement plans. PERA provides retirement and disability benefits to members, as well as benefits to survivors upon death of eligible members, all of which are established by State statute.

GERP members belong to either the Coordinated or 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, for which benefits vest after five years of credited service. 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.

All police officers, fire fighters, and peace officers who qualify for membership by statute are covered by the PEPFP. Benefits for members first hired after June 30, 2010 but before July 1, 2014 vest on a graduated schedule, beginning with 50% after five years and increasing 10% for each year of service until fully vested after ten years. Benefits for members first hired after June 30, 2014 vest on a prorated basis from 50% after ten years and increasing 5% for each year of service until fully vested after 20 years.

Local government employees of a County-administered facility who are responsible for the direct security, custody, and control of the County correctional facility and its inmates are covered by the PECP. Benefits for members hired after June 30, 2010 vest on a graduated schedule, beginning 50% after five years and increasing 10% for each year of service until fully vested after ten years.

Three County Board members are covered by the Public Employees Defined Contribution Plan (PEDCP), which is a multiple-employer deferred compensation plan for local government officials, except elected county sheriffs. The plan is established and administered in accordance with Minnesota Statutes, Chapter 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. The County's contributions to GERF, PEPFF, PECF, and PEDCP for the past five years are as follows:

	GERP	PEPFP	PECP	PEDCP
2017	$16,140,658	$3,022,165	$2,196,141	$19,863
2016	15,536,717	2,983,284	2,133,666	13,739
2015	15,484,270	2,784,481	2,141,634	13,871
2014	14,098,383	2,573,291	1,996,139	13,097
2013	13,836,460	2,344,575	1,952,151	13,513

These contribution amounts are equal to the contractually required contributions for each year as set by State Statute.

For more information regarding the County's pension plan, please reference "Note F, Defined Benefit Pension Plans – Statewide" of the County's Comprehensive Annual Financial Report for fiscal year ended December 31, 2017, an excerpt of which is included as Appendix IV of this Official Statement. (The County's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018 is not yet available.)

GASB 68

The Government Accounting Standards Board (GASB) has issued Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) and related GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment to GASB 68, which revised existing standards for measuring and reporting pension liabilities for pension plans provided to County employees and require recognition of a liability equal to the County's proportionate share of net pension liability, which is measured as the total pension liability less the amount of the pension plan's fiduciary net position.

The County's proportionate shares of the pension costs and the County's net pension liability for GERP, PEPFP, and PECP for the past three years are as follows:

	GERP		PEPFP	
	Proportionate Share of Pension Costs	Net Pension Liability	Proportionate Share of Pension Costs	Net Pension Liability
2017	3.4018%	$217,168,667	1.956%	$26,408,328
2016	3.2633	264,963,774	1.729	69,387,778
2015	3.3476	173,490,006	1.855	21,077,141

	PECP	
	Proportionate Share of Pension Costs	Net Pension Liability
2017	12.73%	$36,280,627
2016	13.00	47,490,820
2015	12.75	1,971,150

For more information regarding GASB 68 with respect to the County, please reference "Note F, Defined Benefit Pension Plans – Statewide" of the County's Comprehensive Annual Financial Report for fiscal year ended December 31, 2017, an excerpt of which is included as Appendix IV of this Official Statement. (The County's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018 is not yet available.)

Additional and detailed information about GERF's net position is available in a separately-issued PERA financial report, which may be obtained at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling 1-800-652-9026.

Sources: County's Comprehensive Annual Financial Reports.

Other Postemployment Benefits

The Governmental Accounting Standards Board (GASB) previously issued Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions (GASB 45), which addresses how state and local governments must account for and report their obligations related to post-employment healthcare and other non-pension benefits (referred to as Other Postemployment Benefits or "OPEB").

The County provides continued health insurance for certain retired County employees and officials. To be eligible for benefits, an employee or elected official must qualify for retirement under the County's retirement plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the County and the benefit levels are the same as those afforded to active employees. The County closed eligibility for County contribution toward the premium cost of this benefit for new employees hired on or after January 1, 2006. In addition to the described retiree health care benefits, the County also provided Medicare Part B reimbursement for employees who retired before July 1, 1990.

As of December 31, 2017, membership consisted of the following:

Retirees and beneficiaries currently receiving benefit payments	2,062
Terminated employees entitled to benefits but not yet receiving payments	43
Active employees	3,746
Total	5,851
Participating Employers	1

For the fiscal year ended December 31, 2017, retiree contributions totaled $2,640,959 and County contributions totaled $12,145,892.

In 2005, the County began segregating money within its General Fund for future OPEB liabilities. In 2008, the County established an Internal Service Fund (the "OPEB Fund") for future OPEB liabilities separate from the General Fund and allocated previously designated amounts and subsequent contributions to the OPEB Fund.

On November 20, 2012, the County Board authorized the County Manager to replace the current OPEB Fund with a new revocable OPEB Trust Fund. In this action, the County Board authorized administration of this fund to be done by PERA and the investment of the trust to be administered by the State Board of Investments. Because the trust is not irrevocable, the assets in the trust cannot be used to offset the actuarial accrued liability in determining the unfunded actuarial accrued liability and the Actuarial Value of Assets for GASB No. 45 is assumed to be $0. The 2017 year-end balance in the OPEB revocable trust was $72,988,124.

The retiree benefits discussed above are the County's only OPEB. The County must report an annual OPEB cost based on actuarially determined amounts that, if paid on an ongoing basis, will provide sufficient resources to pay these benefits as they come due. The unfunded actuarial liability is required to be amortized over future periods.

The County had an updated actuarial valuation preformed as of December 1, 2016 to determine the funded status of the plan and the County's annual required contribution for the fiscal year ended December 31, 2017. Components of the County's annual OPEB cost, the amounts contributed to the plan, and the changes in the County's net OPEB obligation to the plan for the past five years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	% of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2017	$19,159,078	$12,145,892	64.3%	$124,054,957
December 31, 2016	19,377,644	11,139,604	57.5	117,041,771
December 31, 2015	19,205,533	11,117,160	57.9	108,803,731
December 31, 2014	19,648,733	11,662,274	59.4	100,715,358
December 31, 2013	19,407,005	12,481,823	64.3	92,728,899

The net OPEB obligation for the fiscal year ended December 31, 2017 was calculated as follows:

Annual required contribution	$ 20,705,930
Interest on net OPEB obligation	6,729,902
Adjustment to annual required contribution	(8,276,754)
Annual OPEB cost (expense)	$ 19,159,078
Contributions made	(12,145,892)
Increase in net OPEB obligation	$ 7,013,186
Net OPEB obligation – beginning of year	117,041,771
Net OPEB obligation – end of year	$124,054,957

Funded status of the County's OPEB as reported in the actuarial reports received to-date:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL)	UAAL as a percentage of Annual Covered Payroll
December 31, 2016	- 0 -	$243,582,068	$243,582,068	98.54%
January 1, 2015	- 0 -	235,503,520	235,503,520	103.40
January 1, 2013	- 0 -	220,835,832	220,835,832	100.37
January 1, 2011	- 0 -	307,634,820	307,634,820	141.88
January 1, 2009	- 0 -	272,689,609	272,689,609	135.63

For more information regarding the County's OPEB plan, please reference "Note G, Other Post Employment Benefits" of the County's Comprehensive Annual Financial Report for fiscal year ended December 31, 2017, an excerpt of which is included as Appendix IV of this Official Statement. (The County's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018 is not yet available.)

GASB 75

In June 2015, the Government Accounting Standards Board approved Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75), establishing new accounting and financial reporting requirements for government employer OPEB plans. GASB 75 will replace GASB 45 and will take effect for the County for the fiscal year ending December 31, 2018. The County anticipates some level of impact on its financial statements for the fiscal year ending December 31, 2018; however, the County's financial statements for the fiscal year ending December 31, 2018 are not yet available.

Sources: County's Comprehensive Annual Financial Reports.

Joint Property Tax Advisory Committee

In 1977, Ramsey County, the City of Saint Paul, Independent School District No. 625 (Saint Paul Public Schools), and the Saint Paul Port Authority joined together and formed a Joint Debt Advisory Committee (JDAC), whose mission is to develop and update a debt policy for the Saint Paul tax base that recognizes the long-range capital needs of its members and the taxpayer's ability to pay. In 1998, the work of the JDAC was incorporated into the work of the Joint Property Tax Advisory Committee (JPTAC). The JPTAC, created by State Statute, is comprised of elected officials from Ramsey County, the City of Saint Paul and Saint Paul Public Schools. Their charge is to manage the overall tax burden on Saint Paul citizens through tax reform and integration/consolidation of service delivery. Because the membership and ultimate goals of both committees were so consistent, the two efforts were merged under the aegis of the Joint Property Tax Advisory Committee.

The Joint Property Tax Advisor Committee biennially studies and reports on the impact on the St. Paul tax base of the combined general obligation debt of the City of Saint Paul, Ramsey County, and St. Paul Public Schools. The report serves as a planning tool that benefits each unit of government individually and collectively. It demonstrates an ongoing commitment to plan and work together to finance needed capital improvements in a responsible way which considers the impact upon the Saint Paul tax base. The 2017 report was released in the summer of 2018.

County Budget Process

In the 2006 budget year, Ramsey County converted to a two-year budget cycle. Budget strategies for the County's two-year budget begin in November and continue through February of the previous year based on guidelines and policies established by the Board of Commissioners and County Manager, including an accelerated budget schedule. Strategic Investments for the next biennium are discussed with the Service Teams by County Manager in November. Specific budget request materials including instructions are sent out to each County department in mid-February.

For the first year of the two-year budget cycle, all Service Teams and departments are required to submit their completed budget requests for both years according to a schedule established by the County Manager. Budget requests are due in April of the previous year. Each department presents its budget to the County Manager, the Finance Director/Chief Financial Officer, the Deputy Finance Director, and appropriate budget staff. The budget presentations are held in the months of April and May. After all departments have presented their budgets, the requests for appropriations and operating revenues are reviewed and finalized on a County-wide basis by the County Manager, the Finance Director/Chief Financial Officer, the Deputy Finance Director, and appropriate budget staff. Departments are then contacted on the proposed budget amounts for their individual departments. Departments may request a budget hearing with the County Manager to discuss their budget should they feel further changes are necessary.

For each year of the two-year budget cycle, the County Manager's proposed budgets are scheduled to be given to the County Board in late July or early August. Formal public hearings on the proposed budgets are held by the County Board in August and early September. In the second year of the two-year budget cycle, the hearings with the County Board are focused on performance-based measurements. The goal of the County Board is to adopt the final approved property tax levy before September 30. In accordance with the State's "Truth in Taxation" laws, the County Board must certify the maximum proposed property tax levy to the County Department of Property Records and Revenue by September 30. It is anticipated that the final approved property tax levy will be the same as the certified maximum proposed property tax levy. After receipt of tax levy certifications from all taxing jurisdictions, the County mails notices of estimated taxes to each property owner within the County by November 24. The County Board holds a required formal Public Hearing and adopts the final budget on or before five working days after December 20.

Budgets can be amended during the year, either by the County Manager or Board of Commissioners. The County Manager is authorized to transfer budgeted amounts within and across Service Teams and departments or appropriate certain excess miscellaneous revenues. All other adjustments require the approval of the Board of Commissioners. Supplemental appropriations are reviewed by the County Manager's office and submitted to the Board of Commissioners for their review and approval. If approved, they are implemented by the Finance Department by budget revision. Supplemental appropriations could be required because of several factors. These include the awarding of State and Federal grants during the year and to provide funding for unanticipated program requirements. Expenditures may not legally exceed budgeted appropriations at the department level. All appropriations, except capital projects funds, which are not expended, encumbered, or reserved, as described above, lapse at year end.

Capital Improvement Plan Budget

An update of the County's six-year Capital Improvement Program (CIP), along with recommendations for funding of the current year's Capital Improvement Plan are presented to the County Board each year at the same time as the County's Operating Budget. The CIP debt service levy and Capital Improvement and Equipment Replacement levy amounts necessary to finance the proposed funding levels are included as part of the proposed operating budget.

The CIP process begins each year with the submission by County departments and agencies of their project requests, which must be divided into one of four categories: (1) regular projects; (2) major projects; (3); and (4) building improvements. A working document is created to assist members of the Capital Improvement Program Advisory Committee (CIPAC) and County staff appointed by the County Manager in reviewing project requests. Subsequently, the County department/agency heads and staff make presentations and answer questions about their project requests to the CIPAC and County staff appointed by the County Manager to participate in the ranking of the projects.

Members of the CIPAC and County staff appointed by the County Manager independently rate each project based on a point rating system. A combined ranking is then agreed upon by the CIPAC and County Manager which is then used to establish the overall priorities for the six-year CIP.

Distinguished Budget Presentation and Annual Financial Report Awards

The County has received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) of the United States and Canada every year since 1983. In order to receive the budget award, a governmental unit must publish a budget document that meets program criteria as a policy document, as operations guide, a financial plan, and as communications medium.

In addition, the County has been awarded the GFOA's Certificate of Achievement in Excellence in Financial reporting every year since 1975, and GFOA's award for Outstanding Achievement in Popular Annual Financial Reporting every year since 2009.

Ramsey County is the only county in the State of Minnesota to earn these GFOA annual awards for excellence in the CAFR, PAFR, and Distinguished Budget Presentation, along with have having a top bond rating by Moody's Investors Service and S&P Global Ratings.

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CURRENT BUDGET WITH COMPARISON TO PRIOR YEAR

	2018 Approved		2019 Approved	
	Amount	Percent	Amount	Percent
Revenues by Source:				
Charges for Services/Fines	$153,893,651	21.6%	$159,654,069	21.68%
Intergovernmental Revenue	195,605,872	27.4	199,873,678	27.15
Use of Money, Property and Sales	32,155,127	4.5	32,241,714	4.38
Other Revenue and Taxes	28,826,777	4.0	32,017,418	4.35
Property Taxes	299,301,751	41.9	312,426,797	42.43
Fund Balance	4,203,216	0.6	98,274	0.01
Total Revenues	$713,986,394	100.0%	$736,311,950	100.0%
Expenditures by Program Area:				
Administrative and General County Purposes	$ 59,497,890	8.4%	$ 69,430,559	9.43%
Information and Public Records	47,998,059	6.7	50,904,354	6.91
Public Safety and Justice	129,428,915	18.1	131,513,833	17.86
Economic Growth and Community Investment	125,470,004	17.6	127,453,887	17.31
Health and Wellness	351,591,526	49.2	357,009,317	48.49
Total Expenditures	$713,986,394	100.0%	$736,311,950	100.0%

The County's fiscal 2017 general fund balance equaled $247.6 million, which includes nonspendable fund balance of $25.2 million and restricted fund balance of $4.3 million. The County ended fiscal 2017 with a $218.1 million unrestricted general fund balance, or 47.1% of expenditures. Please see "APPENDIX IV – EXCERPT OF 2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT" for further information.

Major General Fund Revenue Sources

Revenue	2013	2014	2015	2016	2017
Taxes	$235,935,312	$238,508,036	$231,465,910	$236,309,730	$245,915,832
Intergovernmental	38,035,151	144,828,707	157,157,564	165,276,856	165,716,570
Charges for Services	46,369,569	45,449,142	45,566,022	44,344,208	45,243,187
Miscellaneous	6,829,449	9,627,390	10,941,155	11,843,235	11,988,344
Transfers In		1,482,928	1,689,729	2,875,324	4,451,955
Program Recoveries – Community Human Services	4,649,593	3,234,327	3,849,708	6,402,097	1,494,260

Sources: County's Comprehensive Annual Financial Reports.

PROPOSED FORM OF LEGAL OPINION

Kennedy & Graven
CHARTERED

Offices in Minneapolis, Saint Paul, St. Cloud

470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis MN 55402-1458
(612) 337-9300 telephone
(612) 337-9310 fax
www.kennedy-graven.com
Affirmative Action, Equal Opportunity Employer

$10,600,000
General Obligation Capital Improvement Plan Bonds
Series 2019A
Ramsey County, Minnesota

We have acted as bond counsel to Ramsey County, Minnesota (the "Issuer") in connection with the issuance by the Issuer of its General Obligation Capital Improvement Plan Bonds, Series 2019A (the "Bonds"), originally dated the date hereof, and issued in the original aggregate principal amount of $10,600,000. In such capacity and for the purpose of rendering this opinion we have examined such certified copies of certain proceedings, certifications and other documents, and applicable laws as we have deemed necessary. Regarding questions of fact material to this opinion, we have relied on certified proceedings and other certifications of public officials and other documents furnished to us without undertaking to verify the same by independent investigation. Under existing laws, regulations, rulings and decisions in effect on the date hereof, and based on the foregoing we are of the opinion that:

1. The Bonds have been duly authorized and executed, and are valid and binding general obligations of the Issuer, enforceable against the Issuer in accordance with their terms.

2. The principal of and interest on the Bonds are payable primarily from ad valorem taxes levied by the Issuer, but if necessary for the payment thereof additional ad valorem taxes are required by law to be levied on all taxable property of the Issuer, which taxes are not subject to any limitation as to rate or amount.

3. Interest on the Bonds is excludable from gross income of the recipient for federal income tax purposes and, to the same extent, is excludable from taxable net income of individuals, trusts, and estates for Minnesota income tax purposes, and is not a preference item for purposes of the computation of the federal alternative minimum tax, or the computation of the Minnesota alternative minimum tax imposed on individuals, trusts and estates. However, such interest is subject to Minnesota franchise taxes on corporations (including financial institutions) measured by income. The opinion set forth in this paragraph is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes and from taxable net income for Minnesota income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes and taxable net income for Minnesota income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

4. The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditor's rights generally and by equitable principles, whether considered at law or in equity.

We have not been asked and have not undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and accordingly we express no opinion with respect thereto.

This opinion is given as of the date hereof and we assume no obligation to update, revise, or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Dated June 27, 2019 at Minneapolis, Minnesota.

CONTINUING DISCLOSURE CERTIFICATE

$10,600,000
Ramsey County, Minnesota
General Obligation Capital Improvement Plan Bonds
Series 2019A

June 27, 2019

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Ramsey County, Minnesota (the "Issuer") in connection with the issuance of its General Obligation Capital Improvement Plan Bonds, Series 2019A (the "Bonds") in the original aggregate principal amount of $10,600,000. The Bonds are being issued pursuant to resolutions adopted by the Board of Commissioners of the Issuer (the "Resolutions"). The Bonds are being delivered to FTN Financial Capital Markets in New York, New York, as syndicate manager (the "Purchaser") on the date hereof. Pursuant to the Resolutions, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. The Issuer hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders (as defined herein) of the Bonds in order to provide for the public availability of such information and assist the Participating Underwriter(s) (as defined herein) in complying with the Rule (as defined herein). This Disclosure Certificate, together with the Resolutions, constitutes the written agreement or contract for the benefit of the Holders of the Bonds that is required by the Rule.

Section 2. Definitions. In addition to the defined terms set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means annual financial statements of the Issuer, prepared in accordance with GAAP as prescribed by GASB.

"Bonds" means the General Obligation Improvement Plan Bonds, Series 2019A, issued by the Issuer in the original aggregate principal amount of $10,600,000.

"Disclosure Certificate" means this Continuing Disclosure Certificate.

"EMMA" means the Electronic Municipal Market Access system operated by the MSRB and designated as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule.

"Final Official Statement" means the deemed final Official Statement, dated June 11, 2019, which constitutes the final official statement delivered in connection with the Bonds, which is available from the MSRB.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a Financial Obligation as described in clause (a) or (b). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"GAAP" means generally accepted accounting principles for governmental units as prescribed by GASB.

"GASB" means the Governmental Accounting Standards Board.

"Holder" means the person in whose name a Bond is registered or a beneficial owner of such a Bond.

"Issuer" means Ramsey County, Minnesota, which is the obligated person with respect to the Bonds.

"Material Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board located at 1300 I Street NW, Suite 1000, Washington, DC 20005.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds (including the Purchaser) required to comply with the Rule in connection with the offering of the Bonds.

"Purchaser" means FTN Financial Capital Markets in New York, New York as syndicate manager.

"Repository" means EMMA, or any successor thereto designated by the SEC.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

"SEC" means the Securities and Exchange Commission, and any successor thereto.

Section 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) The Issuer shall provide to the Repository not later than 12 months after the end of the Fiscal Year commencing with the year that ends December 31, 2018, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable or fails to provide to the Repository an Annual Report by the date required in subsection (a), the Issuer shall send a notice of that fact to the Repository and the MSRB.

(c) The Issuer shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following sections of the Final Official Statement:

1. County Property Values
2. County Indebtedness
3. County Tax Rates, Levies and Collections

In addition to the items listed above, the Annual Report shall include Audited Financial Statements submitted in accordance with Section 3 of this Disclosure Certificate.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the Repository or the SEC. If the document incorporated by reference is a final official statement, it must also be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Material Events.

(a) This Section 5 shall govern the giving of notice of the occurrence of any of the following events ("Material Events") with respect to the Bonds:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB), or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the securities, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the obligated person;

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material; and

15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall file a notice of such occurrence with the Repository or with the MSRB within ten (10) business days of the occurrence of the Material Event.

(c) Unless otherwise required by law and subject to technical and economic feasibility, the Issuer shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the Issuer's information.

Section 6. EMMA. The SEC has designated EMMA as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule. Until the EMMA system is amended or altered by the MSRB and the SEC, the Issuer shall make all filings required under this Disclosure Certificate solely with EMMA.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under the Resolutions and this Disclosure Certificate shall terminate upon the redemption in full of all Bonds or payment in full of all Bonds.

Section 8. Agent. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolutions and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of the Resolutions or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause a violation of the Rule. The provisions of the Resolutions requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate, or any provision hereof, shall be null and void in the event that the Issuer delivers to the Repository an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which impose the continuing disclosure requirements of the Resolutions and the execution and delivery of this Disclosure Certificate are invalid, have been repealed retroactively or otherwise do not apply to the Bonds. The provisions of the Resolutions requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate may be amended without the consent of the Holders of the Bonds, but only upon the delivery by the Issuer to the Repository of the proposed amendment and an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance with the Rule.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Holder of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolutions and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

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IN WITNESS WHEREOF, we have executed this Disclosure Certificate in our official capacities effective as of the date and year first written above.

RAMSEY COUNTY, MINNESOTA

By ____________________________________
Its Chair of the County Board

By ____________________________________
Its County Manager

By ____________________________________
Its Chief Clerk

APPROVED AS TO FORM:

____
Assistant County Attorney

SUMMARY OF TAX LEVIES, PAYMENT PROVISIONS, AND MINNESOTA REAL PROPERTY VALUATION

Following is a summary of certain statutory provisions relative to tax levy procedures, tax payment and credit procedures, and the mechanics of real property valuation. The summary does not purport to be inclusive of all such provisions or of the specific provisions discussed, and is qualified by reference to the complete text of applicable statutes, rules and regulations of the State of Minnesota.

Property Valuations (Chapter 273, Minnesota Statutes)

Assessor's Estimated Market Value. Each parcel of real property subject to taxation must, by statute, be appraised at least once every five years as of January 2 of the year of appraisal. With certain exceptions, all property is valued at its market value, which is the value the assessor determines to be the price the property to be fairly worth, and which is referred to as the "Estimated Market Value." The 2013 Minnesota Legislature established the Estimated Market Value as the value used to calculate a municipality's legal debt limit.

Economic Market Value. The Economic Market Value is the value of locally assessed real property (Assessor's Estimated Market Value) divided by the sales ratio as provided by the State of Minnesota Department of Revenue plus the estimated market value of personal property, utilities, railroad, and minerals.

Taxable Market Value. The Taxable Market Value is the value that Net Tax Capacity is based on, after all reductions, limitations, exemptions and deferrals.

Net Tax Capacity. The Net Tax Capacity is the value upon which net taxes are levied, extended and collected. The Net Tax Capacity is computed by applying the class rate percentages specific to each type of property classification against the Taxable Market Value. Class rate percentages vary depending on the type of property as shown on the last page of this Appendix. The formulas and class rates for converting Taxable Market Value to Net Tax Capacity represent a basic element of the State's property tax relief system and are subject to annual revisions by the State Legislature. Property taxes are the sum of the amounts determined by (i) multiplying the Net Tax Capacity by the tax capacity rate, and (ii) multiplying the referendum market value by the market value rate.

Market Value Homestead Exclusion. In 2011, the Market Value Homestead Exclusion Program (MVHE) was implemented to offset the elimination of the Market Value Homestead Credit Program that provided relief to certain homesteads. The MVHE reduces the taxable market value of a homestead with an Assessor's Estimated Market Value up to $413,800 in an attempt to result in a property tax similar to the effective property tax prior to the elimination of the homestead credit. The MVHE applies to property classified as Class 1a or 1b and Class 2a, and causes a decrease in the County's aggregate Taxable Market Value, even if the Assessor's Estimated Market Value on the same properties did not decline.

Property Tax Payments and Delinquencies (Chapters 275, 276, 277, 279-282 and 549, Minnesota Statutes)

Ad valorem property taxes levied by local governments in Minnesota are extended and collected by the various counties within the State. Each taxing jurisdiction is required to certify the annual tax levy to the county auditor within five (5) working days after December 20 of the year preceding the collection year. A listing of property taxes due is prepared by the county auditor and turned over to the county treasurer on or before the first business day in March.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements are mailed out by March 31. One-half (1/2) of the taxes on real property is due on or before May 15. The remainder is due on or before October 15. Real property taxes not paid by their due date are assessed a penalty on homestead property of 2% until May 31 and increased to 4% on June 1. The penalty on nonhomestead property is assessed at a rate of 4% until May 31 and increased to 8% on June 1. Thereafter, an additional 1% penalty shall accrue each month through October 1 of the collection year for unpaid real property taxes. In the case of the second installment of real property taxes due October 15, a penalty of 2% on homestead property and 4% on nonhomestead property is assessed. The penalty for homestead property increases to 6% on November 1 and again to 8% on December 1. The penalty for nonhomestead property increases to 8% on November 1 and again to 12% on December 1. Personal property taxes remaining unpaid on May 16 are deemed to be delinquent and a penalty of 8% attaches to the unpaid tax. However, personal property that is owned by a tax-exempt entity, but is treated as taxable by virtue of a lease agreement, is subject to the same delinquent property tax penalties as real property.

On the first business day of January of the year following collection all delinquencies are subject to an additional 2% penalty, and those delinquencies outstanding as of February 15 are filed for a tax lien judgment with the district court. By March 20 the county auditor files a publication of legal action and a mailing of notice of action to delinquent parties. Those property interests not responding to this notice have judgment entered for the amount of the delinquency and associated penalties. The amount of the judgment is subject to a variable interest determined annually by the Department of Revenue, and equal to the adjusted prime rate charged by banks but in no event is the rate less than 10% or more than 14%.

Property owners subject to a tax lien judgment generally have three years (3) to redeem the property. After expiration of the redemption period, unredeemed properties are declared tax forfeit with title held in trust by the State of Minnesota for the respective taxing districts. The county auditor, or equivalent thereof, then sells those properties not claimed for a public purpose at auction. The net proceeds of the sale are first dedicated to the satisfaction of outstanding special assessments on the parcel, with any remaining balance in most cases being divided on the following basis: county - 40%; town or city - 20%; and school district - 40%.

Property Tax Credits (Chapter 273, Minnesota Statutes)

In addition to adjusting the taxable value for various property types, primary elements of Minnesota's property tax relief system are: property tax levy reduction aids; the homestead credit refund and the renter’s property tax refund, which relate property taxes to income and provide relief on a sliding income scale; and targeted tax relief, which is aimed primarily at easing the effect of significant tax increases. The homestead credit refund, the renter’s property tax refund, and targeted credits are reimbursed to the taxpayer upon application by the taxpayer. Property tax levy reduction aid includes educational aids, local governmental aid, equalization aid, county program aid and disparity reduction aid.

Debt Limitations

All Minnesota municipalities (counties, cities, towns and school districts) are subject to statutory “net debt” limitations under the provisions of Minnesota Statutes, Section 475.53. Net debt is defined as the amount remaining after deducting from gross debt the amount of current revenues that are applicable within the current fiscal year to the payment of any debt and the aggregate of the principal of the following:

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.

2. Warrants or orders having no definite or fixed maturity.

3. Obligations payable wholly from the income from revenue producing conveniences.

4. Obligations issued to create or maintain a permanent improvement revolving fund.

5. Obligations issued for the acquisition, and betterment of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.

6. Debt service loans and capital loans made to a school district under the provisions of Minnesota Statutes, Sections 126C.68 and 126C.69.

7. Amount of all money and the face value of all securities held as a debt service fund for the extinguishment of obligations other than those deductible under this subdivision.

8. Obligations to repay loans made under Minnesota Statutes, Section 216C.37.

9. Obligations to repay loans made from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations.

10. Obligations issued to pay pension fund or other postemployment benefit liabilities under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.

11. Obligations issued to pay judgments against the municipality under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.

12. All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

Levies for General Obligation Debt
(Sections 475.61 and 475.74, Minnesota Statutes)

Any municipality that issues general obligation debt must, at the time of issuance, certify levies to the county auditor of the county(ies) within which the municipality is situated. Such levies shall be in an amount that if collected in full will, together with estimates of other revenues pledged for payment of the obligations, produce at least five percent in excess of the amount needed to pay principal and interest when due. Notwithstanding any other limitations upon the ability of a taxing unit to levy taxes, its ability to levy taxes for a deficiency in prior levies for payment of general obligation indebtedness is without limitation as to rate or amount.

Metropolitan Revenue Distribution (Chapter 473F, Minnesota Statutes)
"Fiscal Disparities Law"

The Charles R. Weaver Metropolitan Revenue Distribution Act, more commonly known as "Fiscal Disparities," was first implemented for taxes payable in 1975. Forty percent of the increase in commercial-industrial (including public utility and railroad) net tax capacity valuation since 1971 in each assessment district in the Minneapolis/Saint Paul seven-county metropolitan area (Anoka, Carver, Dakota, excluding the City of Northfield, Hennepin, Ramsey, Scott, excluding the City of New Prague, and Washington Counties) is contributed to an area-wide tax base. A distribution index, based on the factors of population and real property market value per capita, is employed in determining what proportion of the net tax capacity value in the area-wide tax base shall be distributed back to each assessment district.

STATUTORY FORMULAE: CONVERSION OF TAXABLE MARKET VALUE (TMV) TO NET TAX CAPACITY FOR MAJOR PROPERTY CLASSIFICATIONS

Property Type	Local Tax Payable 2015-2019
Residential Homestead (1a)	
Up to $500,000	1.00%
Over $500,000	1.25%
Residential Non-homestead	
Single Unit (4bb)	
Up to $500,000	1.00%
Over $500,000	1.25%
1-3 unit and undeveloped land (4b1)	1.25%
Market Rate Apartments	
Regular (4a)	1.25%
Low-Income (4d)	
Up to $139,000[c]	0.75%
Over $139,000[c]	0.25%
Commercial/Industrial/Public Utility (3a)	
Up to $150,000	1.50%[a]
Over $150,000	2.00%[a]
Electric Generation Machinery	2.00%
Commercial Seasonal Residential	
Homestead Resorts (1c)	
Up to $600,000	0.50%
$600,000 - $2,300,000	1.00%
Over $2,300,000	1.25%[a]
Seasonal Resorts (4c)	
Up to $500,000	1.00%[a]
Over $500,000	1.25%[a]
Non-Commercial (4c12)	
Up to $500,000	1.00%[a][b]
Over $500,000	1.25%[a][b]
Disabled Homestead (1b)	
Up to $50,000	0.45%
Agricultural Land & Buildings	
Homestead (2a)	
Up to $500,000	1.00%
Over $500,000	1.25%
Remainder of Farm	
Up to $1,900,000[d]	0.50%[b]
Over $1,900,000[d]	1.00%[b]
Non-homestead (2b)	1.00%[b]

[a] *State tax is applicable to these classifications.*

[b] *Exempt from referendum market value based taxes.*

[c] *Legislative increases, payable 2019. Historical valuations are: Payable 2018 - $121,000; Payable 2017 - $115,000; Payable 2016 - $106,000; and Payable 2015 - $100,000.*

[d] *Legislative increases, payable 2019. Historical valuations are: Payable 2018 - $1,940,000; Payable 2017 - $2,050,000; Payable 2016 - $2,140,000; and Payable 2015 - $1,900,000.*

NOTE: For purposes of the State general property tax only, the net tax capacity of non-commercial class 4c(1) seasonal residential recreational property has the following class rate structure: First $76,000 – 0.40%; $76,000 to $500,000 – 1.00%; and over $500,000 – 1.25%. In addition to the State tax base exemptions referenced by property classification, airport property exempt from city and school district property taxes under M.S. 473.625 is exempt from the State general property tax (MSP International Airport and Holman Field in Saint Paul are exempt under this provision).

EXCERPT OF 2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT

The County is audited annually by the State Auditor's Office. Data on the following pages was extracted from the County's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. (The County's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018 is not yet available.) The reader should be aware that the complete report may contain additional information which may interpret, explain, or modify the data presented here.

The County's comprehensive annual financial reports for the years ending 1975 through 2017 were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Ramsey County
Saint Paul, Minnesota

Report on the Financial Statements

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, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters
Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ramsey County's basic financial statements. The introductory section, the supplementary information, and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2018, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ramsey County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ramsey County's internal control over financial reporting and compliance.

REBECCA OTTO
STATE AUDITOR

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 18, 2018

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, 2017. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages iii - viii of this report.

Financial Highlights

- As required by Governmental Accounting Standards Board (GASB), Ramsey County has recorded the portion of the Public Employees Retirement Association of Minnesota (PERA) liability attributed to Ramsey County employees. The total liability reflected on the financials this year is $279,857,622.
- The assets and deferred outflow of resources of Ramsey County exceeded its liabilities and deferred inflow of resources at the close of its most recent fiscal year by $830,342,002 (net position). Unrestricted Net Position of Ramsey County at the end of the year amounted to $22,390,867.
- The assets and deferred outflow of resources of Ramsey County's governmental activities exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by $846,206,424 (net position). Unrestricted Net Position of Ramsey County's governmental activities at the end of the year amounted to $50,429,954.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of $415,899,711 a decrease of $5,559,519.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was $218,104,849 or 47.1% of total General Fund expenditures.
- The County's total net position increased by $23,168,216 for a prior period adjustment relating to capital assets. A further breakdown of this adjustment is included in the County's notes to the financial statements.
- The County's total General Obligation debt decreased by $28,540,000 (12.85%) 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. The financial statements 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 position presents information on all of Ramsey County's assets and deferred outflow of resources and liabilities and deferred inflow of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of 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, transportation, sanitation, health, human services, culture and recreation, conservation of natural resources, and economic development and assistance. The business-type activities of the County include a nursing home, a home for developmentally delayed residents, sports complex, and a community contracting service division.

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 and 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 16 - 18 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 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 short-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, Debt Service Fund, and Capital Projects 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 19 - 21 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 Lake Owasso Residence, Ramsey County Care Center, Vadnais Sports Center 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, General County Building, Firearms Range, Fleet Services, Retiree Insurance (OPEB), and Employee Health Insurance. 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, Ramsey County Care Center, and Vadnais Sports Center, which are considered major funds, and Law Enforcement Services, which is considered a nonmajor fund. 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 22 - 25 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 26 - 27 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 29 - 66 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 (OPEB) Plan and Pension Plans. Required supplementary information can be found on pages 68 - 76 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 and internal service funds are presented. Combining fund statements and schedules can be found on pages 80 - 100 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by $830,342,002 at the close of the most recent fiscal year.

Ramsey County's investment in capital assets (e.g., land, buildings, machinery and equipment) less any related debt, used to acquire those assets, still outstanding amounts to 83.2% of the County's Net Position. 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.

Summary of Net Position
For the Years Ended December 31, 2017 and 2016

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	$ 661,076,118	$ 631,892,169	$ (4,054,025)	$ (3,307,550)	$ 657,022,093	$ 628,584,619
Capital Assets	853,488,869	832,225,235	14,422,298	14,991,481	867,911,167	847,216,716
Total Assets	1,514,564,987	1,464,117,404	10,368,273	11,683,931	1,524,933,260	1,475,801,335
Deferred Outflows of Resources:						
Deferred Pension Outflows	115,743,077	191,012,098	3,935,272	7,476,426	119,678,349	198,488,524
Long-term Liabilities Outstanding	588,981,535	718,719,213	23,127,939	27,797,731	612,109,474	746,516,944
Other Liabilities	88,727,525	96,192,661	4,272,051	3,808,854	92,999,576	100,001,515
Total Liabilities	677,709,060	814,911,874	27,399,990	31,606,585	705,109,050	846,518,459
Deferred Inflows of Resources:						
Deferred Pension Inflows	106,392,580	39,983,503	2,767,977	2,177,725	109,160,557	42,161,228
Net Position:						
Net Investment in Capital Assets	678,949,867	642,202,260	12,174,665	12,337,899	691,124,532	654,540,159
Restricted	116,826,603	127,814,838	-	-	116,826,603	127,814,838
Unrestricted	50,429,954	30,217,027	(28,039,087)	(26,961,852)	22,390,867	3,255,175
Total Net Position	$ 846,206,424	$ 800,234,125	$ (15,864,422)	$ (14,623,953)	$ 830,342,002	$ 785,610,172

The government's net position increased by $21,563,614 for the current fiscal year activity.

Governmental Activities - Governmental activities increased the County's net position by $22,804,083. Key elements of this increase are as follows:

- The revenue decreased $8,143,451 overall. Major revenue sources: in Operating Grants Transportation, but the increase in Property Taxes offset some of the shortfall.

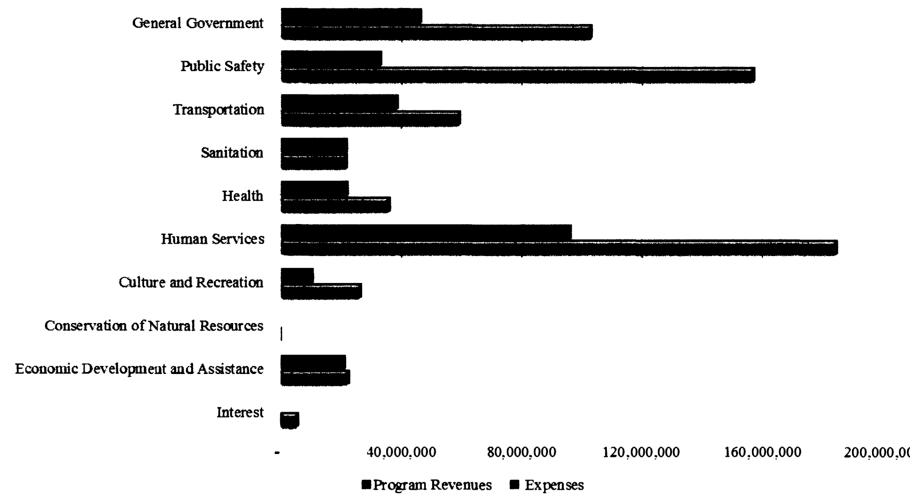
- The expenses decreased $41,430,023 overall. The change included a 24.7% decrease in pension expense relating to the GASB 68 calculation. Public Health and CHS recognized a decrease in personnel costs because of general vacancies seeking qualified candidates and vacant positions. Corrections recognized a reduction in expense for their juvenile facilities because of reduced out-of-home placements referrals. During 2016, some judges were not referring juveniles to Boys Totem Town. The non-referrals during 2016, affected actual expense levels during 2017. Actual expenses for Transportation's capital assets were overstated in 2016, this situation created the need for a prior period adjustment in 2017, see the Notes to the Financial Statements Note IV. C. for more details.

Summary of Changes in Net Position
For the Years Ended December 31, 2017 and 2016

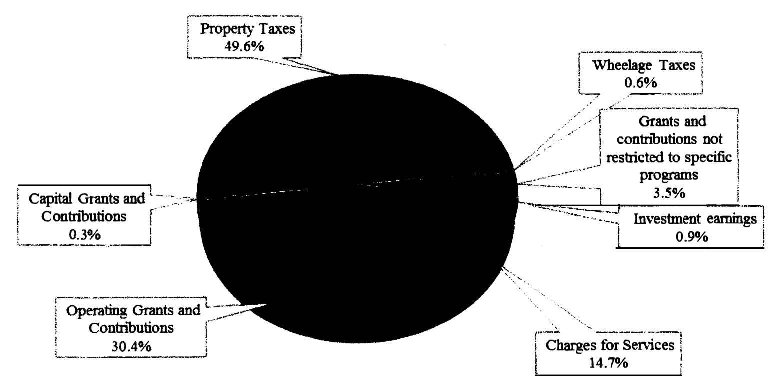
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for Services	$ 94,760,387	$ 98,454,189	$ 32,793,180	$ 32,735,720	$ 127,553,567	$ 131,189,909
Operating Grants and Contributions	195,803,479	210,736,726	432,584	304,292	196,236,063	211,041,018
Capital Grants and Contributions	1,661,359	4,677,295	-	-	1,661,359	4,677,295
General Revenues:						
Property Taxes	319,856,449	306,970,667	-	-	319,856,449	306,970,667
Wheelage Tax	4,168,005	4,133,227	-	-	4,168,005	4,133,227
Grants and Contributions not Restricted to Specific Programs	22,792,438	23,872,813	5,287	69,592	22,797,725	23,942,405
Investment Earnings (Loss)	5,643,358	4,154,908	90,215	82,355	5,733,573	4,237,263
Gain on Disposition of Capital Assets	183,066	12,168	1,429	26,575	184,495	38,743
Total Revenues	644,868,541	653,011,993	33,322,695	33,218,534	678,191,236	686,230,527
Expenses:						
General Government	103,481,190	114,022,518	-	-	103,481,190	114,022,518
Public Safety	157,405,849	170,336,772	-	-	157,405,849	170,336,772
Transportation	59,665,236	79,583,363	-	-	59,665,236	79,583,363
Sanitation	22,133,102	22,153,910	-	-	22,133,102	22,153,910
Health	36,304,607	38,177,114	-	-	36,304,607	38,177,114
Human Services	184,951,821	180,393,343	-	-	184,951,821	180,393,343
Culture and Recreation	26,709,251	24,906,568	-	-	26,709,251	24,906,568
Conservation of Natural Resources	8,733	246,518	-	-	8,733	246,518
Economic Development and Assistance	22,814,134	23,716,280	-	-	22,814,134	23,716,280
Interest	5,964,008	7,331,569	-	-	5,964,008	7,331,569
Lake Owasso Residence	-	-	10,495,486	10,793,804	10,495,486	10,793,804
Ramsey County Care Center	-	-	17,842,607	17,737,483	17,842,607	17,737,483
Vadnais Sports Center	-	-	1,257,880	1,384,081	1,257,880	1,384,081
Law Enforcement Services	-	-	7,593,718	7,652,534	7,593,718	7,652,534
Total Expenses	619,437,931	660,867,955	37,189,691	37,567,902	656,627,622	698,435,857
Increase (Decrease) in Net Position Before Transfers	25,430,610	(7,855,962)	(3,866,996)	(4,349,368)	21,563,614	(12,205,330)
Transfers	(2,626,527)	(2,755,419)	2,626,527	2,755,419	-	-
Increase (Decrease) in Net Position	22,804,083	(10,611,381)	(1,240,469)	(1,593,949)	21,563,614	(12,205,330)
Net Position - Beginning (as restated)	823,402,341	810,845,506	(14,623,953)	(13,030,004)	808,778,388	797,815,502
Net Position - Ending	$ 846,206,424	$ 800,234,125	$ (15,864,422)	$ (14,623,953)	$ 830,342,002	$ 785,610,172

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

Program Revenues and Expenses by Governmental Activities (in dollars)



Revenues by Source - Governmental Activities

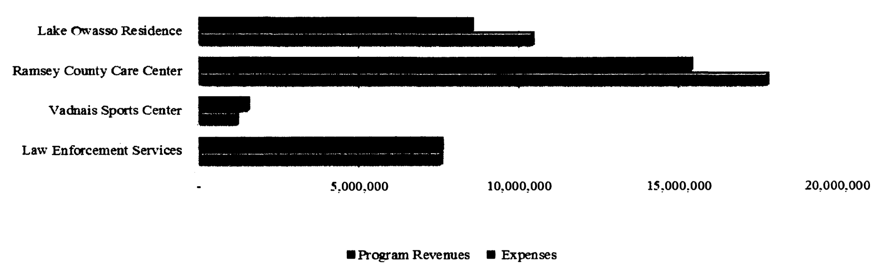


Business-type Activities - Business-type activities decreased the County's net position by $1,240,469. Key elements of this increase are as follows:

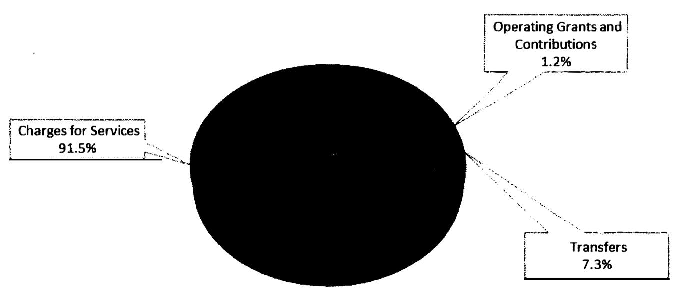
- Lake Owasso Residence had a decrease of net position of $676,953 due to a number of variables including an occupant day rate increase, occupancy increase and transfer from the County for increased operating expenses.
- Ramsey County Care Center had a decrease in net position of $1,050,970 due to a number of variables including a decrease in occupancy rate, increased costs and a reduction in reimbursements in rates from Medicare, HMO, and Managed Care services.
- Vadnais Sports Center had an increase in net position of $274,674 due to increase for charges for services and a reduction in operating expenses.

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

Program Revenues and Expenses by Business-Type Activities (in dollars)



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, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $415,899,711 a total fund balance decrease of $5,559,519. Approximately 66.3% of this total amount or $273,841,861 constitutes unrestricted fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending, because the fund balance is (1) invested in assets which are in nonspendable form $25,231,247; (2) restricted for debt service payments $58,145,792; or (3) for a variety of other restricted purposes $58,680,811. These other restricted purposes are described in detail in Note IV. K. to the financial statements.

The General Fund is the chief operating fund of Ramsey County. At the end of the current fiscal year, unrestricted fund balance of the General Fund was $218,104,849 while total fund balance reached $247,644,030. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 47.1% of total General Fund expenditures, while total fund balance represents 53.5% of that same amount.

The General Fund fund balance increased by $8,958,648 which included the change to inventories during the current fiscal year. Key factors due to increases in tax revenues offset by lower increases in expenditures.

The Debt Service Fund had a total fund balance of $58,145,792, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year in the Debt Service Fund was $9,490,192. The decrease in fund balance for Debt Service was due to decreased property tax revenue which was offset in part by an increase in investment earnings to cover changes to debt service requirements.

The Capital Projects Fund had a fund balance of $29,812,241. The fund balance decreased by $18,908,879 primarily due to a decrease in intergovernmental revenue which was offset in part by a decrease in expenditures.

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

Lake Owasso Residence had a decrease of net position of $676,953 due to a number of variables including an occupant day rate increase, occupancy increase and transfer from the County for increased operating expenses.

Net position of the Ramsey County Care Center at the end of the year amounted to $(11,437,347). The total decrease in net position for the fund was $1,050,970 due primarily to a decrease in occupancy rate and increased expenses for contracted nursing services. Revenues from Medicare, HMO and Managed Care did not increase enough to cover increased expenses.

General Fund Budgetary Highlights

The overall net change in fund balance was $29,489,417 more than the final amended budget. This increase was largely due to lower than budgeted expenditures in County Manager, Property Records and Revenue, Attorney's Office, Computer Equipment and Software, Sheriff, Public Health, and Human Services.

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, 2017, amounts to $867,911,167 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, machinery and equipment, park facilities, roads, highways, bridges, and construction in progress. The total increase in the County's investment in capital assets for the current fiscal year was 2.4% (a 2.6% increase for governmental activities and a .2% decrease for business-type activities).

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

- Infrastructure Improvements
  - Warner Bridge, East Bound Section, for $7,983,043.
  - Road rehabilitation for $8,902,871.

Additional information on the County's capital assets and deferred outflow of resources can be found in Note IV.C. on page 44 of this report.

Capital Assets, Net of Depreciation

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	$148,529,048	$150,259,250	$ 1,877,153	$ 1,877,153	$150,406,201	$152,136,403
Buildings & Improvements	367,376,751	376,719,742	11,472,821	11,998,216	378,849,572	388,717,958
Improvements Other Than Buildings	20,682,108	21,664,949	331,518	392,890	21,013,626	22,057,839
Machinery and Equipment	27,003,658	28,023,727	740,806	723,222	27,744,464	28,746,949
Computer Software	3,901,255	-			3,901,255	-
Infrastructure	218,920,712	212,273,761	-	-	218,920,712	212,273,761
Construction in Progress	67,075,337	43,283,806	-	-	67,075,337	43,283,806
Total	$853,488,869	$832,225,235	$14,422,298	$14,991,481	$867,911,167	$847,216,716

Long-term Debt – At the end of the current fiscal year, the County had total General Obligation bonded debt outstanding of $189,600,000 which is backed by the full faith and credit of the government.

Outstanding Debt
General Obligation Debt and Loans Payable

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Debt:						
Bonds	$ 187,560,000	$ 214,140,000	$ 2,040,000	$ 3,760,000	$ 189,600,000	$ 217,900,000
Notes	4,002,000	4,242,000	-	-	4,002,000	4,242,000
Loans Payable	-	3,371,667	-	-	-	3,371,667
Total	$191,562,000	$221,753,667	$2,040,000	$3,760,000	$193,602,000	$225,513,667

The County's total bonded debt, note, and loans payable debt decreased by $31,911,667 (14.2%) during the current fiscal year. The decrease was due to not issuing additional bonds in 2017.

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 3% of its Estimated Market Value (EMV) of taxable property in the County. The current debt limitation for the County is $1,328,493,171 which is significantly in excess of the net debt applicable to this limit of $169,790,000.

Additional information on the County's long-term debt can be found in Note IV. I. on pages 48 - 51 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Ramsey County is currently 3.3%, which represents a decrease from a rate of 3.6% one year ago. The County unemployment rate is slightly above the state average of 2.8%, but below the 3.9% average unemployment rate in the United States.
- 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 2016, the population estimated by the Census Bureau was 547,974.
- Estimated Market Value of Taxable Property in the County increased $2,836,414,000 in 2017 to $44,283,105,700 or 6.84%. Tax Capacity for Residential property recorded an increase in value of 7.61% while commercial values increased 5.36%.
- 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. The Wheelage tax for 2017 totaled $4,168,005.

All of these factors were considered in preparing the County's budget for the 2017 fiscal year.

During the current fiscal year, unrestricted fund balance in the General Fund was $218,104,849. The 2018 approved budget included a 3.3% increase in spending over the prior year. A 4.3% increase in the 2018 Property Tax Levy was approved to partially replace state and federal aid, other revenue losses, and the inflationary cost increases of current services.

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 Ramsey County Finance Department, Suite 4000, 121 7th Place East, Saint Paul, Minnesota 55101.

RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and Pooled Investments	$ 434,397,333	$ 2,699,270	$ 437,096,603
Investment with Trustee	72,988,125	-	72,988,125
Restricted Cash and Cash Equivalents	16,000	-	16,000
Petty Cash and Change Funds	27,455	21,100	48,555
Cooperative Investment	-	22,394	22,394
Receivables:			
Taxes (Net)	757,849	-	757,849
Accounts (Net)	11,618,958	674,191	12,293,149
Accrued Interest	1,808,363	-	1,808,363
Internal Balances	9,679,986	(9,679,986)	-
Due from Other Governments (Net)	66,331,332	2,209,006	68,540,338
Lease Receivable	4,002,000	-	4,002,000
Loan Receivable	14,413,472	-	14,413,472
Notes Receivable	8,414,225	-	8,414,225
Prepaid Items	620,570	-	620,570
Inventories	1,596,736	-	1,596,736
Total Current Assets	626,672,404	(4,054,025)	622,618,379
Non Current Assets:			
Advance to Other Governments	17,480,817	-	17,480,817
Advance to Other Organizations	237,555	-	237,555
Property Held for Resale	16,685,342	-	16,685,342
Capital Assets not being Depreciated:			
Land	148,529,048	1,877,153	150,406,201
Construction in Progress	67,075,337	-	67,075,337
Capital Assets being Depreciated:			
Buildings	476,962,507	16,488,090	493,450,597
Building Improvements	46,313,768	3,696,531	50,010,299
Improvements other than Buildings	57,930,430	1,537,677	59,468,107
Machinery and Equipment	79,813,261	2,411,332	82,224,593
Computer Software	13,507,930	-	13,507,930
Infrastructure	479,372,700	-	479,372,700
Less: Accumulated Depreciation	(516,016,112)	(11,588,485)	(527,604,597)
Total Non Current Assets	887,892,583	14,422,298	902,314,881
Total Assets	1,514,564,987	10,368,273	1,524,933,260
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	115,743,077	3,935,272	119,678,349
LIABILITIES			
Current Liabilities:			
Salaries Payable	11,163,398	887,684	12,051,082
Accounts Payable	19,294,677	544,792	19,839,469
Contracts Payable	7,311,907	-	7,311,907
Interest Payable, Current	3,494,572	35,917	3,530,489
Due to Other Governments	6,271,720	810,108	7,081,828
General Obligation Bonds Payable, Current	18,926,384	398,049	19,324,433
Claims and Judgments Payable, Current	3,004,600	-	3,004,600
Vacation and Compensatory Time Payable	19,244,267	1,595,501	20,839,768
Current Liabilities Payable from Restricted Assets:			
Customer Deposits Payable	16,000	-	16,000
Total Current Liabilities	88,727,525	4,272,051	92,999,576
Non Current Liabilities:			
Unearned Revenue	1,658,834	-	1,658,834
General Obligation Bonds Payable, Long-term	184,860,343	1,849,584	186,709,927
Compensated Absences Payable	15,763,508	825,392	16,588,900
Claims and Judgments Payable, Long-term	3,239,234	-	3,239,234
Net OPEB Liability	118,259,670	5,795,287	124,054,957
Net Pension Liability	265,199,946	14,657,676	279,857,622
Total Non Current Liabilities	588,981,535	23,127,939	612,109,474
Total Liabilities	677,709,060	27,399,990	705,109,050
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows	106,392,580	2,767,977	109,160,557
NET POSITION			
Net Investment in Capital Assets	678,949,867	12,174,665	691,124,532
Restricted for:			
Debt Service	58,145,792	-	58,145,792
Capital Projects	13,139,534	-	13,139,534
General Government	2,958,512	-	2,958,512
Public Safety	1,414,125	-	1,414,125
Sanitation	21,461,743	-	21,461,743
Culture and Recreation	4,782,056	-	4,782,056
Conservation of Natural Resources	2,277,225	-	2,277,225
Economic Development	794,763	-	794,763
Transportation	6,501,300	-	6,501,300
Other Purposes	5,351,553	-	5,351,553
Unrestricted	50,429,954	(28,039,087)	22,390,867
Total Net Position	$ 846,206,424	$ (15,864,422)	$ 830,342,002

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, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Governmental Activities:							
General Government	$ 103,481,190	$ 27,938,798	$ 18,713,229	$ -	$ (56,829,163)	$ -	$ (56,829,163)
Public Safety	157,405,849	18,198,562	15,087,408	-	(124,119,879)	-	(124,119,879)
Transportation	59,665,236	6,743,034	30,380,649	1,661,359	(20,880,194)	-	(20,880,194)
Sanitation	22,133,102	20,211,318	1,959,426	-	37,642	-	37,642
Health	36,304,607	7,545,377	14,822,062	-	(13,937,168)	-	(13,937,168)
Human Services	184,951,821	6,014,399	90,565,808	-	(88,371,614)	-	(88,371,614)
Culture and Recreation	26,709,251	7,105,671	3,690,613	-	(15,912,967)	-	(15,912,967)
Conservation of Natural Resources	8,733	-	-	-	(8,733)	-	(8,733)
Economic Development and Assistance	22,814,134	1,003,228	20,584,284	-	(1,226,622)	-	(1,226,622)
Interest	5,964,008	-	-	-	(5,964,008)	-	(5,964,008)
Total Governmental Activities	619,437,931	94,760,387	195,803,479	1,661,359	(327,212,706)	-	(327,212,706)
Business-type Activities:							
Lake Owasso Residence	10,495,486	8,558,612	19,968	-	-	(1,916,906)	(1,916,906)
Ramsey County Care Center	17,842,607	15,397,668	33,778	-	-	(2,411,161)	(2,411,161)
Vadnais Sports Center	1,257,880	1,588,719	-	-	-	330,839	330,839
Law Enforcement Services	7,593,718	7,248,181	378,838	-	-	33,301	33,301
Total Business-type Activities	37,189,691	32,793,180	432,584	-	-	(3,963,927)	(3,963,927)
Total Government	$ 656,627,622	$ 127,553,567	$ 196,236,063	$ 1,661,359	(327,212,706)	(3,963,927)	(331,176,633)
General revenues:							
Property Taxes					319,856,449	-	319,856,449
Wheelage Taxes					4,168,005	-	4,168,005
Grants and Contributions Not Restricted to Specific Programs					22,792,438	5,287	22,797,725
Investment Earnings (Loss)					5,643,358	90,215	5,733,573
Gain on Disposition of Capital Assets					183,066	1,429	184,495
Transfers					(2,626,527)	2,626,527	-
Total General Revenues and Transfers					350,016,789	2,723,458	352,740,247
Change in Net Position					22,804,083	(1,240,469)	21,563,614
Net Position - Beginning					800,234,125	(14,623,953)	785,610,172
Restatement (see Note III. A.)					23,168,216	-	23,168,216
Net Position - Beginning, as Restated					823,402,341	(14,623,953)	808,778,388
Net Position - Ending					$ 846,206,424	$ (15,864,422)	$ 830,342,002

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

RAMSEY COUNTY, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	General	Debt Service	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 228,270,896	$ 37,208,297	$ 32,653,317	$ 83,961,771	$ 382,094,281
Petty Cash and Change Funds	25,185	-	-	2,195	27,380
Receivables:					
Taxes (Net)	3,393,833	317,436	-	375,049	4,086,318
Accounts (Net)	5,414,798	-	1,850	6,170,309	11,586,957
Accrued Interest	1,365,417	-	-	442,946	1,808,363
Due from Other Funds	1,266,595	-	-	645,729	1,912,324
Due from Other Governments	19,268,550	240,553	34,868,455	11,507,794	65,885,352
Lease Receivable	-	4,002,000	-	-	4,002,000
Notes Receivable	1,709,250	3,711,975	-	2,993,000	8,414,225
Loans Receivable	5,896,561	-	-	8,516,911	14,413,472
Inventories	1,308,968	-	-	-	1,308,968
Advance to Other Funds	23,551,527	811,579	8,660,000	3,056,478	36,079,584
Advance to Other Governments	105,817	17,375,000	-	-	17,480,817
Advance to Other Organizations	237,555	-	-	-	237,555
Property Held for Resale	-	-	16,217,919	-	16,217,919
Restricted Cash and Cash Equivalents	15,000	-	-	-	15,000
Total Assets	291,829,952	63,666,840	92,401,541	117,672,182	565,570,515
LIABILITIES					
Salaries Payable	9,511,358	-	6,466	1,143,925	10,661,749
Accounts Payable	8,072,061	-	6,027	2,964,718	11,042,806
Contracts Payable	-	-	5,870,816	1,441,091	7,311,907
Due to Other Funds	86,649	-	-	1,769,775	1,856,424
Due to Other Governments	3,090,071	-	6,671	3,049,394	6,146,136
Unearned Revenue	-	-	466,942	1,191,892	1,658,834
Advance from Other Funds	-	378,206	21,729,799	4,500,000	26,608,005
Claims and Judgments Payable	182,244	-	-	-	182,244
Liabilities Payable from Restricted Assets	15,000	-	-	-	15,000
Total Liabilities	20,957,383	378,206	28,086,721	16,060,795	65,483,105
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows	23,228,539	5,142,842	34,502,579	21,313,739	84,187,699
FUND BALANCES					
Nonspendable	25,229,052	-	-	2,195	25,231,247
Restricted	4,310,129	58,145,792	13,139,534	41,231,148	116,826,603
Committed	-	-	16,672,707	5,147,754	21,820,461
Assigned	35,395,861	-	-	39,195,099	74,590,960
Unassigned	182,708,988	-	-	(5,278,548)	177,430,440
Total Fund Balances	247,644,030	58,145,792	29,812,241	80,297,648	415,899,711
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 291,829,952	$ 63,666,840	$ 92,401,541	$ 117,672,182	

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

Certain Non Current assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	832,392,240
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds.	65,924,803
Deferred outflows of resources resulting from pension obligation are not available resources and, therefore are not reported in the governmental funds.	112,737,756
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 deferred outflow of resources and liabilities and deferred inflow of resources of the internal service funds are included in governmental activities in the Statement of Net Position.	9,481,679
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(500,807,211)
Deferred inflows resulting from pension obligations are not due and payable in the current period and therefore are not reported in governmental funds.	(89,422,554)
Net position of governmental activities	$ 846,206,424

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, 2017

	General	Debt Service	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Taxes	$ 245,915,832	$ 24,198,448	$ 5,268,005	$ 49,163,196	$ 324,545,481
Licenses and Permits	1,205,453	-	-	1,079,125	2,284,578
Intergovernmental	165,716,570	694,008	15,896,897	26,047,776	208,355,251
Private Grants and Donations	184,977	-	3,730	258,694	447,401
Charges for Services	45,243,187	-	-	28,093,788	73,336,975
Fines and Forfeitures	149	-	-	741,935	742,084
Sales	768,760	-	-	4,048,773	4,817,533
Rental Income	958,164	-	97,200	2,578,310	3,633,674
Investment Earnings	3,229,835	975,475	196,069	1,108,134	5,509,513
Program Recoveries - Community Human Services	1,494,260	-	-	-	1,494,260
Miscellaneous	11,988,344	-	62,227	1,103,220	13,153,791
Total Revenues	476,705,531	25,867,931	21,524,128	114,222,951	638,320,541
EXPENDITURES					
Current:					
General Government	94,136,206	-	-	8,689,877	102,826,083
Public Safety	118,342,633	-	-	18,885,629	137,228,262
Transportation	15,603,099	-	-	10,646,155	26,249,254
Sanitation	-	-	-	21,061,822	21,061,822
Health	35,619,756	-	-	24,727	35,644,483
Human Services	185,736,894	-	-	55,780	185,792,674
Culture and Recreation	12,814,166	-	-	12,258,480	25,072,646
Conservation of Natural Resources	43,037	-	-	-	43,037
Economic Development and Assistance	-	-	-	22,410,495	22,410,495
Capital Outlay:					
General Government	444,930	-	6,854,059	-	7,298,989
Public Safety	80,751	-	479,006	-	559,757
Transportation	7,956	-	25,649,108	1,218,416	26,875,480
Human Services	-	-	66,335	-	66,335
Culture and Recreation	1,217	-	5,143,639	-	5,144,856
Debt Service:					
Principal Retirement	-	26,820,000	-	3,371,667	30,191,667
Interest	-	8,538,123	-	30,911	8,569,034
Total Expenditures	462,830,645	35,358,123	38,192,147	98,653,959	635,034,874
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,874,886	(9,490,192)	(16,668,019)	15,568,992	3,285,667
OTHER FINANCING SOURCES (USES)					
Proceeds from Sale of Assets	-	-	-	52,336	52,336
Transfers In	4,451,955	-	400,000	1,670,410	6,522,365
Transfers Out	(9,382,292)	-	(2,640,860)	(3,410,834)	(15,433,986)
Total Other Financing Sources (Uses)	(4,930,337)	-	(2,240,860)	(1,688,088)	(8,859,285)
Net Change in Fund Balances	8,944,549	(9,490,192)	(18,908,879)	13,880,904	(5,573,618)
Fund Balances - Beginning	238,685,382	67,635,984	48,721,120	66,416,744	421,459,230
Increase (decrease) in inventories	14,099	-	-	-	14,099
Fund Balances - Ending	$ 247,644,030	$ 58,145,792	$ 29,812,241	$ 80,297,648	$ 415,899,711

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, 2017

Net change in fund balances - total governmental funds (Exhibit 4)	$ (5,573,618)
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 depreciation exceeded capital outlay in the current period.	(3,493,159)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(702,517)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	14,843,012
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 position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	30,191,667
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.	(16,992,702)
Internal service funds are used by management to charge the costs of information systems, property management, fleet services, and insurance costs to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	4,531,400
Net change in net position of governmental activities (Exhibit 2)	$ 22,804,083

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

RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Lake Owasso Residence	Ramsey County Care Center	Vadnais Sports Center	Nonmajor Law Enforcement Services	Total	
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 1,992,804	-	$ 142,464	$ 564,002	$ 2,699,270	$ 52,303,052
Investment with Trustee						72,988,125
Petty Cash and Change Funds	5,900	14,000	1,200	-	21,100	75
Cooperative Investment	-	22,394	-	-	22,394	-
Accounts Receivable (Net)	-	566,376	107,815	-	674,191	78,698
Due from Other Funds	-	-	-	-	-	10,811,957
Due from Other Governments (Net)	725,367	1,136,563	-	347,076	2,209,006	445,980
Prepaid Items	-	-	-	-	-	620,570
Inventories	-	-	-	-	-	287,768
Restricted Cash and Cash Equivalents	-	-	-	-	-	1,000
Total Current Assets	2,724,071	1,739,333	251,479	911,078	5,625,961	137,537,225
Noncurrent Assets:						
Property Held for Resale	-	-	-	-	-	467,423
Capital Assets:						
Land	7,873	99,200	1,770,080	-	1,877,153	-
Buildings	4,072,132	4,368,576	8,047,382	-	16,488,090	-
Building Improvements	7,689	3,688,842	-	-	3,696,531	8,152,622
Improvements Other Than Buildings	647,707	889,970	-	-	1,537,677	298,919
Machinery and Equipment	448,655	452,173	85,442	1,425,062	2,411,332	25,161,172
Construction in Progress	-	-	-	-	-	33,633
Less Accumulated Depreciation	(2,687,935)	(7,363,257)	(605,747)	(931,546)	(11,588,485)	(12,549,717)
Total Capital Assets (Net of Accumulated Depreciation)	2,496,121	2,135,504	9,297,157	493,516	14,422,298	21,096,629
Total Noncurrent Assets	2,496,121	2,135,504	9,297,157	493,516	14,422,298	21,564,052
Total Assets	5,220,192	3,874,837	9,548,636	1,404,594	20,048,259	159,101,277
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Pension Outflows	1,536,079	2,386,787	12,406	-	3,935,272	3,005,321
LIABILITIES						
Current Liabilities:						
Salaries Payable	271,634	405,067	22,050	188,933	887,684	501,649
Accounts Payable	50,311	438,862	51,103	4,516	544,792	8,251,871
Interest Payable	14,854	21,063	-	-	35,917	-
Due to Other Funds	2,648,384	3,385,483	40	-	6,033,907	4,833,950
Due to Other Governments	8,909	-	13,138	788,061	810,108	125,584
General Obligation Bonds Payable	279,711	118,338	-	-	398,049	-
Vacation and Compensatory Time Payable	584,214	543,594	30,285	437,408	1,595,501	1,032,581
Payable from Restricted Assets:						
Customer Deposits Payable	-	-	-	-	-	1,000
Total Current Liabilities	3,858,017	4,912,407	116,616	1,418,918	10,305,958	14,746,635
Noncurrent Liabilities:						
General Obligation Bonds Payable	581,352	1,268,232	-	-	1,849,584	-
Advance from Other Funds	378,206	433,373	8,660,000	-	9,471,579	-
Compensated Absences Payable	296,834	522,779	5,779	-	825,392	895,536
Net OPEB Liability	-	-	-	-	-	124,054,957
Net Pension Liability	5,728,398	8,884,448	44,830	-	14,657,676	10,815,279
Total Noncurrent Liabilities	6,984,790	11,108,832	8,710,609	-	26,804,231	135,765,772
Total Liabilities	10,842,807	16,021,239	8,827,225	1,418,918	37,110,189	150,512,407
DEFERRED INFLOWS OF RESOURCES						
Deferred Pension Inflows	1,081,675	1,677,732	8,570	-	2,767,977	2,082,299
NET POSITION						
Net Investment in Capital Assets	1,635,058	748,934	9,297,157	493,516	12,174,665	21,096,629
Unrestricted	(6,803,269)	(12,186,281)	(8,571,910)	(507,840)	(28,069,300)	(11,584,737)
Total Net Position	$ (5,168,211)	$ (11,437,347)	$ 725,247	$ (14,324)	(15,894,635)	$ 9,511,892
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					30,213	
Net Position of Business-Type Activities					$ (15,864,422)	

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 POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Lake Owasso Residence	Ramsey County Care Center	Vadnais Sports Center	Nonmajor Law Enforcement Services	Total	Total
OPERATING REVENUES:						
Charges for Services	$ 8,538,965	$ 15,355,936	$ 1,528,566	$ 7,188,158	$ 32,611,625	$ 99,687,369
Sales	-	-	30,000	351	30,351	325,177
Rental Income	-	-	-	-	-	100,027
Miscellaneous	19,647	41,733	30,153	59,672	151,205	1,097,487
Total Operating Revenues	8,558,612	15,397,669	1,588,719	7,248,181	32,793,181	101,210,060
OPERATING EXPENSES:						
Personal Services	8,302,240	12,644,885	501,200	5,874,253	27,322,578	16,368,099
Other Services and Charges	1,401,192	3,715,925	516,412	1,225,647	6,859,176	59,624,542
Supplies	675,536	1,194,710	122,218	286,072	2,278,536	9,140,313
OPEB Expense	-	-	-	-	-	19,539,516
Depreciation	184,726	300,508	174,259	207,746	867,239	1,734,750
Total Operating Expenses	10,563,694	17,856,028	1,314,089	7,593,718	37,327,529	106,407,220
Operating Income (Loss)	(2,005,082)	(2,458,359)	274,630	(345,537)	(4,534,348)	(5,197,160)
NONOPERATING REVENUES (EXPENSES):						
Intergovernmental Revenue	22,034	36,981	17	378,838	437,870	30,239
Amortization of (Discount) Premium on Bonds	19,711	58,340	-	-	78,051	-
Interest Expense	(36,404)	(87,715)	-	-	(124,119)	-
Loss on Disposal of Capital Assets	-	-	-	(4,400)	(4,400)	-
Investment Earnings / (Loss)	-	90,215	-	-	90,215	9,751,498
Gain (Loss) on Sale of Capital Assets	5,829	-	-	-	5,829	130,730
Total Nonoperating Revenues (Expenses)	11,170	97,821	17	374,438	483,446	9,912,467
Income before Contributions and Transfers	(1,993,912)	(2,360,538)	274,647	28,901	(4,050,902)	4,715,307
Capital Contributions	-	-	-	-	-	11,662,463
Transfers In	1,316,959	1,309,568	-	-	2,626,527	6,285,355
Transfers Out	-	-	-	-	-	(261)
Change in Net Position	(676,953)	(1,050,970)	274,647	28,901	(1,424,375)	22,662,864
Total Net Position - Beginning	(4,491,258)	(10,386,377)	450,600	(43,225)		(13,150,972)
Total Net Position - Ending	$ (5,168,211)	$ (11,437,347)	$ 725,247	$ (14,324)		$ 9,511,892
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					183,906	
Change in Net Position of Business-type Activities (Exhibit 2)					$ (1,240,469)	

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, 2017

	Business-type Activities - Enterprise Funds					
	Lake Owasso Residence	Ramsey County Care Center	Vadnais Sports Center	Nonmajor Law Enforcement Services	Total	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	$ 8,517,551	$ 15,109,039	$ 1,549,037	$ 6,902,086	$ 32,077,713	$ 5,865,210
Receipts from Interfund Services Provided	-	-	-	-	-	98,582,971
Payments to Suppliers	(1,794,018)	(4,315,330)	(688,789)	(1,274,552)	(8,072,689)	(74,691,726)
Payments to Employees	(7,880,399)	(12,100,641)	(482,057)	(5,936,455)	(26,399,552)	(15,386,192)
Payments for Interfund Services Used	-	-	-	-	-	(6,042,625)
Net Cash Provided (Used) for Operating Activities	(1,156,866)	(1,306,932)	378,191	(308,921)	(2,394,528)	8,327,638
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Intergovernmental Revenue	19,968	33,778	-	378,838	432,584	26,441
Interfund Loans	-	-	(490,000)	-	(490,000)	-
Transfers In	1,316,959	1,309,568	-	-	2,626,527	6,285,355
Advances from Other Funds	-	60,778	-	-	60,778	-
Transfers Out	-	-	-	-	-	(261)
Net Cash Provided (Used) for Noncapital Financing Activities	1,336,927	1,404,124	(490,000)	378,838	2,629,889	6,311,535
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from the Sale of Capital Assets	5,829	-	-	3,600	9,429	141,906
Purchases of Capital Assets	(48,549)	(26,439)	-	(231,068)	(306,056)	(4,037,021)
Principal Paid on Capital Debt	(280,000)	(105,000)	-	-	(385,000)	-
Interest Paid on Capital Debt	(37,770)	(50,788)	-	-	(88,558)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(360,490)	(182,227)	-	(227,468)	(770,185)	(3,895,115)
CASH FLOWS FROM INVESTING ACTIVITIES						
Dividend Received	-	84,709	-	-	84,709	-
Investment Earnings	-	-	-	-	-	9,751,498
Net Cash Provided (Used) for Investing Activities	-	84,709	-	-	84,709	9,751,498
Net Increase (Decrease) in Cash and Cash Equivalents	(180,429)	(326)	(111,809)	(157,551)	(450,115)	20,495,556
Cash and Cash Equivalents, January 1	2,173,233	326	254,273	721,553	3,149,385	104,796,696
Cash and Cash Equivalents, December 31	$ 1,992,804	$ -	$ 142,464	$ 564,002	$ 2,699,270	$ 125,292,252

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, 2017

	Business-type Activities - Enterprise Funds					
	Lake Owasso Residence	Ramsey County Care Center	Vadnais Sports Center	Nonmajor Law Enforcement Services	Total	Governmental Activities - Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	$ (2,005,082)	$ (2,458,360)	$ 274,630	$ (345,537)	$ (4,534,349)	$ (5,197,160)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	184,726	300,508	174,259	207,746	867,239	1,734,750
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	-	(223,359)	(39,681)	981	(262,059)	(34,704)
(Increase) Decrease in Due from Other Funds	-	-	-	-	-	3,030,823
(Increase) Decrease in Due from Other Governments	(21,440)	54,409	-	(347,076)	(314,107)	241,999
(Increase) Decrease in Prepaid Items	-	-	-	-	-	(118,693)
(Increase) Decrease in Inventories	-	-	-	-	-	6,509
(Increase) Decrease in Deferred Pension Outflows	1,383,822	2,146,189	11,143	-	3,541,154	2,744,973
Increase (Decrease) in Salaries Payable	11,197	(5,381)	4,183	(15,947)	(5,948)	(35,607)
Increase (Decrease) in Accounts Payable	(1,162)	269,380	10,564	(30,751)	248,031	649,592
Increase (Decrease) in Contracts Payable	-	-	(58,530)	-	(58,530)	
Increase (Decrease) in Due to Other Funds	264,499	206,537	(7,806)	(76,420)	386,810	140,246
Increase (Decrease) in Due to Other Governments	(249)	(291)	5,613	344,338	349,411	23,232
Increase (Decrease) in Vacation and Compensatory Time Payable	45,320	14,777	9,475	(46,255)	23,317	59,880
Increase (Decrease) in Compensated Absences Payable	812	(30,480)	2,549	-	(27,119)	(5,159)
Increase (Decrease) in Net OPEB Liability	-	-	-	-	-	7,013,186
Increase (Decrease) in Deferred Pension Inflows	230,660	357,734	1,858	-	590,252	515,967
Increase (Decrease) in Net Pension Liability	(1,249,969)	(1,938,595)	(10,066)	-	(3,198,630)	(2,442,196)
Net Cash Provided (Used) by Operating Activities	$ (1,156,866)	$ (1,306,932)	$ 378,191	$ (308,921)	$ (2,394,528)	$ 8,327,638
Schedule of non-cash capital and related activities:						
Net book value of capital assets disposed						
Machinery and Equipment	-	-	-	8,000	8,000	11,176
On-behalf contributions related to pensions	2,066	3,204	17	-	5,287	3,798

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

RAMSEY COUNTY, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2017

	Private Purpose Trust Funds	Agency Fund
ASSETS		
Cash and Cash Equivalents	$ 438,829	$ 64,098,810
Receivables:		
Accounts	-	4,207,170
Due from Other Governments	-	54,035
Total Assets	438,829	68,360,015
LIABILITIES		
Custodial Payable	9,172	25,848,388
Due to Other Governments	-	42,511,627
Total Liabilities	9,172	$ 68,360,015
NET POSITION		
Held in Trust for Private Purposes	$ 429,657	

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

RAMSEY COUNTY, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Private Purpose Trust Funds
ADDITIONS	
Receipts from Clients	$ 308,860
Investment Earnings	433
Total Additions	309,293
DEDUCTIONS	
Payments to Clients or on Behalf of Clients	240,156
Change in Net Position	69,137
Net Position- Beginning	360,520
Net Position - Ending	$ 429,657

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

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 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.

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, in 1987, 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. Management of Ramsey County has operational responsibility for the Authority. Separate financial statements can be obtained from the Ramsey County Finance Department.

The Ramsey County Housing and Redevelopment Authority was created in 1993 by the Ramsey County Board pursuant to State Statute. The seven-member Housing and Redevelopment Authority is appointed by the Ramsey County Board of Commissioners. Currently, the Housing and Redevelopment Authority consists of the seven members from the Ramsey County Board. The Authority's financial activities are presented in the Housing and Redevelopment Authority Special Revenue Fund. The Authority is fiscally dependent on Ramsey County and there is a potential financial benefit or burden relationship. 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 Recycling and Energy Board. The Recycling and Energy 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 Recycling and Energy Board except for: budget approval, levying taxes or assessing service charges and establishing the tipping fee to be charged at the facility which requires the approval of the County Boards. Details of this joint venture can be found in Note V. D. Other jointly governed organization details can be found in Note V. E. Separate financial statements can be obtained from the Ramsey County Finance Department.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for direct interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the government-wide statement of net position, the County's net position is reported in three parts: (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position.

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 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, proprietary, 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, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *full 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 proprietary funds:

Enterprise Funds are used to account for business-type activities which sell goods or services provided to the general public:

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

The *Ramsey County Care Center Fund* provides both long-term and transitional care services.

The *Vadnais Sports Center Fund* is a sports complex that features two NHL regulation-size hockey rinks and a 100,000-square-foot sports dome. The sports dome provides spring and summer athletes a perfect place to keep their skills sharp all winter long. The dome can host soccer, baseball, softball, lacrosse, football and many other athletic activities.

Law Enforcement Services Fund provides law enforcement services to cities which do not have their own independent police department. These services are provided by the Ramsey County Sheriff's office through contract agreements for the cost incurred.

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.

- Information Services was created by combining Data Processing and Telecommunications – to provide computer and telephone 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.
- Firearms Range – to provide a Firearms Range to law enforcement personnel of the County and other local governments.
- Fleet Services – to account for revenues received and expenses incurred in operating and maintaining a centralized fleet program.
- Retiree Insurance – to provide resources for the Other Post-Employment Benefit (OPEB) Liability.
- Employee Health Insurance – to provide resources for Employee Health Insurance for employees.

Additionally, the government reports the following fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

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 full 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.

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 non-operating 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, Ramsey County Care Center, Vadnais Sports Center, and Law Enforcement Services enterprise funds, and of the government's internal service funds are charges for 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 non-operating revenues and expenses.

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, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

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, 2017, 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 2017 were $ 3,229,835.

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".

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

Property taxes are levied as of January 1st 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 15th) and the second billing (due on October 15th or November 15th). Taxes, which remain unpaid by property owners at December 31st, 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, including 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 to more than $100,000, depending on asset category, and an estimated useful life in excess of one year. The County, effective October 1, 2014, no longer capitalizes items that were considered high risk that no longer meets the dollar threshold. Those assets that do not meet the current policy and have not been fully depreciated will remain in the capital asset system to be retired as appropriate. Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at acquisition 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. During the current year, the County did not have any capitalized interest.

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

Assets	Years
Buildings	10-50
Building Improvements	5-20
Infrastructure	20-75
Improvements Other Than Buildings	10-20
Machinery and Equipment	2-20
Computer Software	5-10

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 of vacation leave and 15 days of sick leave per year. Vacation and compensatory time payable is the current portion at year end, while the compensated absence payable is the long-term portion.

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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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. Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure/expense) until then. The County has one item that qualifies for reporting in this category: deferred pension outflows, reported in the government-wide statement of net position. These outflows arise only under the full accrual basis of accounting and consist of pension plan contributions paid subsequent to the measurement date, differences between expected and actual pension plan economic experience, changes in actuarial assumptions, the differences between projected and actual earnings on pension plan investments, and also pension plan changes in proportionate share. In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. The County has three types of items. The first, unavailable revenue, arises only under a modified accrual basis of accounting, and is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second, pension inflows, is related to pension obligations and arise only under the full accrual basis of accounting and consists of differences between expected and actual pension plan economic experience, changes in actuarial assumptions, the differences between projected and actual earnings on pension plan investments, and also pension plan changes in proportionate share. The third, prepaid taxes, arises from the property taxpayer prepaying 2018 property taxes in 2017, this tax is reported in both the government-wide statement of net position and in the governmental funds balance sheet.

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

10. Unearned Revenue
Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received but not yet earned.

11. Restricted Assets/Fund Equity
Certain funds of the County are classified as restricted assets on the statement of net position 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:

Debt Service	$ 58,145,792
Capital Projects	13,139,534
Environmental Response Fund	2,067,165
Criminal Forfeitures	1,414,125
Sanitation	21,461,743
Library	4,339,843
Parks and Recreation	442,213
Aggregate Pit Restoration	210,059
Technology	1,149,854
Affordable Housing	794,763
Donations for Various Purposes	605,382
Child Protection	4,100,070
Transportation	6,501,300
Other	2,454,760
Total	$ 116,826,603

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

12. 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.

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 position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. 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 $(500,807,211) difference are as follows:

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 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.

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, in 1987, 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. Management of Ramsey County has operational responsibility for the Authority. Separate financial statements can be obtained from the Ramsey County Finance Department.

The Ramsey County Housing and Redevelopment Authority was created in 1993 by the Ramsey County Board pursuant to State Statute. The seven-member Housing and Redevelopment Authority is appointed by the Ramsey County Board of Commissioners. Currently, the Housing and Redevelopment Authority consists of the seven members from the Ramsey County Board. The Authority's financial activities are presented in the Housing and Redevelopment Authority Special Revenue Fund. The Authority is fiscally dependent on Ramsey County and there is a potential financial benefit or burden relationship. 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 Recycling and Energy Board. The Recycling and Energy 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 Recycling and Energy Board except for: budget approval, levying taxes or assessing service charges and establishing the tipping fee to be charged at the facility which requires the approval of the County Boards. Details of this joint venture can be found in Note V. D. Other jointly governed organization details can be found in Note V. E. Separate financial statements can be obtained from the Ramsey County Finance Department.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for direct interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the government-wide statement of net position, the County's net position is reported in three parts: (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position.

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 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, proprietary, 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, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *full 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 proprietary funds:

Enterprise Funds are used to account for business-type activities which sell goods or services provided to the general public:

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

The *Ramsey County Care Center Fund* provides both long-term and transitional care services.

The *Vadnais Sports Center Fund* is a sports complex that features two NHL regulation-size hockey rinks and a 100,000-square-foot sports dome. The sports dome provides spring and summer athletes a perfect place to keep their skills sharp all winter long. The dome can host soccer, baseball, softball, lacrosse, football and many other athletic activities.

Law Enforcement Services Fund provides law enforcement services to cities which do not have their own independent police department. These services are provided by the Ramsey County Sheriff's office through contract agreements for the cost incurred.

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.

- Information Services was created by combining Data Processing and Telecommunications – to provide computer and telephone 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.
- Firearms Range – to provide a Firearms Range to law enforcement personnel of the County and other local governments.
- Fleet Services – to account for revenues received and expenses incurred in operating and maintaining a centralized fleet program.
- Retiree Insurance – to provide resources for the Other Post-Employment Benefit (OPEB) Liability.
- Employee Health Insurance – to provide resources for Employee Health Insurance for employees.

Additionally, the government reports the following fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

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 full 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.

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 non-operating 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, Ramsey County Care Center, Vadnais Sports Center, and Law Enforcement Services enterprise funds, and of the government's internal service funds are charges for 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 non-operating revenues and expenses.

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, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

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, 2017, 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 2017 were $ 3,229,835.

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".

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

Property taxes are levied as of January 1st 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 15th) and the second billing (due on October 15th or November 15th). Taxes, which remain unpaid by property owners at December 31st, 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, including 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 to more than $100,000, depending on asset category, and an estimated useful life in excess of one year. The County, effective October 1, 2014, no longer capitalizes items that were considered high risk that no longer meets the dollar threshold. Those assets that do not meet the current policy and have not been fully depreciated will remain in the capital asset system to be retired as appropriate. Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at acquisition 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. During the current year, the County did not have any capitalized interest.

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

Assets	Years
Buildings	10-50
Building Improvements	5-20
Infrastructure	20-75
Improvements Other Than Buildings	10-20
Machinery and Equipment	2-20
Computer Software	5-10

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 of vacation leave and 15 days of sick leave per year. Vacation and compensatory time payable is the current portion at year end, while the compensated absence payable is the long-term portion.

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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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. Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure/expense) until then. The County has one item that qualifies for reporting in this category: deferred pension outflows, reported in the government-wide statement of net position. These outflows arise only under the full accrual basis of accounting and consist of pension plan contributions paid subsequent to the measurement date, differences between expected and actual pension plan economic experience, changes in actuarial assumptions, the differences between projected and actual earnings on pension plan investments, and also pension plan changes in proportionate share. In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. The County has three types of items. The first, unavailable revenue, arises only under a modified accrual basis of accounting, and is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second, pension inflows, is related to pension obligations and arise only under the full accrual basis of accounting and consists of differences between expected and actual pension plan economic experience, changes in actuarial assumptions, the differences between projected and actual earnings on pension plan investments, and also pension plan changes in proportionate share. The third, prepaid taxes, arises from the property taxpayer prepaying 2018 property taxes in 2017, this tax is reported in both the government-wide statement of net position and in the governmental funds balance sheet.

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

10. Unearned Revenue
Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received but not yet earned.

11. Restricted Assets/Fund Equity
Certain funds of the County are classified as restricted assets on the statement of net position 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:

Debt Service	$	58,145,792
Capital Projects		13,139,534
Environmental Response Fund		2,067,165
Criminal Forfeitures		1,414,125
Sanitation		21,461,743
Library		4,339,843
Parks and Recreation		442,213
Aggregate Pit Restoration		210,059
Technology		1,149,854
Affordable Housing		794,763
Donations for Various Purposes		605,382
Child Protection		4,100,070
Transportation		6,501,300
Other		2,454,760
Total	$	116,826,603

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

12. 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.

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 position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. 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 $(500,807,211) difference are as follows:

Bonds and Notes Payable	$ (191,562,000)
Accrued Interest Payable	(3,494,568)
Unamortized Premium on Bonds	(12,224,727)
Estimated Payable for Outstanding Claims	(6,061,590)
Compensated Absences Payable, Vacation, & Comp Time Payable	(33,079,659)
Net Pension Liability	(254,384,667)
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Position – Governmental Activities	$ (500,807,211)

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 reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position 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 $(3,493,159) difference are as follows:

Capital Outlay	$ 25,951,423
Depreciation Expense	(29,444,582)
Net Adjustment to Increase Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	$ (3,493,159)

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 position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $ 30,191,667 difference are as follows:

General Obligation Debt	$ 26,590,000
Capital Loan from State of Minnesota for Pedestrian Tunnel	230,000
Loan for Ramsey County Regional Rail Authority	3,371,667
Net Adjustment to Increase Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	$ 30,191,667

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 $(16,992,702) difference are as follows:

Compensated Absences	$ 575,869
Claims and Judgments	768,500
Accrued Interest	305,281
Amortization of Bond Premium	2,299,744
Allowance for Doubtful Accounts	(46,697)
Offset Operating Transfers from Internal Service Funds	6,285,094
Inventory (Change From Consumption to Purchase Method)	14,099
Deferred Outflows for Pension	(28,216,313)
Net Pension Liabilty	96,334,837
Deferred Inflows for Pension	(95,313,116)
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	$ (16,992,702)

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Prior Period Adjustment

A prior period adjustment was in the amount of $23,168,216. This adjustment was due to a 2016 miscalculation in the summarization of capital assets. The adjustment column on Note IV. C. reflects the various changes required to properly reflect this miscalculation.

B. Deficit Fund Equity

Lake Owasso Residence Proprietary Fund had a negative change in net position of $676,953 for the year, resulting in a deficit net position of $5,168,211.

Ramsey County Care Center Proprietary Fund had a negative change in net position of $1,050,970 for the year, resulting in a deficit net position of $11,437,347.

The Nonmajor Law Enforcement Services Proprietary Fund had a positive change in net position of $28,901 for the year, resulting in a deficit net position of $14,324.

The Workforce Solutions Special Revenue Fund had a negative change in fund balances of $5,134,346 for the year, resulting in a deficit Fund Balance of $5,278,098.

The Retiree Insurance Internal Service Fund had a positive change in net position of $3,810,277 for the year, resulting in a deficit net position of $37,837,689.

C. Budgetary Information

The County Board adopts an annual budget for certain Special Revenue Funds (County Library, Solid Waste/Recycling Service Fee, Emergency Communications, Regional Railroad Authority, 4R Program, and Forfeited Property Management), Regional Railroad Authority Debt Service Fund and the County 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 and 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 and Recreation, Care Center 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 submitted to the County Board for their approval. If approved, the adjustments are implemented by the Finance Department 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 the Capital Project Fund and Regional Railroad Authority Capital Project Fund, which are not expended or encumbered, 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 do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

D. Tax Abatement

The County entered into a property tax abatement agreement with the developer, Land O' Lakes, Inc., on April 12, 2016, under MN Statutes, sections 469.1812 through 469.1815, as amended. Under the statute a political subdivision may grant a current or prospective abatement of property taxes if it expects the benefits to the political subdivision of the proposed abatement agreement to at least equal the costs to the political subdivision of the proposed agreement and it will provide benefits such as increasing or preserving the tax base or providing employment opportunities in the county. The tax abatement will be for a period of 15 years effective in the years 2020 to 2034. The abatement will equal the property tax calculated on increased annual net tax capacity above the base value established January 2, 2016, less the fiscal disparity taxes, to the extent actually received by the County as its share of property taxes. The projected amount of the abatement is $1,376,099 over the 15 year period. The total abatement amount cannot exceed $1,500,000. The developer agrees to construct and equip a 145,000 square foot expansion to its corporate headquarters on the development property, and create at least 200 new full time jobs paying wages no less than $18.00 per hour exclusive of benefits.

Tax Abatements – Pay-As-You-Go Tax Increment

The County is subject to tax abatements granted by Cities within the County pursuant to MN Statutes Ch 469.174 to 469.1794 (Tax Increment Financing) through a pay-as-you-go note program. Tax Increment Financing (TIF) can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to moderate-income housing, and economic development within a City. TIF captures the increase in tax capacity and property taxes (of all taxing jurisdictions, including the County) from development or redevelopment to provide funding for the related project.

The pay-as-you-go note provides for payment to the developer of the percentage of all tax increment received in the prior six months. The payments reimburse the developer for certain public improvements. During 2017, there were 68 pay-as-you-go notes within the County. The tax increment collections during 2017 associated with these notes totaled $10,383,129. The County's portion of the captured tax capacity and related property taxes was approximately 36% or $3,737,925.

In the case of the County, TIF agreements of other local governments have resulted in reductions of the County property tax revenues for the year ended December 31, 2017 as shown below:

Tax Abatement Program	Number of Pay-As-You Go	Taxes Abated	Impact to Ramsey County
Tax Increment Financing			
City of:			
Arden Hills	2	$ 183,598	$ 66,095
Falcon Heights	3	42,212	15,196
Little Canada	1	227,891	82,041
Mounds View	1	1,513,218	544,758
North St. Paul	3	298,852	107,587
Roseville	2	342,267	123,216
Shoreview	5	681,765	245,435
St. Anthony	3	639,224	230,121
St. Paul	36	6,237,451	2,245,482
St. Paul Port Authority	5	81,000	29,160
White Bear Lake	2	38,022	13,688
White Bear Township	5	97,629	35,146
Total	68	$ 10,383,129	$ 3,737,925

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 Pooled Investments	$ 434,397,333
Investment with Trustee	72,988,125
Restricted Cash and Cash Equivalents	16,000
Petty Cash and Change Funds	27,455
Business-Type Activities	
Cash and Pooled Investments	2,699,270
Petty Cash and Change Funds	21,100
Cooperative Investment	22,394
Fiduciary Funds	
Private Purpose Trust Funds	
Cash and Cash Equivalents	438,829
Agency Fund	
Cash and Cash Equivalents	64,098,810
Cash and Investments	$ 574,709,316
Deposits	$ 30,626,634
Investments	471,023,608
Investments with Trustee	72,988,125
Cooperative Investment	22,394
Petty Cash and Change Funds	48,555
Total Cash and Investments	$ 574,709,316

1. Deposits

MN. Statutes 118A.02 and 118A.04 authorize the County to designate a depository for public funds and to invest in certificates of deposit. MN. Statute 118A.03 requires that all county deposits not protected by federal deposit insurance be protected by surety bond, or pledged collateral. The collateral must 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 furnishing the collateral.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligation municipal securities rated "A" or better, revenue obligation municipal securities rated "AA" or better; irrevocable standby letters of credit issued by a Federal Home Loan Bank; and insured certificates of deposit. The market value of collateral pledged shall be at least ten% more than the amount on deposit at the close of the financial institution's banking day, except where the collateral is irrevocable standby letters of credit issued by Federal Home Loan Banks, the amount of collateral shall be equal to the amount on deposit at the close of the financial institution's banking day.

Custodial Credit Risk-Deposits. Custodial credit risk for deposits 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 on deposits. As of December 31, 2017, County's deposits were insured or collateralized in accordance with MN statutes and not exposed to custodial credit risk.

2. Investments

MN. Statutes 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 issues 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 MN. Statute 118A.04, Subd. 6. The securities are rated AA+/Aaa by Standard & Poor's and Moody's respectfully;

(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. The securities need to be rated A or better by a national bond rating agency;

(d) insured certificates of deposit and 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 market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, Ramsey County manages its exposure to declines in fair value caused by changes in interest rates by limiting the average life of its portfolio to five years. The County also invests in both shorter and longer-term investments, timing maturities so a portion of the portfolio is maturing or coming close to maturity evenly over time and providing the cash flow and liquidity needed for operations. It is the County's general practice to hold investments to maturity.

Ramsey County has adopted a simulation model of reporting of its investments and their sensitivity to fluctuations in interest rates to comply with Government Accounting Standards Board Statement No. 40, "Deposit and Investment Risk Disclosures". As presented, assumptions are made that interest rate changes of 50, 100, 150, and 200 basis points; occur on December 31, 2017. On December 31, 2017, the investment portfolio has an average book yield of 1.58% and an effective duration of 2.2 years.

Ramsey County:	+50 Basis Pts	+100 Basis Pts	+150 Basis Pts	+200 Basis Pts
U.S. Agency Securities:				
U.S. Treasury Notes	$ 37,736,520	$ 37,587,290	$ 37,439,440	$ 37,292,940
U.S. Agency Securities:				
Federal Home Loan Bank	48,923,000	48,340,000	47,761,000	47,188,000
Federal Home Loan Mtg. Corp.	64,470,000	63,594,300	62,729,270	61,883,170
Federal National Mtg. Assn.	61,356,170	60,705,360	60,063,600	59,430,750
Federal Farm Credit	49,488,940	49,117,420	48,750,810	48,389,040
Negotiable Certificates of Deposit	23,579,120	23,336,800	23,105,260	22,877,190
Federal Discount Notes	124,235,870	124,161,640	124,087,510	124,013,520
Municipal Bonds	33,237,740	32,896,640	32,561,000	32,230,840
Money Market Fund	24,998,750	24,997,250	24,996,000	24,994,500
Total Investments	$ 468,026,110	$ 464,736,700	$ 461,493,890	$ 458,299,950

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 forth by MN. Statute 118A.

Concentration of Credit Risk. The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. The County's investment policy requires a well-diversified portfolio in order to minimize the risk of loses due to an over-concentration of assets in any type of security, specific issuer, or specific maturity. The policy allows U.S. Treasury securities held without limit and places limits on holdings of non-Treasury issuers. The policy restricts Agency bond holdings 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%, and Bankers Acceptances up to 50%. County policy regarding Agency Discount Notes, Commercial Paper, Certificates of Deposits, Repurchase Agreements, and GIC's is consistent with MN. Statute 118A. County policy does not allow the use of Reverse Repurchase Agreements, Options, or Future Contracts.

Custodial Credit Risk - Investments. The custodial credit risk for investment securities 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 securities 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 MN. Statute 118A.06. 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.

The County's exposure to credit risk, concentration of credit risk, and custodial credit risk as of December 31, 2017, is as follows:

Ramsey County:	Credit Risk	Custody Credit Risk	Par	Fair Value	% of Total Portfolio
U.S. Agency Securities:					
Treasury Notes	AA+ / Aaa	Custody (a)	38,000,000	37,887,150	6.96%
U.S. Agency Securities:					
Federal Home Loan Bank	AA+ / Aaa	Custody (a)	50,000,000	49,478,500	9.10%
Federal Home Loan Mtg. Corp.	AA+ / Aaa	Custody (a)	65,975,000	65,331,520	12.01%
Federal National Mtg. Assn.	AA+ / Aaa	Custody (a)	63,000,000	62,016,110	11.40%
Federal Farm Credit	AA+ / Aaa	Custody (a)	50,300,000	49,867,504	9.17%
Negotiable Certificates of Deposit	Not Rated	Custody (b)	23,927,000	23,791,875	4.37%
Federal Discount Notes	AA+ / Aaa	Custody (a)	124,500,000	124,320,826	22.85%
OPEB Trust Investments	Not Rated	Custody (c)	49,484,331	72,988,124	13.42%
Municipal Bonds	AA / Aa2 or better	Custody (a)	33,520,000	33,330,123	6.13%
Money Market Fund	AAA-mf/AaaM	Custody (a)	25,000,000	25,000,000	4.60%
Total Investments			$523,706,331	$544,011,732	100.00%

(a) Securities held in Custody are in Ramsey County's name.

(b) FDIC Insured

(c) State run pool investments held in Custody includes equites, fixed income, and cash.

Investments for the County are stated at fair value and a market approach is used to value investments.

The County categorizes its investments using a fair value hierarchy established by generally accepted accounting principles. The hierarchy places investment in one of three categories based upon the inputs used to measure the fair value of the investment. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted for identical securities in active markets. Debt securities classified in Level 2 of the fair value hierarchy are valued using significant other observable inputs, this might include quoted prices for similar securities in active markets. Securities classified in Level 3 of the hierarchy are valued using significant unobservable inputs, this primarily includes securities that do not have active markets.

As of December 31, 2017, County investments had the following recurring fair value measurement and leveling:

Investment Type	12/31/2017	Fair Value Measurement Using Level 1	Level 2	Level 3
Investments by Fair Value level:				
Debt securities				
U.S. Treasury Notes	$ 37,887,150	$ 37,887,150	$ -	$ -
Federal Discount Notes	124,320,826	-	124,320,826	-
Federal Home Loan Bank	49,478,500	-	49,478,500	-
Federal Farm Credit	49,867,504	-	49,867,504	-
Federal National Mortgage Association	62,016,110	-	62,016,110	-
Federal Home Loan Mortgage Corporation	65,331,520	-	65,331,520	-
Municipal Bonds	33,330,123	-	33,330,123	-
Commercial Paper	-	-	-	-
Negotiable Certificates of Deposit	23,791,875	-	23,791,875	-
Money Market Fund	25,000,000	-	25,000,000	-
Total Debt Securities	$ 471,023,608	$ 37,887,150	$ 433,136,458	$ -

The County also holds funds with the State Board of Investments, an external investment pool. At year-end the funds held were $15,625,897 in the Fixed Income Pool, $6,836,482 in the Cash Pool, and $50,525,746 in the Equity Pool. The fair value of the investments is the fair value per share of the underlying portfolio. The County invests in this pool due to the increased investment authority and historically higher rate of return on investments, as a revocable OPEB trust.

B. Receivables

The receivables are expected to be collected within one year, except for the loans receivable and notes receivable. In the Governmental Activities an allowance for delinquent taxes has been established in the amount of $3,328,469. Governmental Activities receivables reflect an allowance for doubtful accounts in the amount of $46,697 and Business-Type Activities receivables reflect an allowance for doubtful accounts in the amount of $362,753.

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:

Year Ended December 31	Lease Receivable
2018	393,672
2019	394,697
2020	390,363
2021	390,849
2022	390,977
2023-2027	1,949,232
2028-2030	1,165,835
	5,075,625
Less Interest	(1,073,625)
Present Value of Lease Receivable	$ 4,002,000

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.

C. Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
Governmental Activities:					
Capital Assets not Being Depreciated:					
Land	$ 150,259,250	$ (2,174,954)	$ 444,752	$ -	$ 148,529,048
Construction in Progress	43,283,806	26,109,521	16,879,533	(19,197,523)	$ 67,075,337
Total Capital Assets, not Being Depreciated	193,543,056	23,934,567	17,324,285	(19,197,523)	215,604,385
Capital Assets, Being Depreciated:					
Buildings	475,879,811	(322,768)	1,412,176	(6,712)	476,962,507
Buildings Improvements	42,359,313	1,328,879	2,790,617	(165,041)	46,313,768
Improvements Other Than Buildings	55,801,457	837,484	1,291,489	-	57,930,430
Machinery and Equipment	84,700,969	(6,819,006)	4,387,427	(2,456,129)	79,813,261
Computer Software	8,810,635	729,475	3,967,820	-	13,507,930
Infrastructure	462,888,653	(1,066,654)	18,000,976	(450,275)	479,372,700
Total Capital Assets Being Depreciated	1,130,440,838	(5,312,590)	31,850,505	(3,078,157)	1,153,900,596
Buildings	(112,911,679)	(4,648,294)	(9,690,068)	2,697	(127,247,344)
Buildings Improvements	(28,607,703)	3,159,983	(3,369,501)	165,041	(28,652,180)
Improvements Other Than Buildings	(34,136,508)	(837,048)	(2,274,766)	-	(37,248,322)
Machinery and Equipment	(56,677,242)	6,586,544	(4,926,807)	2,207,902	(52,809,603)
Computer Software	(8,810,635)	(729,788)	(66,252)	-	(9,606,675)
Infrastructure	(250,614,892)	1,014,842	(10,851,938)	-	(260,451,988)
Total Accumulated Depreciation	(491,758,659)	4,546,239	(31,179,332)	2,375,640	(516,016,112)
Total Capital Assets Being Depreciated, Net	638,682,179	(766,351)	671,173	(702,517)	637,884,484
Governmental Activities Capital Assets, Net	$ 832,225,235	$ 23,168,216	$ 17,995,458	$ (19,900,040)	$ 853,488,869
Business-type activities:					
Capital Assets not Being Depreciated:					
Land	$ 1,877,153	$ -	$ -	$ -	$ 1,877,153
Capital Assets, Being Depreciated:					
Buildings	16,488,090	-	-	-	16,488,090
Buildings Improvements	3,696,531	-	-	-	3,696,531
Improvements Other Than Buildings	1,537,677	-	-	-	1,537,677
Machinery and Equipment	2,186,967	-	306,047	(81,682)	2,411,332
Total Capital Assets Being Depreciated	23,909,265	-	306,047	(81,682)	24,133,630
Less Accumulated Depreciation for:					
Buildings	(6,080,983)	-	(372,383)	-	(6,453,366)
Buildings Improvements	(2,105,422)	-	(153,012)	-	(2,258,434)
Improvements Other Than Buildings	(1,144,787)	-	(61,372)	-	(1,206,159)
Machinery and Equipment	(1,463,745)	-	(280,472)	73,691	(1,670,526)
Total Accumulated Depreciation	(10,794,937)	-	(867,239)	73,691	(11,588,485)
Total Capital Assets Being Depreciated, Net	13,114,328	-	(561,192)	(7,991)	12,545,145
Business-Type Activities Capital Assets, Net	$ 14,991,481	$ -	$ (561,192)	$ (7,991)	$ 14,422,298

Depreciation expense was charged to functions / programs as follows:

Governmental Activities:	
General Government	$ 4,708,684
Public Safety	5,557,257
Transportation, including depreciation of infrastructure assets	14,949,268
Health	173,162
Sanitation	61,002
Human Services	491,154
Culture and Recreation	3,426,512
Conservation of Natural Resources	35,960
Economic Development and Assistance	41,583
Capital assets held by the County's Internal Service funds are charged to the various functions based on their usage of the assets	1,734,750
Total Depreciation Expense - Governmental Activities	$ 31,179,332
Business-Type Activities:	
Lake Owasso Residence	184,726
Ramsey County Care Center	300,508
Vadnais Sports Center	174,259
Law Enforcement Services	207,746
Total Depreciation Expense - Business-Type Activities	$ 867,239

Construction and Other Significant Commitments

The government has active construction projects as of December 31, 2017. The projects include widening and construction of existing streets and bridges, and the development of the TCAAP property held for resale. At year-end the government's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Road and Bridge Construction	$ 62,370,844	$ 5,892,941
Twin Cities Army Ammunition Plant (TCAAP)	41,856,339	-

The remaining commitment amounts for the Road and Bridge Construction and TCAAP were encumbered at fiscal year-end.

Encumbrances. As discussed in Note III. C., encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the number of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	$ 2,406,205
Capital Projects Fund	11,600,687
Nonmajor Governmental Funds	1,728,536
Total	$ 15,735,428

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2017, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 1,153,234
	Lake Owasso Residence	113,361
Nonmajor Governmental Funds	General	45,009
	Nonmajor Governmental Funds	600,720
Internal Service Funds	General	41,640
	Nonmajor Governmental Funds	15,821
	Lake Owasso Residence	2,535,023
	Ramsey County Care Center	3,385,483
	Vadnais Sports Center	40
	Internal Service Funds	4,833,950
Total		$ 12,724,281

The outstanding balances between funds result mainly from time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Lake Owasso Residence and Ramsey County Care Center also owed funds to the Debt Service Fund for principal and interest which Ramsey County had paid on their behalf.

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

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Debt Service	$ 378,206
	Capital Projects Fund	18,673,321
	Nonmajor Governmental Funds	4,500,000
Debt Service	Lake Owasso Residence	378,206
	Ramsey County Care Center	433,373
Capital Projects	Vadnais Sports Center	8,660,000
Nonmajor Governmental Funds	Capital Projects Fund	3,056,478
Total		$ 36,079,584

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

Interfund transfers:

	Transfers In					
	General	Capital Projects	Enterprise	Nonmajor Governmental	Internal Service	Total
Transfers Out						
General	$ -	$ 400,000	$ 2,626,527	$ 70,410	$ 6,285,355	$ 9,382,292
Capital Projects Funds	2,640,860	-	-	-	-	2,640,860
Nonmajor Governmental Funds	1,810,834	-	-	1,600,000	-	3,410,834
Internal Service Funds	261	-	-	-	-	261
Total transfers out	$ 4,451,955	$ 400,000	$ 2,626,527	$ 1,670,410	$ 6,285,355	$ 15,434,247

Transfers are used to move revenues from the General Fund to finance various programs accounted for in other funds, move restricted funds to the Debt Service Fund, and also 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.

There was one conduit bond issuance at December 31, 2017. Conduit bonds have an outstanding principal balance of $4,485,886 at December 31, 2017 as follows:

	Issue Year	Principal Balance
Centex – Chestnut Housing (Upper Landings)	2002	$ 4,485,886

F. Leases Payable

Operating Leases

The County leases real estate and equipment under leases expiring at various dates through 2023. Total costs for such leases were $2,554,832 for year ended December 31, 2017. The future minimum lease payments for these leases are as follows:

Year Ending December 31	General Fund
2018	$ 3,161,890
2019	5,239,494
2020	3,085,373
2021	2,817,524
2022	1,910,251
2023-2027	2,293,975
2028	78,070
Total	$ 18,586,577

G. 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 of vacation leave and 15 days of sick leave per year.

H. Unearned Revenue / Deferred Inflow of Resources

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

	Unavailable	Prepaid Taxes	Total	Unearned
Delinquent Property Taxes Receivable	$ 4,086,318	$ -	$4,086,318	$ -
Receivables that do not Provide Current Financial Resources	42,652,748	-	42,652,748	-
Loans Receivable	14,413,472	-	14,413,472	-
Forfeited Tax Sale Accounts Receivable	4,435,460	-	4,435,460	-
Notes Receivable	3,711,972	-	3,711,972	-
Grant Drawdowns Prior to Meeting Eligibility Requirements	-	-	-	1,658,834
Prepaid Taxes	-	14,887,729	14,887,729	-
Total	$ 69,299,970	$ 14,887,729	$ 84,187,699	$ 1,658,834

I. Long-Term Obligations

General Obligation Bonds and Notes

The County issues general obligation bonds and notes to provide funding for the acquisition and construction of major capital projects. General obligation bonds and notes have been issued for both governmental and business-type activities. As of December 31, 2017, the outstanding amount of general obligation bonds and notes issued in years prior to 2017 was $193,602,000. No general obligation bonds were issued by the County during 2017.

The following is a list of the long-term debt transactions of the County for the year ended December 31, 2017:

	Payable January 1	Additions	Deductions	Payable December 31	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
General Obligation Bonds	$ 214,140,000	$ -	$ 26,580,000	$ 187,560,000	$ 16,825,000
Note Payable	4,242,000	-	240,000	4,002,000	250,000
Premium/Discount	14,524,471	-	2,299,744	12,224,727	1,851,384
Total General Obligation Bonds and Notes Payable	232,906,471	-	29,119,744	203,786,727	18,926,384
Loans Payable:					
Governmental Funds	3,371,667	-	3,371,667	-	-
Claims and Judgments Payable					
Governmental Funds	7,043,196	3,341,125	4,140,487	6,243,834	3,004,600
Compensated Absences:					
Governmental Funds	33,655,527	19,090,211	19,666,080	33,079,658	18,211,686
Internal Service Funds:					
Information Services	907,736	483,415	493,141	898,010	528,848
General County Buildings	799,888	315,113	305,012	809,989	369,389
Fleet Services	215,773	106,297	101,952	220,118	134,344
Total Compensated Absences	35,578,924	19,995,036	20,566,185	35,007,775	19,244,267
Governmental Activities Long-term Liabilities	$ 278,900,258	$ 23,336,161	$ 57,198,083	$ 245,038,336	$ 41,175,251
BUSINESS-TYPE ACTIVITIES:					
General Obligation Bonds:					
Enterprise Funds:					
Lake Owasso Residence	$ 1,100,000	$ -	$ 280,000	$ 820,000	$ 260,000
Ramsey Care Center	2,660,000	-	1,440,000	1,220,000	100,000
Vadnais Sports Center	-	-	-	-	-
Premium/Discount	285,684	-	78,051	207,633	38,049
Total General Obligation Bonds	4,045,684	-	1,798,051	2,247,633	398,049
Compensated Absences:					
Enterprise Funds:					
Lake Owasso Residence	834,916	437,273	391,141	881,048	584,214
Ramsey Care Center	1,082,076	595,213	610,916	1,066,373	543,594
Vadnais Sports Center	24,040	26,592	14,568	36,064	30,285
Law Enforcement Services	483,663	297,056	343,311	437,408	437,408
Total Compensated Absences	2,424,695	1,356,134	1,359,936	2,420,893	1,595,501
Business-Type Activities Long-term Liabilities	$ 6,470,379	$ 1,356,134	$ 3,157,987	$ 4,668,526	$ 1,993,550

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, 2017, comprises the following individual issues:

COUNTY GENERAL OBLIGATION DEBT:

County-wide General Obligation Bonds

$6,100,000 General Obligation Capital Improvement Plan (CIP) Bonds Series 2008A, annual installments of $175,000 to $455,000 through February 1, 2028 - interest rate 3.92%	$ 2,555,000
$6,100,000 General Obligation CIP (Build America) Bonds Series 2009A, annual installments of $175,000 to $450,000 through February 1, 2029 - interest rate 3.38%	2,940,000
$15,950,000 General Obligation Library (Build America) Bonds Series 2009B, annual installments of $580,000 to $1,530,000 through February 1, 2029 - interest rate 3.42%	10,075,000
$6,950,000 General Obligation CIP Refunding Bonds Series 2010A, annual installments of $510,000 to $955,000 through February 1, 2021 - interest rate 2.37%	2,370,000
$8,730,000 General Obligation CIP (Build America) Bonds Series 2010B, annual installments of $200,000 to $1,275,000 through February 1, 2022 - interest rate 2.48%	3,715,000
Series, 2010C annual installments of $230,000 to $1,040,000 through February 1, 2030 - interest rate 2.91%	7,770,000
$18,500,000 General Obligation CIP Bonds Series 2011A, annual installments of $390,000 to $1,195,000 through February 1, 2031 - interest rate 3.41%	14,050,000
$37,765,000 General Obligation CIP Refunding Bonds Series 2011B, annual installments of $2,760,000 to $6,115,000 through February 1, 2022 - interest rate 1.32%	16,390,000
$18,500,000 General Obligation CIP Bonds Series 2012A, annual installments of $195,000 to $1,205,000 through February 1, 2032 - interest rate at 2.72%	14,705,000
$13,185,000 General Obligation CIP Refunding Bonds Series 2012B, annual installments of $225,000 to $1,635,000 through February 1, 2023 - interest rate 1.30%	9,025,000
$3,155,000 General Obligation CIP Refunding Bonds Series 2012C, annual installments of $165,000 to $240,000 through February 1, 2028 - interest rate 1.98%	2,435,000
$22,700,000 General Obligation CIP Bonds Series 2013A, annual installments of $365,000 to $2,815,000 through February 1, 2033 - interest rate 2.41%	18,900,000
$12,000,000 General Obligation CIP Taxable Bonds Series 2013B, annual installments of $510,000 to $810,000 through February 1, 2033 - interest rate 3.23%	10,425,000
$5,680,000 General Obligation Library Refunding Bonds Series 2014A, annual installments of $445,000 to $685,000 through February 1, 2024 - interest rate 1.84%	4,240,000
$9,500,000 General Obligation CIP Taxable Bonds Series 2014B, annual installments of $370,000 to $630,000 through February 1, 2034 - interest rate 3.52%	8,205,000
$3,300,000 General Obligation Library Bonds Series 2014C, annual installments of $30,000 to $245,000 through February 1, 2034 - interest rate 3.05%	3,100,000
$6,870,000 General Obligation CIP Refunding Bonds Series 2014D, annual installments of $555,000 to $800,000 through February 1, 2024 - interest rate 1.82%	5,070,000
$3,500,000 General Obligation CIP Bonds Series 2015A, annual installments of $255,000 to $835,000 through February 1, 2025 - interest rate 1.69%	2,410,000
$14,445,000 General Obligation Library Bonds Series 2015B, annual installments of $510,000 to $1,025,000 through February 1, 2035 - interest rate 2.78%	13,935,000

$17,900,000 General Obligation Solid Waste Facility Revenue Bonds Series 2016A, annual installments of $505,000 to $1,000,000 through February 1, 2041 - interest rate 2.92%	17,375,000
$5,435,000 General Obligation CIP Bonds Series 2016B, annual installments of $200,000 to $715,000 through February 1, 2026 - interest rate 1.38%	5,160,000
$15,825,000 General Obligation CIP Refunding Bonds Series 2016C, annual installments of $1,075,000 to $2,030,000 through February 1, 2027 - interest rate 1.38%	14,750,000
Total General Obligation Bonds	189,600,000
General Obligation Notes Payable:	
$6,872,000 2001 General Obligation Notes due in annual installments of $150,000 to $372,000 through August 20, 2030 - interest at 3.59%	4,002,000
Total County General Obligation Debt	$ 193,602,000

Annual Requirement to Amortize Long-Term Debt
The annual requirements to amortize all long-term debt outstanding as of December 31, 2017, carrying interest rates of 1.30% to 4.32% are:

Years Ending December 31	Principal	Interest	Principal	Interest
2018	$ 17,075,000	$ 7,406,394	$ 360,000	$ 79,000
2019	18,125,000	6,694,577	380,000	64,200
2020	18,325,000	5,923,489	395,000	46,725
2021	17,760,000	5,115,601	115,000	33,975
2022	17,220,000	4,321,264	120,000	28,100
2023-2027	54,280,000	13,893,299	670,000	52,150
2028-2032	34,772,000	5,279,417	-	-
2033-2037	10,185,000	1,166,589	-	-
2038-2041	3,820,000	244,313	-	-
Total	$ 191,562,000	$ 50,044,943	$ 2,040,000	$ 304,150

The County is subject to Minn. Stat., Sect. 475.53, Subd. 1, as amended in 2008, which limits the amount of bonded debt (exclusive of revenue bonds) that the County may have outstanding to 3% of the estimated market value of property within the County. At December 31, 2017, the statutory limit for the County was $1,328,493,171 providing a debt margin of $1,190,390,420.

There is $58,145,792 available in the Debt Service Fund to service the General Obligation Bonds and Notes Payable. There may be 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, 2017 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:

	Outstanding	Percentage Applicable To the County	County's Share Of Debt
Direct Debt			
Ramsey County	$ 203,786,727	100.0%	$ 203,786,727
Overlapping Debt			
Cities	34,404,217	8.5%	2,911,717
School Districts	214,000,000	61.4%	131,447,061
Other	188,620,614	14.8%	27,915,851
Underlying Debt			
Cities and Towns	227,869,357	100.0%	227,869,357
School Districts	538,705,000	100.0%	538,705,000
Other	41,530,770	100.0%	41,530,770
TOTAL	$ 1,448,916,685		$ 1,174,166,483

Regional Railroad Authority Loan
On April 19, 2012, the Ramsey County Regional Railroad Authority (RCRRA) closed on two $10,000,000 Limited Tax Obligation Notes (Union Depot Project), Series 2012A and 2012B through U.S. Bank. Loan proceeds were used to provide partial financing of construction costs to transform the Union Depot into a multi-modal transit hub. The loan terms were five years, callable at par after three years, with interest only payments beginning August 1, 2012 and February 1, 2013, respectively, and principal and interest payments beginning August 1, 2014. The final payment of both loans was paid February 1, 2017.

Bond Refunding
In August of 2016, the County issued General Obligation Capital Improvement Plan Refunding Bonds, Series 2016C in the amount of $15,825,000. The Bonds will be general obligations of the County for which the County pledges its full faith and credit and power to levy direct general ad valorem taxes. The Series 2016C bonds refunded Series 2005B, Series 2006A, and Series 2007A bond issues to achieve interest cost savings. The refunding resulted in future debt service savings of $2,494,853 and an economic gain of $2,338,197. The refunded 2005B and 2006A bonds were called on October 1, 2016. The 2007A bonds were advance refunded and called on August 1, 2017.

J. Net Position
Net position in the government-wide and proprietary fund financial statements is classified in the following categories:

Net investment in capital assets is the amount of net position representing capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted net position is the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position is the amount of net position that does not meet the definition of restricted or net investment in capital assets.

K. Fund Balances

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are as follows:

Nonspendable is the amount of fund balance that cannot be spent because it is either not in spendable form or is legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted directly into cash, and includes items such as inventory and advances from the General Fund.

Restricted is the amount of fund balance subject to external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions and enabling legislation.

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

Assigned is the amount of fund balance the County intends to use for specific purposes but does not meet the criteria to be classified as "restricted" or "committed." In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the County Board. The County Board has also adopted a fund balance policy that delegates authority to assign fund balance to the County Manager.

Unassigned is the residual classification for the General Fund and includes all spendable amounts not contained in the other fund balance classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed, or assigned.

Minimum Fund Balance Policy:
The Minnesota State Auditor's Office recommends that local governments determine, establish and maintain a desired minimum level of unrestricted fund balance of their governmental funds that is sufficient to provide cash flow until the first tax collections are received, to support self-insurance activities, and fund legal obligations that will be paid out of cash at a later date. Also, local governments need to maintain a prudent level of financial resources to protect against a forced service level reduction or having to raise taxes or fees because of unpredicted one-time expenditures. It is the policy of Ramsey County that we will follow the State Auditor's Recommendation as stated above. Accordingly, Ramsey County policy requires 1) maintain an unrestricted General Fund Balance of no more than 50% of current year revenues, current year expenditures, or the subsequent year's operating budget; 2) maintain an unassigned General Fund Balance of no less than two months of the subsequent year's budget; 3) commit and transfer any unrestricted General Fund Balance in excess of the 50% threshold to the Capital Projects Fund.

Policy on Unassigned Fund Balance Process
The County's Unassigned General Fund Balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Policy on Assigned Fund Balance Process
Ramsey County's Assigned Fund Balance consists of internally imposed constraints established by the Ramsey County Commissioners and/or management that reflect the specific purpose for which it is Ramsey County's intended use. Pursuant to Ramsey County Resolution 2010-412, the County Manager is authorized to establish assignments of fund balance. Examples include capital expenditures and self-insurance.

Policy on Committed Fund Balance Process
Fund Balance of the County for a specific source may be committed by formal action of the Ramsey County Board. Formal action consists of internally imposed constraints established by Resolution of the Ramsey County Board. Amendments or modifications of the committed fund balance must also be approved by formal action of the Ramsey County Board. Examples include encumbrances, budget carryovers for a specific item or purpose and an appropriation of existing fund balance for a specific use.

Policy on Priority of Fund Balance Used
For eligible expenditures for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows:

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

When Committed, Assigned or Unassigned resources are available for use, it is Ramsey County's policy to use resources in the following order: 1) Committed, 2) Assigned and 3) Unassigned.

Fund Balance Classifications:
The fund balance of $58,145,792 of the Debt Service Fund is restricted for debt service expenditures. The fund balance of the Capital Projects Fund has $13,139,534 of unspent bond proceeds classified as restricted and $16,672,707 committed for purchase and upgrade of facilities. The fund balance of the Regional Railroad Authority Capital Projects Fund is assigned to Regional Rail projects. The remaining detail of Ramsey County's fund balance classification is as follows:

Fund Balance Classification	General Fund	Other Governmental Funds
Nonspendable:		
Petty Cash	$ 25,185	$ 2,195
Inventory	1,308,968	-
Advances	23,894,899	-
Total Nonspendable	$ 25,229,052	$ 2,195
Restricted		
Aggregate Pit Restoration	$ 210,059	$ -
Child Protection	4,100,070	-
Donations for various purposes	-	605,382
Criminal Forfeitures	-	1,414,125
Technology	-	1,149,854
Environmental Response Fund	-	2,067,165
Library	-	4,339,843
Sanitation	-	21,461,743
Affordable Housing	-	794,763
Parks and Recreation	-	442,213
Transportation		6,501,300
Other	-	2,454,760
Total Restricted	$ 4,310,129	$ 41,231,148
Committed		
Corrections	$ -	$ 444,912
Emergency Communications	-	4,702,842
Total Committed	$ -	$ 5,147,754
Assigned		
Capital Expenditures	$ 4,001,099	$ -
Self-Insurance	10,033,547	-
Projects	20,345,682	-
Human Services	-	-
General Government	793,035	-
Public Safety	11,060	196,729
Highways and Streets	37,255	-
Health	171,930	-
Culture and Recreation	2,253	-
Emergency Communications	-	8,261,188
Regional Railroad Authority	-	30,427,166
Corrections	-	310,016
Total Assigned	$ 35,395,861	$ 39,195,099

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 2017, the investment earnings for the General Fund, including unrealized gains (losses) on investments, are as follows:

Interest on Investments	$ 6,088,999
Unrealized Loss on Investments	(2,859,164)
	$ 3,229,835

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 County Care Center risk management activities which are reported in the Ramsey County Care Center 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 December 31, 2016	Year Ended December 31, 2017
Unpaid claims, beginning of fiscal year	$ 7,018,756	$ 7,043,196
Incurred claims (including IBNRs)	5,316,033	3,341,125
Claim payments	(5,291,593)	(4,140,487)
Unpaid claims, end of fiscal year	$ 7,043,196	$ 6,243,834

The County carries commercial insurance for:

1) Ramsey County Care Center (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 $2,000,000 for any claim. The WCRA becomes responsible for the amount in excess of $2,000,000. The limit changes each year. A premium is paid by the County to the association based on the County's total salary costs.

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 Events

$11,200,000 of General Obligation Capital Improvement Plan Bonds, Series 2018A, financing various capital improvement projects were authorized on April 17, 2018.

$9,150,000 of General Obligation Library Refunding Bonds, Series 2018B, to refund the Taxable General Obligation Library Bonds, Series 2009B were authorized on April 17, 2018.

$12,205,000 of General Obligation Capital Improvement Plan Refunding Bonds, Series 2018C, to refund the Taxable General Obligation Capital Improvement Plan Bonds, Series 2009A and Taxable General Obligation Capital Improvement Plan Bonds, Series 2010A were authorized on April 17, 2018.

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 Uniform Guidance or audits by the grantor agency.

LITIGATION
The County was a defendant in a class action lawsuit filed in U.S. District Court involving exposure to a contagious disease at the Ramsey County Correctional Facility. Compensation was being sought for inmates who were exposed to tuberculosis. The County denies liability to the plaintiffs and other class members. Nevertheless, the parties have entered into a settlement.

As part of the settlement, the County agreed to make monetary payments to eligible class members as compensation for the injury they incurred and complications they experienced as a result of contracting tuberculosis (TB) at the Workhouse. The County also agreed to provide or fund medically necessary diagnostic procedures, care and treatment to the eligible class members.

The County established a fund to pay the settlement costs of plaintiff attorney fees. To date, $9,576,000 has been paid to eligible class members, plaintiff attorney fees and County defense fees.

The file is closed in its entirety. An inmate has come forward to present a claim. The terms of the settlement agreement require testing to have been completed on or before February 11, 2011. To date the inmate has not been able to produce documentation that he was tested. Failure to comply with the terms of the settlement agreement should exclude him from receiving any settlement.

D. Joint Ventures

RECYCLING AND ENERGY BOARD
In 2012, Ramsey and Washington Counties entered into a new three-year service agreement (2013 – 2015) with the owner of the Ramsey/Washington County Resource Recovery Facility, Resource Recovery Technologies, Inc.

The Counties have a Joint Powers Agreement to administer the service agreement with Ramsey County and other joint programs. The term of the current joint powers agreement was through 2017. An Amended and Restated Joint Powers Agreement was signed in September 2015. The new agreement will continue until terminated or dissolved in accordance with Section IX.B3 of the agreement. Ramsey and Washington Counties had three previous Joint Powers Agreements (JPA) for the Resource Recovery Project from 1982 to 1984, from 1985 to 2006, and from 2007 to 2012. The Resource Recovery Project Board has since been renamed to the Ramsey/Washington Recycling and Energy Board.

In the Fall of 2015, the Resource Recovery Project Board took a significant step toward improving the environment and achieving their common vision to increase recycling and get the most value out of trash by taking an action to recommend the purchase of the Resource Recovery Technologies, Inc. facility in Newport.

The Counties funded the purchase of the processing facility by the Ramsey/Washington Recycling and Entergy Board from its previous private owners in December 2015, after more than two years of studying how it could be used along with new technologies to modernize the East Metro's trash handling system.

Ramsey County issued bonds in the amount of $17,900,000 for its share of the purchase of the facility. These funds were in turn loaned to the Ramsey/Washington Recycling and Energy Board to fund the purchase. The joint powers agreement designates Ramsey County to serve as the administrative entity for the Energy Board. In 2016, Ramsey County advanced an additional $2,993,000 to provide working capital funds, which will be repaid from future operations.

Ramsey County's ongoing financial interest in the project is 73% of the obligations or resources upon termination of the agreement. Summary financial information for this joint venture as of and for the year ended December 31, 2017 have been subjected to audit in the following table:

	Total Project
Total Assets	$ 41,203,749
Deferred Outflows	179,053
Total Liabilities	33,926,737
Deferred Inflows	46,546
Total Net Position	7,409,519
Total Revenues	44,329,822
Total Expenses	43,006,322
Net (Decrease) in Net Position	$ 1,323,500

Financial statements for Ramsey/Washington Recycling and Energy Board are available from the R&E Board Office 2785 White Bear Ave, Suite 350, Maplewood, MN 55109.

VERIFICATION COLLABORATIVE EXECUTIVE COMMITTEE

Ramsey County entered into a joint powers agreement pursuant to the provisions of MN 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 and no financial report is available.

COUNTIES TRANSIT IMPROVEMENT BOARD (CTIB)

CTIB was created on April 1, 2008, as required by Minn. Statute Section 297A.992, by joint powers agreement between the counties of Anoka, Dakota, Hennepin, Ramsey, and Washington. Its purpose is to receive and distribute a ¼ cent transit sales tax for the development, construction, and operation of transit ways serving the five-county area. During the June 13, 2017 board meeting, the Board of Commissioners approved resolution # B2017-142 to dissolve the Counties Transit Improvement Board effective June 30, 2017. The CTIB was replaced by the Board of Commissioner's approval of resolution # B2017-143, which imposes a ½ cent sales tax for transit and transportation improvements. Ramsey County will be administering these funds.

METROPOLITAN EMERGENCY SERVICES BOARD

Pursuant to Minn. Stat. § 471.59, Ramsey County entered into a joint powers agreement with Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Scott, Washington Counties and the City of Minneapolis. The purposes of the agreement are: (a) the implementation and administration of a regional 911 system, and (b) encouraging the development of new resources and the coordination of emergency medical services.

The Board, consisting of one commissioner from Chisago and Isanti counties, up to four commissioners from Hennepin and Ramsey Counties and two commissioners from each of the remaining counties and the City of Minneapolis, determines the amount of contribution by each participating county according to an assessment formula.

Financial statements are prepared by Washington County and audited by Redpath, and Company. Financial statements can be obtained at the 911 Board Office, 2099 University Avenue, Saint Paul, MN 55104-3431

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.

- 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.

- 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.

- 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.

- Mental Health Crisis Alliance: A Cooperative Agreement was established with Dakota County to provide funding to increase mental health crisis services for adults. A Cooperative Agreement was created with a governing board which will be referred to as the East Metropolitan Adult Crisis Stabilization Collaborative ("EMACS"). Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative.

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 General Employees Retirement Plan, the Public Employees Police and Fire Plan, and the Local Government Correctional Service Retirement Plan (the Public Employees Correctional Plan), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. Chs. 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement Plan (GERP)
General Employees Retirement Plan (accounted for in the General Employees Fund) has multiple benefit structures with members belonging to the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan, for which benefits vest after five years of credited service.

2. Public Employees Police and Fire Plan (PEPFP)
Police officers, firefighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Plan (accounted for in the Police and Fire Fund). For members first hired after June 30,

2010, but before July 1, 2014, benefits vest on a prorated basis starting with 50% after 5 years and increasing 10% for each year of service until fully vested after 10 years. Benefits for members first hired after June 30, 2014, vest on a prorated basis from 50% after 10 years and increasing 5% for each year of service until fully vested after 20 years.

3. Public Employees Correctional Plan (PECP)
Local government employees of a county-administered facility who are responsible for the direct security, custody, and control of the county correctional facility and its inmates are covered by the Public Employees Correctional Plan (accounted for in the Correctional Fund). For members hired after June 30, 2010, benefits vest on a prorated basis starting with 50% after 5 years and increasing 10% for each year of service until fully vested after 10 years.

Benefits Provided:
PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefit provisions are established by state statute and can be modified only by the state legislature. Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. General Employees Retirement Plan and Public Employees Police and Fire Plan benefit recipients receive a future annual 1.0% post-retirement benefit increase, while Public Employees Correctional Plan benefit recipients receive 2.5%. For the General Employees Retirement Plan and the Public Employees Police and Fire Plan, if the funding ratio reaches 90% for two consecutive years, the benefit increase will revert to 2.5%. If, after reverting to a 2.5% benefit increase, the funding ratio declines to less than 80% for one year or less than 85% for two consecutive years, the benefit increase will decrease to 1.0%.

The benefit provisions stated in the following paragraph 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 their public service.

1. GERP Benefits
Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. Members hired prior to July 1, 1989, receive 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% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. Only Method 2 is used for members hired after June 30, 1989. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired after June 30, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. Disability benefits are available for vested members and are based upon years of service and average high-five salary.

2. PEPFP Benefits
Benefits for the PEPFP members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFP members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFP members, normal retirement age is 55, and for members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

3. PECP Benefits
Benefits for PECP members first hired after June 30, 2010, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. The annuity accrual rate is 1.9% of average salary for each year of service in that plan. For PECP members, normal retirement age is 55, and for members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Contributions
Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the state legislature.

1. GERP Contributions
Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.50%, respectively, of their annual covered salary in calendar year 2017. The County was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2017. The County's contributions to the GERP for the year ended December 31, 2017, were $16,140,658. The County's contributions were equal to the required contributions as set by state statute.

2. PEPFP Contributions
Plan members were required to contribute 10.80% of their annual covered salary in calendar year 2017. The County was required to contribute 16.20% of pay for PEPFP members in calendar year 2017. The County's contributions to the PEPFP for the year ended December 31, 2017, were $3,022,165. The County's contributions were equal to the required contributions as set by state statute.

3. PECP Contributions
In calendar year 2017 plan members were required to contribute 5.83% of their annual covered salary. The County was required to contribute 8.75% of pay for PECP members in calendar year 2017. The County's contributions to the PECP for the year ended December 31, 2017, were $2,196,141. The County's contributions were equal to the required contributions as set by state statute.

Pension Costs
1. GERP Pension Costs
At December 31, 2017, the County reported a liability of $ 217,168,667 for its proportionate share of the General Employees Retirement Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the County's proportion was 3.4018%. It was 3.2633% measured as of June 30, 2016. The County recognized pension expense of $ 30,055,556 for its proportionate share of the General Employees Retirement Plan's pension expense.

The County also recognized $ 78,866 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's contribution to the General Employees Retirement Plan, which qualifies as a special funding situation. Legislation requires the State of Minnesota to contribute $6 million to the General Employees Retirement Plan each year, starting September 15, 2015, through September 15, 2031.

The County's proportionate share of the net pension liability	$	217,168,667
State of Minnesota's proportionate share of the net pension liability associated with the County		2,730,724
Total	$	219,899,391

The County reported its proportionate share of the General Employees Retirement Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 7,157,217	$ 13,475,610
Changes in actuarial assumptions	34,586,759	21,771,180
Difference between projected and actual investment earnings	51,045	-
Changes in proportion	8,156,448	5,862,574
Contributions paid to PERA subsequent to the measurement date	8,101,766	-
Total	$ 58,053,235	$ 41,109,364

The $ 8,101,766 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30	Pension Expense Amount
2018	$ 6,633,342
2019	13,227,098
2020	(1,799,941)
2021	(9,218,394)
	$ 8,842,105

2. PEPFP Pension Costs

At December 31, 2017, the County reported a liability of $ 26,408,328 for its proportionate share of the Public Employees Police and Fire Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the County's proportion was 1.956%. It was 1.729% measured as of June 30, 2016. The County recognized pension expense of $ 6,701,531 for its proportionate share of the Public Employees Police and Fire Plan's pension expense.

The County also recognized $ 176,040 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's on-behalf contribution to the Public Employees Police and Fire Plan. Legislation requires the State of Minnesota to contribute $9 million to the Police and Fire Plan each year, starting in fiscal year 2014, until the plan is 90% funded.

The County reported its proportionate share of the Public Employees Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 607,866	$ 6,379,939
Changes in actuarial assumptions	30,549,701	37,493,273
Difference between projected and actual investment earnings	-	527,171
Changes in proportion	7,656,389	954,437
Contributions paid to PERA subsequent to the measurement date	1,495,324	-
Total	$ 40,309,280	$ 45,354,820

The $ 1,495,324 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30	Pension Expense Amount
2018	$ 624,385
2019	624,385
2020	(293,701)
2021	(1,637,169)
2022	(5,858,764)
	$ (6,540,864)

3. PECP Pension Costs

At December 31, 2017, the County reported a liability of $ 36,280,627 for its proportionate share of the Public Employees Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the County's proportion was 12.73%. It was 13.00% measured as of June 30, 2016. The County recognized pension expense in the amount of $ 13,726,665 for its proportionate share of the Public Employees Correctional Plan's pension expense.

The County reported its proportionate share of the Public Employees Correctional Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 24,787	$ 587,248
Changes in actuarial assumptions	20,171,580	6,315,353
Difference between projected and actual investment earnings	-	158,739
Changes in proportion	19,325	747,304
Contributions paid to PERA subsequent to the measurement date	1,100,142	-
Total	$ 21,315,834	$ 7,808,644

The $ 1,100,142 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30	Pension Expense Amount
2018	$ 7,805,800
2019	8,064,901
2020	(2,453,718)
2021	(1,009,935)
	$ 12,407,048

Total Pension Expense

The total pension expense for all plans recognized by the County for the year ended December 31, 2017, in the amount of $ 50,483,752.

Actuarial Assumptions
The total pension liability in the June 30, 2017, actuarial valuation was determined using the individual entry-age normal actuarial cost method and the following additional actuarial assumptions:

	Annual Rates
Inflation	2.50%
Active Member Payroll Growth	3.25%
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for all plans for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases for retirees are assumed to be one percent per year for the General Employees Retirement Plan through 2044 and Public Employees Police and Fire Plan through 2064 and then 2.5% thereafter for both plans, and 2.5% for all years for the Correctional Plan.

Actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Retirement Plan was completed in 2015. The most recent five-year experience study for Public Employees Police and Fire Plan was completed in 2016. The experience study for the Public Employees Correctional Plan was completed in 2012.

The following changes in actuarial assumptions occurred in 2017:

General Employees Retirement Plan
- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability and 3.0% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Public Employees Police and Fire Plan
- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The CSA load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.0% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65% to 60%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064 and 2.50% thereafter.
- The Single Discount Rate was changed from 5.6% per annum to 7.5% per annum.

Public Employees Correctional Plan
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016 and is applied to healthy and disabled members. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to MP-2016).
- The CSA load was 30% for vested and non-vested, deferred members. The CSA has been changed to 35% for vested members and 1% for non-vested members.
- The Single Discount Rate was changed from 5.31% per annum to 5.96% per annum.

The long-term expected rate of return on pension plan investments is 7.5%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic stocks	39 %	5.10 %
International stocks	19	5.30
Bonds	20	0.75
Alternative assets	20	5.90
Cash	2	0.00
	100 %	

Discount Rate
The discount rate used to measure the total pension liability was 7.50% in 2017, which remained consistent with 2016. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the fiduciary net position of the General Employees Retirement Plan and the Police and Fire Plan were projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
In the Public Employees Correctional Plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2061. Beginning in fiscal years ended June 30, 2062, when projected benefit payments exceed the Plans' projected fiduciary net position, benefit payments were discounted at the municipal bond rate of 3.56% based on an index of 20-year general obligation bonds with an average AA credit rating at the measurement date. An equivalent single discount rate of 5.96% for the Public Employees Correctional Plan was determined that produced approximately the same present value of the projected benefits when applied to all years of projected benefits as the present value of projected benefits using 7.50% applied to all years of projected benefits through the point of asset depletion and 3.56% thereafter.

Pension Liability Sensitivity
The following presents the County's proportionate share of the net pension liability calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	Proportionate Share of the					
	General Employees Retirement Plan		Public Employees Police and Fire Plan		Public Employees Correctional Plan	
	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability
1% Decrease	6.50%	$336,844,739	6.50%	$ 49,734,586	4.96%	$59,785,936
Current	7.50%	217,168,667	7.50%	26,408,328	5.96%	36,280,627
1% Increase	8.50%	119,192,064	8.50%	7,151,214	6.96%	17,934,406

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, MN, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

Defined Contribution Plan

Three County Board members of Ramsey County are covered by the Public Employees Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The plan is established and administered in accordance with Minn. Stat. Ch. 353D, which may be amended by the state legislature. 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. For those qualified personnel who elect to participate, Minn. Stat. § 353D.03 specifies plan provisions, including the employee and employer contribution rates. An eligible elected official who decides to participate contributes 5.00% of salary, which is matched by the employer. 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% of employer contributions and 0.25% of the assets in each member account annually.

Total contributions by dollar amount and percentage of covered payroll made by Ramsey County during the year ended December 31, 2017, were:

	Employee	Employer
Contribution amount	$ 19,863	$ 19,863
Percentage of covered payroll	5%	5%

Central Pension Fund

The County also has employees who participate in the Central Pension Fund of the International Union of Operating Engineers, Local 49. The County is not responsible for any shortages in that pension and therefore no liability for it has been recorded accordingly.

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 activity of the plan is reported in the County's Retiree Health Insurance Fund, an internal service fund. The County annually transfers from the General Fund to the Retiree Health Insurance Fund. The amount to date has been $52,982,852.

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, 2017, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	2,062
Terminated Employees Entitled to Benefits but not yet Receiving them	43
Active Employees	3,746
Total	5,851
Participating Employers	1

Funding Policy

The County negotiates the contribution percentages between the County and employees through the union contracts and personnel policy. All retirees contribute 0-25% 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, 2017, retirees contributed $2,640,959 and the County contributed $12,145,892.

The County established a revocable trust to accumulate funds for the future costs of OPEB. According to GASB No. 45, because the trust is not irrevocable, the assets in the trust cannot be used to offset the actuarial accrued liability in determining the unfunded actuarial accrued liability. Therefore, as long as the County's trust is revocable, The Actuarial Value of Assets for GASB No. 45 is assumed to be $0. During 2017, Ramsey County had a year-end balance in the OPEB revocable trust of $72,988,124.

Annual OPEB Costs and Net OPEB Obligation

The County had an updated actuarial valuation performed for the plan as of December 1, 2016, 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, 2017. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the County's net OPEB obligation for 2017, 2016, and 2015 were as follows:

Fiscal Year Ended December 31	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2017	$ 19,159,078	$ 12,145,892	63.4%	$ 124,054,957
2016	19,377,644	11,139,604	57.5%	117,041,771
2015	19,205,533	11,117,160	57.9%	108,803,731

The net OPEB obligation (NOPEBO) as of December 31, 2017, was calculated as follows:

Annual Required Contribution	$ 20,705,930
Interest on Net OPEB Obligation	6,729,902
Adjustment to Annual Required Contribution	(8,276,754)
Annual OPEB Cost	19,159,078
Contributions Made	(12,145,892)
Increase (Decrease) in Net OPEB Obligation	7,013,186
Net OPEB Obligation Beginning of Year	117,041,771
Net OPEB Obligation End of Year	$ 124,054,957

Funded Status and Funding Progress. The funded status of the plan as of December 1, 2016, was as follows:

Actuarial accrued liability (AAL)	$ 243,582,068
Actuarial value of plan assets	N/A
Unfunded actuarial accrued liability (UAAL)	$ 243,582,068
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	$ 247,203,192
UAAL as a percentage of covered payroll	98.54%

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 & 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.

For the December 1, 2016, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a discount rate of 5.75% based on the expected long-term investment return on assets used to pay benefits. The actuarial pre-Medicare healthcare cost trend assumption of 6.6% for 2017 grades down to 5% over 7 years. The actuarial post-Medicare healthcare cost trend assumption of 5.9% for 2017 grades down to 5% over 7 years. Both the discount rate and the health care trend rate include an underlying annual inflation assumption. The inflation was assumed to be 2.75% general inflation underlying the asset return.

The actuarial assets currently invested in a revocable trust are not used to reduce the unfunded actuarial accrued liability since they are not invested in irrevocable trust.

The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years.

RAMSEY COUNTY, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
Property Taxes	$ 240,046,417	$ 239,967,151	$ 245,915,832	$ 5,948,681
Licenses and Permits	1,126,841	1,126,841	1,205,453	78,612
Intergovernmental	167,946,288	171,846,497	165,716,570	(6,129,927)
Private Grants and Donations	90,854	121,090	184,977	63,887
Charges for Services	43,441,312	44,341,726	45,243,187	901,461
Fines and Forfeitures	12,000	12,000	149	(11,851)
Sales	678,820	678,820	768,760	89,940
Rental Income	1,045,702	1,045,702	958,164	(87,538)
Investment Earnings	7,400,000	7,400,000	3,229,835	(4,170,165)
Human Services	3,046,231	5,615,533	1,494,260	(4,121,273)
Miscellaneous	1,727,985	6,479,061	7,489,843	1,010,782
Total Revenues	466,562,450	478,634,421	472,207,030	(6,427,391)
EXPENDITURES				
Current:				
General Government:				
County Board of Commissioners	2,276,493	2,211,099	2,211,099	-
Charter Commission	1,000	622	622	-
Courts	3,492,199	3,420,476	3,420,476	-
County Manager	13,104,783	13,921,785	12,641,798	(1,279,987)
RC Service Team	1,632,091	2,570,045	2,380,978	(189,067)
Property Records and Revenue	17,149,719	16,375,692	14,397,211	(1,978,481)
Attorney	44,363,016	44,283,319	42,521,946	(1,761,373)
Property Management	1,319,352	1,230,283	1,219,283	(11,000)
Veterans Service Officer	634,383	632,215	612,960	(19,255)
Contingency	2,000,000	-	-	-
Computer Equipment and Software	2,800,000	9,843,312	2,600,879	(7,242,433)
Unallocated General Expenditures	1,295,497	547,049	547,049	-
Total General Government	90,068,533	95,035,897	82,554,301	(12,481,596)
Public Safety:				
Sheriff	48,480,468	50,737,939	49,542,206	(1,195,733)
Community Corrections	68,593,492	70,238,966	69,194,264	(1,044,702)
Medical Examiner	2,759,605	2,759,605	2,726,188	(33,417)
Total Public Safety	119,833,565	123,736,510	121,462,658	(2,273,852)
Transportation				
Public Works	15,612,419	15,380,907	15,139,391	(241,516)
Sanitation:				
Environmental Health	1,482,622	997,453	997,453	-
Health:				
Public Health	30,753,241	30,910,608	23,684,086	(7,226,522)
Miscellaneous Health	7,472,189	7,424,026	7,424,026	-
Total Health	38,225,430	38,334,634	31,108,112	(7,226,522)

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

RAMSEY COUNTY, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
EXPENDITURES (continued)				
Human Services				
Administration	23,459,873	25,546,165	24,491,764	(1,054,401)
Income Maintenance	29,440,191	30,249,834	30,117,469	(132,365)
Social Services	134,784,485	130,937,641	123,351,658	(7,585,983)
Total Human Services	187,684,549	186,733,640	177,960,891	(8,772,749)
Culture and Recreation:				
Parks and Recreation	11,142,614	10,872,396	10,488,117	(384,279)
St Paul-Ramsey Historical Society	96,367	96,367	96,367	-
Landmark Center Management	896,700	896,700	896,700	-
Total Culture and Recreation	12,135,681	11,865,463	11,481,184	(384,279)
Conservation of Natural Resources:				
Extension Service	45,221	43,024	43,024	-
Total Conservation of Natural Resources	45,221	43,024	43,024	-
Total Expenditures	465,088,020	472,127,528	440,747,014	(31,380,514)
Excess (Deficiency) of Revenues over (under) Expenditures	1,474,430	6,506,893	31,460,016	24,953,123
OTHER FINANCING SOURCES (USES)				
Transfers In	950,869	1,229,260	4,451,955	3,222,695
Transfers Out	(1,316,959)	(5,530,558)	(4,216,959)	1,313,599
Total Other Financing Sources (Uses)	(366,090)	(4,301,298)	234,996	4,536,294
Net Change in Fund Balance	1,108,340	2,205,595	31,695,012	29,489,417
Adjustment	(22,750,463)	(22,750,463)	(22,750,463)	-
Fund Balance - Beginning	238,685,382	238,685,382	238,685,382	-
Increase (Decrease) in Reserve for Inventories	-	-	14,099	14,099
Fund Balance - Ending	$ 217,043,259	$ 218,140,514	$ 247,644,030	$ 29,503,516

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

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN
December 31, 2017

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Projected Unit Credit	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2)-(1)	(5) Active Members Covered Payroll	(6) UAAL As a Percentage of Covered Payroll (4) / (5)
January 1, 2013	-	220,835,832	0.00%	220,835,832	220,027,341	100.37%
January 1, 2015	-	235,503,520	0.00%	235,503,520	227,822,509	103.37%
December 31, 2016	-	243,582,068	0.00%	243,582,068	247,203,192	98.54%

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2017

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with Ramsey County (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)	Covered Payroll (c)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a+b/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	3.4018%	$ 217,168,667	$ 2,730,724	$ 219,899,391	$ 219,149,560	100.34%	75.90%
2016	3.2633%	264,963,774	3,460,610	268,424,384	202,503,293	132.55%	68.90%
2015	3.3476%	173,490,006	N/A	173,490,006	196,742,135	88.18%	78.20%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF CONTRIBUTIONS
PERA GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2017

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to the Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b-a)	Covered Payroll (c)	Actual Contribution as a Percentage of Covered Payroll (b/c)
2017	$ 16,140,658	$ 16,140,658	$ -	$ 215,208,773	7.50%
2016	15,536,717	15,536,717	-	207,156,227	7.50%
2015	15,484,241	15,484,241	-	206,456,551	7.50%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEE POLICE AND FIRE RETIREMENT PLAN
DECEMBER 31, 2017

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	1.9560%	$ 26,408,328	$ 20,073,185	131.56%	85.43%
2016	1.7290%	69,387,778	16,609,611	417.76%	63.88%
2015	1.8550%	21,077,141	16,979,853	124.13%	86.60%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEE POLICE AND FIRE RETIREMENT PLAN
DECEMBER 31, 2017

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Actual Contribution as a Percentage of Covered Payroll (b/c)
2017	$ 3,022,167	$ 3,022,167	$ -	$ 18,655,352	16.20%
2016	2,983,284	2,983,284	-	18,415,333	16.20%
2015	2,784,472	2,784,472	-	17,188,096	16.20%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN
DECEMBER 31, 2017

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	12.7300%	$ 36,280,627	$ 25,451,211	142.55%	67.89%
2016	13.0000%	47,490,820	24,477,703	194.02%	58.16%
2015	12.7500%	1,971,150	22,909,243	8.60%	96.90%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN
DECEMBER 31, 2017

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Actual Contribution as a Percentage of Covered Payroll (b/c)
2017	$ 2,196,141	$ 2,196,141	$ -	$ 25,098,754	8.75%
2016	2,133,666	2,133,666	-	24,384,754	8.75%
2015	2,141,634	2,141,634	-	24,475,819	8.75%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

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 is presented on a Non-GAAP budgetary basis. The primary difference between the two bases of accounting is that the "actual amounts 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:

	General
Actual Expenditures – Budgetary Basis	$ 440,747,015
Decrease:	
Encumbrances	(6,042,308)
Increase:	
Expenditures in 2017 from December 31, 2016	28,125,938
Expenditures – GAAP Basis	$ 462,830,645
Unbudgeted Transfers	5,165,333
Unbudgeted Revenue	(4,498,500)
Encumbrances	(6,042,308)
Expenditures in 2017 from December 31, 2016 Reserves for Encumbrances	28,125,938
Adjustment to Reconcile Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual to Statement of Revenues, Expenditures and Changes in Fund Balances	$ 22,750,463

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 Finance Department 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, or encumbered, 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 do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

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

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30, 2017:

General Employees Retirement Plan

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

Public Employees Police and Fire Plan

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65 percent to 60 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.

Public Employees Correctional Plan

- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016 and is applied to healthy and disabled members. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to MP-2016).
- The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested, deferred members. The CSA has been changed to 35 percent for vested members and 1 percent for non-vested members.
- The Single Discount Rate was changed from 5.31 percent per annum to 5.96 percent per annum.

MAJOR FUND BUDGET

& ACTUAL SCHEDULE

RAMSEY COUNTY, MINNESOTA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
Taxes	$ 23,483,602	$ 23,259,477	24,198,448	$ 938,971
Intergovernmental	3,100,638	3,324,763	694,008	(2,630,755)
Investment Earnings	152,288	152,288	975,475	823,187
Total Revenues	26,736,528	26,736,528	25,867,931	(868,597)
EXPENDITURES				
Debt service:				
Principal Retirement	23,855,000	17,425,000	20,970,872	3,545,872
Interest	8,675,750	7,538,997	4,299,362	(3,239,635)
Total Expenditures	32,530,750	24,963,997	25,270,234	306,237
Excess (Deficiency) of Revenues over (under) Expenditures	(5,794,222)	1,772,531	597,697	(1,174,834)
OTHER FINANCING SOURCES (USES)				
Transfers In	227,675	227,675	-	(227,675)
Total Other Financing Sources (Uses)	227,675	227,675	-	(227,675)
Net Change in Fund Balance	(5,566,547)	2,000,206	597,697	(1,402,509)
Adjustment	(10,087,889)	(10,087,889)	(10,087,889)	-
Fund Balance - Beginning	67,635,984	67,635,984	67,635,984	-
Fund Balance - Ending	$ 51,981,548	$ 59,548,301	$ 58,145,792	$ (1,402,509)