

# Annual Comprehensive Financial Report

Dakota County, Minnesota  
Fiscal Year Ended  
December 31, 2022



2022

*Dakota*  
COUNTY

*A premiere county in  
which to live and work.*



This page was left blank intentionally.

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
OF  
DAKOTA COUNTY  
MINNESOTA**

**For The Year Ended December 31, 2022**



**Prepared by the Finance Department**

This page was left blank intentionally.

## TABLE OF CONTENTS

	Page
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	1
GFOA Certificate of Achievement .....	8
Organizational Structure .....	9
List of Elected and Appointed Officials.....	10
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report.....	11
Management's Discussion and Analysis.....	15
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements:	
Statement of Net Position .....	25
Statement of Activities .....	28
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	30
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	32
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds .....	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	36
Budgetary Comparison Statement:	
General Fund .....	37
Highway Special Revenue Fund.....	40
Environmental Legacy Special Revenue Fund.....	41
DC Transportation Sales Tax Special Revenue Fund.....	42
Special Federal Revenue Special Revenue Fund.....	43
Statement of Net Position – Proprietary Funds.....	44
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	45
Statement of Cash Flows – Proprietary Funds.....	46
Statement of Fiduciary Net Position – Fiduciary Funds .....	47
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	48
Notes to the Financial Statements.....	49
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Funding Progress – Other Post Employment Benefits .....	95
Schedule of Proportionate Share of Net Pension Liability – PERA General Employees Retirement Plan.....	96
Schedule of Contributions – PERA General Employees Retirement Plan.....	96
Schedule of Proportionate Share of Net Pension Liability – PERA Public Employees Police and Fire Plan.....	97
Schedule of Contributions – PERA Public Employees Police and Fire Plan.....	97
Schedule of Proportionate Share of Net Pension Liability – PERA Public Employees Correctional Plan.....	98
Schedule of Contributions – PERA Public Employees Correctional Plan.....	98
Notes to the Schedules of Proportionate Share of Net Pension Liability and Schedules of Contributions.....	99
<b>SUPPLEMENTARY INFORMATION</b>	
Combining and Individual Fund Statements and Schedules:	
Budgetary Comparison Schedule:	
Capital Projects Fund.....	111
Combining Balance Sheet – Nonmajor Governmental Funds .....	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds .....	114

Budgetary Comparison Schedule:	
County Library Special Revenue Fund .....	116
County Parks Special Revenue Fund.....	117
Regional Rail Special Revenue Fund .....	118
Combining Statement of Net Position – Nonmajor Enterprise Funds .....	119
Combining Statement of Revenues, Expenses, and	
Changes in Fund Net Position – Nonmajor Enterprise Funds .....	120
Combining Statement of Cash Flows – Nonmajor Enterprise Funds.....	121
Combining Statement of Fiduciary Net Position – Private Purpose Trust Funds .....	122
Combining Statement of Changes in Fiduciary Net Position – Private Purpose Trust Funds.....	123
Combining Statement of Fiduciary Net Position – Fiduciary Funds – Other Custodial Funds.....	124
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds – Other Custodial Funds.....	126
Discretely Presented Component Units Statements:	
Vermillion River Watershed District:	
Governmental Fund Balance Sheet and Governmental Activities – Statement of Net Position .....	128
Governmental Fund Statement of Revenues, Expenditures, and	
Changes in Fund Balance and Governmental Activities – Statement of Activities .....	129
 GOVERNMENTAL REVENUE SCHEDULES	
Schedule of Intergovernmental Revenue .....	131
Schedule of Expenditures of Federal Awards .....	133
Notes to the Schedule of Expenditures of Federal Awards.....	137

## STATISTICAL SECTION

Government-wide information:	
Net Position by Component .....	141
Changes in Net Position.....	142
Changes in Net Position – Component Units.....	145
Fund information:	
Fund Balances – Governmental Funds .....	146
Changes in Fund Balances – Governmental Funds.....	147
Assessed and Estimated Actual Value of Taxable Property .....	148
Direct and Overlapping Governments – Tax Capacity Rates .....	150
Principal Taxpayers .....	152
Property Tax Levies and Collections .....	153
Ratio of Net General Obligation Bonded Debt to Assessed Value and	
Net General Obligation Bonded Debt Per Capita .....	154
Computation of Direct, Underlying and Overlapping Bonded Debt .....	155
Legal Debt Margin.....	156
Demographic Statistics .....	157
Principal Employers.....	158
County Government Employees by Function/Program .....	159
Operating Indicators by Governmental Function.....	160
Capital Assets and Infrastructure Statistics by Function/Program .....	161



# Introductory Section

This page was left blank intentionally.





**Finance Department**

Dakota County  
Administration Center  
1590 Highway 55  
Hastings, MN 55033

December 19, 2023

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

**SUBJECT:        2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT**

The Annual Comprehensive Financial Report (ACFR) of Dakota County is submitted for the fiscal year ended December 31, 2022. The County’s Finance Department prepared this report in conformity with generally accepted accounting principles (GAAP). Responsibility for both the accuracy and completeness of the presented data and the fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and sets forth the financial position and results of operations and cash flows of the County, as measured by the financial activity of its various funds, and all disclosures necessary to enable maximum understanding of the County's financial affairs.

**Independent Audit**

Minnesota State statutes require an annual audit of the books of account, financial records, and transactions of the County. The CPA firm of CliftonLarsonAllen LLP, was chosen through a RFP process to conduct the County’s audit for 2022. The audit was designed to meet the requirements of state statutes and the federal Single Audit Act Amendments of 1996 and related Uniform Guidance. The independent auditors’ report has been included in this report.

CliftonLarsonAllen, LLP will issue management and compliance letters covering the review made as a part of its audit of the County’s system of internal control and compliance with applicable legal provisions. The management and compliance letters will not modify or affect, in any way, their report on the financial statements.

**Single Audit**

As a recipient of federal, state, and local financial assistance the County is responsible for ensuring that adequate internal controls are in place to comply with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the internal staff of the County.

The Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards sets the audit requirements for state and local governments receiving federal assistance. They require a single independent audit of the financial operations, including compliance with certain provisions of federal laws and regulations. The requirements have been established

to ensure that audits are made on an organizational wide basis rather than a grant-by-grant basis. Applicable federal grants are identified in the Schedule of Expenditures of Federal Awards.

The single audit includes tests to determine the adequacy of the internal controls, and the County's compliance with applicable laws and statutes.

### **Internal Controls**

In developing and evaluating the County's accounting system, consideration is given to the adequacy of the County's internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: the safeguarding of assets against loss from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. County management believes the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The County's internal controls are supported by written policies and procedures and are continually reviewed, evaluated, and modified to meet current needs.

Departmental cash related procedures are reviewed at least annually to determine if there are adequate controls in place, such as separation of duties, appropriate documentation, proper authorizations, and required absences. The Finance staff have made a concerted effort to gather written procedures that include enough detail to assess internal control strengths and weakness. Throughout the year, controls are monitored, reevaluated, and adjusted as necessary.

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

### **Profile of the Government**

Dakota County was organized in 1849 as a county in the State of Minnesota. It has an area of 587 square miles, including 13 townships and 21 full and fractional incorporated municipalities. The 2022 population was 443,341 making it the third most populous county in the State. It is one of seven counties comprising the Twin Cities metropolitan area. The county seat, Hastings, is located on the Mississippi River 18 miles southeast of the state capital, St. Paul.

Dakota County operates under an elected seven-member County Board, each member representing a district of the County. The County Board is elected on a non-partisan basis. County Board members serve four-year staggered terms. County Board responsibilities include passing ordinances, adopting the budget, and the hiring of the County Manager. The County Manager is responsible for carrying out the policies and ordinances of the County Board, for overseeing the day-to-day operations of the government, and for appointing the heads of the various divisions and departments.

The County provides a full range of services including: public safety and law enforcement; probation services; tax assessment and collection; vital statistics and public records; health and human services; highways, parks, public works and planning; environmental management; and recreation and cultural services.

Component units were evaluated to determine whether they should be reported in the County's financial report. A component unit was considered part of the County's reporting entity in instances where the County was financially accountable for the entity or where the relationship between the County and the entity was such that exclusion would cause the County's financial statements to be misleading or incomplete.

Dakota County has one blended component unit, the Dakota County Regional Rail Authority (Authority). The Authority was created pursuant to Minnesota Statutes. The Dakota County Board of Commissioners appoints the Authority's seven-member board.

The Dakota County Community Development Agency (Agency) is a discretely presented component unit. The Agency was established in 1971 pursuant to special Minnesota legislation. The Dakota County Board of Commissioners also appoints its seven-member board.

The Vermillion River Watershed Joint Powers Organization (VRW) is also a discretely presented component unit. The VRW was established in 2002 for purposes set forth in Minn. Stat. §103B.201 within the geographic boundary of the Vermillion River watershed located in Dakota County and Scott County. The Vermillion River Watershed Joint Powers Board consists of one County Commissioner from Scott County and two County Commissioners from Dakota County.

### **Budgetary Controls**

The annual budget serves as the foundation for the Dakota County Government financial planning and control. The County budgets at a more detailed level than required by Minnesota law or for federal programs. Divisions and departments develop their budget requests to cover their clients' needs. The divisions and departments submit their budget requests to the County Manager, who in turn, presents a budget to the County Board. The County Board makes final adjustments to the budgets, which are then adopted and available for use on January 1 each year.

Division and department managers are held responsible for their budget performance. Authority for County staff to spend and amend the budget is identified in the Budget Compliance Policy. Compliance with budgets is essential for the County to maintain its sound financial condition. "Budget Accountability Points" are identified in the policy to inform managers at what level budget comparisons will be reported. This allows managers authority to adjust spending below the "Budget Accountability Points" to help achieve their desired outcomes. The Budget Compliance Policy provides managers the ability to respond efficiently and effectively to changes.

Each year, as part of its annual budget process, Dakota County prepares a five-year Capital Improvement Program (CIP) that includes a one-year capital budget. The CIP identifies projects that will support existing and projected needs in transportation, parks, and buildings. It is based on numerous long-range planning documents that are updated regularly and on projected capital needs as identified by county staff, cities, and townships.

### **Fiscal Policies**

The County maintains a Fund Balance Policy that guides the County Board with a minimum threshold for working capital and allowing for a margin of safety. The minimum target balance for unassigned funds in the General Fund is 20% of the operating expenditures at the end of each fiscal year.

**Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Dakota County Government operates.

**Key population, labor force and employment trends:**

- Dakota County’s population increased from 2000 to 2022 by 23.9%, adding over 85,000 people. According to U.S. Census Bureau estimates, 2008 was the first year since 1977 that Dakota County’s population growth slowed to 1% or less; that steady growth trend has continued in almost every year since then continuing through 2020. Between 2020 and 2040, regional growth is projected to continue at an average rate of just under 1% per year. The total population in the seven-county metropolitan region is anticipated to increase by 12.4% between 2020 and 2040, to more than 3.5 million residents. The Metropolitan Council projects the County will attain a population of about 521,000 people by the year 2040, an increase of 81,000 people (between 2020 and 2040).
- According to the Minnesota Department of Employment and Economic Development (DEED) there were 11,225 private sector firms and 163,795 private sector employees in Dakota County. The largest employing industry sectors in the county are trade, transportation, & utilities (47,442), education and health services (36,699), professional and business services (21,406), manufacturing (19,320), and leisure and hospitality (18,459).
- Dakota County maintains one of the lowest per capita property tax rates in the State of Minnesota. This means that for each unit of value for a property, property owners in Dakota County pay the least amount. The price of government in Dakota County (taxes versus personal income) has declined over the last ten years.
- The Federal response to COVID-19 continues to impact Dakota County operations through its use of American Rescue Plan (ARP) funding. Of the \$83 million in ARP funding, several major projects have been positively impacted including the Byllesby Dam, Mental Health Crisis Response services, the Nicols Pointe apartment building age and income-restricted affordable housing, the new South Saint Paul Library, the Law Enforcement Center Integrative Health Unit, and the Thompson Oaks River Greenway.

**Key Economic Indicators**

In 2022, Dakota County’s unemployment rate (2.4%) maintained a similar average unemployment rate to the State of Minnesota (2.7%), both of which were lower than the rate for the U.S. (3.6%).

<b>Economic Indicators</b>	<b>Amount</b>	<b>Annual Percentage Change</b>
<b>Unemployment Rate (2022)</b>	2.4%	(29.4)%
<b>Number of Households (2022)</b>	179,343	1.90%
<b>Population (2022)</b>	443,341	0.13%

*Sources: MN Department of Employment & Economic Development, United States Census Bureau Population Estimates Program*

The following chart is an analysis of wage and salary employment in Dakota County by industry:

	Dakota County Average Number of Employees		2022 Distribution		Percent Change 2021-2022	
	2021	2022	Dakota County	State of Minnesota	Dakota County	State of Minnesota
Total, All Industries	181,093	185,591	100.00%	100.00%	2.50%	2.90%
Agricultural, Forestry, Fishing	989	1,089	0.60%	0.80%	10.10%	1.10%
Mining	114	116	0.10%	0.20%	1.80%	-2.20%
Construction	10,218	10,544	5.70%	4.90%	3.20%	2.00%
Manufacturing	18,813	19,320	10.40%	11.30%	2.70%	3.40%
Utilities	519	517	0.30%	0.50%	-0.40%	2.60%
Wholesale Trade	8,804	8,999	4.80%	4.60%	2.20%	3.90%
Retail Trade	23,518	23,444	12.60%	9.90%	-0.30%	-0.10%
Information	4,748	5,604	3.00%	1.70%	18.00%	6.00%
Finance, Insurance & Real Estate	13,719	12,264	6.60%	6.20%	-10.60%	-1.20%
Services	55,355	56,659	30.50%	32.20%	2.40%	5.10%
Other	44,296	47,032	25.30%	27.70%	6.20%	2.10%
<b>TOTAL</b>						
Total, All Industries -- Government	21,005	21,796	11.70%	13.00%	3.80%	23.90%
Total, All Industries -- Private	160,088	163,795	88.30%	87.00%	2.30%	3.10%

Source: MN Department of Employment & Economic Development

The following shows the change in the value of construction permits in Dakota County over the last five years. The construction permits have been separated into five categories.

**Value of New Construction Permits Issued in the County (in thousands)**

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Residential	\$396,328	\$428,034	\$380,207	\$459,019	\$525,839
Commercial	113,426	87,771	87,457	40,764	27,630
Industrial	49,196	24,898	37,441	25,338	88,217
Agricultural	1,939	3,168	2,126	3,862	749
Apartments	125,067	134,186	118,226	149,648	229,824
Total Value	<u>\$685,956</u>	<u>\$678,057</u>	<u>\$625,457</u>	<u>\$678,631</u>	<u>\$872,259</u>

Source: Dakota County Assessor's Office

## Major Initiatives by Dakota County

Dakota County government 2022 highlights:

Throughout this past year, we provided consistent services to the public and made a number of important improvements and additions. Here are just a few:

- Became the only metro county (and one of only two statewide) to offer same-day drivers' license services, at our Lakeville location.
- Celebrated the opening of Aspen House, a short-term residential facility for youth in crisis. They now have a safe space to receive mental health care and other support within the community.
- Welcomed growing numbers of visitors to our parks and greenways (doubled from 5 years ago), opened a great new playground and other improvements at Thompson County Park, and brought bison back to Spring Lake Park Reserve after a 150-year absence.
- Saw a rebound in traffic and circulation in our libraries, resumed active personal outreach in the community, and broke ground for a new county library to be constructed in South St. Paul.
- Created a new Veterans Treatment Court and Peer Mentor Program in collaboration with Carver County to help those who served to navigate the justice system with better outcomes. And we added a Housing Clinic in Eviction Court to help prevent homelessness.
- Continued to improve the county's transportation system, including the expansion of County 26 and 63 in Eagan and Inver Grove Heights, and improvements to Cliff Road in Eagan and County 88 and 96 across five townships.
- Started a Workforce Mobility Program with Dakota County Technical College and Inver Hills Community College to help residents train for new jobs in critical shortage occupations. Earlier this month this program was recognized as an outstanding economic development effort by the Association of Minnesota Counties.
- Conducted secure, accurate elections in the most contentious environment most of us have ever experienced.

## Employee Labor Contracts

The 11 collective bargaining units listed below represent approximately 70% of the County's employees. The status of the contracts is as of December 31, 2022.

<b><u>Bargaining Unit</u></b>	<b><u>Term of Contract</u></b>	<b><u>Status of Contract</u></b>
AFSCME - Human Services	2021-2022	Settled
AFSCME - Library	2021-2022	Settled
Attorney Employees' Assoc.	2021-2022	Settled
Community Corrections	2021-2022	Settled
Human Services Supervisors' Assoc.	2021-2022	Settled
Public Health Services/MNA	2021-2022	Settled
Road & Bridge Maintenance	2021-2022	Settled
Sheriff Licensed Deputies	2021-2022	Settled
Sheriff Jail	2021-2022	Settled
Sheriff Supervisor	2021-2022	Settled
Sheriff Non-license Supervisor	2021-2022	Settled

## **Awards and Acknowledgements**

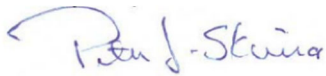
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Dakota County for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the 33rd consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Additionally, the GFOA presented an award of Distinguished Budget Presentation to Dakota County for its annual budget for the year 2022. This is the 26th year Dakota County has received the award.

The timely preparation of this report could not have been accomplished without the professional and dedicated hard work of the entire staff of the Finance Department. In addition, cooperation was essential from many other departments, especially the County's Property Taxation and Records Department and Office of Performance and Analysis. We wish to express our appreciation to all staff who assisted and contributed to the report's preparation. We also wish to thank the members of the County Board for their interest and support this past year in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink that reads "Peter Skwira". The signature is written in a cursive style with a large initial "P" and "S".

Peter Skwira  
Director of Finance



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Dakota County  
Minnesota**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

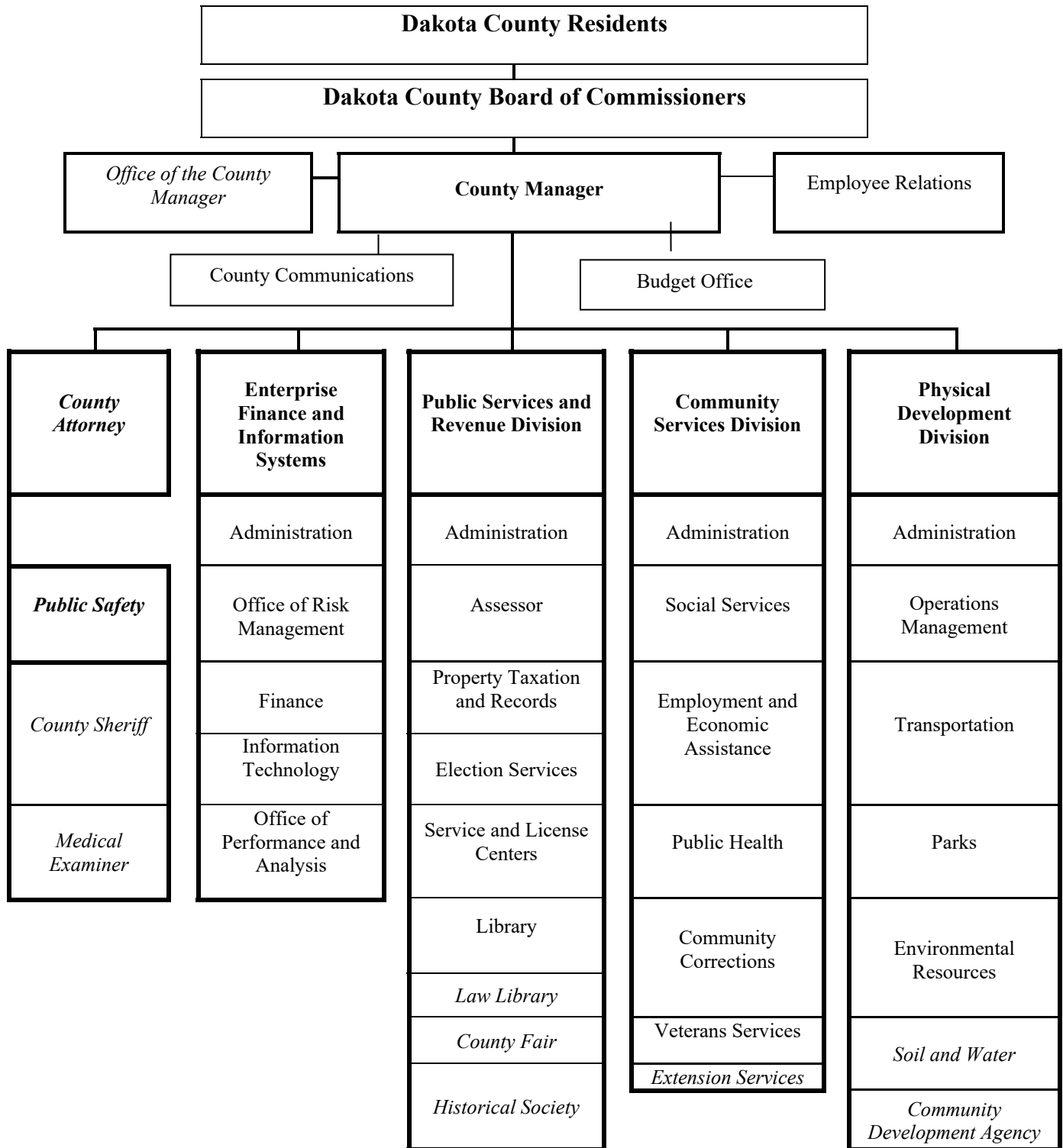
December 31, 2021

*Christopher P. Morill*

Executive Director/CEO



## 2022 Dakota County Organizational Structure



**Notes:**

- The County Board has a funding liaison role with departments listed in italics (*County Attorney; County Sheriff; Medical Examiner; Historical Society; County Fair; Extension Services; Soil and Water Conservation District; and Community Development Agency*). The County Board has direct administrative control over departments not listed in italics.

# Dakota County MINNESOTA

## LIST OF ELECTED AND APPOINTED OFFICIALS

2022

<b>Officer</b>	<b>Name</b>	<b>From</b>	<b>Term To</b>
<b>Commissioners:</b>			
1 <sup>st</sup> District	Mike Slavik	Jan. 2013	Dec. 2022
2 <sup>nd</sup> District	Kathleen A. Gaylord*	Jan. 2003	Dec. 2022
3 <sup>rd</sup> District	Laurie Halverson	Jan. 2021	Dec. 2024
4 <sup>th</sup> District	Joe Atkins	Jan. 2017	Dec. 2024
5 <sup>th</sup> District	Liz Workman	Jan. 2009	Dec. 2024
6 <sup>th</sup> District	Mary Liz Holberg	Jan. 2015	Dec. 2022
7 <sup>th</sup> District	Mary Hamann-Roland	Jan. 2021	Dec. 2024
 <b>Officers:</b>			
<b>Elected -</b>			
Attorney	Kathryn M. Keena	May 2021	Dec. 2022
Sheriff	Timothy J. Leslie	Jan. 2015	Dec. 2022
 <b>Appointed -</b>			
County Manager	Matthew G. Smith	May 2016	Indefinite
Director of Enterprise Finance & Information Services	David McKnight	March 2022	Indefinite
Director of Community Services	Marti Fischbach	June 2020	Indefinite
Director of Physical Development	Georg Fischer	May 2022	Indefinite
Director of Public Service & Revenue Div.	Thomas V. Novak	July 1998	Indefinite

\* Chair



# Financial Section

This page was left blank intentionally.



## INDEPENDENT AUDITORS' REPORT

Board of County Commissioners  
Dakota County  
Hastings, Minnesota

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Dakota County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Dakota County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Dakota County, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparisons for the general fund, highway fund, environmental legacy fund, DC transportation sales tax special revenue fund, and the special federal revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Dakota County Community Development Agency (CDA), which represent 99.5 percent, 99.4 percent, and 97.8 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of December 31, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Dakota County Community Development Agency, is based solely on the report of the other auditors.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dakota County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dakota County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

***Auditors' Responsibilities for the Audit of the Financial Statements (Continued)***

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the county's total OPEB liability and related ratios, schedule of proportionate share of net pension liability – GERS, PEPFF and PECF plans, and schedule of pension contributions – GERS, PEPFF and PECF plans be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Dakota County's basic financial statements. The combining and individual fund financial statements and schedules and the accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the combining and individual fund financial statements and schedules and the accompanying schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, on our consideration of Dakota 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 Dakota 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 Dakota County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
December 19, 2023



# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

---

Dakota County offers readers this narrative overview and analysis of unaudited financial activities, which is required supplementary information, for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal and the notes to the financial statements.

## Financial Highlights

- Dakota County's assets and deferred outflows exceeded liabilities and deferred inflows at the close of 12/31/2022 by \$1,228,841,387 (*net position*). Of this amount, \$121,809,131 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- Dakota County's total net position decreased by \$6,472,272 for the year ended December 31, 2022. This negative change is a combination of increases in expenditures for public safety, highway and streets and human services programs, as well as decreases in grant receipts for highway and streets.
- As of the close of the 2022 fiscal year, Dakota County governmental funds' ending fund balance had a decrease of \$15,887,792 before the \$22,315 increase in inventories, from 2021. This reduction in fund balance is primarily due to an increase in expenditures for improvements in buildings, roads and infrastructure. Approximately 71.3% or \$208,627,658 of the total fund balance is available for spending at Dakota County's discretion (committed, assigned, and unassigned fund balances).
- At the end of the current fiscal year, the committed, assigned and unassigned fund balance for the General Fund was \$86,676,897 or 32.51% of total General Fund expenditures.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Dakota County's basic financial statements. Dakota County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

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

The *Statement of Net Position* presents information on all of Dakota County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them (assets plus deferred outflows of resources less liabilities and deferred inflows of resources) reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Dakota County is improving or deteriorating.

The *Statement of Activities* presents information showing how Dakota 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 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 Dakota 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 cost through user fees and charges (*business-type activities*). The governmental activities of Dakota County include general government, public safety, highways and streets, sanitation, human services, health, culture and recreation, conservation of natural resources, and economic development. The business-type activities of Dakota County include the Dakota County Geographic Information System (GIS) and the Byllesby Dam.

# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

---

The government-wide financial statements include not only Dakota County (known as the *primary government*), but also the legally separate Dakota County Community Development Agency (CDA) and the legally separate Vermillion River Watershed Joint Power Organization (VRW), for which Dakota County is financially accountable (known as *component units*). Financial information for the CDA and the VRW are reported separately from the financial information presented for the primary government itself. The Dakota County Regional Rail Authority, although also legally separate, functions for all practical purposes as a department of Dakota County, and therefore has been included as an integral part of the primary government.

The government-wide financial statements may be found on pages 25-29 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Dakota County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Dakota County may be divided into three broad categories: *governmental funds, proprietary funds, and fiduciary funds.*

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Within the governmental funds, Dakota County maintains three fund types: General, Special Revenue 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 balance for the major funds. Major funds include: General Fund, Highway Fund, Environmental Legacy Fund, DC Transportation Sales Tax Fund, Special Federal Revenue Fund and Capital Projects Fund. Data from the other six special revenue non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Dakota County adopts an annual budget for its six major governmental funds and the County Library, County Parks and Regional Rail non-major special revenue funds. A budgetary comparison statement or schedule has been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements may be found on pages 30-43 of this report.

*General Fund.* The General Fund is used to account for all financial resources not accounted for in another fund.

*Special Revenue Fund.* Special Revenue funds account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes other than debt service or capital projects. The Special Revenue Funds include:

- Highway
- Attorney Forfeiture
- DC Transportation Sales Tax
- Opioid Settlement
- County Library
- County Parks
- Environmental Legacy
- Regional Rail
- Law Library
- Special Federal Revenue

# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

---

*Debt Service Fund.* The Debt Service Fund accounts for the payment of principal, interest and fiscal charges on long-term debt obligations of Dakota County. The County made the final payment for its general obligation bonds in 2016 so there was no activity in 2022.

*Capital Projects Fund.* The Capital Projects Fund tracks major building construction projects.

**Proprietary Funds.** Dakota County maintains two different types of proprietary funds: enterprise funds and an internal service fund. The enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Dakota County uses an enterprise fund to account for its Geographic Information System financial activity including the sale of GIS data/maps and costs of updating the GIS database. In 2011, the Byllesby Dam Fund was added to account for the net revenue generated from producing electricity at the Byllesby Dam Hydro-electric facility and subsequently sold to Xcel Energy. Expenses are paid to a third-party contractor to operate the turbines and generators.

The internal service fund is used to accumulate and allocate costs internally among Dakota County's various functions. In 1997, Dakota County created the Employee Services Reserve Fund to maintain all compensated absences and related activity. Each year an adjustment is made to reflect the current value of vacation and sick balances. In 2007, the activity for "other post-employment benefits" was included in this fund. Additionally, at the beginning of 2013 a reserve was established for a self-funded health care program. Because this program primarily benefits governmental rather than business-type functions it is included with 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 information for the GIS Enterprise Fund and the Byllesby Dam Fund. The Employee Services Reserve Internal Service Fund is reported separately on the proprietary fund financial statements.

The basic proprietary fund financial statements may be found on pages 44-46 this report.

**Fiduciary Funds.** Fiduciary funds (Trust and Custodial Funds) are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Dakota County's own programs. The accounting method used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements may be found on pages 47-48 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements may be found on pages 49-94 of this report.

**Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and fiduciary funds are presented immediately following the notes to the financial statements.

Combining and individual fund statements and schedules may be found on pages 111-129 of this report.

# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

## Government-wide Financial Analysis

As noted in the financial highlights, the changes in net position may be a useful indicator of a government's financial position. Dakota County's assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$1,228,841,387 at the close of 2022, which is a decrease of \$6,472,272 for the year ended December 31, 2022.

Net investment in capital assets, of \$1,013,512,113 (e.g., land, buildings, machinery and equipment, infrastructure, improvements other than buildings and construction in progress, less any related debt used to acquire assets that is still outstanding) represents the largest portion of the total net position (82.5%). Dakota County uses capital assets to provide services to citizens; consequently, these assets are not available for current spending. Although Dakota County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate current liabilities.

### Dakota County's Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 481,801,736	\$ 476,106,304	\$ (10,407,045)	\$ (7,232,396)	\$ 471,394,691	\$ 468,873,908
Capital assets	980,846,967	966,715,834	36,139,231	25,106,870	1,016,986,198	991,822,704
Total assets	<u>\$ 1,462,648,703</u>	<u>\$ 1,442,822,138</u>	<u>\$ 25,732,186</u>	<u>\$ 17,874,474</u>	<u>\$ 1,488,380,889</u>	<u>\$ 1,460,696,612</u>
Deferred outflows of resources	\$ 70,137,657	\$ 69,932,255	\$ -	\$ -	\$ 70,137,657	\$ 69,932,255
Long-term liabilities outstanding	\$ 209,682,229	\$ 115,900,999	\$ -	\$ -	\$ 209,682,229	\$ 115,900,999
Other liabilities	112,337,354	91,235,423	2,041,701	1,590,302	114,379,055	92,825,725
Total liabilities	<u>\$ 322,019,583</u>	<u>\$ 207,136,422</u>	<u>\$ 2,041,701</u>	<u>\$ 1,590,302</u>	<u>\$ 324,061,284</u>	<u>\$ 208,726,724</u>
Deferred inflows of resources	\$ 5,615,875	\$ 86,588,484	\$ -	\$ -	\$ 5,615,875	\$ 86,588,484
Net position:						
Net investment in capital assets	\$ 977,794,529	\$ 963,769,288	\$ 34,240,863	\$ 24,685,223	\$ 1,012,035,392	\$ 988,454,511
Restricted	94,912,735	88,463,500	84,129	138,129	94,996,864	88,601,629
Unrestricted	132,443,638	166,796,699	(10,634,507)	(8,539,180)	121,809,131	158,257,519
Total net position	<u>\$ 1,205,150,902</u>	<u>\$ 1,219,029,487</u>	<u>\$ 23,690,485</u>	<u>\$ 16,284,172</u>	<u>\$ 1,228,841,387</u>	<u>\$ 1,235,313,659</u>

Dakota County's total net position decreased by \$6,472,272 from 2021's ending balance. This change can be attributed to a combination of factors, with the primary change occurring in additional expenditures for public safety, highway projects and human services programs.

A portion of Dakota County's net position, \$94,996,864 or 7.73% represents resources that are subject to external restrictions on how they may be used. Restricted net position increased \$6,395,235 during the current fiscal year. The remaining balance of unrestricted net position of \$121,809,131 may be used to meet Dakota County's obligations to citizens and creditors.

As indicated above, Dakota County had positive balances in all three categories of net position at the end of 2022, including the government as a whole, and in each type of activity.

# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

**Governmental Activities.** The Governmental activities' net position makes up the majority of the County's total net position. These activities decreased by \$13,878,585 from 2021 due to decreases in grant reimbursements for transportation projects and investment earnings.

**Business-type Activities.** Business-type activities incurred an increase from 2021's net position by \$7,406,313. Operating grants and contributions make up the majority of the increase in activity.

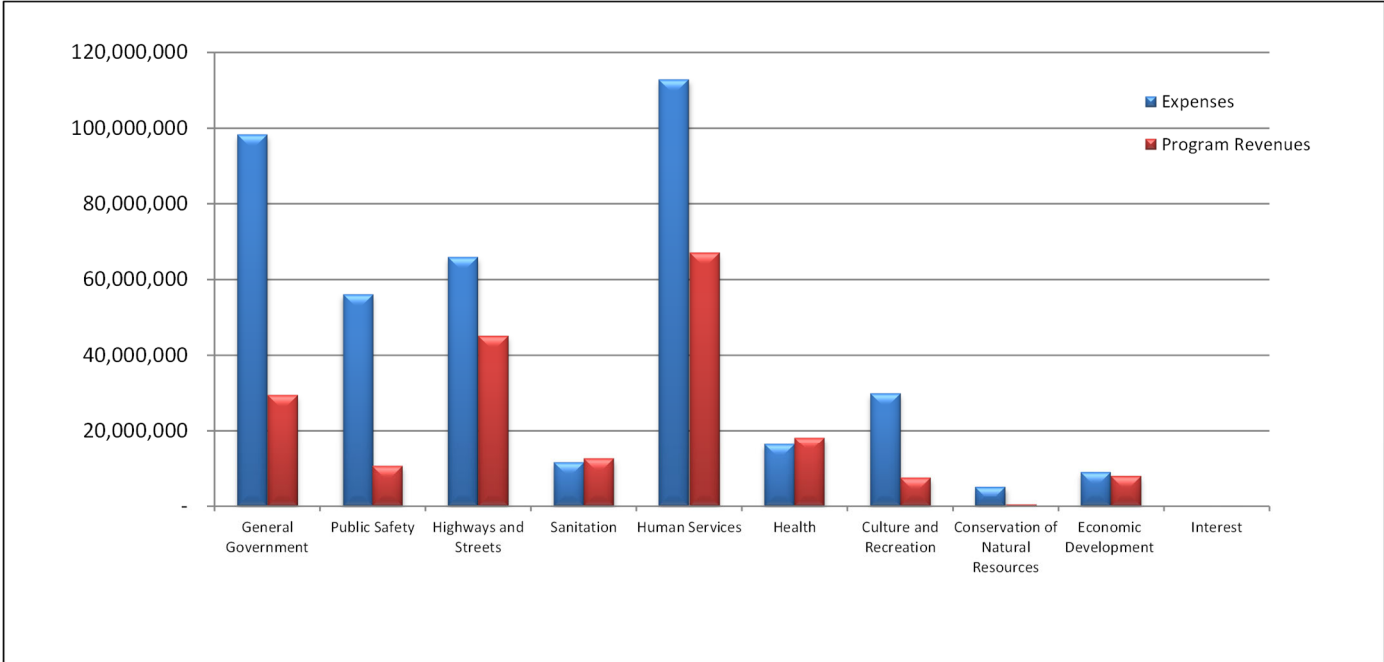
### Dakota County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Fees, charges, fines and other	\$ 39,586,694	\$ 30,136,606	\$ 4,036	\$ 89,597	\$ 39,590,730	\$ 30,226,203
Operating grants & contributions	149,663,742	136,911,814	8,356,195	-	158,019,937	136,911,814
Capital grants & contributions	9,579,165	20,523,927	-	-	9,579,165	20,523,927
General revenues and transfers:						
Taxes	177,728,889	172,286,665	-	-	177,728,889	172,286,665
Grants & contributions not restricted to specific programs	20,392,663	20,488,774	-	-	20,392,663	20,488,774
Investment income	(6,825,724)	(2,375,772)	-	-	(6,825,724)	(2,375,772)
Other	1,163,542	1,410,676	-	-	1,163,542	1,410,676
Total revenues	<u>\$ 391,288,971</u>	<u>\$ 379,382,690</u>	<u>\$ 8,360,231</u>	<u>\$ 89,597</u>	<u>\$ 399,649,202</u>	<u>\$ 379,472,287</u>
Expenses:						
General government	\$ 98,365,248	\$ 103,124,299	\$ -	\$ -	\$ 98,365,248	\$ 103,124,299
Public safety	56,119,558	40,334,880	-	-	56,119,558	40,334,880
Highways and streets	65,987,105	53,160,503	-	-	65,987,105	53,160,503
Sanitation	11,523,244	6,659,081	-	-	11,523,244	6,659,081
Human services	112,884,642	110,567,209	-	-	112,884,642	110,567,209
Health	16,307,766	11,481,958	-	-	16,307,766	11,481,958
Culture and recreation	29,914,228	29,918,672	-	-	29,914,228	29,918,672
Conservation of natural resources	5,070,276	5,348,771	-	-	5,070,276	5,348,771
Economic development	8,948,642	8,348,294	-	-	8,948,642	8,348,294
Interest	46,847	-	-	-	46,847	-
Operating expenses – GIS	-	-	58,000	3,406	58,000	3,406
Operating expenses – Byllesby	-	-	895,918	1,346,924	895,918	1,346,924
Total expenses	<u>\$ 405,167,556</u>	<u>\$ 368,943,667</u>	<u>\$ 953,918</u>	<u>\$ 1,350,330</u>	<u>\$ 406,121,474</u>	<u>\$ 370,293,997</u>
Increase (decrease) in net position	<u>\$ (13,878,585)</u>	<u>\$ 10,439,023</u>	<u>\$ 7,406,313</u>	<u>\$ (1,260,733)</u>	<u>\$ (6,472,272)</u>	<u>\$ 9,178,290</u>
Net position January 1	<u>1,219,029,487</u>	<u>1,208,590,464</u>	<u>16,284,172</u>	<u>17,544,905</u>	<u>1,235,313,659</u>	<u>1,226,135,369</u>
Net Position December 31	<u>\$ 1,205,150,902</u>	<u>\$ 1,219,029,487</u>	<u>\$ 23,690,485</u>	<u>\$ 16,284,172</u>	<u>\$ 1,228,841,387</u>	<u>\$ 1,235,313,659</u>

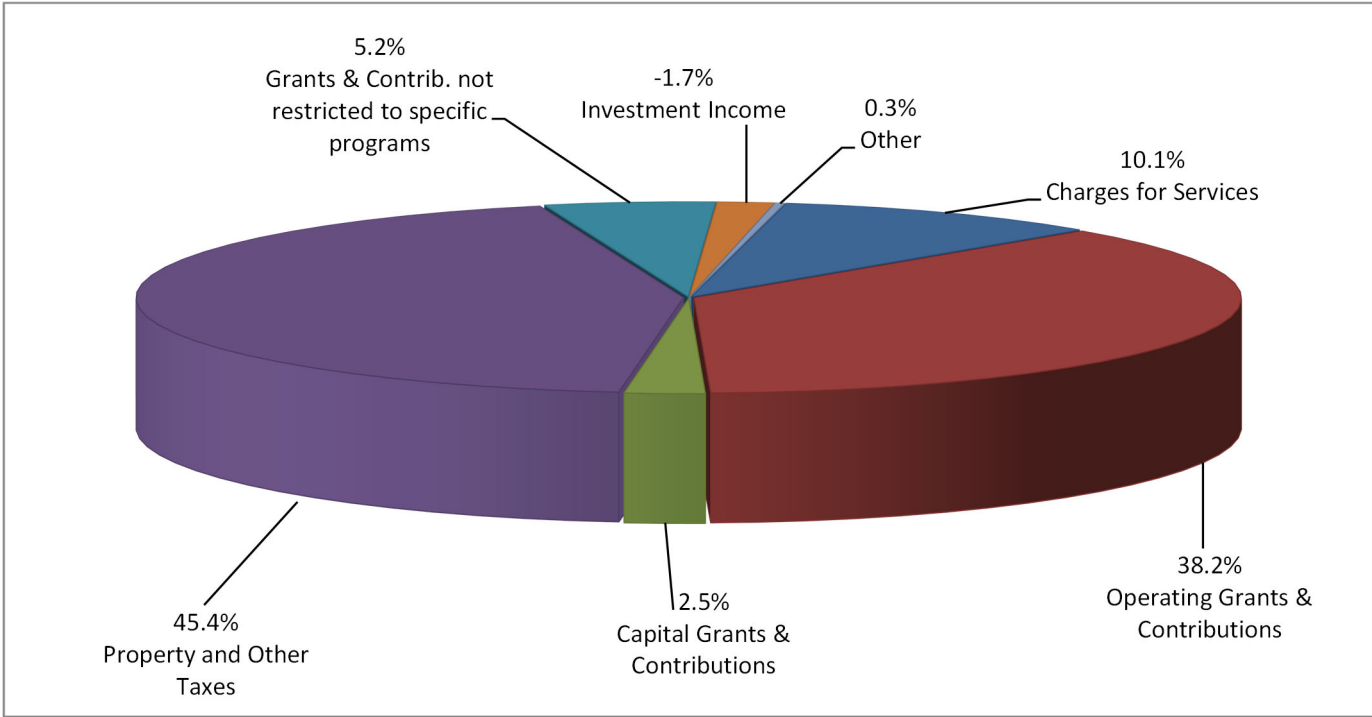
# Dakota County, Minnesota Management's Discussion and Analysis

December 31,  
2022

## Expenses and Program Revenues – Governmental Activities



## Revenues by Source – Governmental Activities



# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

---

## Financial Analysis of the Government's Funds

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

**Governmental Funds.** The focus of Dakota County *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Dakota County's financing requirements. In particular, *committed, assigned and unassigned 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 2022, Dakota County's governmental funds reported combined ending fund balances of \$292,770,089, a net decrease of \$15,887,792 due primarily to decreases in intergovernmental revenue. The majority of the fund balance, \$208,627,658, is available for spending at the government's discretion. The remainder of fund balance, \$84,142,431, is not available for general spending due to restrictions for specific purposes or is considered non-spendable.

*General Fund.* The General Fund is the chief operating fund of Dakota County. At the end of 2022, the General Fund's fund balance was \$92,036,654 of which \$86,676,897 was committed, assigned or unassigned. As a measure of the General Fund's liquidity, it may be useful to compare committed, assigned and unassigned fund balance and total fund balance to total fund expenditures. Committed, assigned and unassigned fund balance represents 32.51% of the 2022 total General Fund expenditures of \$266,599,319, while total fund balance represents 34.52% of total expenditures.

*Highway Fund.* The Highway Fund's total fund balance at 2022 was \$55,067,332 which is a \$7.9 million decrease from 2021 due to an decrease in grant reimbursements. The new alignment of County State Aid Highway (CSAH) 63 in Inver Grove Heights, the reconstruction and expansion of CSAH 26 from Trunk Highway (TH) 55 to TH 3 in Inver Grove Heights and Eagan, of CSAH 32 from Lexington Avenue to Dodd Boulevard and construct a roundabout at the intersection of Dodd and CSAH 32 in Eagan, of CSAH 86 from CSAH 23 to State Highway 3 in Castle Rock Township, and mill and overlay on CSAH 46 from west Dakota County line to CSAH 11 are some of the major projects the Highway staff has been working on.

*Environmental Legacy.* The Environmental Legacy Fund was established in 2015 from the transfer of activities originally organized within the Environmental Management Fund. These activities represent fees collected for the protection and preservation of the environment. Although the proceeds reported in this fund are from specific revenue sources, the use of these funds are for costs related to environmental projects. The 2022 net fund balance of \$56,973,275 is reported as *committed and restricted fund* balances.

*DC Transportation Sales Tax Fund.* The DC Transportation Sales Tax Fund was established in 2017. The purpose of this fund is the regional highway and transit investment as part of the broader county transportation system. The DC Transportation Sales Tax Fund's total fund balance for 2022 was \$72,432,359 which is restricted for statutorily defined transportation and transit projects.

*Special Federal Revenue Fund.* The Special Federal Revenue Fund was established in 2022. The purpose of this fund is to account for the activity for the American Rescue Plan (ARP) funds allocated to Dakota County.

*Debt Service Fund.* The Debt Service Fund has a zero fund balance at the end of the current fiscal year, as all payments for outstanding bonds were paid in full as of February 2016. There are no plans in the near future for new bond issuances.

*Capital Projects Fund.* The Capital Projects Fund has a negative fund balance of \$2,852,777. The major projects in 2022 included the work on the museum and juvenile facility and the building of the South St. Paul Library.

# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

---

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

Net position restricted for equipment replacement of the *Geographic Information Systems Enterprise Fund* at the end of the year totaled \$84,129, a decrease of \$54,000 from 2021. *The Byllesby Dam Enterprise Fund* increased its investment in capital assets net position balance to \$34,240,863 for the purpose of maintaining the Federal Energy Regulatory Commission mandated spillway upgrade and likewise, decreased the unrestricted net position balance at the end of the year to a negative \$10,634,507. The *Employee Services Reserve Internal Service Fund*, also regarded as a proprietary fund, has an unrestricted net position balance at the end of the year of \$11,258,614. The net position of the internal service fund decreased by \$2,517,144 over the past year due to the increased costs in claims paid versus funds collected for self-insurance costs. Other factors concerning the finances of these funds are addressed in the discussion of Dakota County's business-type activities.

## General Fund Budgetary Highlights

### Comparison of Original Budget to Final Amended Budget

The difference between the General Fund's original budget and the final amended budget shows an increase of \$37,455,217 for expenditures at fiscal year-end. The major changes from original to final budget for expenditures may be summarized as follows:

- \$1.9 million for Federal Emergency Rental and Services Assistance
- \$8.6 million for 2021 carry-over of unspent funds for data upgrades and expansion of network systems.
- \$10.7 million for carry-over of unspent funds for farmland conservation and matching grant funds.
- \$1.3 million for emergency management grants and 800MHz equipment.
- \$2.7 million for enterprise resource planning (ERP) software system.
- \$7.7 million in human services for carry-over of unspent funds and increases in grant programs.

The difference between the original budget and final amended budget for revenues was \$16,562,822. The majority of this increase from original to final budget relates to increases in grant funding and carry-overs of 2021 revenues for various programs identified above.

### Comparison of Actual Resources to Final Amended Budget

Actual expenditures were \$33,262,630 less than budgeted at fiscal year-end. The variance of final budget versus actual was due to a surplus in salaries and benefits and grant funded projects that have not been completed.

## Capital Asset and Debt Administration

**Capital Assets.** Dakota County's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$1,016,986,198 (net of accumulated depreciation and amortization). Investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress. The total increase in the Dakota County's investment in capital assets for the current fiscal year was \$25,163,494, or 2.54%.

Major capital asset events during 2022 included the following:

- Worked on a variety of county road construction projects, trails, bridges and transit improvements totaling over \$14.9 million.
- Over \$12.7 million in construction and upgrade costs to Byllesby Dam.



# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

## Dakota County's Capital Assets, Net of Depreciation and Amortization

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 295,250,059	\$ 291,821,767	\$ -	\$ -	\$ 295,250,059	\$ 291,821,767
Buildings	148,298,460	151,642,788	-	-	148,298,460	151,642,788
Machinery and equipment	9,304,632	10,167,028	-	-	9,304,632	10,167,028
Infrastructure	419,825,746	404,781,095	9,585,641	9,739,696	429,411,387	414,520,791
Improvements other than buildings	58,018,062	60,336,559	-	-	58,018,062	60,336,559
Construction in progress	49,490,755	47,966,597	26,553,590	15,367,174	76,044,345	63,333,771
<b>Total</b>	<b>\$ 980,187,714</b>	<b>\$ 966,715,834</b>	<b>\$ 36,139,231</b>	<b>\$ 25,106,870</b>	<b>\$ 1,016,326,945</b>	<b>\$ 991,822,704</b>
Buildings (intangible right to use)	\$ 10,673	\$ -	\$ -	\$ -	\$ 10,673	\$ -
Equipment (intangible right to use)	648,580	-	-	-	648,580	-
<b>Total</b>	<b>\$ 659,253</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 659,253</b>	<b>\$ -</b>
Total capital assets net of depreciation and amortization	<b>\$ 980,846,967</b>	<b>\$ 966,715,834</b>	<b>\$ 36,139,231</b>	<b>\$ 25,106,870</b>	<b>\$ 1,016,986,198</b>	<b>\$ 991,822,704</b>

Additional information on Dakota County's capital assets may be found in Note III. E. of this report.

**Long-term Debt.** At the end of 2022, Dakota County had zero bonded debt outstanding.

Dakota County maintains an "Aaa" rating from Moody's Investor Services, and an "AA+" rating from Standard & Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a county can incur to no more than 3% of the market value of taxable property in the county. With the final settlement of outstanding debt in 2016, the debt limitation for the County is not relevant for this report.

Additional information on Dakota County's long-term debt may be found in Note III. G. beginning on page 73 of this report.

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

- For the eighth year in a row, Dakota County has the lowest property tax rate among the Metropolitan counties. The County has continued to provide services with little increase in overall cost of government to residents. Property tax increases remain below the Consumer Price Index inflation rate.
- Dakota County's property tax values continue to rise, mostly due to appreciation in values. The 2023 total County property tax on a median home is expected to increase by 3.6% or \$23.

On December 13, 2022, the Dakota County Board of Commissioners approved the 2023 budget for \$438.0 million, an decrease of \$3.7 million or 0.8% less than the 2022 budget. Under the Adopted Budget, the total operating budget totals \$306.2 million, an increase of \$16.7 million or 5.8% more than the previous year. Additionally, the Adopted Budget includes \$131.8 million for the 2023 Capital Improvement Program (CIP), a decrease of \$20.4 million, or 13.4% less than the 2022 CIP.

The 2023 total property tax levy is \$147.4 million, which is a 1.9% increase over the 2022 levy. Additionally, as a means of helping manage the risk of potential state aid reductions, the adopted budget assigns a portion of general purpose aid to the County's capital budgets.

# Dakota County, Minnesota | December 31, Management's Discussion and Analysis | 2022

---

## Requests for Information

This financial report is designed to provide a general overview of Dakota 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 Financial Services Department, 1590 Highway 55, Hastings, MN 55033 or contact us via email at [finance@co.dakota.mn.us](mailto:finance@co.dakota.mn.us) or visit our web site at [www.dakotacounty.us](http://www.dakotacounty.us).

Complete financial statements for the Dakota County Community Development Agency may be obtained at the CDA's website or in its administrative offices. Questions concerning any of the information should be addressed to the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123 or visit their web site at [www.dakotacda.org](http://www.dakotacda.org)



# Basic Financial Statements

This page was left blank intentionally.

**DAKOTA COUNTY  
MINNESOTA**

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

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Community Development Agency	Vermillion River Watershed
<b>Assets</b>					
Cash and pooled investments	\$ 407,767,981	\$ 1,784,636	\$ 409,552,617	\$ 110,060,484	\$ 2,299,251
Petty cash and change funds	19,876	-	19,876	-	-
Investments	-	-	-	45,163,510	-
Taxes receivable					
Current	-	-	-	5,400,407	61,295
Prior	854,371	-	854,371	-	1,625
Special assessments receivable	-	-	-	143,616	-
Accounts receivable	11,756,841	-	11,756,841	863,407	4,943
Note receivable	-	-	-	63,899,891	-
Accrued interest receivable	923,537	-	923,537	3,042,733	-
Internal balances	12,191,681	(12,191,681)	-	-	-
Due from other governments	45,568,067	-	45,568,067	9,148,742	-
Inventories	2,333,988	-	2,333,988	-	-
Prepaid items	385,394	-	385,394	264,504	-
Restricted assets					
Cash and pooled investments	-	-	-	27,178,569	-
Investment in joint venture	-	-	-	5,786,638	-
Lease receivable	-	-	-	5,898,122	-
Capital assets					
Non-depreciable	344,740,814	26,553,590	371,294,404	33,853,758	-
Depreciable - net of accumulated depreciation	635,446,900	9,585,641	645,032,541	157,821,561	-
Amortizable - net of accumulated amortization	659,253	-	659,253	-	-
<b>Total Assets</b>	<b>\$ 1,462,648,703</b>	<b>\$ 25,732,186</b>	<b>\$ 1,488,380,889</b>	<b>\$ 468,525,942</b>	<b>\$ 2,367,114</b>
<b>Deferred Outflows of Resources</b>					
Deferred OPEB outflows	\$ 1,274,000	\$ -	\$ 1,274,000	\$ -	\$ -
Deferred pension outflows	68,863,657	-	68,863,657	-	-
Deferred charge on refundings	-	-	-	845	-
<b>Total deferred outflows of resources</b>	<b>\$ 70,137,657</b>	<b>\$ -</b>	<b>\$ 70,137,657</b>	<b>\$ 845</b>	<b>\$ -</b>
<b>Liabilities</b>					
Accounts payable	\$ 19,917,991	\$ 1,237,994	\$ 21,155,985	\$ 4,114,864	\$ 224,167
Salaries payable	7,886,431	6,219	7,892,650	427,784	-
Contracts payable	2,923,752	797,488	3,721,240	-	5,429
Due to other governments	1,973,032	-	1,973,032	584,894	-
Accrued interest payable	-	-	-	2,807,201	-
Unearned revenue	74,685,495	-	74,685,495	159,229	-
Compensated absences					
Due within one year	1,643,027	-	1,643,027	634,269	-
Due in more than one year	21,449,692	-	21,449,692	657,240	-
Claims and judgments payable					
Due within one year	3,283,138	-	3,283,138	-	-
Due in more than one year	2,060,362	-	2,060,362	-	-
Leases payable					
Due within one year	24,488	-	24,488	-	-
Due in more than one year	104,198	-	104,198	-	-
General obligation bonds payable					
Due within one year	-	-	-	3,895,000	-
Due in more than one year	-	-	-	74,683,662	-
Total OPEB liability					
Due in more than one year	12,399,677	-	12,399,677	-	-

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

**DAKOTA COUNTY  
MINNESOTA**

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

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Community Development Agency	Vermillion River Watershed
<b><u>Liabilities (Cont.)</u></b>					
Net pension liability					
Due in more than one year	\$ 173,668,300	\$ -	\$ 173,668,300	\$ -	\$ -
Notes payable					
Due within one year	-	-	-	934,000	-
Due in more than one year	-	-	-	12,199,871	-
<b>Total Liabilities</b>	<b>\$ 322,019,583</b>	<b>\$ 2,041,701</b>	<b>\$ 324,061,284</b>	<b>\$ 101,098,014</b>	<b>\$ 229,596</b>
<b><u>Deferred Inflows of Resources</u></b>					
Deferred pension inflows	\$ 4,995,936	\$ -	\$ 4,995,936	\$ -	\$ -
Deferred OPEB inflows	619,939	-	619,939	-	-
Deferred property taxes inflow	-	-	-	16,642,468	-
<b>Total deferred inflows of resources</b>	<b>\$ 5,615,875</b>	<b>\$ -</b>	<b>\$ 5,615,875</b>	<b>\$ 16,642,468</b>	<b>\$ -</b>
<b><u>Net Position</u></b>					
Net investment in capital assets	\$ 977,794,529	\$ 34,240,863	\$ 1,012,035,392	\$ 105,795,678	\$ -
Restricted for					
Capital projects	-	-	-	26,630,219	-
General government	739,468	-	739,468	-	-
Public safety	922,752	-	922,752	-	-
Highways and streets	86,455,857	-	86,455,857	-	-
Health	1,919,533	-	1,919,533	-	-
Sanitation	2,189,284	-	2,189,284	-	-
Conservation of natural resources	131,650	-	131,650	-	-
Debt service	-	-	-	45,350,062	-
Equipment replacement	2,420,308	84,129	2,504,437	-	-
Federal grants	133,883	-	133,883	4,145,436	-
Tax increment	-	-	-	10,382,784	-
HOPE program	-	-	-	5,279,332	-
Unrestricted	132,443,638	(10,634,507)	121,809,131	153,202,794	2,137,518
<b>Total Net Position</b>	<b>\$ 1,205,150,902</b>	<b>\$ 23,690,485</b>	<b>\$ 1,228,841,387</b>	<b>\$ 350,786,305</b>	<b>\$ 2,137,518</b>

This page was left blank intentionally.

**DAKOTA COUNTY  
MINNESOTA**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units	
	Expenses	Fees, Charges for Services, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Community Development Agency	Vermillion River Watershed
					Governmental Activities	Business-Type Activities	Total		
<b>Primary government</b>									
<b>Governmental activities</b>									
General government	\$ 101,547,290	\$ 9,786,337	\$ 19,670,686	\$ -	\$ (72,090,267)	\$ -	\$ (72,090,267)		
Public safety	55,810,215	1,996,846	8,582,919	-	(45,230,450)	-	(45,230,450)		
Highways and streets	65,987,105	796,635	35,107,367	9,232,751	(20,850,352)	-	(20,850,352)		
Sanitation	7,257,872	10,853,969	1,672,942	-	5,269,039	-	5,269,039		
Human services	114,277,315	2,156,582	64,959,568	-	(47,161,165)	-	(47,161,165)		
Health	12,852,265	11,680,263	6,442,905	-	5,270,903	-	5,270,903		
Culture and recreation	29,914,228	1,685,912	5,466,765	346,414	(22,415,137)	-	(22,415,137)		
Conservation of natural resources	5,070,276	630,150	(187,100)	-	(4,627,226)	-	(4,627,226)		
Economic development	12,404,143	-	7,947,690	-	(4,456,453)	-	(4,456,453)		
Interest	46,847	-	-	-	(46,847)	-	(46,847)		
<b>Total governmental activities</b>	<b>\$ 405,167,556</b>	<b>\$ 39,586,694</b>	<b>\$ 149,663,742</b>	<b>\$ 9,579,165</b>	<b>\$ (206,337,955)</b>	<b>\$ -</b>	<b>\$ (206,337,955)</b>		
<b>Business-type activities</b>									
Geographic Information System	\$ 58,000	\$ 4,000	\$ -	\$ -	\$ -	\$ (54,000)	\$ (54,000)		
Byllesby Dam	895,918	36	8,356,195	-	-	7,460,313	7,460,313		
<b>Total business-type activities</b>	<b>\$ 953,918</b>	<b>\$ 4,036</b>	<b>\$ 8,356,195</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,406,313</b>	<b>\$ 7,406,313</b>		
<b>Total primary government</b>	<b>\$ 406,121,474</b>	<b>\$ 39,590,730</b>	<b>\$ 158,019,937</b>	<b>\$ 9,579,165</b>	<b>\$ (206,337,955)</b>	<b>\$ 7,406,313</b>	<b>\$ (198,931,642)</b>		
<b>Component units</b>									
Community Development Agency	\$ 60,114,035	\$ 31,267,951	\$ 37,438,621	\$ 3,831,319			\$ 12,423,856	\$ -	
Vermillion River Watershed	949,389	187,543	652,522	-			-	(109,324)	
<b>Total component units</b>	<b>\$ 61,063,424</b>	<b>\$ 31,455,494</b>	<b>\$ 38,091,143</b>	<b>\$ 3,831,319</b>			<b>\$ 12,423,856</b>	<b>\$ (109,324)</b>	



DAKOTA COUNTY  
MINNESOTA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
	Fees, Charges for Services, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
				Governmental Activities	Business-Type Activities	Total	Community Development Agency	Vermillion River Watershed
<b>General Revenues</b>								
Property taxes				\$ 148,608,206	\$ -	\$ 148,608,206	\$ 10,813,426	\$ 972,771
Gravel taxes				775,816	-	775,816	-	-
Mortgage registry and deed tax				923,232	-	923,232	-	-
Wheelage tax				3,938,641	-	3,938,641	-	-
Transit tax				23,482,994	-	23,482,994	-	-
Grants and contributions not restricted to specific programs				20,392,663	-	20,392,663	-	-
Investment earnings				(6,825,724)	-	(6,825,724)	(1,704,954)	26,196
Miscellaneous				1,018,167	-	1,018,167	-	-
Gain on sale of capital assets				145,375	-	145,375	-	-
<b>Total general revenues</b>				<b>\$ 192,459,370</b>	<b>\$ -</b>	<b>\$ 192,459,370</b>	<b>\$ 9,108,472</b>	<b>\$ 998,967</b>
<b>Change in net position</b>				<b>\$ (13,878,585)</b>	<b>\$ 7,406,313</b>	<b>\$ (6,472,272)</b>	<b>\$ 21,532,328</b>	<b>\$ 889,643</b>
<b>Net Position - Beginning</b>				<b>1,219,029,487</b>	<b>16,284,172</b>	<b>1,235,313,659</b>	<b>329,253,977</b>	<b>1,247,875</b>
<b>Net Position - Ending</b>				<b>\$ 1,205,150,902</b>	<b>\$ 23,690,485</b>	<b>\$ 1,228,841,387</b>	<b>\$ 350,786,305</b>	<b>\$ 2,137,518</b>

**DAKOTA COUNTY  
MINNESOTA**

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

	<u>General</u>	<u>Highway</u>	<u>Environmental Legacy</u>	<u>DC Transportation Sales Tax</u>	<u>Special Federal Revenue</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>								
Cash and pooled investments	\$ 83,278,139	\$ 56,443,273	\$ 58,200,797	\$ 68,870,107	\$ 73,800,531	\$ -	\$ 17,073,585	\$ 357,666,432
Petty cash and change funds	14,990	-	-	-	-	-	4,886	19,876
Taxes receivable								
Prior	715,178	25,092	172	-	-	20,935	92,994	854,371
Accounts receivable	1,268,291	522,146	1,784,717	-	-	-	8,181,687	11,756,841
Accrued interest receivable	923,537	-	-	-	-	-	-	923,537
Due from other funds	16,158,560	533,976	525,347	1,314,483	-	5	3,213,360	21,745,731
Due from other governments	11,930,611	28,738,850	12,665	4,509,222	-	-	376,719	45,568,067
Prepaid items	919,206	-	-	-	-	-	-	919,206
Inventories	755,337	1,578,651	-	-	-	-	-	2,333,988
<b>Total Assets</b>	<b>\$ 115,963,849</b>	<b>\$ 87,841,988</b>	<b>\$ 60,523,698</b>	<b>\$ 74,693,812</b>	<b>\$ 73,800,531</b>	<b>\$ 20,940</b>	<b>\$ 28,943,231</b>	<b>\$ 441,788,049</b>
<b><u>Liabilities, Deferred Inflows of Resources and Fund Balances</u></b>								
<b>Liabilities</b>								
Accounts payable	\$ 8,193,084	\$ 5,536,456	\$ 862,442	\$ 406,488	\$ 2,149,312	\$ 366,466	\$ 813,232	\$ 18,327,480
Salaries payable	6,970,036	347,055	130,239	-	-	-	439,101	7,886,431
Claims and judgments payable - current	1,619	-	-	-	-	-	-	1,619
Contracts payable	16,012	1,495,129	1,155	813,696	211,593	208,999	177,168	2,923,752
Due to other funds	2,107,265	1,832,897	2,309,145	1,041,269	326,570	2,275,210	415,605	10,307,961
Due to other governments	1,968,818	(185)	1,664	-	-	-	2,735	1,973,032
Unearned revenue - other	3,343,135	-	245,433	-	70,979,173	-	117,754	74,685,495
<b>Total Liabilities</b>	<b>\$ 22,599,969</b>	<b>\$ 9,211,352</b>	<b>\$ 3,550,078</b>	<b>\$ 2,261,453</b>	<b>\$ 73,666,648</b>	<b>\$ 2,850,675</b>	<b>\$ 1,965,595</b>	<b>\$ 116,105,770</b>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	\$ 1,327,226	\$ 9,539,806	\$ 345	\$ -	\$ -	\$ 23,042	\$ 7,998,273	\$ 18,888,692
Revenues deferred for highway allotments	-	14,023,498	-	-	-	-	-	14,023,498
<b>Total Deferred Inflows of Resources</b>	<b>\$ 1,327,226</b>	<b>\$ 23,563,304</b>	<b>\$ 345</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,042</b>	<b>\$ 7,998,273</b>	<b>\$ 32,912,190</b>

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

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

	General	Highway	Environmental Legacy	DC Transportation Sales Tax	Special Federal Revenue	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
<b><u>Liabilities, Deferred Inflows of Resources and Fund Balances (Continued)</u></b>								
<b>Fund Balances</b>								
Non-spendable:								
Inventories	\$ 755,337	\$ 1,578,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,333,988
Prepays	919,206	-	-	-	-	-	-	919,206
Restricted for:								
Law library	-	-	-	-	-	-	300,440	300,440
Recorder's equipment purchases	2,391,969	-	-	-	-	-	-	2,391,969
Federal revenue	-	-	-	-	133,883	-	-	133,883
Victim Witness	118,149	-	-	-	-	-	-	118,149
Opioid settlement	-	-	-	-	-	-	1,919,533	1,919,533
Elections-HAVA	28,339	-	-	-	-	-	-	28,339
Boat and water	554,865	-	-	-	-	-	-	554,865
Attorney-Diversion	138,235	-	-	-	-	-	-	138,235
Sheriff-Alcohol compliance	2,511	-	-	-	-	-	-	2,511
Criminal forfeitures	32,419	-	-	-	-	-	96,874	129,293
Permit to carry	365,376	-	-	-	-	-	-	365,376
Gravel pit restoration	-	-	2,189,284	-	-	-	-	2,189,284
Aquatic invasive species	-	-	131,650	-	-	-	-	131,650
Transportation and transit	-	-	-	72,432,359	-	-	-	72,432,359
Child support fees	53,351	-	-	-	-	-	-	53,351
Committed to:								
Protection, preservation or enhancement of environment	-	-	54,652,341	-	-	-	-	54,652,341
Assigned to:								
Public safety	5,000	-	-	-	-	-	-	5,000
Highways and streets	-	53,488,681	-	-	-	-	-	53,488,681
Culture and recreation	-	-	-	-	-	-	7,971,767	7,971,767
Economic development	-	-	-	-	-	-	8,690,749	8,690,749
Liability and loss reserve	2,604,719	-	-	-	-	-	-	2,604,719
Unassigned	84,067,178	-	-	-	-	(2,852,777)	-	81,214,401
<b>Total Fund Balances</b>	<b>\$ 92,036,654</b>	<b>\$ 55,067,332</b>	<b>\$ 56,973,275</b>	<b>\$ 72,432,359</b>	<b>\$ 133,883</b>	<b>\$ (2,852,777)</b>	<b>\$ 18,979,363</b>	<b>\$ 292,770,089</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 115,963,849</b>	<b>\$ 87,841,988</b>	<b>\$ 60,523,698</b>	<b>\$ 74,693,812</b>	<b>\$ 73,800,531</b>	<b>\$ 20,940</b>	<b>\$ 28,943,231</b>	<b>\$ 441,788,049</b>

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

**DAKOTA COUNTY  
MINNESOTA**

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

<b>Fund balances - total governmental funds</b>	<b>\$</b>	<b>292,770,089</b>
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and, therefore, the underlying resources are not recognized currently in the governmental funds.		980,846,967
Prepaid assets in governmental funds reclassified to capital assets in governmental activities		(533,812)
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds.		
Deferred inflows of resources - unavailable revenue		32,912,190
Deferred outflows of resources resulting from pension obligations are not available resources and, therefore, are not reported in governmental funds.		68,863,657
An internal service fund is used by management to account for services provided to departments by employees, specifically employee benefits including compensated absences and other post employment benefits. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		11,258,614
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Claims and judgments payable	\$ (2,173,881)	
Leases payable	(128,686)	
Net pension liability	<u>(173,668,300)</u>	<u>(175,970,867)</u>
Deferred inflows resulting from pension obligations are not due and payable in the current period, and, therefore, are not reported in the governmental funds.		<u>(4,995,936)</u>
<b>Net position of governmental activities</b>	<b>\$</b>	<b><u><u>1,205,150,902</u></u></b>

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

This page was left blank intentionally.

**DAKOTA COUNTY  
MINNESOTA**

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

	<u>General</u>	<u>Highway</u>	<u>Environmental Legacy</u>	<u>DC Transportation Sales Tax</u>	<u>Special Federal Revenue</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>								
Taxes	\$ 127,812,185	\$ 6,994,014	\$ 184,735	\$ 24,797,477	\$ -	\$ 3,337,886	\$ 14,542,110	\$ 177,668,407
Licenses and permits	1,091,539	270,286	1,101,602	-	-	-	121,417	2,584,844
Intergovernmental	109,649,828	45,999,940	2,475,762	1,744,954	8,529,099	6,203,201	7,883,852	182,486,636
Charges for services	10,906,986	218,728	9,425,522	-	-	-	1,630,454	22,181,690
Fines and forfeits	7,785	-	-	-	-	-	39,844	47,629
Gifts and contributions	16,477	-	-	-	-	-	38,981	55,458
Investment earnings	(7,134,368)	-	-	-	-	-	132,531	(7,001,837)
Miscellaneous	5,187,191	326,492	775,102	-	-	-	2,090,858	8,379,643
<b>Total Revenues</b>	<b>\$ 247,537,623</b>	<b>\$ 53,809,460</b>	<b>\$ 13,962,723</b>	<b>\$ 26,542,431</b>	<b>\$ 8,529,099</b>	<b>\$ 9,541,087</b>	<b>\$ 26,480,047</b>	<b>\$ 386,402,470</b>
<b>Expenditures</b>								
<b>Current</b>								
General government	\$ 85,228,332	\$ -	\$ -	\$ -	\$ 3,547,042	\$ -	\$ 399,057	\$ 89,174,431
Public safety	49,558,347	-	-	-	-	-	-	49,558,347
Highways and streets	-	61,634,034	-	19,209,777	-	-	-	80,843,811
Sanitation	-	-	6,965,057	-	-	-	-	6,965,057
Human services	108,569,581	-	-	-	1,392,673	-	-	109,962,254
Health	12,153,709	-	-	-	-	-	-	12,153,709
Culture and recreation	543,230	-	-	-	-	-	28,201,739	28,744,969
Conservation of natural resources	2,190,678	-	2,867,518	-	-	-	-	5,058,196
Economic development	8,311,840	-	-	-	3,455,501	-	835,681	12,603,022
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,958,907</b>	<b>-</b>	<b>7,958,907</b>
<b>Debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Principal	38,606	-	-	-	-	-	-	38,606
Interest	4,996	-	-	-	-	-	-	4,996
<b>Total Expenditures</b>	<b>\$ 266,599,319</b>	<b>\$ 61,634,034</b>	<b>\$ 9,832,575</b>	<b>\$ 19,209,777</b>	<b>\$ 8,395,216</b>	<b>\$ 7,958,907</b>	<b>\$ 29,436,477</b>	<b>\$ 403,066,305</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (19,061,696)</b>	<b>\$ (7,824,574)</b>	<b>\$ 4,130,148</b>	<b>\$ 7,332,654</b>	<b>\$ 133,883</b>	<b>\$ 1,582,180</b>	<b>\$ (2,956,430)</b>	<b>\$ (16,663,835)</b>

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

**DAKOTA COUNTY  
MINNESOTA**

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

	<u>General</u>	<u>Highway</u>	<u>Environmental Legacy</u>	<u>DC Transportation Sales Tax</u>	<u>Special Federal Revenue</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	\$ 680,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,154,654	\$ 3,835,322
Transfers out	(71,250)	(50,000)	(2,232,384)	(851,020)	-	-	-	(3,204,654)
Proceeds from sale of assets	145,375	-	-	-	-	-	-	145,375
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 754,793</u>	<u>\$ (50,000)</u>	<u>\$ (2,232,384)</u>	<u>\$ (851,020)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,154,654</u>	<u>\$ 776,043</u>
<b>Net Change in Fund Balance</b>	<b>\$ (18,306,903)</b>	<b>\$ (7,874,574)</b>	<b>\$ 1,897,764</b>	<b>\$ 6,481,634</b>	<b>\$ 133,883</b>	<b>\$ 1,582,180</b>	<b>\$ 198,224</b>	<b>\$ (15,887,792)</b>
<b>Fund Balance - January 1</b>	<b>110,292,751</b>	<b>62,970,397</b>	<b>55,075,511</b>	<b>65,950,725</b>	<b>-</b>	<b>(4,434,957)</b>	<b>18,781,139</b>	<b>308,635,566</b>
<b>Increase (decrease) in inventories</b>	<u>50,806</u>	<u>(28,491)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,315</u>
<b>Fund Balance - December 31</b>	<u><u>\$ 92,036,654</u></u>	<u><u>\$ 55,067,332</u></u>	<u><u>\$ 56,973,275</u></u>	<u><u>\$ 72,432,359</u></u>	<u><u>\$ 133,883</u></u>	<u><u>\$ (2,852,777)</u></u>	<u><u>\$ 18,979,363</u></u>	<u><u>\$ 292,770,089</u></u>

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

**DAKOTA COUNTY  
MINNESOTA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Net change in fund balances - total governmental funds** **\$ (15,887,792)**

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Expenditures for general capital assets, infrastructure, and other related capital assets	\$ 38,941,636	
Current year depreciation and amortization	<u>(25,387,765)</u>	13,553,871

In the statement of activities, only the gain or loss on the disposal of capital assets is reported, whereas, in the governmental funds, the proceeds from the disposal increase financial resources. Therefore, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets. (81,991)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The adjustment to revenue is the increase or decrease in unavailable revenue.

Unavailable revenue - December 31	\$ 32,912,190	
Unavailable revenue - January 1	<u>(28,177,063)</u>	4,735,127

An internal service fund is used by management to account for services provided to departments by employees, specifically employee benefits including compensated absences and other post employment benefits. The net revenue of certain activities of the internal service fund is reported with governmental activities. (2,517,144)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in claims and judgments payable	\$ (330,711)	
Change in leases	(3,245)	
Change in net pension liability/asset	(94,798,153)	
Change in deferred outflows of resources	484,402	
Change in deferred inflows of resources	80,944,736	
Change in inventories	<u>22,315</u>	<u>(13,680,656)</u>

**Change in net position of governmental activities** **\$ (13,878,585)**



**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 125,001,981	\$ 125,405,747	\$ 127,812,185	\$ 2,406,438
Licenses and permits	952,250	982,282	1,091,539	109,257
Intergovernmental	95,995,812	118,433,382	109,649,828	(8,783,554)
Charges for services	21,512,220	13,605,204	10,906,986	(2,698,218)
Fines and forfeits	20,000	20,000	7,785	(12,215)
Gifts and contributions	2,500	9,820	16,477	6,657
Investment earnings	8,294,731	8,294,731	(7,134,368)	(15,429,099)
Miscellaneous	3,251,371	4,842,521	5,187,191	344,670
<b>Total Revenues</b>	<b>\$ 255,030,865</b>	<b>\$ 271,593,687</b>	<b>\$ 247,537,623</b>	<b>\$ (24,056,064)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General government</b>				
Commissioners	\$ 903,606	\$ 921,463	\$ 885,405	\$ 36,058
Courts services	457,413	457,413	635,314	(177,901)
County administration	1,529,411	1,868,126	1,457,555	410,571
EFIS division administration	3,504,972	5,237,516	5,046,765	190,751
Public service and revenue admin	791,475	971,452	682,131	289,321
Service and license centers	2,369,440	2,632,894	2,620,442	12,452
Property taxation and records	3,943,934	4,187,582	3,966,944	220,638
County assessor	4,175,223	4,399,096	4,315,013	84,083
Elections	673,752	1,754,306	1,754,304	2
Accounting and auditing	3,132,681	3,495,129	3,420,910	74,219
Information technology	15,189,748	23,829,371	17,081,084	6,748,287
Operations management services	16,952,580	19,561,629	17,126,534	2,435,095
Employee relations	3,154,375	3,338,804	3,185,273	153,531
Attorney	8,429,493	8,671,425	7,795,821	875,604
Risk management	3,299,098	6,041,274	4,996,725	1,044,549
Physical development administration	2,509,448	2,797,114	3,138,610	(341,496)
Communications	1,091,198	1,152,734	1,135,278	17,456
County-wide operations	9,558,387	6,209,057	5,144,871	1,064,186
Veterans service officer	831,970	850,564	839,353	11,211
<b>Total general government</b>	<b>\$ 82,498,204</b>	<b>\$ 98,376,949</b>	<b>\$ 85,228,332</b>	<b>\$ 13,148,617</b>
<b>Public safety</b>				
Sheriff	\$ 24,999,070	\$ 26,237,041	\$ 25,701,858	\$ 535,183
Medical Examiner	1,533,351	1,533,351	2,274,082	(740,731)
Community corrections	22,718,065	23,478,220	21,582,407	1,895,813
<b>Total public safety</b>	<b>\$ 49,250,486</b>	<b>\$ 51,248,612</b>	<b>\$ 49,558,347</b>	<b>\$ 1,690,265</b>

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

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures</b>				
<b>Current (Continued)</b>				
<b>Human services</b>				
Administration	\$ 2,135,961	\$ 2,358,802	\$ 2,001,998	\$ 356,804
Income maintenance	31,352,828	31,670,234	30,717,729	952,505
Social services	68,026,790	74,288,962	75,849,854	(1,560,892)
<b>Total human services</b>	<b>\$ 101,515,579</b>	<b>\$ 108,317,998</b>	<b>\$ 108,569,581</b>	<b>\$ (251,583)</b>
<b>Health</b>				
Public health	\$ 14,151,346	\$ 15,249,116	\$ 12,153,709	\$ 3,095,407
<b>Culture and recreation</b>				
Historical society	\$ 107,185	\$ 132,185	\$ 132,185	\$ -
County fair	191,117	191,117	191,117	-
Parks	-	-	219,928	(219,928)
<b>Total culture and recreation</b>	<b>\$ 298,302</b>	<b>\$ 323,302</b>	<b>\$ 543,230</b>	<b>\$ (219,928)</b>
<b>Conservation of natural resources</b>				
Soil and water conservation	\$ 331,302	\$ 331,302	\$ 331,302	\$ -
Farmland and natural area program	10,028,539	20,749,117	1,528,931	19,220,186
County extension	356,948	386,117	327,136	58,981
Other conservaton	-	-	3,309	(3,309)
<b>Total conservation of natural resources</b>	<b>\$ 10,716,789</b>	<b>\$ 21,466,536</b>	<b>\$ 2,190,678</b>	<b>\$ 19,275,858</b>
<b>Economic development</b>				
Administration	\$ -	\$ -	\$ 5,328,092	\$ (5,328,092)
Community development	4,002,228	4,905,638	2,983,748	1,921,890
<b>Total economic development</b>	<b>\$ 4,002,228</b>	<b>\$ 4,905,638</b>	<b>\$ 8,311,840</b>	<b>\$ (3,406,202)</b>
<b>Total Expenditures</b>	<b>\$ 262,432,934</b>	<b>\$ 299,888,151</b>	<b>\$ 266,599,319</b>	<b>\$ 33,288,832</b>

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

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (7,402,069)</b>	<b>\$ (28,294,464)</b>	<b>\$ (19,061,696)</b>	<b>\$ 9,232,768</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ 3,423,112	\$ 3,473,112	\$ 680,668	\$ (2,792,444)
Transfers out	(12,337,280)	(12,408,530)	(71,250)	12,337,280
Proceeds from sale of assets	348,500	348,500	145,375	(203,125)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (8,565,668)</b>	<b>\$ (8,586,918)</b>	<b>\$ 754,793</b>	<b>\$ 9,341,711</b>
<b>Net Change in Fund Balance</b>	<b>\$ (15,967,737)</b>	<b>\$ (36,881,382)</b>	<b>\$ (18,306,903)</b>	<b>\$ 18,574,479</b>
<b>Fund Balance - January 1</b>	<b>110,292,751</b>	<b>110,292,751</b>	<b>110,292,751</b>	<b>-</b>
<b>Increase (decrease) in inventories</b>	<b>-</b>	<b>-</b>	<b>50,806</b>	<b>50,806</b>
<b>Fund Balance - December 31</b>	<b>\$ 94,325,014</b>	<b>\$ 73,411,369</b>	<b>\$ 92,036,654</b>	<b>\$ 18,625,285</b>

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

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
HIGHWAY SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 9,461,397	\$ 8,240,215	\$ 6,994,014	\$ (1,246,201)
Licenses and permits	226,534	226,534	270,286	43,752
Intergovernmental	44,796,407	136,094,979	45,999,940	(90,095,039)
Charges for services	189,095	242,145	218,728	(23,417)
Miscellaneous	271,300	271,300	326,492	55,192
<b>Total Revenues</b>	<b><u>\$ 54,944,733</u></b>	<b><u>\$ 145,075,173</u></b>	<b><u>\$ 53,809,460</u></b>	<b><u>\$ (91,265,713)</u></b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Highway and streets</b>				
Administration	\$ 1,296,053	\$ 1,337,513	\$ 1,886,487	\$ (548,974)
Maintenance	6,753,449	6,753,449	7,276,105	(522,656)
Construction	56,433,631	126,925,994	51,621,895	75,304,099
Survey	623,543	623,543	849,547	(226,004)
<b>Total highways and streets</b>	<b><u>\$ 65,106,676</u></b>	<b><u>\$ 135,640,499</u></b>	<b><u>\$ 61,634,034</u></b>	<b><u>\$ 74,006,465</u></b>
<b>Total Expenditures</b>	<b><u>\$ 65,106,676</u></b>	<b><u>\$ 135,640,499</u></b>	<b><u>\$ 61,634,034</u></b>	<b><u>\$ 74,006,465</u></b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b><u>\$ (10,161,943)</u></b>	<b><u>\$ 9,434,674</u></b>	<b><u>\$ (7,824,574)</u></b>	<b><u>\$ (17,259,248)</u></b>
<b>Net Change in Fund Balance</b>	<b><u>\$ (10,161,943)</u></b>	<b><u>\$ 9,410,674</u></b>	<b><u>\$ (7,874,574)</u></b>	<b><u>\$ (17,285,248)</u></b>
<b>Fund Balance - January 1</b>	<b>62,970,397</b>	<b>62,970,397</b>	<b>62,970,397</b>	<b>-</b>
<b>Increase (decrease) in inventories</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(28,491)</u></b>	<b><u>(28,491)</u></b>
<b>Fund Balance - December 31</b>	<b><u>\$ 52,808,454</u></b>	<b><u>\$ 72,381,071</u></b>	<b><u>\$ 55,067,332</u></b>	<b><u>\$ (17,313,739)</u></b>

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

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
ENVIRONMENTAL LEGACY SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 160,000	\$ 160,000	\$ 184,735	\$ 24,735
Licenses and permits	1,071,896	1,071,896	1,101,602	29,706
Intergovernmental	2,432,416	2,570,876	2,475,762	(95,114)
Charges for services	7,595,313	7,595,313	9,425,522	1,830,209
Miscellaneous	630,265	630,265	775,102	144,837
<b>Total Revenues</b>	<b><u>\$ 11,889,890</u></b>	<b><u>\$ 12,028,350</u></b>	<b><u>\$ 13,962,723</u></b>	<b><u>\$ 1,934,373</u></b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Sanitation</b>				
Solid waste	\$ 6,666,770	\$ 10,151,624	\$ 6,965,057	\$ 3,186,567
<b>Total Sanitation</b>	<b><u>\$ 6,666,770</u></b>	<b><u>\$ 10,151,624</u></b>	<b><u>\$ 6,965,057</u></b>	<b><u>\$ 3,186,567</u></b>
<b>Conservation of natural resources</b>				
Water resources	\$ 3,250,568	\$ 4,166,064	\$ 2,867,518	\$ 1,298,546
<b>Total conservation of natural resources</b>	<b><u>\$ 3,250,568</u></b>	<b><u>\$ 4,166,064</u></b>	<b><u>\$ 2,867,518</u></b>	<b><u>\$ 1,298,546</u></b>
<b>Total Expenditures</b>	<b><u>\$ 9,917,338</u></b>	<b><u>\$ 14,317,688</u></b>	<b><u>\$ 9,832,575</u></b>	<b><u>\$ 4,485,113</u></b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b><u>\$ 1,972,552</u></b>	<b><u>\$ (2,289,338)</u></b>	<b><u>\$ 4,130,148</u></b>	<b><u>\$ 6,419,486</u></b>
<b>Other Financing Sources (Uses)</b>				
Transfers out	\$ (23,383,001)	\$ (24,755,559)	\$ (2,232,384)	\$ 22,523,175
<b>Total Other Financing Sources (Uses)</b>	<b><u>\$ (23,383,001)</u></b>	<b><u>\$ (24,755,559)</u></b>	<b><u>\$ (2,232,384)</u></b>	<b><u>\$ 22,523,175</u></b>
<b>Change in Fund Balance</b>	<b><u>\$ (21,410,449)</u></b>	<b><u>\$ (27,044,897)</u></b>	<b><u>\$ 1,897,764</u></b>	<b><u>\$ 28,942,661</u></b>
<b>Fund Balance - January 1</b>	<b><u>55,075,511</u></b>	<b><u>55,075,511</u></b>	<b><u>55,075,511</u></b>	<b><u>-</u></b>
<b>Fund Balance - December 31</b>	<b><u>\$ 33,665,062</u></b>	<b><u>\$ 28,030,614</u></b>	<b><u>\$ 56,973,275</u></b>	<b><u>\$ 28,942,661</u></b>

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

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
DC TRANSPORTATION SALES TAX SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 22,054,715	\$ 23,369,198	\$ 24,797,477	\$ 1,428,279
Intergovernmental	6,270,500	33,178,288	1,744,954	(31,433,334)
<b>Total Revenues</b>	<b>\$ 28,325,215</b>	<b>\$ 56,547,486</b>	<b>\$ 26,542,431</b>	<b>\$ (30,005,055)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Highway and streets</b>				
Administration	\$ 28,325,215	\$ 57,450,771	\$ 19,209,777	\$ 38,240,994
<b>Total Expenditures</b>	<b>\$ 28,325,215</b>	<b>\$ 57,450,771</b>	<b>\$ 19,209,777</b>	<b>\$ 38,240,994</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ (903,285)</b>	<b>\$ 7,332,654</b>	<b>\$ 8,235,939</b>
<b>Other Financing Sources (Uses)</b>				
Transfers out	\$ (1,000,000)	\$ (1,851,020)	\$ (851,020)	\$ 1,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (1,000,000)</b>	<b>\$ (1,851,020)</b>	<b>\$ (851,020)</b>	<b>\$ 1,000,000</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,000,000)</b>	<b>\$ (2,754,305)</b>	<b>\$ 6,481,634</b>	<b>\$ 9,235,939</b>
<b>Fund Balance - January 1</b>	<b>65,950,725</b>	<b>65,950,725</b>	<b>65,950,725</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 64,950,725</b>	<b>\$ 63,196,420</b>	<b>\$ 72,432,359</b>	<b>\$ 9,235,939</b>

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON STATEMENT  
BUDGET AND ACTUAL  
FEDERAL REVENUE (ARPA) SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 3,340,732	\$ 69,295,375	\$ 8,529,099	\$ (60,766,276)
<b>Total Revenues</b>	<b>\$ 3,340,732</b>	<b>\$ 69,295,375</b>	<b>\$ 8,529,099</b>	<b>\$ (60,766,276)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General Government</b>				
County Attorney	\$ 291,762	\$ 305,891	\$ 209,343	\$ 96,548
County-wide operations	115,000	46,396,655	115,000	46,281,655
Information technology	100,000	100,000	100,000	-
County building	-	13,625,000	3,122,699	10,502,301
<b>Total general government</b>	<b>\$ 506,762</b>	<b>\$ 60,427,546</b>	<b>\$ 3,547,042</b>	<b>\$ 56,880,504</b>
<b>Human services</b>				
Employment and economic development	\$ 355,025	\$ 605,025	\$ 250,000	\$ 355,025
Social services	2,478,945	2,912,539	1,142,673	1,769,866
<b>Total human services</b>	<b>\$ 2,833,970</b>	<b>\$ 3,517,564</b>	<b>\$ 1,392,673</b>	<b>\$ 2,124,891</b>
<b>Conservation</b>				
Environmental resources	\$ -	\$ 375,000	\$ -	\$ 375,000
Environmental resources - CIP	-	4,975,265	3,455,501	1,519,764
<b>Total Conservation</b>	<b>\$ -</b>	<b>\$ 5,350,265</b>	<b>\$ 3,455,501</b>	<b>\$ 1,894,764</b>
<b>Total Expenditures</b>	<b>\$ 3,340,732</b>	<b>\$ 69,295,375</b>	<b>\$ 8,395,216</b>	<b>\$ 60,900,159</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,883</b>	<b>\$ 133,883</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,883</b>	<b>\$ 133,883</b>
<b>Fund Balance - January 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,883</b>	<b>\$ 133,883</b>

DAKOTA COUNTY  
MINNESOTA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2022

	Enterprise Funds			Governmental Activities - Employee Services Reserve Internal Service Fund
	Byllesby Dam Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
<b><u>Assets</u></b>				
Current assets:				
Cash and pooled investments	\$ 1,700,507	\$ 84,129	\$ 1,784,636	\$ 50,101,549
Due from other funds	-	-	-	1,588,376
<b>Total current assets</b>	<b>\$ 1,700,507</b>	<b>\$ 84,129</b>	<b>\$ 1,784,636</b>	<b>\$ 51,689,925</b>
Noncurrent assets:				
Capital assets:				
Nondepreciable:				
Construction in progress	\$ 26,553,590	\$ -	\$ 26,553,590	\$ -
Depreciable (net)	9,585,641	-	9,585,641	-
<b>Total noncurrent assets</b>	<b>\$ 36,139,231</b>	<b>\$ -</b>	<b>\$ 36,139,231</b>	<b>\$ -</b>
<b>Total Assets</b>	<b>\$ 37,839,738</b>	<b>\$ 84,129</b>	<b>\$ 37,923,867</b>	<b>\$ 51,689,925</b>
<b><u>Deferred Outflows of Resources</u></b>				
<b>Deferred outflows - OPEB</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,274,000</b>
<b>Total deferred outflows of resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,274,000</b>
<b><u>Liabilities</u></b>				
Current liabilities:				
Accounts payable	\$ 1,237,994	\$ -	\$ 1,237,994	\$ 1,590,511
Salaries payable	6,219	-	6,219	-
Claims and judgements payable - current	-	-	-	3,168,000
Compensated absences payable - current	-	-	-	1,643,027
Contracts payable	797,488	-	797,488	-
Due to other funds	12,191,681	-	12,191,681	834,465
<b>Total current liabilities</b>	<b>\$ 14,233,382</b>	<b>\$ -</b>	<b>\$ 14,233,382</b>	<b>\$ 7,236,003</b>
Noncurrent liabilities:				
Compensated absences payable - long-term	\$ -	\$ -	\$ -	\$ 21,449,692
Total OPEB liability	-	-	-	12,399,677
<b>Total noncurrent liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,849,369</b>
<b>Total Liabilities</b>	<b>\$ 14,233,382</b>	<b>\$ -</b>	<b>\$ 14,233,382</b>	<b>\$ 41,085,372</b>
<b><u>Deferred Inflows of Resources</u></b>				
<b>Deferred inflows - OPEB</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 619,939</b>
<b>Net Position</b>				
Investment in capital assets	\$ 34,240,863	\$ -	\$ 34,240,863	\$ -
Restricted for				
Equipment replacement	-	84,129	84,129	-
Unrestricted	(10,634,507)	-	(10,634,507)	11,258,614
<b>Total Net Position</b>	<b>\$ 23,606,356</b>	<b>\$ 84,129</b>	<b>\$ 23,690,485</b>	<b>\$ 11,258,614</b>

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



**DAKOTA COUNTY  
MINNESOTA**

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

	Enterprise Funds			Governmental Activities - Employee Services Reserve Internal Service Fund
	Byllesby Dam Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
<b>Operating Revenues</b>				
Charges for services	\$ -	\$ 4,000	\$ 4,000	\$ 34,028,576
Miscellaneous	36	-	36	8,092
<b>Total Operating Revenues</b>	<b>\$ 36</b>	<b>\$ 4,000</b>	<b>\$ 4,036</b>	<b>\$ 34,036,668</b>
<b>Operating Expenses</b>				
Personal services	\$ -	\$ -	\$ -	\$ 200,376
Professional services	-	-	-	207,327
Medical claims	-	-	-	33,486,113
Repairs and maintenance	741,863	-	741,863	-
Administration and fiscal services	-	-	-	1,560,160
OPEB expense	-	-	-	585,000
Depreciation	154,055	-	154,055	-
Other services and charges	-	58,000	58,000	11,604
<b>Total Operating Expenses</b>	<b>\$ 895,918</b>	<b>\$ 58,000</b>	<b>\$ 953,918</b>	<b>\$ 36,050,580</b>
<b>Operating income (loss)</b>	<b>\$ (895,882)</b>	<b>\$ (54,000)</b>	<b>\$ (949,882)</b>	<b>\$ (2,013,912)</b>
<b>Nonoperating revenues (expenses)</b>				
Intergovernmental	\$ 8,356,195	\$ -	\$ 8,356,195	\$ -
Investment earnings	-	-	-	127,436
<b>Total Nonoperating revenues (expenses)</b>	<b>\$ 8,356,195</b>	<b>\$ -</b>	<b>\$ 8,356,195</b>	<b>\$ 127,436</b>
<b>Income before contributions and transfers</b>	<b>\$ 7,460,313</b>	<b>\$ (54,000)</b>	<b>\$ 7,406,313</b>	<b>\$ (1,886,476)</b>
<b>Transfers out</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(630,668)</b>
<b>Change in Net Position</b>	<b>\$ 7,460,313</b>	<b>\$ (54,000)</b>	<b>\$ 7,406,313</b>	<b>\$ (2,517,144)</b>
<b>Net Position - January 1</b>	<b>16,146,043</b>	<b>138,129</b>	<b>16,284,172</b>	<b>13,775,758</b>
<b>Net Position - December 31</b>	<b>\$ 23,606,356</b>	<b>\$ 84,129</b>	<b>\$ 23,690,485</b>	<b>\$ 11,258,614</b>

**DAKOTA COUNTY  
MINNESOTA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
Increase (Decrease) in Cash and Cash Equivalents**

	Enterprise Funds			Governmental Activities - Employee Services Reserve Internal Service Fund
	Byllesby Dam Enterprise Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
<b>Cash Flows from Operating Activities</b>				
Receipts from customers and users	\$ 36	\$ 4,000	\$ 4,036	\$ 8,092
Receipts from internal services provided	-	-	-	35,073,251
Payments to suppliers	(290,464)	(58,000)	(348,464)	(34,949,274)
Payments to internal services used	-	-	-	(817,851)
<b>Net cash provided by (used in) operating activities</b>	<b><u>\$ (290,428)</u></b>	<b><u>\$ (54,000)</u></b>	<b><u>\$ (344,428)</u></b>	<b><u>\$ (685,782)</u></b>
<b>Cash Flows from Noncapital Financing Activities</b>				
Due to other funds	\$ 3,120,649	\$ -	\$ 3,120,649	\$ -
Transfers out	-	-	-	(630,668)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b><u>\$ 3,120,649</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,120,649</u></b>	<b><u>\$ (630,668)</u></b>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Intergovernmental	\$ 8,356,195	\$ -	\$ 8,356,195	\$ -
Acquisition and construction of capital assets	(11,186,416)	-	(11,186,416)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b><u>\$ (2,830,221)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (2,830,221)</u></b>	<b><u>\$ -</u></b>
<b>Cash Flows from Investing Activities</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ 127,436
<b>Net cash provided by (used in) investing activities</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 127,436</u></b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b><u>\$ -</u></b>	<b><u>\$ (54,000)</u></b>	<b><u>\$ (54,000)</u></b>	<b><u>\$ (1,189,014)</u></b>
<b>Cash and Cash Equivalents at January 1</b>	<b><u>1,700,507</u></b>	<b><u>138,129</u></b>	<b><u>1,838,636</u></b>	<b><u>51,290,563</u></b>
<b>Cash and Cash Equivalents at December 31</b>	<b><u><u>\$ 1,700,507</u></u></b>	<b><u><u>\$ 84,129</u></u></b>	<b><u><u>\$ 1,784,636</u></u></b>	<b><u><u>\$ 50,101,549</u></u></b>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</b>				
Operating income (loss)	<u>\$ (895,882)</u>	<u>\$ (54,000)</u>	<u>\$ (949,882)</u>	<u>\$ (2,013,912)</u>
Adjustments to reconcile operating income to net cash provided by (used in) operating activities				
Depreciation expense	\$ 154,055	\$ -	\$ 154,055	\$ -
(Increase) decrease in due from other governments	-	-	-	120,472
(Increase) decrease in due from other funds	-	-	-	645,203
Increase (decrease) in accounts payable	75,558	-	75,558	39,930
Increase (decrease) in claims and judgements payable	375,841	-	375,841	555,000
Increase (decrease) in compensated absences payable	-	-	-	(61,297)
Increase (decrease) in due to other funds	-	-	-	(556,178)
Increase (decrease) in OPEB liability	-	-	-	585,000
<b>Total adjustments</b>	<b><u>\$ 605,454</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 605,454</u></b>	<b><u>\$ 1,328,130</u></b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u><u>\$ (290,428)</u></u></b>	<b><u><u>\$ (54,000)</u></u></b>	<b><u><u>\$ (344,428)</u></u></b>	<b><u><u>\$ (685,782)</u></u></b>

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

**DAKOTA COUNTY  
MINNESOTA**

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

	<b>Private-Purpose Trusts</b>	<b>Custodial Funds</b>
<b><u>Assets</u></b>		
Cash and pooled investments	\$ 854,273	\$ 46,482,793
Accounts receivable	67	153,803
Due from other governments	99,572	938,589
Taxes receivable for other governments	-	1,729,644
	<b>\$ 953,912</b>	<b>\$ 49,304,829</b>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 1,529	\$ 594,739
Salaries payable	-	140,476
Due to other governments	99,016	40,998,711
	<b>\$ 100,545</b>	<b>\$ 41,733,926</b>
<b><u>Net Position</u></b>		
Restricted - held in trust for other purposes	\$ 846,313	\$ -
Restricted for Individuals, organizations, other governments	7,054	7,570,903
	<b>\$ 853,367</b>	<b>\$ 7,570,903</b>

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

**DAKOTA COUNTY  
MINNESOTA**

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

	<b>Private-Purpose Trusts</b>	<b>Custodial Funds</b>
<b><u>ADDITIONS:</u></b>		
Federal Grants	\$ -	\$ 1,465,013
State Grants	547,993	1,452,404
Other agencies	125,116	4,983,876
Contributions		
Individuals	-	1,665,991
Property tax collections for other governments	-	702,352,725
Other taxes and fees for other governments	-	2,170,505
License and fees collected for State	-	30,383,947
Miscellaneous	14,167	11,833,453
Transfers in	103,021	-
Investment earnings:		
Interest	461	25,308
<b>Total additions</b>	<b>\$ 790,758</b>	<b>\$ 756,333,222</b>
<b><u>DEDUCTIONS:</u></b>		
Judicial District expenses	\$ 539,358	\$ -
Emergency preparedness expenses	110,233	-
Beneficiary payments to individuals	105,591	3,552,596
Payments of property tax to other governments	-	701,935,690
Payments to state	-	30,473,532
Administrative expense	-	2,495,263
I-Net expenses	-	1,839,546
Payments to other entities	-	16,532,731
<b>Total deductions</b>	<b>\$ 755,182</b>	<b>\$ 756,829,358</b>
<b>Change in net position</b>	<b>\$ 35,576</b>	<b>\$ (496,136)</b>
<b>Net position - January 1</b>	<b>817,791</b>	<b>8,067,039</b>
<b>Net position - December 31</b>	<b>\$ 853,367</b>	<b>\$ 7,570,903</b>

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

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Dakota County have been prepared in conformity with generally accepted accounting principles (GAAP). This financial report has been prepared in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

### Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The County adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

### **A. Reporting Entity**

Dakota County (County) was established October 27, 1849, and is an organized county having the powers, duties and privileges granted to counties by *Minnesota State Statutes*. A seven-member Board of Commissioners elected from districts within the County governs the County. The accompanying financial statements present the County and its component units, for which the County is considered to be financially accountable. The blended component unit, although legally a separate entity, is in substance, part of the County's operations. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the County.

**Blended Component Unit** - The Dakota County Regional Rail Authority (Authority) serves the citizens of the County. The seven-member Regional Rail Authority Board is appointed by the Dakota County Board of Commissioners. Currently, the Regional Rail Authority Board consists of the seven Dakota County Commissioners. The Authority has the power to levy taxes, issue bonds and enter into contracts and agreements. The Authority was established to promote the development of transit options for the County, maintain involvement in metropolitan activities, including light rail transit and transit-related linkages, and play a role in the acquisition of abandoned railroad right-of-way for transportation purposes. Dakota County has operational responsibility for the Authority and includes its activity as a blended component unit since there is a mutual financial benefit. Separate financial statements are not available for the Regional Rail Authority.

**Discretely Presented Component Units** - Dakota County presents two discrete component units: 1) Dakota County Community Development Agency and 2) Vermillion River Watershed Joint Powers Organization.

The Dakota County Community Development Agency (CDA) was established in 1971 pursuant to special Minnesota legislation. The mission of the CDA is to improve the lives of Dakota County residents through affordable housing and community development. The CDA utilizes available federal, state, and local resources to serve the residents of the County by working to upgrade and maintain the existing housing stock; encourage the construction of new housing affordable to low and moderate income households; promote economic development efforts and provide assistance to the County communities through community-development programs; and to provide low and moderate income family and senior households with decent, safe, and affordable rental housing opportunities.

The County appoints all seven members of the CDA's Board of Commissioners. Additionally, the County has underwritten several of the bond issues of the CDA. The CDA is therefore included as a discretely presented unit because of the significance of the relationship between the CDA and the County.

The CDA has a fiscal year-end of June 30. Complete financial statements for the component unit may be obtained at the CDA's website or in its administrative offices:

Dakota County Community Development Agency  
1228 Town Centre Drive  
Eagan, Minnesota 55123  
[www.dakotacda.org](http://www.dakotacda.org)

The Vermillion River Watershed Joint Powers Organization (VRW) was established in 2002 for purposes set forth in Minn. Stat. § 103B.201 within the political boundary of the Vermillion River watershed located in Dakota County and Scott County. The purpose of the VRW is to establish a joint powers board that will exercise leadership in the development of policies, programs and projects that will promote the accomplishment of the purposes found in Minn. Stat. § 103B.201, including the preparation, adoption and implementation of the plan required by Minn. Stat. § 103B.211 for the Vermillion River Watershed. The Vermillion River Watershed Joint Powers Board consists of one county commissioner from Scott County and two county commissioners from Dakota County. Additionally, the Vermillion River Watershed is a special taxing district within Dakota County. It is therefore included as a discretely presented component unit because of the significance of the relationship between the VRW and the County. Separate financial statements for the VRW are not available.

**Joint Ventures** – The County also participates in several joint ventures described in Note IV.D., and in jointly-governed organizations described in Note IV.E.

## **B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely significantly on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

In the government-wide statement of net position, both the governmental and business-type activities columns: (a) are presented on a consolidated basis by column; and (b) are reported on a full-accrual, economic resources basis that recognizes all long-term assets, deferred outflows, deferred inflows and receivables as well as long-term debt and obligations. 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 County first utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not attributed to program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, the blended component unit, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

---

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 financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund, custodial fund, and private purpose trust fund financial statements. 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. 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for taxes, charges for services, and reimbursements for services and 90 days for intergovernmental grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, 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 measurable and available only when cash is received by the government.

The government 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.

Highway Special Revenue Fund accounts for all costs for maintenance and construction of streets and highways. Financing comes primarily from an annual property tax levy and restricted intergovernmental revenue from local, state and federal governments.

Environmental Legacy Special Revenue Fund accounts for environmental management activities within the county including waste reduction, planning, administration, regulation and education. These activities are primarily funded by restricted, committed or assigned revenue from state and federal governments.

DC Transportation Sales Tax Special Revenue Fund accounts for the transit sales and use tax and vehicle excise tax and the expenditures of the qualified projects.

Special Federal Revenue Special Revenue Fund accounts for the activity for the American Rescue Plan (ARP) funds allocated to Dakota County.

Debt Service Fund accounts for the resources restricted, committed or assigned for principal and interest on long-term general obligation debt of the government. The County made the final payment for its general obligation bonds in 2016 so there was no activity in 2022.

Capital Projects Fund accounts for financial resources, restricted, committed or assigned, to be used for the acquisition or construction of major capital facilities.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

---

The government reports the following non-major governmental funds:

*Special revenue funds* are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

- *County Library Special Revenue Fund* accounts for the operating cost of the Dakota County Library. Financing is provided by an annual property tax levy.
- *County Parks Special Revenue Fund* accounts for park acquisition, development and operating costs. Financing is provided by an annual property tax levy and restricted grants from Metropolitan Council.
- *Regional Rail Special Revenue Fund* accounts for revenues and expenditures of the Regional Rail Authority established by the Dakota County Board of Commissioners to plan and develop light rail and other transit alternatives within the County.
- *Law Library Special Revenue Fund* accounts for revenues and expenditures of the Law Library. Revenues are derived from fees collected from certain litigants and expenditures are primarily law books and minor administrative and personal service costs.
- *Attorney Forfeiture Special Revenue Fund* accounts for the 20 percent of the proceeds from the sale of forfeited property which is distributed to the County Attorney as a supplement to operating monies for prosecutorial purposes.
- *Opioid Settlement Special Revenue Fund* accounts for the activity for the settlement agreements reached with pharmaceutical companies and distributors as part of the National Prescription Opiate Litigation.

Additionally, the government reports the following fund types:

*Enterprise Funds* are used to report any activity for which a fee is charged to external users for goods or services.

- *Geographic Information System Fund* accounts for the sale of geographic information such as data and maps.
- *Byllesby Dam Fund* accounts for the net revenue generated from producing electricity at the Byllesby Dam Hydro-electric facility and subsequently sold to Xcel Energy after expenses paid to a third-party operator contracted to operate the turbines and generators.

*Employee Services Reserve Internal Service Fund* accounts for the employee insurance and services provided to departments by employees, specifically employee benefits including compensated absences.

*Private-Purpose Trust Funds* are used to account for resources legally held in trust for use by other governmental units. All resources of the funds, including any earnings on invested resources, may be used to support the organization's activities. There is no requirement that any portion of these resources be preserved as capital.

- *First Judicial District Fund* accounts for certain expenses of the District and its subsequent reimbursement from the state. The First Judicial District is a subdivision of the state and is legally separate from the County. This fund also incorporates expenses for Dakota County District Court which is reimbursed by the state.



- Rural Solid Waste Commission Fund accounts for 13 townships and six rural communities in Dakota County who have pooled their resources to provide solid waste abatement activities for the rural areas. It is a legally separate entity for which the County is the fiscal agent. The County maintains membership in but not control over the Commission.
- Domestic Preparedness Team Fund accounts for the coordination of emergency preparedness and homeland security services. Membership includes Dakota County and 11 of the largest cities within the county.
- Social Welfare Fund accounts for clients' receipts from Social Security and maternity support, legal settlements, and Veterans Administration used for personal needs of the client.

Custodial Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, or other funds. Custodial funds are custodial in nature. The custodial fund accounts for the proceeds from the sales of vehicles forfeited for DUI, for all monies collected per State statute for sale of lands forfeited for unpaid taxes, for the State's share of funding for agricultural preserve property tax credit, for collection and payments of civil fees due to different municipalities and agencies, for cash seized as evidence or pending forfeiture action, for funds received from individuals booked into the County jail and returned to the individual upon their release, for receipts from redemption's, executions, sheriff sales and subsequently paid out, for clients' receipts from Social Security and maternity support, legal settlements, and Veterans Administration used for personal needs of the client, for the fees and fines collected which are to be remitted to the State and for the collection and payment of tax and penalties to various taxing districts.

The County's financial statements are prepared in accordance with GAAP as of and for the year ended December 31, 2022. The GASB is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

As a general 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. Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. 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 ongoing operations. The principal operating revenue of the Geographic Information System (GIS) enterprise fund is the sale of geographic information. The Byllesby Dam's primary source of revenue is the sale of electricity it generates from its hydro-electric facility. The Employee Services Reserve Internal Service Fund's primary revenue is derived from charges for services to departments for employee benefits. Operating expenses for the enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, depreciation and amortization 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 government's policy to use restricted resources first, and then unrestricted resources as they are needed.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Deposits and Investments**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the County and the CDA to invest in obligations of the U.S. Treasury, commercial paper, mutual funds, general obligations of the State of Minnesota and its municipalities, bankers' acceptances, and guaranteed investment contracts subject to specific requirements. The County records its investment earnings in the General Fund as required by state statute unless directed otherwise by statutory or external authority.

Investments for the government, as well as for its component units, are reported at fair value or amortized cost.

**2. Receivables and Payables**

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

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

Property taxes are levied as of January 1<sup>st</sup> on property values assessed as of the prior year. The tax levy is divided into two billings: the first half is due May 15<sup>th</sup>; the second half is due either October 15<sup>th</sup> or November 15<sup>th</sup>. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material. Taxes which remain unpaid by property owners at December 31<sup>st</sup> are considered delinquent. The CDA's property tax levy is certified in December of each year to finance the budgeted expenditures of the subsequent fiscal year beginning on July 1st.

**3. Inventories and Prepaid Items**

Inventory is valued at cost using the first-in/first-out (FIFO) method. Inventory in the General Fund and the Highway Special Revenue Fund consists of expendable supplies held for consumption. The inventory items within the General Fund includes fleet equipment. Changes in inventories for the County are recognized on the consumption method.

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 and are evaluated based on the consumption method.

**4. Restricted Assets**

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.

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Computer software has a threshold of \$50,000 and is included in the category of Machinery and Equipment. Infrastructure has a threshold of \$50,000, Buildings and Building Improvements have a \$50,000 threshold, and Land has no minimum threshold; while Land Improvements have a \$50,000 threshold. Machinery and Equipment has a \$5,000 threshold and Controllable Items have no minimum threshold.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

For the CDA, major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method.

For the County the estimated useful lives are:

<u>Assets</u>	<u>Years</u>
Buildings	50-100
Building Improvements	10-30
Infrastructure	50-70
Machinery & Equipment	1-10
Land Improvements	10-30

For the CDA the estimated useful lives are:

<u>Assets</u>	<u>Years</u>
Land Improvements	15
Buildings & Improvements	10-40
Furniture & Equipment	3-10

**6. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the County has two items, deferred pension outflows and deferred OPEB outflows that qualify for reporting in this category. These outflows arise only under the full accrual basis of accounting and consist of changes in actuarial assumptions, pension plan contributions paid subsequent to the measurement date and also the differences between projected and actual earnings on pension plan investments, and accordingly, are reported only in the

statement of net position. The CDA also reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Both the County and the CDA have items that qualify for reporting in this category. The County has deferred OPEB inflows and deferred pension inflows, which arise only under the full accrual basis of accounting. Deferred OPEB inflow consist of changes in actuarial assumptions and deferred pension inflows consist of differences between expected and actual pension plan economic experience and also pension plan changes in proportionate share, and accordingly are reported only in the statement of net position. Additionally, the County has unavailable revenue which is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from the following sources: property taxes, charges for services, grants receivable and miscellaneous revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. For the CDA, unavailable revenue is reported from property taxes, loan repayments and special assessments. Because taxes are levied for subsequent periods, such amounts are reported as a deferred inflow of resources in both the government-wide and the fund financial statements on June 30th.

**7. 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. 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. Investments are reported at fair value.

**8. Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**9. Compensated Absences**

It is the government's policy to permit employees to accumulate earned but unused flex leave, vacation and sick pay benefits. Under the County's personnel policies and union contracts, County employees are granted flex leave or vacation and sick leave in varying amounts based on length of service. Certain County employees are also granted compensatory time. Unused accumulated flex leave, vacation leave, compensatory time, and sick leave, are paid to employees upon termination. Vacation and sick leave accruals vary from 12 to 20 days per year. Flextime accruals vary from 20 to 40 days per year. A liability for the compensated absences is reported in the internal service fund and the governmental activities column of the government-wide statement of net position. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The current portion consists of those payments made to post-employment health care on behalf of the employees within 60 days of the year-end.

**10. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, 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 during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**11. Classification of Net Position**

Net position in the government-wide and proprietary fund financial statements are classified in the following categories:

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

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

**12. Classification of Fund Balances**

Fund balance is divided into five classifications based primarily on the extent to which Dakota County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Non-spendable - this fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted - fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

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

Assigned - amounts in the assigned fund balance classification the County intends to use for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents items set aside for capital projects or

grant programs unspent in the current year which are approved by the County Board or the Finance Director. In the General Fund, assigned amounts represent budget incentives or other intended uses established by the County Board or the Finance Director who has been delegated that authority by Board resolution.

Unassigned - Unassigned fund balance 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 had been restricted or committed.

Dakota County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

### **13. 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 Dakota County that it will follow the State Auditor's recommendation as stated above. Accordingly, Dakota County policy requires a minimum unrestricted fund balance, in the General Fund, at the end of the fiscal year equivalent to 20% of the total operating budget of the General Fund. The Board will be notified if fund balance levels fall below this stated level.

## **E. Revenues**

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, revenues for non-exchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs. The modified accrual basis of accounting is used by all governmental fund types. Under this basis, revenue is not recognized in the financial statements unless it is available to finance current expenditures.

### Imposed Nonexchange Transactions

Imposed nonexchange transactions result from assessments by governments on non-governmental entities and individuals. Property taxes, fines and penalties, and property forfeitures are imposed nonexchange transactions.

Revenues from property taxes are recognized in the period for which the taxes were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable but not available are reported as unavailable and will be recognized as revenue in the fiscal year that they become available. Fines and penalties and property forfeitures are recognized in the period received.

### Intergovernmental

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and also may establish time requirements. Federal and state grants

mandating that the County perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when eligibility and time requirements are met, usually when the corresponding expenditure is incurred.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations, and donations. The provider may establish purpose restrictions or eligibility requirements. Revenues are recognized in the year to which they apply according to the statute or contract. Gifts and contributions from individuals are also considered voluntary nonexchange transactions and are generally recognized when received.

Tax credits paid by the state are included in intergovernmental revenues and are recognized as revenue in the fiscal year that they become available. Subject to the availability criterion, state-aid highway allotments for highway maintenance and construction are recognized as revenue in the year of allotment.

#### Exchange Transactions

Special assessments levied against benefiting properties are recognized under the modified accrual basis when available to finance current expenditures. Other revenues, such as licenses and permits, charges for services, and investment income are recognized as revenue when earned.

#### **F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **G. Leases**

The County determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

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

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

The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

Significant lease terms are disclosed in Note III. H.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

The County accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the County treats the components as a single lease unit.

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the Law Library and Attorney Forfeiture Special Revenue Funds, which are not budgeted. All annual appropriations lapse at fiscal year-end.

In accordance with state law, the County Board adopts the proposed property levy on or before September 15. The County Manager presents the recommended budget to the County Board who then holds public hearings on the proposed budgets with departments during October, November and December. In accordance with truth in taxation legislation, the County Board holds a public hearing for the budget on the first Thursday in December. The budget is adopted following the truth in taxation public meeting, typically during the final meeting of the year.

The appropriated budget is prepared by fund, function, and department. This appropriated budget is adopted at the department level. Budgets may be amended during the year with the approval of the County Manager or County Board as required by the County Budget Compliance Policy. The County Manager is authorized to transfer budgeted amounts between departments or appropriate certain revenues received in excess of the original budget estimate. Supplemental appropriations are reviewed by the County Manager and submitted to the County Board for their approval. If approved, the adjustments are implemented by the Finance Department by budget revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the department level.

The Board made several supplemental budgetary appropriations throughout the year. The material supplemental budgetary appropriations were:

<u>Fund</u>	<u>Amount</u>
General	\$ 37,455,217
Highway	\$ 70,533,823
Environmental Legacy	\$ 4,400,350
DC Transportation Sales Tax	\$ 29,125,556
Federal Revenue	\$ 65,954,643
Capital Projects	\$ 21,720,383
County Library	\$ 1,006,200
County Parks	\$ 44,539,965
Regional Rail	\$ 3,851,057

### B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2022, expenditures exceeded appropriations in the General Fund for Court Services by \$177,901, Physical Development Administration by \$341,496, Medical Examiner by \$740,731, Social Services by \$1,560,892, Parks by \$219,928, Other Conservation by \$3,309, Economic Development-Administration by \$5,328,092, in the Highway Special Revenue Fund for Administration by \$548,974,



# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

Maintenance by \$522,656, and Survey by \$226,004. These excess expenditures were funded by available fund balance and current year savings.

### III. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

##### 1. Cash and Cash Equivalents

Dakota 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. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

##### 2. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value. A market approach is used to value all investments other than external investment pools, which are measured at the net asset value. Pursuant to Minn. Stat. § 385.07, investment earnings on cash and pooled investments are credited to the General Fund. Other funds received investment earnings based on state statutes, grant agreements, contracts, and bond covenants.

Dakota County invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which is created under a joint powers agreement pursuant to Minn. Stat. § 471.59. Investments in the MAGIC portfolio pool are valued at amortized cost, per GASB 79, while investments in MAGIC Term Investments are valued at net asset value per share because, by design, they do not meet the required liquidity criteria of GASB 79.

Reconciliation of Dakota County's and Vermillion River Watershed's total deposits, cash on hand, and investments to the basic financial statements are as follows:

Government-wide statement of net position	
Governmental Activities	
Cash and pooled investments	\$ 407,767,981
Petty cash and change funds	19,876
Business-type activities	
Cash and pooled investments	1,784,636
Discrete Component Unit	
Vermillion River Watershed	
Cash and pooled investments	2,299,251
Statement of fiduciary net position	
Cash and pooled investments	
Private-purpose trust funds	854,273
Custodial funds	46,482,793
Total Cash and Investments	\$ 459,208,810
Deposits	\$ 20,769,834
Petty cash and change funds	19,876
Investments	438,419,100
Total Deposits, Cash on hand, and Investments	\$ 459,208,810

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

---

Minn. Stat. §§ 118A.02 and 118A.04 authorize the County to designate a depository for public funds and to invest in certificates of deposit. Minn. Stat. §118A.03 requires that all district deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better, revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

*Custodial Credit Risk-Deposits.* Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to it. As of December 31, 2022, the County's deposits were not exposed to custodial credit risk. The County policy is that all cash certificates of deposit, and other depository accounts shall be collateralized by pledged securities as specified in Minn. Stat. § 118A.03.

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

- (1) securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. § 118A.04, subd. 6;
- (2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
- (4) bankers' acceptances of United States banks;
- (5) 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
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

*Interest Rate Risk* - Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. To limit exposure to interest rate risk, the County's investment policy is to structure the portfolio so that securities mature to meet cash requirements for ongoing operations and to invest operating funds primarily in shorter term securities, money market mutual funds, or similar investing pools and limits the average maturity of the portfolio. The investment maturities are as follows:

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

At December 31, 2022, the County had the following investments:

Type of Security	Credit Risk	Less Than 1 Year	1-5 Years	More Than 5 Years	Total
US Government:					
US Treasury Securities	Aaa	\$ 85,252,968	\$ 56,918,818	\$ 10,933,676	\$ 153,105,461
US Government Instrumentalities:					
Federal Agric Mortgage	N/R	\$ -	\$ -	\$ -	\$ -
Federal Farm Credit Bank	Aaa	\$ 2,959,179.31	\$ 1,703,865.33	\$ -	\$ 4,663,045
Federal Home Loan Bank	Aaa	\$ -	\$ 2,799,135	\$ -	\$ 2,799,135
Federal Home Loan Mortgage Corp	Aaa	\$ 24,774,765	\$ 7,015,227	\$ 936,174	\$ 32,726,167
Federal National Mortgage Assoc	Aaa	\$ 7,359,931	\$ 8,856,084	\$ 13,796,940	\$ 30,012,955
Government National Mortgage Assn	Aaa	\$ -	\$ -	\$ 100,148	\$ 100,148
Small Business Administration	Aaa	\$ -	\$ 608,125	\$ 506,391	\$ 1,114,515
Tennessee Valley Authority	N/R	\$ -	\$ 3,298,248	\$ -	\$ 3,298,248
Certificates of Deposit	N/R	\$ -	\$ -	\$ -	\$ -
Municipal Bonds	Aaa	\$ 1,438,246	\$ 759,810	\$ 932,607	\$ 3,130,663
Municipal Bonds	Aa1	\$ 1,239,545	\$ 4,670,248	\$ 679,779	\$ 6,589,572
Municipal Bonds	Aa2	\$ 1,371,847	\$ 6,251,478	\$ 488,936	\$ 8,112,261
Municipal Bonds	Aa3	\$ 890,399	\$ 1,975,988	\$ 205,722	\$ 3,072,109
Municipal Bonds	A1	\$ -	\$ -	\$ -	\$ -
Municipal Bonds	N/R	\$ 665,162	\$ 3,206,211	\$ 1,308,274	\$ 5,179,647
MAGIC Investment Portfolio					
Investment Term Portfolio	N/R	\$ 66,766,572	\$ -	\$ -	\$ 66,766,572
Investment Portfolio	N/R	\$ 58,000,000	\$ -	\$ -	\$ 58,000,000
Invesco - Government & Analysis	N/R	\$ 34,795,914	\$ -	\$ -	\$ 34,795,914
Government Money Market Funds	N/R	\$ -	\$ -	\$ 339,292	\$ 339,292
First American Money Market Funds	N/R	\$ 17,249,131	\$ -	\$ -	\$ 17,249,131
Commercial Paper	P-1	\$ 7,364,264	\$ -	\$ -	\$ 7,364,264
<b>Total Investments:</b>		\$ 310,127,923	\$ 98,063,237	\$ 30,227,939	\$ 438,419,100

**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. Generally, it is the County's policy to invest in securities that meet the ratings requirements set by state statute, which has established a minimum rating of "A" or better by at least one national bond rating agency.

The County's exposure to credit risk as of December 31, 2022 is listed in the table above, which displays rating assignments per Moody's Investors Service.

**Custodial Credit Risk-Investments** - The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As required by County policy, at December 31, 2022, all of Dakota County's investments are held by a third party custodian and were not exposed to custodial credit risk.

**Concentration of Credit Risk** - The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. It is the County's policy that U.S. Treasury securities, U.S. Agency Securities, and obligations backed by U.S. Treasury and/or U.S. Agency securities, may be held without limit. These investments are implicitly guaranteed by the U.S. government. Investments in any one category that represent 5% or more of the County's investments are as follows:

**Dakota County, Minnesota**  
**Notes to the Financial Statements**

**December 31,**  
**2022**

Issuer/Security	Amount Invested	Percentage
Federal Home Loan Mortgage Corp	\$ 32,726,167	7.46%
Federal National Mortgage Assoc.	30,012,955	6.85%
MAGIC Investment Term Portfolio	66,766,572	15.23%
<b>Total</b>	<b>\$ 129,505,694</b>	<b>29.54%</b>

Dakota County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

Debt securities classified in Level 1 are valued using a market approach quoted in active markets for those securities. All Level 2 debt securities are valued using a matrix pricing technique based on the securities' relationship to benchmark quoted prices.

The MAGIC Portfolio is valued using amortized cost. Shares of the MAGIC Portfolio are available to be redeemed upon proper notice without restrictions under normal operating conditions. There are no limits to the number of redemptions that can be made as long as the County has a sufficient number of shares to meet their redemption request. The MAGIC Fund's Board of Trustees can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its new asset value not reasonably practical.

The MAGIC term investment pool is valued at net asset value (NAV) as it does not meet the liquidity criteria to be valued at amortized cost. The County would face penalties if early redemptions were made from the term investment pool. There are no unfunded commitments related to this investment. The County reports its investment in the term investment pool at the NAV per share, the fair value established by the pool.

Shares of MAGIC Term Series are purchased to mature upon pre-determined maturity dates selected by the County at the time of purchase. Should the County need to redeem shares in a MAGIC Term Series prematurely they must provide notice at least 7 days prior to premature redemption date. The value of a premature redemption is equal to the original price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series, less a premature redemption penalty, if any.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

At December 31, 2022, the County had the following recurring fair value measurements:

Investment Type	Total	Fair Value Measurements:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government:				
U.S. Treasury Securities	\$ 153,105,461.26	\$ 153,105,461	\$ -	\$ -
U.S. Government Instrumentalities:				
Federal Farm Credit Bank	4,663,044.64		4,663,044.64	
Federal Home Loan Bank	2,799,135.39		2,799,135.39	
Federal Home Loan Mortgage Corp	32,726,166.81		32,726,166.81	
Federal National Mortgage Assoc	30,012,955.17		30,012,955.17	
Government National Mortgage Assn	100,147.98		100,147.98	
Small Business Administration	1,114,515.45		1,114,515.45	
Tennessee Valley Authority	3,298,248.00		3,298,248.00	
Municipal Bonds	26,084,252.31		26,084,252.31	
<b>Total Debt Securities</b>	<b>\$ 253,903,927</b>	<b>\$ 153,105,461</b>	<b>\$ 100,798,466</b>	<b>\$ -</b>
Investments Measured at Amortized Cost				
MAGIC Investment Portfolio	\$ 66,766,572			
Government Money Market Funds	339,292.15			
Frist American Money Market Funds	17,249,131.00			
Commerical Paper	7,364,263.85			
Total investments measured at amortized cost	<u>\$ 91,719,259</u>			
Investments Valued at Net Asset Value (NAV)				
MAGIC Investment Term Portfolio	\$ 58,000,000			
Invesco - Government & Agency Portfolio	34,795,914.08			
Total investments measured at amortized cost	<u>\$ 92,795,914</u>			
<b>Total Investments:</b>	<b><u>\$ 438,419,100</u></b>			

A reconciliation of the CDA's total deposits, cash on hand, and investments to the basic financial statements is as follows:

Statement of Net Position	
Cash and Cash Equivalents	\$ 110,060,484
Investments	45,163,510
Restricted Cash and Cash Equivalents	27,178,569
Total Cash, Cash Equivalents and Investments	<u>\$ 182,402,563</u>
Deposits	\$ 19,532,826
Petty Cash	250
Investments	162,869,487
Total Deposits and Investments	<u>\$ 182,402,563</u>

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

As of June 30, 2022, the Community Development Agency (CDA) had the following investments:

Investment Type	Carrying Amount/ Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-5	More Than 5
U.S. Government:				
U.S. Treasury Notes	\$ 14,912,790	\$ 14,912,790	\$ -	\$ -
U.S. Government Agencies:				
Federal Farm Credit Banks	12,945,530	-	12,945,530	-
Federal Home Loan Mortgage Corp.	3,774,000	-	3,584,612	189,388
Federal Home Loan Bank	7,243,989	-	7,243,989	-
Federal National Mortgage Assoc.	6,092,423	-	5,695,007	397,416
Government Nat'l Mortgage Assoc.	194,778	-	38,512	156,266
Money market funds	9,407,716	9,407,716	-	-
4M Fund	108,298,261	108,298,261	-	-
	\$ 162,869,487	\$ 132,618,767	\$ 29,507,650	\$ 743,070

**Interest Rate Risk** - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities are more sensitive to changes in market interest rates. In accordance with its investment policy, the CDA manages its exposure to declines in fair values by limiting non-bond reserve investment maturities to five years or less. The mortgage-backed securities held by the CDA have maturities exceeding five years and were obtained through the Board-approved defeasance of several single-family bond issues and are expected to be held until maturity.

**Credit Risk** - Generally, credit risk is the risk that an insurer 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. The CDA's investment policy places no restrictions on credit risk other than requiring compliance with state Law. State Law does not limit investments in securities of U.S. Government Agencies including mortgage-backed securities by credit quality. The local government investment pool and money market mutual funds are unrated. However, investments held by the local government investment pool do conform to state restrictions and the investments in money market mutual funds comply with state requirements for being rated in one of the highest two categories by a NRSRO. The money market funds include commercial paper investments which comply with state requirements to be rated in the highest quality category by two nationally recognized rating agencies and having maturities of 270 days or less.

**Concentration of Credit Risk** - The CDA places no limit on the amount that may be invested in any one issuer. At June 30, 2022, the CDA had more than five percent of its total investments with the U.S. Treasury, Federal Farm Credit Banks, money market funds and the 4M Fund.

**Custodial Credit Risk-Investments** - For an investment, this is the risk that, in the event of the failure of the counterparty, the CDA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2022, all investments are held by counterparties, are insured or registered, and are not exposed to custodial risk.

**Fair value reporting**. The CDA's investments that are not recorded at amortized cost are recorded at fair value as of June 30, 2022. GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset between market participants at the measure date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

value and primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

- Level 1: Investments whose values are based on quoted prices (unadjusted) for identical assets (liabilities) in active markets that a government can access at measurement date.
- Level 2: Investments with inputs, other than quoted prices included within Level 1, that are observable for an asset (liability), either directly or indirectly.
- Level 3: Investments classified as Level 3 have unobservable inputs for an asset (liability) and may require a degree of professional judgment.

At June 30, 2022, of the U.S. Treasury Notes totaling \$14,912,790 were classified as level 1 and U.S. Government Agencies totaling \$30,250,720 were classified as level 2 by a third party using either bid evaluations or a matrix-based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Money market funds and a local government investment pool of \$9,407,716 and \$108,298,261, respectively, were not subject to leveling as these investments were carried at amortized cost.

### B. Receivables

There is currently no allowance for uncollectible receivables. The collection rate for taxes exceeds 99% and it has been determined that the other receivables will be collected within one year.

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

	Deferred inflows of resources	Unearned
Property taxes receivable	\$ 973,256	\$ -
Charges for services	-	151,854
Grant receivables that do not provide current financial resources	21,918,510	-
Reimbursement from other governments	9,510,078	-
Miscellaneous	510,346	501,467
Grant drawdowns prior to meeting all eligibility requirements	-	74,032,174
Total deferred inflows of resources/ unearned revenue for governmental funds	\$ 32,912,190	\$ 74,685,495

### C. Notes Receivable

The CDA has issued various notes to individuals, businesses, not-for-profits, governmental units, and discretely presented component units. These notes are generally secured by liens on real and personal property and allowances for uncollectible loans are generally not recorded as such amounts are not expected to be material. Notes receivable on June 30, 2022 consist of the following:

**Dakota County, Minnesota**  
**Notes to the Financial Statements**

**December 31,**  
**2022**

Loan Description	Loan Balance
Homebuyer loans	\$ 2,185,295
Homeowner rehab loans - deferred	16,761,922
Discretely Presented Component Units:	
First Mortgage	\$ 4,296,623
Other	12,831,571
Revolving	5,514
	\$ 17,133,708
Multifamily loans:	
Deferred	\$ 17,408,755
Installment	7,668,462
	\$ 25,077,217
Supportive housing	2,706,015
Other	35,734
	\$ 63,899,891

**D. Capital Assets**

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

**Primary Government**

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 291,821,767	\$ 3,428,292	\$ -	\$ 295,250,059
Construction in progress	47,966,597	41,145,175	(39,621,017)	49,490,755
Total capital assets, not being depreciated	\$ 339,788,364	\$ 44,573,467	\$ (39,621,017)	\$ 344,740,814
Capital assets, being depreciated:				
Buildings	\$ 250,472,867	\$ 1,860,157	\$ -	\$ 252,333,024
Improvements other than buildings	85,497,927	757,354	-	86,255,281
Machinery and equipment	49,815,233	2,548,704	(3,205,246)	49,158,691
Infrastructure	650,652,281	28,822,971	-	679,475,252
Total capital assets, being depreciated	\$ 1,036,438,308	\$ 33,989,186	\$ (3,205,246)	\$ 1,067,222,248
Less accumulated depreciation for:				
Buildings	\$ (98,830,079)	\$ (5,204,485)	\$ -	\$ (104,034,564)
Improvements other than buildings	(25,161,368)	(3,075,851)	-	(28,237,219)
Machinery and equipment	(39,648,205)	(3,329,109)	3,123,255	(39,854,059)
Infrastructure	(245,871,186)	(13,778,320)	-	(259,649,506)
Total accumulated depreciation	\$ (409,510,838)	\$ (25,387,765)	\$ 3,123,255	\$ (431,775,348)
Total capital assets, being depreciated, net	\$ 626,927,470	\$ 8,601,421	\$ (81,991)	\$ 635,446,900
Leased capital assets, being amortized:				
Buildings	\$ 36,287	\$ -	\$ -	\$ 36,287
Equipment	744,163	-	-	744,163
Total leased capital assets, being amortized	\$ 780,450	\$ -	\$ -	\$ 780,450
Accumulated amortization for:				
Buildings	\$ -	\$ (25,614)	\$ -	\$ (25,614)
Equipment	-	(95,583)	-	(95,583)
Total accumulated amortization	\$ -	\$ (121,197)	\$ -	\$ (121,197)
Total leased capital assets, amortized, net	\$ 780,450	\$ (121,197)	\$ -	\$ 659,253
Governmental activities capital assets, net	\$ 967,496,284	\$ 53,053,691	\$ (39,703,008)	\$ 980,846,967



# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Construction /development in progress	\$ 15,367,174	\$ 11,186,416	\$ -	\$ 26,553,590
Total capital assets, not being depreciated	\$ 15,367,174	\$ 11,186,416	\$ -	\$ 26,553,590
Capital assets, being depreciated:				
Infrastructure	\$ 10,783,855	\$ -	\$ -	\$ 10,783,855
Total capital assets, being depreciated	\$ 10,783,855	\$ -	\$ -	\$ 10,783,855
Less accumulated depreciation for:				
Infrastructure	\$ (1,044,159)	\$ (154,055)	\$ -	\$ (1,198,214)
Total accumulated depreciation	\$ (1,044,159)	\$ (154,055)	\$ -	\$ (1,198,214)
Total capital assets, being depreciated, net	\$ 9,739,696	\$ (154,055)	\$ -	\$ 9,585,641
Business-type activities:				
Capital assets, net	\$ 25,106,870	\$ 11,032,361	\$ -	\$ 36,139,231

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

### Depreciation Expense:

#### Governmental Activities:

General Government	\$ 3,378,717
Public Safety	1,673,487
Highways and Streets, including depreciation of general infrastructure	15,211,440
Human Services	26,754
Health	3,271
Culture and Recreation	5,086,994
Conservation of Natural Resources	6,080
Sanitation	1,022
Total depreciation and amortization expense - governmental activities	\$ 25,387,765

#### Business-type activities:

Infrastructure	\$ 154,055
Total depreciation and amortization expense--business-type activities	\$ 154,055

### Construction Commitments

The County has active construction projects as of December 31, 2022. The projects include street construction in areas with newly developed housing, widening and construction of existing streets and bridges, and prairie restoration, culverts, sewer, landscaping and lighting for parks and trails. At year-end the government's major commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Transportation Construction	\$ 66,807,751	\$ 15,896,728
Transportation-Sales Tax Construction	45,272,085	14,045,853
Environmental Resources	7,417	62,328
Parks Construction	15,162,699	768,253
Buildings Construction	8,373,935	7,289,972
	\$ 135,623,887	\$ 38,063,134

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

Street, parks, and buildings construction are being financed by County taxes and intergovernmental revenue from Local, State and Federal Governments.

### Discretely Presented Component Unit

Activity for the CDA for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 30,939,658	\$ 2,896,838	\$ 303,367	\$ 33,533,129
Construction in progress	7,919,000	1,937,079	9,535,450	320,629
Total capital assets, not being depreciated:	<u>\$ 38,858,658</u>	<u>\$ 4,833,917</u>	<u>\$ 9,838,817</u>	<u>\$ 33,853,758</u>
Capital assets, being depreciated:				
Land improvements	\$ 7,108,539	\$ 1,188,081	\$ 21,903	\$ 8,274,717
Buildings	244,744,076	19,220,931	1,599,572	262,365,435
Furniture and equipment	9,330,065	674,603	54,445	9,950,223
Total capital assets, being depreciated	<u>\$ 261,182,680</u>	<u>\$ 21,083,615</u>	<u>\$ 1,675,920</u>	<u>\$ 280,590,375</u>
Less accumulated depreciation for:				
Land improvements	\$ (5,823,529)	\$ (754,835)	\$ (17,816)	\$ (6,560,548)
Buildings	(98,397,684)	(10,019,775)	(1,041,025)	(107,376,434)
Furniture and equipment	(8,514,946)	(371,331)	(54,445)	(8,831,832)
Total accumulated depreciation	<u>\$ (112,736,159)</u>	<u>\$ (11,145,941)</u>	<u>\$ (1,113,286)</u>	<u>\$ (122,768,814)</u>
Total capital assets, being depreciated, net	<u>148,446,521</u>	<u>9,937,674</u>	<u>562,634</u>	<u>157,821,561</u>
Governmental activities capital assets, net	<u><u>\$ 187,305,179</u></u>	<u><u>\$ 14,771,591</u></u>	<u><u>\$ 10,401,451</u></u>	<u><u>\$ 191,675,319</u></u>

The cost and accumulated depreciation of capital assets relating to operating leases is \$956,692 and \$568,868 respectively for a carrying value of \$387,824.

As of June 30, 2022, the CDA's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Public Housing Development	\$ 248,934	\$ 80,871
Common Bond Housing Development	138,779	100,039
	<u><u>\$ 387,713</u></u>	<u><u>\$ 180,910</u></u>

**Dakota County, Minnesota** | **December 31,**  
**Notes to the Financial Statements** | **2022**

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

The composition of interfund balances as of December 31, 2022, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Highway	\$ 559,871
	Environmental Legacy	76,761
	DC Transportation Sales Tax	1,137
	Special Federal Revenue	322,475
	Capital Projects	2,275,210
	Nonmajor Governmental Funds	203,719
	Internal Service Fund	688,639
	Byllesby Dam	12,030,748
Highway	General	28,635
	DC Transportation Sales Tax	189,113
	Nonmajor Governmental Funds	211,886
	Internal Service Fund	104,342
Environmental Legacy	General	362,803
	Internal Service Fund	18,429
	Byllesby Dam	144,116
DC Transportation Sales/Use Tax	General	41,457
	Highway	1,273,026
Capital Projects	General	5
Nonmajor Governmental Funds	General	106,901
	Environmental Legacy	2,232,384
	DC Transportation Sales Tax	851,019
	Internal Service Fund	23,055
	General	1,567,464
Internal Service Fund	Special Federal Revenue	4,095
	Byllesby Dam	16,817
	<b>Total</b>	<b>\$ 23,334,107</b>

All interfund balances result from the 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. All interfund balances are expected to be repaid within one year.

Interfund Transfers:

Transfer In	Transfer Out	Amount
General	Highway	\$ 50,000
	Internal Service Fund	630,668
Nonmajor Governmental Funds	General	71,250
	Environmental Legacy	2,232,384
	DC Transportation Sales/Use Tax	851,020
<b>Total</b>		<b>\$ 3,835,322</b>

**Dakota County, Minnesota**  
**Notes to the Financial Statements**

**December 31,**  
**2022**

Transfers are used to move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due. Transfers additionally move unrestricted General Fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. Transfers from the General Fund to the Capital Projects Fund were for funding capital improvements.

**F. Long-Term Debt**

**Primary Government**

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

Bonds payable at December 31, 2022 are zero as the County paid the final amount due on the General Obligation Refunding Bonds issued in 2007. These bonds refunded outstanding General Obligation Capital Improvement Bonds, series 1999A and 2001A. On February 1, 2016 the County chose to make an early payoff of \$23,420,000 to satisfy all outstanding bond obligations.

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Claims and judgments	\$ 4,591,296	\$ 36,096,118	\$ (35,343,914)	\$ 5,343,500	\$ 3,283,138
Compensated absences	23,154,016	2,403,021	(2,464,318)	23,092,719	1,643,027
Lease Liability	167,292	-	(38,606)	128,686	1,643,027
Long-term liabilities	<u>\$ 27,912,604</u>	<u>\$ 38,499,139</u>	<u>\$ (37,846,838)</u>	<u>\$ 28,564,905</u>	<u>\$ 6,569,192</u>

The internal service fund predominantly serves the governmental funds. Accordingly, its long-term liabilities are included as part of the above totals for governmental activities. Also, for the governmental activities, capital leases, claims and judgments and compensated absences are generally liquidated by the General Fund. Bonded debt is paid from the Debt Service Fund.

**Discretely Presented Component Unit**

Activity for the CDA for the year ended June 30, 2022, was as follows:

Notes Payable

\$600,000 Housing Resources Performance Pilot Loan payable to the Minnesota Housing Finance Agency. This non-interest-bearing note is dated December 21, 2006 and it provided financing for a \$600,000 note receivable dated September 14, 2007 to the Rosemount Family Housing Limited Partnership. This note receivable requires 1% simple interest on the unpaid balance with accrued interest and principal due in one lump sum on September 1, 2043.

\$3,523,380 Publicly Owned Housing Program (POHP) note payable to the Minnesota Housing Finance Agency (MHFA). MHFA provided funds in the form of an interest free, deferred loan for a term of twenty years. There is no amortization requirement on the POHP loan. The loan will be forgiven on the twenty-first (21st) anniversary

from the effective date of June, 2009. The purpose of the loan was to provide financing for the construction of a 25-unit youth housing development.

\$697,649 Ending Long-term Homelessness Initiative Fund (ELHIF) note payable to the MHFA. The loan is for a term of thirty years with zero percent (0%) interest per year. The principal is due and payable in one lump sum on June 1, 2039. The purpose of the loan was to provide financing for the construction of a 25-unit youth housing development.

\$466,000 Publicly Owned Housing Program (POHP) note payable to the Minnesota Housing Finance Agency (MHFA). MHFA provided funds in the form of an interest free, deferred loan for a term of twenty years. There is no amortization requirement on the POHP loan. The loan will be forgiven on the twenty-first (21st) anniversary from the effective date of February, 2018. The purpose of the loan was to provide financing for the exterior improvements of the public housing units in Apple Valley and Hastings.

\$315,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of December 14, 2025. The loan was initially made to the Eagan Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.

\$456,000 Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on December 14, 2025. The loan was initially made to the Eagan Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.

\$360,000 Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on January 4, 2024. The loan was initially made to the Inver Grove Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.

\$125,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 4, 2025. The loan was initially made to the Inver Grove Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.

\$170,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 18, 2023. The loan was initially made to the Apple Valley Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$360,000 Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on June 18, 2023. The loan was initially made to the Apple Valley Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$396,000 Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on February 25, 2027. The loan was initially

made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$175,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The amended loan is for a term of 15 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2029. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$210,480 Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on February 25, 2027. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$88,000 Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. Annual payment of \$44,000 with balance of principal and accrued interest due on June 30, 2024. The loan was initially made to the Lakeville Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$280,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 26, 2028. The loan was initially made to the Lakeville Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.

\$360,000 Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on September 1, 2022. The loan was initially made to the Burnsville Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.

\$290,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of May 27, 2029. The loan was initially made to the Chasewood Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.

\$319,591 Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of May 27, 2029. The loan was initially made to the Chasewood Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.

\$230,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 26, 2030. The loan was initially made to the Lakeville Family Housing Limited Partnership 2, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC.

\$555,000 Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with interest of one percent (1%) on the unpaid principal amount until the maturity date of October 26,

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

---

2030. The loan was initially made to the Lakeville Family Housing Limited Partnership 2, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.

\$230,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 24, 2031. The loan was initially made to the Mendota Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC.

\$358,427 Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 24, 2031. The loan was initially made to the Mendota Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC.

\$300,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of September 6, 2032. The loan was initially made to the Hastings Marketplace Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2018, the liabilities of the partnership were transferred to the LLC.

\$219,526 Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 27, 2033. The loan was initially made to the Hastings Marketplace Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2018, the liabilities of the partnership were transferred to the LLC.

\$225,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2033. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

\$200,000 Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 22, 2034. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

\$500,000 Dakota County Workforce Housing LLC, note payable to the MHFA EDHC Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 22, 2034. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

\$300,000 Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2034. The loan was initially made to the Egan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

\$226,335 Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

\$597,483 Dakota County Workforce Housing LLC, note payable to the MHFA EDHC Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

Each of the respective note payables are secured by the underlying assets of the respective projects to which the note relates. Notes are subject to various debt provisions and covenants including affordable housing use restrictions. While the debt agreements require the payment of principal and interest according to the loan terms, the entire principal balance and accrued interest may be due and payable upon the occurrence of any of the following events:

- the sale, assignment, conveyance, transfer lease, lien, encumbrance or refining of the underlying project without lender’s approval
- termination of the use of the project as affordable housing
- use of the project which violates federal, state or local law, statute or ordinance
- default in the performance of any covenant, term or condition of the notes, loan agreements or any other agreement or mortgage relating to or encumbering the project

The annual principal and interest maturities for notes payable in business-type activities for fiscal years subsequent to June 30, 2022 are as follows:

	Principal	Interest	Total
2023	\$ 934,000	\$ 280,715	\$ 1,214,715
2024	404,000	148,661	552,661
2025	125,000	37,504	162,504
2026	771,000	220,457	991,457
2027	606,480	196,618	803,098
2028-2032	5,961,398	675,481	6,636,879
2033-2037	2,568,344	537,161	3,105,505
2038-2042	1,163,649	-	1,163,649
2043-2044	600,000	-	600,000
	<u>\$ 13,133,871</u>	<u>\$ 2,096,597</u>	<u>\$ 15,230,468</u>

### Housing Development Bonds

The CDA issues housing development bonds to finance the acquisition and construction of senior housing developments. These bonds are limited obligations of the government but are secured by the pledge of the full faith and credit and power of Dakota County, Minnesota to levy direct general ad valorem taxes. These bonds are secured by and payable from the pooled gross rent receipts and other operating revenues related to the operation of housing developments financed by these bonds and an annual pledge of \$5,600,000 from the CDA’s tax levy. Housing development bonds are issued as serial bonds.



# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

Bonds payable at June 30, 2022 are as follows:

Description of Note	Issue Date	Maturity Date	Interest Rate	Original Amount	Outstanding June 30
2010B Housing Development Bonds	07/21/10	01/01/40	2.00 - 6.00%	\$ 46,160,000	\$ 1,075,000
2013 Housing Development Bonds	12/18/13	01/01/27	2.00 - 2.85%	\$ 7,630,000	5,125,000
2015A Housing Development Bonds	05/27/15	01/01/42	3.00 - 5.00%	\$ 21,745,000	21,245,000
2015B Housing Development Bonds	05/27/15	01/01/35	3.00 - 5.00%	\$ 24,025,000	16,655,000
2020A Housing Development Bonds	09/24/20	01/01/46	2.00 - 5.00%	\$ 8,655,000	8,655,000
2020B Housing Development Bonds	09/24/20	01/01/40	2.00 - 5.00%	\$ 21,800,000	21,195,000
Subtotal					<u>\$ 73,950,000</u>
Less current maturities					<u>(3,895,000)</u>
Total					<u><u>\$ 70,055,000</u></u>

The annual principal and interest maturities for the fiscal years subsequent to June 30, 2022 are as follows:

	Principal	Interest	Total
2023	\$ 3,895,000	\$ 2,537,813	\$ 6,432,813
2024	3,910,000	2,360,313	6,270,313
2025	3,850,000	2,189,375	6,039,375
2026	4,000,000	2,020,450	6,020,450
2027	3,960,000	1,851,338	5,811,338
2028-2032	19,025,000	7,043,588	26,068,588
2033-2037	19,345,000	3,908,025	23,253,025
2038-2042	14,165,000	1,638,425	15,803,425
2043-2046	1,800,000	96,144	1,896,144
Total	<u>\$ 73,950,000</u>	<u>\$ 23,645,471</u>	<u>\$ 97,595,471</u>

### Pledged Revenue

The CDA has pledged as security for the \$73,950,000 of outstanding Housing Development bonds, a portion of its annual tax levy (special benefit tax) that is levied pursuant to Minnesota Statutes, Section 469.033, Subd. 6. These bonds were used to finance the acquisition and construction of senior housing developments. The CDA is currently committed, to the extent it is within its power to do so, to levy and collect \$5,600,000 for the payment and debt service on these bonds. The total principal and interest remaining on this debt is \$97,595,471 with annual requirements ranging from \$6,432,812 in 2023 to \$5,076,449 in the final year. The tax levy has averaged over \$7 million per year for the last ten years and the amount of tax proceeds pledged towards Housing Development bond debt service is \$5,600,000. For the current year, \$5,600,000 of tax levy was paid on the debt service for the bonds.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

Changes in Long Term Liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 1,223,884	\$ 791,738	\$ (724,113)	\$ 1,291,509	\$ 634,269
Notes payable	13,180,391	-	(46,520)	13,133,871	934,000
Bonds payable	77,475,000	-	(3,525,000)	73,950,000	3,895,000
Plus deferred amounts:					
For issuance premiums	5,175,814	-	(547,152)	4,628,662	-
Total bonds payable	<u>\$ 82,650,814</u>	<u>\$ -</u>	<u>\$ (4,072,152)</u>	<u>\$ 78,578,662</u>	<u>\$ 3,895,000</u>
	<u>\$ 97,055,089</u>	<u>\$ 791,738</u>	<u>\$ (4,842,785)</u>	<u>\$ 93,004,042</u>	<u>\$ 5,463,269</u>

Conduit Debt

The CDA has issued certain limited-obligation revenue bonds, including: 1) mortgage revenue bonds issued to provide funding for first time homebuyer loans; 2) multifamily housing revenue bonds issued to provide funds to finance specific multifamily rental housing projects; 3) industrial development revenue bonds issued to assist manufacturing companies in financing new facilities, structural improvements and expansions, and new equipment; 4) essential function bonds to finance facilities used by the general public; and 5) 501(c)3 bonds issued to finance specific rental housing projects developed by nonprofit organizations. This debt is secured by the property financed and is payable solely from payments received on the underlying loans. The CDA is not obligated in any manner for repayment of this debt and accordingly, it is not reported as liabilities in the accompanying financial statements. The aggregate amount of all outstanding conduit debt obligations on June 30, 2022 was \$169,834,904.

**G. Leases**

The County leases equipment as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2035.

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

	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 24,488	\$ 3,830
2024	14,106	3,294
2025	14,596	2,804
2026	15,103	2,297
2027	15,628	1,772
2028-2032	<u>44,766</u>	<u>1,897</u>
Total minimum lease payments	<u>\$ 128,687</u>	<u>\$ 15,894.00</u>

The right-to-use lease assets and the related accumulated amortization are detailed in Note III.E.

**IV. OTHER INFORMATION**

**A. Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is self-insured for all areas except auto, property, and fidelity insurance. For these areas, the County has purchased commercial insurance. Dakota County has not reduced insurance coverage in the past year and has not had settlements in excess of insurance coverage in any of the past three years. The County currently reports all of its risk management activities in its General Fund. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR).

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 settlement trends (including frequency and amount pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other 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. There were no settlements in excess of insurance coverage for any of the past three fiscal years.

Changes in the balances of claims liabilities during the past two years are as follows:

	Year ended 12/31/22	Year ended 12/31/21
Unpaid claims, beginning of fiscal year	\$ 4,591,296	\$ 5,176,739
Incurred claims (including IBNR)	36,096,118	29,445,761
Claim payments	(35,343,914)	(30,031,204)
Unpaid claims, end of fiscal year	\$ 5,343,500	\$ 4,591,296

**B. Contingent Liabilities**

Amounts received or receivables from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial position of the County.

**C. Joint Powers Debt Commitment**

On August 25, 2005, Dakota County entered into a joint powers agreement with the Cities of Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul, and West St. Paul, Minnesota to establish the Dakota Communications Center (DCC), a Minnesota nonprofit corporation. The purpose of the DCC is to engage in the operation and maintenance of a countywide public safety answering point and communications center for law enforcement, fire, emergency medical services, and other public safety services for the mutual benefit of residents residing in the abovementioned cities and county

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

---

(members). Pursuant to the joint powers agreement, members are required to provide the DCC their pro rata share of cost of operations and maintenance, and capital projects.

Information regarding the Dakota Communications Center can be obtained at the website [www.mn-dcc.org](http://www.mn-dcc.org) or by contacting Julie Stahl at the City of Lakeville, 20195 Holyoke Avenue, Lakeville, Minnesota 55044. Telephone (952) 985-4481 or email address: [jstahl@lakevillemn.gov](mailto:jstahl@lakevillemn.gov).

### **D. Joint Ventures**

Dakota County in conjunction with other governmental entities has formed the joint ventures listed below.

1. Metropolitan Emergency Services Board: Dakota County entered into a joint powers agreement with the Counties of Anoka, Carver, Chisago, Hennepin, Isanti, Ramsey, Scott, Washington, and the City of Minneapolis, pursuant to Minnesota Statutes section 471.59 to comply with the mandate of Minnesota Statutes, Chapter 403, for the implementation and administration of a regional 911 system and encourage the development of new resources and the coordination of emergency medical services. Dakota County paid annual dues of \$168,158 in 2022. Except for annual dues the County has no other financial obligations. Current financial statements are available at the 911 Board Office, 2099 University Avenue West, St. Paul, MN 55104-3431.
2. Metropolitan Library Service Agency (MELSA): Dakota County entered into a joint powers agreement with the other six metropolitan area counties and the Cities of Saint Paul and Minneapolis to improve public library services within the various jurisdictions. The Board of Directors of MELSA consists of one representative from each member entity. Financing is provided by gifts, grants, and other property of assistance from the federal government, the State of Minnesota, or any person or agency for MELSA. Dakota County did not provide any gifts to MELSA in 2022. The MELSA agency handles the accounting function for the Board. Current financial statements are available from the MELSA office, 1619 Dayton Avenue, Suite 314, Saint Paul, MN 55104-6276.
3. HOPE Fund: Dakota County entered into a joint powers agreement with the Dakota County Community Development Agency (CDA) to provide a source of gap financing used to leverage public and private sector funds for the construction of affordable housing in Dakota County. The County will appropriate funds, as the County Board deems appropriate. The CDA will administer the fund.
4. Dakota Communications Center: Dakota County entered into a joint powers agreement with the Cities of Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul and West St. Paul to acquire and provide the facilities, infrastructure, hardware, software, services and other items necessary for the establishment and operation of a joint law enforcement, fire, emergency medical services and other emergency communications system. The Board of Directors consists of an elected official from each Member. Financing is provided by member contributions determined by pro-rating the costs according to proportion of total county population served by each member and call volume. The fiscal agent is the City of Lakeville. Current financial statements are available from the City of Lakeville Finance Department, City Hall, 20195 Holyoke Avenue, Lakeville, MN 55044.
5. Domestic Preparedness Agency: Dakota County entered into a joint powers agreement with the Cities of Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul and West St. Paul to provide for the joint exercise of the parties' powers to plan for and to respond to the need of the first responders for special response operations caused by the occurrence of large-scale disasters and emergencies. The Board of Directors consists of an appointed individual from each Member, one city manager, and the Dakota County Emergency Coordinator. Financing is provided by member contributions determined by pro-rating the costs according to

proportion of total county population served by each member less any grants received. This agency is presented as the Domestic Preparedness Team Private Purpose Trust Fund.

6. The Minnesota Valley Transit Authority (MVTA): Dakota County entered into a joint powers agreement with the Cities of Apple Valley, Burnsville, Eagan, Rosemount, and Savage ("Cities"), and Scott County to provide public transit service in and for persons within the Cities and within the Metropolitan Area pursuant to Minnesota Statutes, Sections 473.388, 473.384, 471.59 and related statutes.

The governing body of the MVTA shall be its Board which will consist of seven voting commissioners. Each party shall appoint one commissioner, one alternate commissioner, and a staff member who shall serve on the Technical Work Group. In the event of the termination of this agreement of all parties from the MVTA, all of the assets which remain after payment of debts and obligations shall be distributed among the parties to this agreement immediately prior to its termination, subject to the terms and requirements of obligations issued by one or more municipalities pursuant to Minnesota Statute 473.388, Subd.7. Financial statements are available on the internet at [www.mvta.com](http://www.mvta.com) or by calling 952-882-7500.

#### **E. Jointly-Governed Organizations**

Dakota County in conjunction with other governmental entities and various private organizations has formed the collaboratives listed below.

1. Dakota County Collaborative: The Dakota County Collaborative is an integrated Children's Mental Health and Family Services Collaborative. The duties and membership of collaboratives are defined in Minnesota Statutes Sections 124D.23 and 245.493. By resolution No. 05-601 (November 29, 2005), the County Board approved execution of a new Joint Powers Agreement between Dakota County, Scott-Carver Dakota CAP Agency, and the ten school districts in Dakota County to establish the Dakota County Collaborative, which combined the Children's Mental Health Collaborative and Family Service Collaborative into one integrated collaborative in January 2006. The Collaborative Governing Board, which includes three Dakota County members, oversees the Collaborative's integrated fund. Dakota County serves as the fiscal agent for the Collaborative. The County has made \$968,455 in expenditures in 2022 related to the Collaborative.
2. Dakota County Drug Enforcement Task Force: Pursuant to Minnesota Statutes Section 471.59, the Dakota County Sheriff's Office entered into a joint powers agreement with the police departments of the Cities of Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Rosemount, South Saint Paul, and West Saint Paul. The purpose of this agreement is for apprehending and prosecuting drug offenders in Dakota County. A Board comprised of a representative from each member city and Dakota County shall govern the Task Force. No audited financial statements are available.
3. Mental Health Crisis Alliance: A Cooperative Agreement was established with Ramsey 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. Dakota County has no operational or financial control over the collaborative.
4. Dakota County Electronic Crimes Task Force: A joint powers board made pursuant to Minnesota Statute Section 471.59 between Dakota County and the cities of Apple Valley, Burnsville, Farmington, Hastings, Mendota Heights, Rosemount, South St. Paul and West St. Paul, to coordinate efforts investigating illegal activities related to the use of electronic devices, the internet and materials transmitted or used in electronic form. The Administrative Board consists of one member from each law enforcement unit of

government that participates in the Task Force, and may include attorneys from the Dakota County Attorney's Office as advisories. Dakota County serves as the fiscal agent, accounting for member contributions of \$18,000 per city and grant funds or restitution if available.

**F. Pension Plans**

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. 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. Investments are reported at fair value.

**1. Defined Benefit Pension Plans**

**a. Plan Description**

Dakota County participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

**1. General Employees Retirement Plan**

All full-time and certain part-time employees of Dakota County are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

**2. Public Employees Police and Fire Plan**

The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the Police and Fire Plan also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to PERA.

**3. Local Government Correctional Plan**

The Correctional Plan was established for correctional officers serving in county and regional corrections facilities. Eligible participants must be responsible for the security, custody, and control of the facilities and their inmates.

**b. Benefits Provided**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

**1. General Employees Retirement Plan**

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two

methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

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

## **2. Police and Fire Plan Benefits**

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

## **3. Correctional Plan Benefits**

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

Benefit increases are provided to benefit recipients each January. The postretirement increase will be equal to 100% of the COLA announced by SSA, with a minimum increase of at least 1% and a maximum of 2.5%. If the plan's funding status declines to 85% or below for two consecutive years or 80% for one year, the maximum will be lowered from 2.5% to 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

### c. Contributions

*Minnesota Statutes* Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

#### 1. General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2022 and Dakota County was required to contribute 7.50% for Coordinated Plan members. The Dakota County contributions to the General Employees Fund for the year ended December 31, 2022, were \$9,701,297. Dakota County contributions were equal to the required contributions as set by state statute.

#### 2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2022 and Dakota County was required to contribute 17.70% for Police and Fire Plan members. The Dakota County contributions to the Police and Fire Fund for the year ended December 31, 2022, were \$1,392,087. The Dakota County contributions were equal to the required contributions as set by state statute.

#### 3. Correctional Fund Contributions

Correctional Plan members were required to contribute 5.83% of their annual covered salary in fiscal year 2022 and Dakota County was required to contribute 8.75% for Correctional Plan members. The Dakota County contributions to the Correctional Fund for the year ended December 31, 2022, were \$670,130. The Dakota County contributions were equal to the required contributions as set by state statute.

### d. Pension Costs

#### 1. General Employees Fund Pension Costs

At December 31, 2022, Dakota County reported a liability of \$134,569,281 for its proportionate share of the General Employees Fund's net pension liability. The Dakota County net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with Dakota County totaled \$3,945,366.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Dakota County proportionate share of the net pension liability was based on Dakota County contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The Dakota County proportionate share was 1.6991% at the end of the measurement period and 1.7469% for the beginning of the period.

Dakota County's proportionate share of the net pension liability	\$ 134,569,281
State of Minnesota's proportionate share of the net pension liability associated with Dakota County	<u>3,945,366</u>
Total	<u>\$ 138,514,647</u>

There were no provision changes during the measurement period.



# Dakota County, Minnesota Notes to the Financial Statements

## December 31, 2022

For the year ended December 31, 2022, Dakota County recognized pension expense of \$18,904,924 for its proportionate share of the General Employees Plan's pension expense. In addition, Dakota County recognized an additional \$589,528 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2022, the Dakota County reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Differences between expected and actual economic experience</b>	\$ 1,124,031	\$ 1,437,519
<b>Changes in actuarial assumptions</b>	\$ 30,455,471	\$ 547,318
<b>Net collective difference between projected and actual investment earnings</b>	\$ 2,334,156	\$ -
<b>Changes in proportion</b>	\$ 2,607,041	\$ 1,993,371
<b>Contributions paid to PERA subsequent to the measurement date [to be calculated by employer]</b>	\$ 4,835,564	
<b>Total</b>	<b>\$ 41,356,263</b>	<b>\$ 3,978,208</b>

The \$4,835,564 reported as deferred outflows of resources related to pensions resulting from Dakota County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2023	\$12,863,240
2024	\$12,462,350
2025	\$(4,952,882)
2026	\$12,169,783

## 2. Police and Fire Fund Pension Costs

At December 31, 2022, Dakota County reported a liability of \$27,802,404 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Dakota County proportionate share of the net pension liability was based on Dakota County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. Dakota County's proportionate share was 0.6389% at the end of the measurement period and 0.6267% for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2022. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2021. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with Dakota County totaled \$1,214,544.

Dakota County proportionate share of the net pension liability	\$27,802,404
State of Minnesota's proportionate share of the net pension liability associated with the Dakota County	<u>1,214,544</u>
Total	<u>\$29,016,948</u>

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended June 30, 2022, Dakota County recognized pension expense of \$2,231,619 for its proportionate share of the Police and Fire Plan's pension expense. Dakota County also recognized \$235,590 as grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. Dakota County recognized \$57,501 for the year ended December 31, 2022 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

There were no provision changes during the measurement period.

At December 31, 2022, Dakota County reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Differences between expected and actual economic experience</b>	\$ 1,698,126	\$ -
<b>Changes in actuarial assumptions</b>	\$ 16,366,000	\$ 167,134
<b>Net collective difference between projected and actual investment earnings</b>	\$ 372,643	\$ -
<b>Changes in proportion</b>	\$ 272,809	\$ 451,161
<b>Contributions paid to PERA subsequent to the measurement date [to be calculated by employer]</b>	\$ 708,694	
<b>Total</b>	<b>\$ 19,418,272</b>	<b>\$ 618,295</b>

The \$708,694 reported as deferred outflows of resources related to pensions resulting from Dakota County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

**Dakota County, Minnesota**  
**Notes to the Financial Statements**

**December 31,**  
**2022**

<b>Year ended December 31:</b>	<b>Pension Expense Amount</b>
2023	\$3,496,990
2024	\$3,483,422
2025	\$3,123,339
2026	\$5,646,086
2027	\$2,341,446

**3. Correctional Plan Pension Costs**

At December 31, 2022, Dakota County reported a liability of \$11,296,615 for its proportionate share of the Correctional Plan’s net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Dakota County’s proportionate share of the net pension liability was based on Dakota County’s contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA’s participating employers. The Dakota County proportionate share was 3.3985% at the end of the measurement period and 3.4561% for the beginning of the period.

There were no provision changes during the measurement period.

For the year ended December 31, 2022 Dakota County recognized pension expense of \$4,058,676 for its proportionate share of the Correctional Plan’s pension expense.

At December 31, 2022, Dakota County reported its proportionate share of the Correctional Plan’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>Differences between expected and actual economic experience</b>	\$ -	\$ 372,467
<b>Changes in actuarial assumptions</b>	\$ 7,316,015	\$ 16,797
<b>Net collective difference between projected and actual investment earnings</b>	\$ 312,258	\$ -
<b>Changes in proportion</b>	\$ 123,465	\$ 10,169
<b>Contributions paid to PERA subsequent to the measurement date [to be calculated by employer]</b>	\$ 337,384	
<b>Total</b>	<b>\$ 8,089,122</b>	<b>\$ 399,433</b>

The \$337,384 reported as deferred outflows of resources related to pensions resulting from Dakota County’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended December 31:</b>	<b>Pension Expense Amount</b>
2023	\$3,368,023
2024	\$3,390,994
2025	\$(314,236)
2026	\$907,524

**4. Total Pension Expense**

The total pension expense for all plans recognized by the Dakota County for the year ended December 31, 2022 was \$26,020,337.

**e. Long-Term Expected Return on Investment**

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	100%	

**f. Actuarial Methods and Assumptions**

The total pension liability in the June 30, 2022, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5%. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan, 2.25% for the Police and Fire Plan, and 2.25% for the Correctional Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan and 2% for the Correction Plan through December 31, 2054 and 1.5% thereafter. The Police and Fire Plan benefit increase is fixed at 1% per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75% after one year of service to 3.0% after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11.0% at age 20 to 3.0% at age 60.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan and the Correctional Plans are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire and the Correctional Plan were

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

---

completed in 2020 were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022:

### **General Employees Fund**

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

### **Police and Fire Fund**

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

Changes in Plan Provisions:

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

### **Correctional Fund**

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

### **g. Discount Rate**

The discount rate for the General Employees Plan used to measure the total pension liability in 2022 was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

**Dakota County, Minnesota**  
**Notes to the Financial Statements**

**December 31,**  
**2022**

value of projected benefits using 6.5% applied to all years of projected benefits through the point of asset depletion and 3.69% thereafter.

**h. Pension Liability Sensitivity**

The following presents the Dakota County proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Dakota County proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

<b>Sensitivity Analysis (In Thousands)</b>						
<i>Net Pension Liability (Asset) at Different Discount Rates</i>						
	General Employees Fund		Police and Fire Fund		Correctional Fund	
1% Lower	5.50%	\$212,559,228	4.40%	\$42,075,373	4.42%	\$19,898,421
Current Discount Rate	6.50%	\$134,569,281	5.40%	\$27,802,404	5.42%	\$11,296,614
1% Higher	7.50%	\$70,605,489	6.40%	\$16,263,564	6.42%	\$4,533,667

**i. Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

**H. Public Employees Defined Contribution Plan (Defined Contribution Plan)**

Seven employees of Dakota County are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent (0.25%) of the assets in each member's account annually.

Total contributions made by Dakota County during fiscal year 2022 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer	Employee	Employer	Rate
\$35,665	\$35,665	5%	5%	5%

**H. Other Post-Employment Benefits**

Plan Description

The county provides health insurance benefits for certain retired employees under a single-employer self-insured plan. The County provides benefits for retirees as required by Minnesota Statute 471.61 subdivision 2b. Active employees, who retire from the County when eligible to receive a retirement benefit from the Public Employees Retirement Association (PERA) of Minnesota (or similar plan) and do not participate in any other health benefits program providing coverage similar to the herein described, will be eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the County's health benefits program. The County does not have any assets accumulated in a GASB compliant irrevocable trust.

In addition to providing the pension benefits described above, the County provides post-retirement health care benefits. This benefit is provided based on County Board Resolution #81-519 as part of the Sheriff's contract settlement. The eligible participants were employees of the Sheriff Department who have retired. The County currently has 23 eligible participants. Based on this plan, the county contributes \$60 a month per participant for health insurance. The participant contributes either \$739 for single coverage or \$2,337 for family coverage per month. During 2022, the County expended \$18,660 for this benefit.

Employees covered by benefit terms. At December 31, 2022, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	70
Inactive Employees Entitled to but not yet receiving benefit payments	-
Active Plan Members	1,691
	<b>1,761</b>

Contributions

The County funds its OPEB obligation on a pay as you go basis. The County contributes none of the cost of current year premiums for eligible retired plan members and their spouses, except for the implicit rate subsidy, described below. For fiscal year 2022, the County contributed \$0.00 to the plan. Plan members receiving benefit contribute 100% of their premium costs. As of December 31, 2022 there were 70 beneficiaries and retirees receiving health benefits from the County's health plans.

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of that date.

*Actuarial assumptions*

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.72%
Inflation	2.25%
Initial Medical Trend Rate	8.75%
Ultimate Medical Trend Rate	3.80%
Year Ultimate Trend Rate Reached	2073

# Dakota County, Minnesota

## Notes to the Financial Statements

# December 31, 2022

The mortality assumption was updated from the assumption used in the January 1, 2020 actuarial report to reflect mortality improvements using the most recent published mortality scale available as of the valuation date.

Each of these assumptions are based on the assumptions used for the most recent Minnesota PERA Coordinated Plan Valuation Report, which were recommended through an experience study dated June 27, 2019, which would cover the period from July 1, 2014 through June 30, 2018.

### *Discount rate*

A single discount rate of 3.72% was used to measure the Total OPEB Liability as of December 31, 2022. This Single discount rate was based on a municipal bond rate of 3.72% (based on the 20-year Bond Buyer GO Index as of the end of December 2022). Since Dakota County's retiree health benefits are funded on a pay-as-you go cash cost basis, plan assets at the beginning of each year will always be insufficient to meet the projected benefit payments. Therefore, the municipal bond rate was applied to all periods of the projected benefit payments to determine the Total OPEB Liability. The previous Discount rate used for the December 31, 2021 reporting year was 2.06%.

### Changes in the Total OPEB Liability

	<b>Total OPEB Liability</b>
<b>Balance at 12/31/2021</b>	\$ 12,541,677
<b>Changes for the year:</b>	
Service cost	\$ 869,000
Interest	268,000
Changes in Assumptions - Discount Rate	(1,531,000)
Changes in Assumptions - Other	918,000
Benefit Payments - Employer - Implicit Subsidy	(803,000)
Difference between projected and actual investment income	137,000
<b>Net Changes</b>	\$ (142,000)
<b>Balance at 12/31/2022</b>	<b>\$ 12,399,677</b>

Changes in assumptions for the Actuarial Report with a measurement date of December 31, 2022 are as follows:

- The salary increase assumption was updated to reflect inflation;
- The medical trend rate assumption was updated to reflect inflation;
- The mortality assumption was updated from the assumption used in the January 1, 2020 actuarial report to reflect mortality improvements using the most recently published mortality improvement scale available as of the Measurement Date.
- The Discount Rate was also updated from 2.06% to 3.72%.

Sensitivity of the Total OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the Total OPEB liability of the County, as well as what the County's Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.72 percent) or 1-percentage-point higher (4.72 percent) than the current discount rate:



**Dakota County, Minnesota**  
**Notes to the Financial Statements**

**December 31,**  
**2022**

	<b>1% Decrease</b> (2.72)%	<b>Discount Rate</b> (3.72)%	<b>1% Increase</b> (4.72)%
Total OPEB liability (asset)	\$ 13,305,000	\$ 12,399,677	\$ 11,551,000

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates. The following presents the Total OPEB liability of the County, as well as what the County's Total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.75 percent decreasing to 2.8 percent) or 1-percentage-point higher (9.75 percent decreasing to 4.8 percent) than the current healthcare cost trend rates:

	<b>1% Decrease</b> (7.75% decreasing to 2.8%)	<b>Healthcare Cost Trend Rates (8.75% decreasing to 3.8%)</b>	<b>1% Increase</b> (9.75% decreasing to 4.8%)
Total OPEB liability (asset)	\$ 11,143,000	\$ 12,399,677	\$ 13,866,000

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

For the year ended December 31, 2022, the County recognized OPEB expense of \$1,388,000. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 612,000	\$ -
Changes of assumptions	662,000	619,939
Total	\$ 1,274,000	\$ 619,939

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

Year ended June 30:	
2023	\$251,000
2024	\$277,000
2025	\$263,000
2026	(\$48,000)
2027	(\$75,000)
Thereafter	(\$13,939)

This page was left blank intentionally.



# Required Supplementary Information

This page was left blank intentionally.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF CHANGES IN THE  
COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

December 31, 2022

	2018	2019	2020	2021	2022
Total OPEB Liability					
Service cost	\$ 626,000	\$ 572,000	\$ 788,000	\$ 805,000	\$ 869,000
Interest	315,000	374,000	290,000	267,000	268,000
Changes in Assumptions - Discount Rate	(403,000)	877,000	503,000	50,000	(1,531,000)
Changes in Assumptions - Other	(33,000)	-	56,000	-	918,000
Benefit Payments - Employer - Implicit Subsidy	(461,000)	(485,000)	(638,000)	(689,000)	(803,000)
Difference between projected and actual investment income	-	-	980,000	-	137,000
Net Change in total OPEB Liability	\$ 44,000	\$ 1,338,000	\$ 1,979,000	\$ 433,000	\$ (142,000)
Total OPEB liability - beginning	8,747,677	8,791,677	10,129,677	12,108,677	12,541,677
Total OPEB liability - ending	<u>\$ 8,791,677</u>	<u>\$ 10,129,677</u>	<u>\$ 12,108,677</u>	<u>\$ 12,541,677</u>	<u>\$ 12,399,677</u>

Covered employee payroll \$ 131,815,000 \$ 139,031,000 \$ 145,134,000 \$ 150,285,000 \$ 153,261,000

County's total OPEB liability as a percentage of the covered employee payroll 6.67% 7.29% 8.34% 8.35% 8.09%

**Notes to Schedule:**

Benefit changes: None

The County does not have any assets accumulated in a GASB compliant irrevocable trust.

*2022 assumptions:*

- The medical trend rate assumption was updated based on recent trend surveys;
- The mortality assumption was updated to reflect the most recent published mortality improvement scale available for the January 1, 2022 valuation.
- In addition to the assumptions changes above, a single discount rate of 3.72% was used to measure the Total OPEB Liability as of December 31, 2022.

*2021 assumptions:*

- Inflation was updated to 2.25% (from 2.50%)
- The Salary Increase Assumption was updated to reflect the reduction in inflation;
- The medical trend rate assumption was updated to reflect the reduction in inflation;
- The mortality assumption was updated from the assumption used in the January 1, 2020 actuarial report to reflect mortality improvements using Scale MP-2020, the most recently published mortality improvement scale available as of the Measurement Date.

In addition to the assumptions changes above, a single discount rate of 2.06% was used to measure the Total OPEB Liability as of December 31, 2021. This single discount rate was based on municipal bond rate of 2.06% (based on the 20-year Bond Buyer GO Index as of the end of December 2021).

*2020 assumptions:*

- The mortality assumption was updated to be consistent with the assumptions used in the 2014-2018 experience study for the PERA General plan with the exception of using the Pub-2010 General Headcount-Weighted Mortality Table instead of the Pub-2010 General Amount-Weighted Mortality Table. Adjustment factors were consistent with those recommended in the experience study.
- The withdrawal and retirement assumptions were updated to be consistent with the assumptions used in the 2014-2018 experience study for the PERA General plan, after adjustment from benefit-weighting to headcount-weighting.
- The salary increase assumption was updated to be consistent with the assumptions used in the 2014-2018 experience study for the PERA General plan.
- The spouse age assumption was updated to be consistent with the assumptions used in the 2014-2018 experience study for the PERA General plan.
- The inflation rate decreased from 2.75% to 2.25%.
- The payroll growth rate decreased from 3.50% to 3.00%.
- The annual medical claims costs and premiums were updated based on recent experience.
- The annual medical trend was updated based on recent trend surveys, short-term expectations specific to Dakota County, and the current version of the SOA-Getzen trend model.

*2019 assumptions:*

- Inflation was updated to 2.50% (from 2.75%)
- The Salary Increase Assumption was updated to reflect the reduction in inflation;
- The medical trend rate assumption was updated to reflect the reduction in inflation;
- The mortality assumption was updated from the assumption used in the January 1, 2018 actuarial report to reflect mortality improvements using Scale MP-2018, the most recently published mortality improvement scale available as of the Measurement Date.

In addition to the assumptions changes above, a single discount rate of 2.74% was used to measure the Total OPEB Liability as of December 31, 2019. This single discount rate was based on municipal bond rate of 2.74% (based on the 20-year Bond Buyer GO Index as of the end of December 2019).

*2018 assumptions:*

- Inflation was updated to 2.50% (from 2.75%)
- The Salary Increase Assumption was updated to reflect the reduction in inflation;
- The medical trend rate assumption was updated to reflect the reduction in inflation;
- The mortality assumption was updated from the assumption used in the January 1, 2018 actuarial report to reflect mortality improvements using Scale MP-2018, the most recently published mortality improvement scale available as of the Measurement Date.

In addition to the assumptions changes above, a single discount rate of 4.10% was used to measure the Total OPEB Liability as of December 31, 2018. This single discount rate was based on municipal bond rate of 4.10% (based on the 20-year Bond Buyer GO Index as of the end of December 2018).

This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
PERA GENERAL EMPLOYEES RETIREMENT PLAN  
DECEMBER 31, 2022**

<b>Measurement Date</b>	<b>Employer's Proportion of the Net Pension Liability (Asset)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset) (a)</b>	<b>State's Proportionate Share of the Net Pension Liability Associated With Dakota County (b)</b>	<b>Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)</b>	<b>Covered Payroll (c)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/c)</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2015	1.5957%	\$ 82,697,456	\$ N/A	\$ 82,697,456	\$ 93,797,985	88.17%	78.19%
2016	1.5864	128,807,811	501,636	129,309,447	98,563,497	130.69	68.91
2017	1.6704	106,637,234	1,340,859	107,978,093	107,526,176	99.17	75.90
2018	1.6281	90,320,313	2,962,659	93,282,972	109,767,382	82.28	79.53
2019	1.6335	90,312,556	2,807,045	93,119,601	115,251,630	78.36	80.23
2020	1.6916	101,419,151	3,127,472	104,546,623	120,802,803	83.95	79.06
2021	1.7469	74,600,456	2,278,211	76,878,667	126,005,505	59.20	87.00
2022	1.6991	134,569,281	3,945,366	138,514,647	126,994,589	105.96	76.67

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.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF CONTRIBUTIONS  
PERA GENERAL EMPLOYEES RETIREMENT PLAN  
DECEMBER 31, 2022**

<b>Year Ending</b>	<b>Statutorily Required Contributions (a)</b>	<b>Actual Contributions in Relation to Statutorily Required Contributions (b)</b>	<b>Contribution (Deficiency) Excess (b-a)</b>	<b>Covered Payroll (c)</b>	<b>Actual Contributions as a Percentage of Covered Payroll (b/c)</b>
2015	\$ 7,424,949	\$ 7,424,949	\$ -	\$ 98,998,921	7.50%
2016	7,609,115	7,609,115	-	101,454,465	7.50
2017	8,020,074	8,020,074	-	106,934,320	7.50
2018	8,403,716	8,403,716	-	112,049,547	7.50
2019	8,878,920	8,878,920	-	118,385,600	7.50
2020	9,259,844	9,259,844	-	123,464,587	7.50
2021	9,457,441	9,457,441	-	126,099,212	7.50
2022	9,701,297	9,701,297	-	129,350,626	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.

The notes to the schedules of proportionate share of net pension liability and schedules of contributions are an integral part of this schedule.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
PERA PUBLIC EMPLOYEES POLICE AND FIRE PLAN  
DECEMBER 31, 2022**

<b>Measurement Date</b>	<b>Employer's Proportion of the Net Pension Liability (Asset)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset) (a)</b>	<b>State's Proportionate Share of the Net Pension Liability Associated With Dakota County (b)</b>	<b>Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a+b)</b>	<b>Covered Payroll (c)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/c)</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2015	0.584%	\$ 6,635,607	\$ N/A	\$ 6,635,607	5,349,904	124.03%	86.61%
2016	0.589	23,637,595	N/A	23,637,595	5,556,937	425.37	63.88
2017	0.649	8,762,272	N/A	8,762,272	6,658,474	131.60	85.43
2018	0.654	6,965,637	N/A	6,965,637	6,887,800	101.13	88.84
2019	0.654	6,961,426	N/A	6,961,426	6,896,956	100.93	89.26
2020	0.667	8,797,046	N/A	8,797,046	7,513,126	117.09	87.19
2021	0.627	4,837,460	217,487	5,054,947	7,691,092	62.90	93.66
2022	0.639	27,802,404	1,214,544	29,016,948	7,859,719	353.73	70.53

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.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF CONTRIBUTIONS  
PERA PUBLIC EMPLOYEES POLICE AND FIRE PLAN  
DECEMBER 31, 2022**

<b>Year Ending</b>	<b>Statutorily Required Contributions (a)</b>	<b>Actual Contributions in Relation to Statutorily Required Contributions (b)</b>	<b>Contribution (Deficiency) Excess (b-a)</b>	<b>Covered Payroll (c)</b>	<b>Actual Contributions as a Percentage of Covered Payroll (b/c)</b>
2015	\$ 906,079	\$ 906,079	\$ -	5,531,350	16.38%
2016	979,649	979,649	-	6,047,220	16.20
2017	1,090,710	1,090,710	-	6,732,778	16.20
2018	1,116,024	1,116,024	-	6,889,037	16.20
2019	1,219,927	1,219,927	-	7,197,209	16.95
2020	1,360,235	1,360,235	-	7,684,942	17.70
2021	1,379,155	1,379,155	-	7,791,838	17.70
2022	1,392,087	1,392,087	-	7,864,899	17.70

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.

The notes to the schedules of proportionate share of net pension liability and schedules of contributions are an integral part of this schedule.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN  
DECEMBER 31, 2022**

<b>Measurement Date</b>	<b>Employer's Proportion of the Net Pension Liability (Asset)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset) (a)</b>	<b>Covered Payroll (b)</b>	<b>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2015	3.14%	\$ 485,444	\$ 5,619,220	8.64%	96.95%
2016	2.96	10,813,294	5,575,906	193.93	58.16
2017	3.14	8,949,031	6,183,626	144.72	67.89
2018	3.03	498,607	6,191,632	8.05	97.64
2019	3.15	435,854	6,714,968	6.49	98.17
2020	3.38	918,025	7,102,592	12.93	96.67
2021	3.46	(567,768)	7,454,668	(7.62)	101.61
2022	3.40	11,296,615	7,574,406	149.14	74.58

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.

**DAKOTA COUNTY  
MINNESOTA**

**SCHEDULE OF CONTRIBUTIONS  
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN  
DECEMBER 31, 2022**

<b>Year Ending</b>	<b>Statutorily Required Contributions (a)</b>	<b>Actual Contributions in Relation to Statutorily Required Contributions (b)</b>	<b>Contribution (Deficiency) Excess (b-a)</b>	<b>Covered Payroll (c)</b>	<b>Actual Contributions as a Percentage of Covered Payroll (b/c)</b>
2015	\$ 494,252	\$ 494,252	\$ -	\$ 5,648,593	8.75%
2016	504,457	504,457	-	5,765,217	8.75
2017	527,045	527,045	-	6,023,371	8.75
2018	568,248	568,248	-	6,494,263	8.75
2019	605,148	605,148	-	6,915,977	8.75
2020	635,396	635,396	-	7,261,663	8.75
2021	660,207	660,207	-	7,545,219	8.75
2022	670,130	670,130	-	7,658,630	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.

The notes to the schedules of proportionate share of net pension liability and schedules of contributions are an integral part of this schedule.



**DAKOTA COUNTY  
MINNESOTA**

NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022

---

**CHANGES IN SIGNIFICANT PENSION PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS**

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

**General Employees Fund**

*2022 Changes*

*Changes in Actuarial Assumptions*

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

*Changes in Plan Provisions*

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

*2021 Changes*

*Changes in Actuarial Assumptions*

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

*Changes in Plan Provisions*

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

*2020 Changes*

*Changes in Actuarial Assumptions*

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.

**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

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

*Changes in Plan Provisions*

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

*2019 Changes*

*Changes in Actuarial Assumptions*

- The mortality projection scale was changed from MP-2017 to MP-2018.

*Changes in Plan Provisions*

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

*2018 Changes*

*Changes in Actuarial Assumptions*

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

*Changes in Plan Provisions*

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.

**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

*2017 Changes*

*Changes in Actuarial Assumptions*

- The combined service annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA load are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.
- The assumed postretirement benefit increase rate was changed for 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

*Changes in Plan Provisions*

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

*2016 Changes:*

*Changes in Actuarial Assumptions*

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.

**DAKOTA COUNTY  
MINNESOTA**

NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022

---

- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2015 Changes:*

*Changes in Actuarial Assumptions*

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2035 and 2.50 percent per year thereafter.

*Changes in Plan Provisions:*

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

**Police and Fire Fund**

*2022 Changes*

*Changes in Actuarial Assumptions*

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.5% to 5.4%.

*Changes in Plan Provisions*

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

*2021 Changes*

*Changes in Actuarial Assumptions*

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

**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

*Changes in Plan Provisions*

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

*2020 Changes*

*Changes in Actuarial Assumptions*

- The mortality projection scale was changed from MP-2018 to MP-2019.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2019 Changes*

*Changes in Actuarial Assumptions*

- The mortality projection scale was changed from MP-2017 to MP-2018.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

*2018 Changes*

*Changes in Actuarial Assumptions*

- The morality projection scale was changed from MP-2016 to MP-2017.

*Changes in Plan Provisions*

- Postretirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier, which meets the special funding situation definition.
- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

*2017 Changes*

*Changes in Actuarial Assumptions*

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 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.

**DAKOTA COUNTY  
MINNESOTA**

NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022

---

- Assumed termination rates were decreased to 3.00 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 65.00 percent to 60.00 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 postretirement 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.
- The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2016 Changes:*

*Changes in Actuarial Assumptions*

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2015 Changes:*

*Changes in Actuarial Assumptions*

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2037 and 2.50 percent per year thereafter.

**DAKOTA COUNTY  
MINNESOTA**

NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022

---

*Changes in Plan Provisions:*

- The postretirement benefit increase to be paid after the attainment of the 90.00 percent funding threshold was changed from inflation up to 2.50 percent, to a fixed rate of 2.50 percent

**Correctional Fund**

*2022 Changes*

*Changes in Actuarial Assumptions*

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.42%.
- The benefit increase assumption was changed from 2.00% per annum to 2.00% per annum through December 31, 2054 and 1.50% per annum thereafter.

*Changes in Plan Provisions*

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

*2021 Changes*

*Changes in Actuarial Assumptions*

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 10, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 10, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.



**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

- Assumed rates of withdrawal were changed as recommended in the July 10, 2020 experience study. The new rates predict more terminations, both in the three-year select period (based on service) and the ultimate rates (based on age).
- Assumed rates of disability lowered.
- Assumed percent married for active members was lowered from 85 percent to 75 percent.
- Minor changes to form of payment assumptions were applied.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2020 Changes*

*Changes in Actuarial Assumptions*

- The morality projection scale was changed from MP-2018 to MP-2019.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2019 Changes*

*Changes in Actuarial Assumptions*

- The morality projection scale was changed from MP-2017 to MP-2018.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2018 Changes*

*Changes in Actuarial Assumptions*

- The single discount rate was changed from 5.96 percent per annum to 7.50 percent per annum.
- The morality projection scale was changed from MP-2016 to MP-2017.
- The assumed post-retirement benefit increase was changed from 2.50 percent per year to 2.00 percent per year.

*Changes in Plan Provisions*

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.

**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Postretirement benefit increases were changed from 2.50 percent per year with a provision to reduce to 1.00 percent if the funding status declines to a certain level, to 100 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 2.50 percent, beginning January 1, 2019. If the funding status declines to 85.00 percent for two consecutive years or 80.00 percent for one year, the maximum increase will be lowered to 1.50 percent.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

*2017 Changes*

*Changes in Actuarial Assumptions*

- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016, and is applied to healthy and disabled members. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the RP-2014 disabled annuitant mortality table (with future mortality improvement according to MP-2016).
- The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 35.00 percent for vested members and 1.00 percent for non-vested members.
- The single discount rate was changed from 5.31 percent per annum to 5.96 percent per annum.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

*2016 Changes:*

*Changes in Actuarial Assumptions*

- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 5.31 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

*Changes in Plan Provisions*

There have been no changes since the prior valuation.

**DAKOTA COUNTY  
MINNESOTA**

**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY AND SCHEDULES OF CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

---

*2015 Changes*

*Changes in Actuarial Assumptions*

- There have been no changes since the prior valuation.

*Changes in Plan Provisions*

- There have been no changes since the prior valuation.

This page was left blank intentionally.



# Supplementary Information

This page was left blank intentionally.

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON SCHEDULE  
BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 3,338,405	\$ 3,338,405	\$ 3,337,886	\$ (519)
Intergovernmental	1,697,693	11,676,041	6,203,201	(5,472,840)
<b>Total Revenues</b>	<b>\$ 5,036,098</b>	<b>\$ 15,014,446</b>	<b>\$ 9,541,087</b>	<b>\$ (5,473,359)</b>
<b>Expenditures</b>				
<b>Capital outlay</b>				
Capital outlay	20,460,225	42,180,608	7,958,907	34,221,701
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (15,424,127)</b>	<b>\$ (27,166,162)</b>	<b>\$ 1,582,180</b>	<b>\$ 28,748,342</b>
<b>Other Financing Sources</b>				
Transfers in	\$ 15,424,127	\$ 15,424,127	\$ -	\$ (15,424,127)
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (11,742,035)</b>	<b>\$ 1,582,180</b>	<b>\$ 13,324,215</b>
<b>Fund Balance - January 1</b>	<b>(4,434,957)</b>	<b>(4,434,957)</b>	<b>(4,434,957)</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ (4,434,957)</b>	<b>\$ (16,176,992)</b>	<b>\$ (2,852,777)</b>	<b>\$ 13,324,215</b>

**DAKOTA COUNTY  
MINNESOTA**

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

	Special Revenue Funds						Total Nonmajor Governmental Funds
	County Library	County Parks	Regional Rail	Law Library	Attorney Forfeiture	Opioid Settlement	
<b><u>Assets</u></b>							
Cash and pooled investments	\$ 1,348,873	\$ 4,664,369	\$ 8,681,465	\$ 295,411	\$ 163,934	\$ 1,919,533	\$ 17,073,585
Petty cash and change funds	3,246	1,600	-	40	-	-	4,886
Taxes receivable							
Prior	85,081	6,941	972	-	-	-	92,994
Accounts receivable	9,493	277,182	-	-	-	7,895,012	8,181,687
Due from other funds	39,594	3,138,405	18,665	16,696	-	-	3,213,360
Due from other governments	11,452	346,391	-	18,876	-	-	376,719
<b>Total Assets</b>	<b><u>\$ 1,497,739</u></b>	<b><u>\$ 8,434,888</u></b>	<b><u>\$ 8,701,102</u></b>	<b><u>\$ 331,023</u></b>	<b><u>\$ 163,934</u></b>	<b><u>\$ 9,814,545</u></b>	<b><u>\$ 28,943,231</u></b>
<b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>							
<b>Liabilities</b>							
Accounts payable	\$ 62,555	\$ 729,718	\$ -	\$ 20,582	\$ 377	\$ -	\$ 813,232
Salaries payable	348,073	81,375	-	9,653	-	-	439,101
Contracts payable	-	177,168	-	-	-	-	177,168
Due to other funds	12,443	326,842	9,289	348	66,683	-	415,605
Due to other governments	481	2,254	-	-	-	-	2,735
Unearned revenue - other	-	117,754	-	-	-	-	117,754
<b>Total Liabilities</b>	<b><u>\$ 423,552</u></b>	<b><u>\$ 1,435,111</u></b>	<b><u>\$ 9,289</u></b>	<b><u>\$ 30,583</u></b>	<b><u>\$ 67,060</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,965,595</u></b>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue	\$ 93,465	\$ 8,732	\$ 1,064	\$ -	\$ -	\$ 7,895,012	\$ 7,998,273
<b>Total deferred inflows of resources</b>	<b><u>\$ 93,465</u></b>	<b><u>\$ 8,732</u></b>	<b><u>\$ 1,064</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 7,895,012</u></b>	<b><u>\$ 7,998,273</u></b>



**DAKOTA COUNTY  
MINNESOTA**

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

	<b>Special Revenue Funds</b>					<b>Total Nonmajor Governmental Funds</b>	
	<b>County Library</b>	<b>County Parks</b>	<b>Regional Rail</b>	<b>Law Library</b>	<b>Attorney Forfeiture</b>	<b>Opioid Settlement</b>	
<b>Fund Balances</b>							
Restricted for:							
Law library	\$ -	\$ -	\$ -	\$ 300,440	\$ -	\$ -	\$ 300,440
Criminal forfeitures	-	-	-	-	96,874	-	96,874
Opioid settlement	-	-	-	-	-	1,919,533	1,919,533
Assigned to:							
Culture and recreation	980,722	6,991,045	-	-	-	-	7,971,767
Economic development	-	-	8,690,749	-	-	-	8,690,749
<b>Total Fund Balances</b>	<b>\$ 980,722</b>	<b>\$ 6,991,045</b>	<b>\$ 8,690,749</b>	<b>\$ 300,440</b>	<b>\$ 96,874</b>	<b>\$ 1,919,533</b>	<b>\$ 18,979,363</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,497,739</b>	<b>\$ 8,434,888</b>	<b>\$ 8,701,102</b>	<b>\$ 331,023</b>	<b>\$ 163,934</b>	<b>\$ 9,814,545</b>	<b>\$ 28,943,231</b>

**DAKOTA COUNTY  
MINNESOTA**

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

	<b>Special Revenue Funds</b>						<b>Total Nonmajor Governmental Funds</b>
	<b>County Library</b>	<b>County Parks</b>	<b>Regional Rail</b>	<b>Law Library</b>	<b>Attorney Forfeiture</b>	<b>Opioid Settlement</b>	
<b>Revenues</b>							
Taxes	\$ 13,541,666	\$ 999,969	\$ 475	\$ -	\$ -	\$ -	\$ 14,542,110
License and permits	-	121,417	-	-	-	-	121,417
Intergovernmental	447,887	7,312,715	-	123,250	-	-	7,883,852
Charges for services	78,347	1,315,932	-	236,175	-	-	1,630,454
Fines and forfeits	-	1,670	-	-	38,174	-	39,844
Gifts and contributions	38,941	40	-	-	-	-	38,981
Investment earnings	1,042	-	130,142	1,347	-	-	132,531
Miscellaneous	165,533	3,437	-	2,355	-	1,919,533	2,090,858
<b>Total Revenues</b>	<b>\$ 14,273,416</b>	<b>\$ 9,755,180</b>	<b>\$ 130,617</b>	<b>\$ 363,127</b>	<b>\$ 38,174</b>	<b>\$ 1,919,533</b>	<b>\$ 26,480,047</b>
<b>Expenditures</b>							
<b>Current</b>							
General government	\$ -	\$ -	\$ -	\$ 324,854	\$ 74,203	\$ -	\$ 399,057
Culture and recreation	14,747,116	13,454,623	-	-	-	-	28,201,739
Economic development	-	-	835,681	-	-	-	835,681
<b>Total Expenditures</b>	<b>\$ 14,747,116</b>	<b>\$ 13,454,623</b>	<b>\$ 835,681</b>	<b>\$ 324,854</b>	<b>\$ 74,203</b>	<b>\$ -</b>	<b>\$ 29,436,477</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (473,700)</b>	<b>\$ (3,699,443)</b>	<b>\$ (705,064)</b>	<b>\$ 38,273</b>	<b>\$ (36,029)</b>	<b>\$ 1,919,533</b>	<b>\$ (2,956,430)</b>

**DAKOTA COUNTY  
MINNESOTA**

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

	<b>Special Revenue Funds</b>						<b>Total Nonmajor Governmental Funds</b>
	<b>County Library</b>	<b>County Parks</b>	<b>Regional Rail</b>	<b>Law Library</b>	<b>Attorney Forfeiture</b>	<b>Opioid Settlement</b>	
<b>Other Financing Sources (Uses)</b>							
Transfers in	\$ -	\$ 3,154,654	\$ -	\$ -	\$ -	\$ -	\$ 3,154,654
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ 3,154,654</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,154,654</b>
<b>Net Change in Fund Balance</b>	<b>\$ (473,700)</b>	<b>\$ (544,789)</b>	<b>\$ (705,064)</b>	<b>\$ 38,273</b>	<b>\$ (36,029)</b>	<b>\$ 1,919,533</b>	<b>\$ 198,224</b>
<b>Fund Balance - January 1</b>	<b>1,454,422</b>	<b>7,535,834</b>	<b>9,395,813</b>	<b>262,167</b>	<b>132,903</b>	<b>-</b>	<b>18,781,139</b>
<b>Fund Balance - December 31</b>	<b>\$ 980,722</b>	<b>\$ 6,991,045</b>	<b>\$ 8,690,749</b>	<b>\$ 300,440</b>	<b>\$ 96,874</b>	<b>\$ 1,919,533</b>	<b>\$ 18,979,363</b>

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON SCHEDULE  
BUDGET AND ACTUAL  
COUNTY LIBRARY SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 13,514,982	\$ 13,551,562	\$ 13,541,666	\$ (9,896)
Intergovernmental	145,000	247,399	447,887	200,488
Charges for services	220,000	220,000	78,347	(141,653)
Gifts and contributions	-	34,519	38,941	4,422
Investment earnings	-	-	1,042	1,042
Miscellaneous	174,000	174,000	165,533	(8,467)
<b>Total Revenues</b>	<b>\$ 14,053,982</b>	<b>\$ 14,227,480</b>	<b>\$ 14,273,416</b>	<b>\$ 45,936</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Culture and recreation</b>				
Regional library	14,280,930	15,287,130	14,747,116	540,014
<b>Net Change in Fund Balance</b>	<b>\$ (226,948)</b>	<b>\$ (1,059,650)</b>	<b>\$ (473,700)</b>	<b>\$ 585,950</b>
<b>Fund Balance - January 1</b>	<b>1,454,422</b>	<b>1,454,422</b>	<b>1,454,422</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 1,227,474</b>	<b>\$ 394,772</b>	<b>\$ 980,722</b>	<b>\$ 585,950</b>

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON SCHEDULE  
BUDGET AND ACTUAL  
COUNTY PARKS SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 974,432	\$ 999,609	\$ 999,969	\$ 360
Licenses and permits	99,500	99,500	121,417	21,917
Intergovernmental	13,169,607	26,918,532	7,312,715	(19,605,817)
Charges for services	1,172,511	1,172,511	1,315,932	143,421
Fines and forfeits	10,000	10,000	1,670	(8,330)
Gifts and contributions	-	-	40	40
Miscellaneous	2,000	2,000	3,437	1,437
<b>Total Revenues</b>	<b>\$ 15,428,050</b>	<b>\$ 29,202,152</b>	<b>\$ 9,755,180</b>	<b>\$ (19,446,972)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Culture and recreation</b>				
Parks	37,077,726	81,617,691	13,454,623	68,163,068
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>\$ (21,649,676)</b>	<b>\$ (52,415,539)</b>	<b>\$ (3,699,443)</b>	<b>\$ 48,716,096</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ 17,998,310	\$ 20,293,138	\$ 3,154,654	\$ (17,138,484)
<b>Net Change in Fund Balance</b>	<b>\$ (3,651,366)</b>	<b>\$ (32,122,401)</b>	<b>\$ (544,789)</b>	<b>\$ 31,577,612</b>
<b>Fund Balance - January 1</b>	<b>7,535,834</b>	<b>7,535,834</b>	<b>7,535,834</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 3,884,468</b>	<b>\$ (24,586,567)</b>	<b>\$ 6,991,045</b>	<b>\$ 31,577,612</b>

**DAKOTA COUNTY  
MINNESOTA**

**BUDGETARY COMPARISON SCHEDULE  
BUDGET AND ACTUAL  
REGIONAL RAIL SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment earnings	\$ 165,223	\$ 165,223	\$ 130,142	\$ (35,081)
<b>Total Revenues</b>	<b>\$ 165,223</b>	<b>\$ 165,223</b>	<b>\$ 130,617</b>	<b>\$ (34,606)</b>
<b>Expenditures</b>				
<b>Economic development</b>				
Community development	\$ 106,250	\$ 3,957,307	\$ 804,198	\$ 3,153,109
Administration	461,996	461,996	31,483	430,513
<b>Total Expenditures</b>	<b>\$ 568,246</b>	<b>\$ 4,419,303</b>	<b>\$ 835,681</b>	<b>\$ 3,583,622</b>
<b>Net Change in Fund Balance</b>	<b>\$ (403,023)</b>	<b>\$ (4,254,080)</b>	<b>\$ (705,064)</b>	<b>\$ 3,549,016</b>
<b>Fund Balance - January 1</b>	<b>9,395,813</b>	<b>9,395,813</b>	<b>9,395,813</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 8,992,790</b>	<b>\$ 5,141,733</b>	<b>\$ 8,690,749</b>	<b>\$ 3,549,016</b>

**DAKOTA COUNTY  
MINNESOTA**

**STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUND  
DECEMBER 31, 2022**

	<b>Geographic Information System Enterprise Fund</b>
<b>Assets</b>	
Current assets:	
Cash and pooled investments	\$ <u>84,129</u>
<b>Total current assets</b>	<b>\$ <u>84,129</u></b>
<b>Total Assets</b>	<b>\$ <u>84,129</u></b>
<b>Net Position</b>	
Equipment replacement	\$ <u>84,129</u>
<b>Total Net Position</b>	<b>\$ <u><u>84,129</u></u></b>

**DAKOTA COUNTY  
MINNESOTA**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Geographic Information System Enterprise Fund</u>
<b>Operating Revenues</b>	
Charges for services	\$ <u>4,000</u>
<b>Total Operating Revenues</b>	<b>\$ <u>4,000</u></b>
<b>Operating Expenses</b>	
Other services and charges	\$ <u>58,000</u>
<b>Total Operating Expenses</b>	<b>\$ <u>58,000</u></b>
<b>Operating income (loss)</b>	<b>\$ <u>(54,000)</u></b>
<b>Change in Net Position</b>	<b>\$ (54,000)</b>
<b>Net Position - January 1</b>	<u>138,129</u>
<b>Net Position - December 31</b>	<b><u><u>84,129</u></u></b>



**DAKOTA COUNTY  
MINNESOTA**

**STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022  
Increase (Decrease) in Cash and Cash Equivalents**

	<b>Geographic Information System Enterprise Fund</b>
<b>Cash Flows from Operating Activities</b>	
Receipts from customers and users	\$ 4,000
Payments to suppliers	(58,000)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (54,000)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (54,000)</b>
<b>Cash and Cash Equivalents at January 1</b>	<b>138,129</b>
<b>Cash and Cash Equivalents at December 31</b>	<b>\$ 84,129</b>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</b>	
Operating income (loss)	<b>\$ (54,000)</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (54,000)</b>

**DAKOTA COUNTY  
MINNESOTA**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
DECEMBER 31, 2022**

	<b>First Judicial District Trust Fund</b>	<b>Rural Solid Waste Commission Trust Fund</b>	<b>Domestic Preparedness Team Trust Fund</b>	<b>Social Welfare Trust Fund</b>	<b>Total</b>
<b><u>Assets</u></b>					
Cash and pooled investments	\$ -	\$ 31,142	\$ 816,633	\$ 6,498	\$ 854,273
Accounts receivable	-	67	-	-	67
Due from other governments	99,016	-	-	556	99,572
<b>Total Assets</b>	<b>\$ 99,016</b>	<b>\$ 31,209</b>	<b>\$ 816,633</b>	<b>\$ 7,054</b>	<b>\$ 953,912</b>
<b><u>Liabilities</u></b>					
Accounts payable	\$ -	\$ -	\$ 1,529	\$ -	\$ 1,529
Due to other governments	99,016	-	-	-	99,016
<b>Total Liabilities</b>	<b>\$ 99,016</b>	<b>\$ -</b>	<b>\$ 1,529</b>	<b>\$ -</b>	<b>\$ 100,545</b>
<b><u>Net Position</u></b>					
Restricted - held in trust for other purposes	\$ -	\$ 31,209	\$ 815,104	\$ -	\$ 846,313
Restricted for Individuals, organizations, other governments	-	-	-	7,054	7,054
<b>Total Net Position</b>	<b>\$ -</b>	<b>\$ 31,209</b>	<b>\$ 815,104</b>	<b>\$ 7,054</b>	<b>\$ 853,367</b>

**DAKOTA COUNTY  
MINNESOTA**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>First Judicial District Trust Fund</u>	<u>Rural Solid Waste Commission Trust Fund</u>	<u>Domestic Preparedness Team Trust Fund</u>	<u>Social Welfare Trust Fund</u>	<u>Total Private- Purpose Trust Fund</u>
<b><u>ADDITIONS:</u></b>					
State Grants					
Minnesota Dept of Trial Courts	\$ 539,358	\$ -	\$ -	\$ -	\$ 539,358
Minnesota Dept of Public Safety	-	-	8,635	-	8,635
Other agencies	-	-	125,116	-	125,116
Miscellaneous	-	-	14,167	-	14,167
Contributions:					
Individuals	-	-	-	103,021	103,021
Investment earnings:					
Interest	-	461	-	-	461
<b>Total additions</b>	<b><u>\$ 539,358</u></b>	<b><u>\$ 461</u></b>	<b><u>\$ 147,918</u></b>	<b><u>\$ 103,021</u></b>	<b><u>\$ 790,758</u></b>
<b><u>DEDUCTIONS:</u></b>					
Judicial District expense	\$ 539,358	\$ -	\$ -	\$ -	\$ 539,358
Emergency preparedness expenses	-	-	110,233	-	110,233
Beneficiary payments to individuals	-	-	-	105,591	105,591
<b>Total deductions</b>	<b><u>\$ 539,358</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 110,233</u></b>	<b><u>\$ 105,591</u></b>	<b><u>\$ 755,182</u></b>
<b>Change in net position</b>	<b>\$ -</b>	<b>\$ 461</b>	<b>\$ 37,685</b>	<b>\$ (2,570)</b>	<b>\$ 35,576</b>
<b>Net position - January 1</b>	<b><u>-</u></b>	<b><u>30,748</u></b>	<b><u>777,419</u></b>	<b><u>9,624</u></b>	<b><u>817,791</u></b>
<b>Net position - December 31</b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 31,209</u></u></b>	<b><u><u>\$ 815,104</u></u></b>	<b><u><u>\$ 7,054</u></u></b>	<b><u><u>\$ 853,367</u></u></b>

**DAKOTA COUNTY  
HASTINGS, MINNESOTA**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS - OTHER CUSTODIAL FUNDS  
DECEMBER 31, 2022**

	<b>Custodial Funds</b>								
	<b>Agricultural Conservation</b>	<b>Criminal Justice Network</b>	<b>Dakota Broadband Board</b>	<b>Dakota-Scott WSA</b>	<b>Electronic Crimes Unit</b>	<b>Forfeited Tax</b>	<b>Historical Society</b>	<b>Local Collaboratives</b>	<b>Metro Alliance for Healthy Families</b>
<b><u>Assets</u></b>									
Cash and pooled investments	\$ 315,528	\$ 1,429,871	\$ 213,470	\$ -	\$ -	\$ 1,351,637	\$ -	\$ 1,561,356	\$ 182,470
Due from other governments	-	147,680	-	128,276	947	-	-	277,458	306,022
Accounts receivable	-	-	153,268	-	-	-	-	-	-
Taxes receivable for other governments	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 315,528</b>	<b>\$ 1,577,551</b>	<b>\$ 366,738</b>	<b>\$ 128,276</b>	<b>\$ 947</b>	<b>\$ 1,351,637</b>	<b>\$ -</b>	<b>\$ 1,838,814</b>	<b>\$ 488,492</b>
<b><u>Liabilities</u></b>									
Accounts payable	\$ -	\$ 65,292	\$ 481,083	\$ -	\$ -	\$ -	\$ -	\$ 450	\$ 47,914
Salaries payable	-	140,476	-	-	-	-	-	-	-
Due to other governments	-	-	-	128,276	118,172	-	297,489	-	-
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 205,768</b>	<b>\$ 481,083</b>	<b>\$ 128,276</b>	<b>\$ 118,172</b>	<b>\$ -</b>	<b>\$ 297,489</b>	<b>\$ 450</b>	<b>\$ 47,914</b>
<b><u>Net Position</u></b>									
Restricted for Individuals, organizations, other governments	<b>\$ 315,528</b>	<b>\$ 1,371,783</b>	<b>\$ (114,345)</b>	<b>\$ -</b>	<b>\$ (117,225)</b>	<b>\$ 1,351,637</b>	<b>\$ (297,489)</b>	<b>\$ 1,838,364</b>	<b>\$ 440,578</b>

**DAKOTA COUNTY  
HASTINGS, MINNESOTA**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS - OTHER CUSTODIAL FUNDS  
DECEMBER 31, 2022**

*Cont.*

	<u>Custodial Funds</u>						<u>Total Other Custodial Funds</u>
	<u>Metropolitan Emergency Services Board</u>	<u>Metropolitan Inter-County Association</u>	<u>Sheriff Funds</u>	<u>Sheriff Inmate Funds</u>	<u>State Revenue</u>	<u>Taxes and Penalties</u>	
<b><u>Assets</u></b>							
Cash and pooled investments	\$ -	\$ 370,222	\$ 605,135	\$ 147,669	\$ 461,399	\$ 39,844,036	\$ 46,482,793
Due from other governments	77,190	796	220	-	-	-	938,589
Accounts receivable	-	-	535	-	-	-	153,803
Taxes receivable for other governments	-	-	-	-	-	1,729,644	1,729,644
<b>Total Assets</b>	<b>\$ 77,190</b>	<b>\$ 371,018</b>	<b>\$ 605,890</b>	<b>\$ 147,669</b>	<b>\$ 461,399</b>	<b>\$ 41,573,680</b>	<b>\$ 49,304,829</b>
<b><u>Liabilities</u></b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 594,739
Salaries payable	-	-	-	-	-	-	140,476
Due to other governments	149,339	-	-	-	461,399	39,844,036	40,998,711
<b>Total Liabilities</b>	<b>\$ 149,339</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 461,399</b>	<b>\$ 39,844,036</b>	<b>\$ 41,733,926</b>
<b><u>Net Position</u></b>							
Restricted for Individuals, organizations, other governments	<b>\$ (72,149)</b>	<b>\$ 371,018</b>	<b>\$ 605,890</b>	<b>\$ 147,669</b>	<b>\$ -</b>	<b>\$ 1,729,644</b>	<b>\$ 7,570,903</b>

**DAKOTA COUNTY  
HASTINGS, MINNESOTA**

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

	Custodial Funds								
	Agricultural Conservation	Criminal Justice Network	Dakota Broadband Board	Dakota-Scott WSA	Electronic Crimes Unit	Forfeited Tax	Historical Society	Local Collaboratives	Metro Alliance for Healthy Families
<b>Additions</b>									
Federal Grants	\$ -	-	\$ -	\$ 464,149	\$ -	\$ -	\$ -	\$ 1,000,864	\$ -
State Grants	-	-	-	-	-	-	-	-	1,452,404
From other agencies	-	2,502,726	1,320,449	-	165,300	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-
Contributions:									
Individuals	70,323	\$ -	-	-	-	-	-	-	-
Property tax collections for other governments	-	-	-	-	-	-	-	-	-
Other taxes and fees for other governments	-	-	-	-	-	347,251	-	-	-
License and fees collected for State	-	-	-	-	-	-	-	-	-
Miscellaneous	-	113,642	1,004,043	-	-	-	255,138	-	48,188
Investment earnings:									
Interest	-	17,367	-	-	-	-	-	-	-
<b>Total Additions</b>	<b>\$ 70,323</b>	<b>\$ 2,633,735</b>	<b>\$ 2,324,492</b>	<b>\$ 464,149</b>	<b>\$ 165,300</b>	<b>\$ 347,251</b>	<b>\$ 255,138</b>	<b>\$ 1,000,864</b>	<b>\$ 1,500,592</b>
<b>Deductions</b>									
Beneficiary payments to individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,309,573
Payments of property tax to other governments	-	-	-	-	-	-	-	-	-
Payments to state	-	-	-	-	-	-	-	-	-
Administrative expense	-	1,261,952	944,601	-	-	-	276,389	-	2,555
I-Net expenses	-	-	1,839,546	-	-	-	-	-	-
Payments to other entities	126,990	-	-	464,149	156,211	2,342,049	-	968,439	-
<b>Total Deductions</b>	<b>\$ 126,990</b>	<b>\$ 1,261,952</b>	<b>\$ 2,784,147</b>	<b>\$ 464,149</b>	<b>\$ 156,211</b>	<b>\$ 2,342,049</b>	<b>\$ 276,389</b>	<b>\$ 968,439</b>	<b>\$ 1,312,128</b>
<b>Change in net position</b>	<b>\$ (56,667)</b>	<b>\$ 1,371,783</b>	<b>\$ (459,655)</b>	<b>\$ -</b>	<b>\$ 9,089</b>	<b>\$ (1,994,798)</b>	<b>\$ (21,251)</b>	<b>\$ 32,425</b>	<b>\$ 188,464</b>
<b>Net Position – January 1</b>	<b>372,195</b>	<b>-</b>	<b>345,310</b>	<b>-</b>	<b>(126,314)</b>	<b>3,346,435</b>	<b>(276,238)</b>	<b>1,805,939</b>	<b>252,114</b>
<b>Net Position – December 31</b>	<b>\$ 315,528</b>	<b>\$ 1,371,783</b>	<b>\$ (114,345)</b>	<b>\$ -</b>	<b>\$ (117,225)</b>	<b>\$ 1,351,637</b>	<b>\$ (297,489)</b>	<b>\$ 1,838,364</b>	<b>\$ 440,578</b>

**DAKOTA COUNTY  
HASTINGS, MINNESOTA**

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

*Cont.*

	<u>Custodial Funds</u>						<u>Total Other Custodial Funds</u>
	<u>Metropolitan Emergency Services Board</u>	<u>Metropolitan Inter-County Association</u>	<u>Sheriff Funds</u>	<u>Sheriff Inmate Funds</u>	<u>State Revenue</u>	<u>Taxes and Penalties</u>	
<b>Additions</b>							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,465,013
State Grants	-	-	-	-	-	-	1,452,404
From other agencies	983,511	-	11,890	-	-	-	4,983,876
Taxes receivable	-	-	-	-	-	-	-
Contributions:							
Individuals	-	-	238,674	1,267,409	89,585	-	1,665,991
Property tax collections for other governments	-	-	-	-	-	702,352,725	702,352,725
Other taxes and fees for other governments	-	451,311	-	-	-	1,371,943	2,170,505
License and fees collected for State	-	-	-	-	30,383,947	-	30,383,947
Miscellaneous	-	-	10,412,442	-	-	-	11,833,453
Investment earnings:							
Interest	-	7,941	-	-	-	-	25,308
<b>Total Additions</b>	<b>\$ 983,511</b>	<b>\$ 459,252</b>	<b>\$ 10,663,006</b>	<b>\$ 1,267,409</b>	<b>\$ 30,473,532</b>	<b>\$ 703,724,668</b>	<b>\$ 756,333,222</b>
<b>Deductions</b>							
Beneficiary payments to individuals	\$ 1,052,926	\$ -	\$ -	\$ 1,190,097	\$ -	\$ -	\$ 3,552,596
Payments of property tax to other governments	-	-	-	-	-	701,935,690	701,935,690
Payments to state	-	-	-	-	30,473,532	-	30,473,532
Administrative expense	-	-	9,766	-	-	-	2,495,263
I-Net expenses	-	-	-	-	-	-	1,839,546
Payments to other entities	-	425,150	10,465,731	-	-	1,584,012	16,532,731
<b>Total Deductions</b>	<b>\$ 1,052,926</b>	<b>\$ 425,150</b>	<b>\$ 10,475,497</b>	<b>\$ 1,190,097</b>	<b>\$ 30,473,532</b>	<b>\$ 703,519,702</b>	<b>\$ 756,829,358</b>
<b>Change in net position</b>	<b>\$ (69,415)</b>	<b>\$ 34,102</b>	<b>\$ 187,509</b>	<b>\$ 77,312</b>	<b>\$ -</b>	<b>\$ 204,966</b>	<b>\$ (496,136)</b>
<b>Net Position – January 1</b>	<b>(2,734)</b>	<b>336,916</b>	<b>418,381</b>	<b>70,357</b>	<b>-</b>	<b>1,524,678</b>	<b>8,067,039</b>
<b>Net Position – December 31</b>	<b>\$ (72,149)</b>	<b>\$ 371,018</b>	<b>\$ 605,890</b>	<b>\$ 147,669</b>	<b>\$ -</b>	<b>\$ 1,729,644</b>	<b>\$ 7,570,903</b>

**DAKOTA COUNTY  
MINNESOTA**

**GOVERNMENTAL FUND BALANCE SHEET AND  
GOVERNMENTAL ACTIVITIES - STATEMENT OF NET POSITION  
VERMILLION RIVER WATERSHED DISTRICT  
DECEMBER 31, 2022**

**Assets**

Cash and investments	\$ 2,299,251
Taxes receivable	
Current	61,295
Prior - net	1,625
Accounts receivable	<u>4,943</u>
<b>Total Assets</b>	<b><u><u>\$ 2,367,114</u></u></b>

**Liabilities**

Current liabilities	
Accounts payable	\$ 224,167
Contracts payable	<u>5,429</u>
<b>Total Liabilities</b>	<b><u><u>\$ 229,596</u></u></b>

**Fund Balance/Net Position**

Unrestricted	<u>\$ 2,137,518</u>
<b>Total Fund Balance/Net Position</b>	<b><u><u>\$ 2,137,518</u></u></b>
<b>Total Liabilities and Fund Balance/Net Position</b>	<b><u><u>\$ 2,367,114</u></u></b>

There are no capital assets nor long term liabilities. There is no difference to reconcile between modified and full accrual.



**DAKOTA COUNTY  
MINNESOTA**

**GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
AND GOVERNMENTAL ACTIVITIES - STATEMENT OF ACTIVITIES  
VERMILLION RIVER WATERSHED DISTRICT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>Revenues</b>	
Taxes	\$ 972,771
License and permits	50
Intergovernmental	652,522
Investment earnings	26,196
Miscellaneous	<u>187,493</u>
<b>Total Revenues</b>	<b><u>\$ 1,839,032</u></b>
<b>Expenditures/Expenses</b>	
<b>Current</b>	
Conservation of natural resources	<u>\$ 949,389</u>
<b>Net Change in Fund Balance/ Net Position</b>	<b>\$ 889,643</b>
<b>Fund Balance/Net Position - January 1</b>	<u>1,247,875</u>
<b>Fund Balance/Net Position - December 31</b>	<b><u>\$ 2,137,518</u></b>

There are no capital outlays nor revenues that are not current financial resources. There is no difference to reconcile between modified and full accrual.

This page was left blank intentionally.



# Governmental Revenue Schedules

This page was left blank intentionally.

**DAKOTA COUNTY  
MINNESOTA**

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

	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Total Primary Government</u>
<b>Appropriations and Shared Revenue</b>			
<b>State</b>			
Highway users tax	\$ 37,260,993	\$ -	\$ 37,260,993
PERA - state aid	386,858	-	386,858
Disparity reduction aid	1,681	-	1,681
Police aid	763,753	-	763,753
Agricultural preserve credit	5,100	-	5,100
County program aid	20,229,054	-	20,229,054
Local performance aid	25,000	-	25,000
Market value credit	131,828	-	131,828
SCORE	1,294,173	-	1,294,173
Aquatic invasive species	119,053	-	119,053
<b>Total Appropriations and Shared Revenue</b>	<b>\$ 60,217,493</b>	<b>\$ -</b>	<b>\$ 60,217,493</b>
<b>Reimbursement for Services</b>			
<b>State</b>			
Minnesota Department of Human Services	<b>\$ 14,413,989</b>	<b>\$ -</b>	<b>\$ 14,413,989</b>
<b>Payments</b>			
<b>Local</b>			
County contributions	\$ 584,353	\$ -	\$ 584,353
City contributions	3,588,178	-	3,588,178
Metropolitan Council	1,620,954	-	1,620,954
City and agency share of construction	3,183,422	-	3,183,422
MELSA	416,755	-	416,755
Other contributions	208,193	-	208,193
Local contributions	2,351,358	-	2,351,358
<b>Total Payments</b>	<b>\$ 11,953,213</b>	<b>\$ -</b>	<b>\$ 11,953,213</b>
<b>Grants</b>			
<b>State</b>			
Minnesota Department/Board of			
Public Safety	\$ 6,498,937	\$ -	\$ 6,498,937
Transportation	113,458	-	113,458
Health	2,438,567	-	2,438,567
Natural Resources	1,629,873	4,025,572	5,655,445
Human Services	15,407,186	-	15,407,186
Water and Soil Resources	441,804	-	441,804
Employment and Economic Development	482,771	-	482,771
Trial Courts	213,981	-	213,981
Education	582	-	582
Historical Society	64,500	-	64,500
Secretary of State	154,565	-	154,565
Peace Officer Standards and Training	80,171	-	80,171
Corrections	5,515,347	-	5,515,347
Veterans Affairs	27,187	-	27,187
Information Technology	10,000	-	10,000
Housing Finance Agency	450,648	-	450,648
Pollution Control Agency	309,471	-	309,471
<b>Total State</b>	<b>\$ 33,839,048</b>	<b>\$ 4,025,572</b>	<b>\$ 37,864,620</b>

**DAKOTA COUNTY  
MINNESOTA**

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

	<b>Governmental Funds</b>	<b>Enterprise Funds</b>	<b>Total Primary Government</b>
<b>Grants (Continued)</b>			
<b>Federal</b>			
Department of			
Agriculture	\$ 4,788,102	\$ -	\$ 4,788,102
Housing and Urban Development	5,812,375	-	5,812,375
Justice	273,824	-	273,824
Labor	670,910	-	670,910
Transportation	7,243,313	-	7,243,313
Revenue	13,958,106	4,330,623	18,288,729
National Foundation on Arts and Humanities	8,250	-	8,250
Education	2,100	-	2,100
Health and Human Services	27,600,091	-	27,600,091
Elections Assistance Commission	79,776	-	79,776
Homeland Security	1,626,046	-	1,626,046
	<b>\$ 62,062,893</b>	<b>\$ 4,330,623</b>	<b>\$ 66,393,516</b>
<b>Total Federal</b>	<b>\$ 62,062,893</b>	<b>\$ 4,330,623</b>	<b>\$ 66,393,516</b>
<b>Total State and Federal Grants</b>	<b>\$ 95,901,941</b>	<b>\$ 8,356,195</b>	<b>\$ 104,258,136</b>
<b>Total Intergovernmental Revenue</b>	<b>\$ 182,486,636</b>	<b>\$ 8,356,195</b>	<b>\$ 190,842,831</b>

**DAKOTA COUNTY  
MINNESOTA**

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

<b>Federal Grantor Pass-Through Agency Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Numbers</b>	<b>Total Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Agriculture</b>				
Passed Through Minnesota Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	E37P04522	\$ 9,842	\$ -
National School Lunch Program	10.555	E37P04622	19,662	-
(Total expenditures for Child Nutrition Cluster \$29,504)				
Passed Through Minnesota Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children				
	10.557	H12H302	1,269,344	-
Passed Through Minnesota Department of Agriculture				
WIC Farmers' Market Nutrition Program (FMNP)				
	10.572	B0422F172614	3,897	-
Passed Through Minnesota Department of Human Services				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program (SNAP) Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				
	10.561	H55220010	<u>3,485,357</u>	<u>-</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>\$ 4,788,102</u></b>	<b><u>\$ -</u></b>
<b>U.S. Department of Housing and Urban Development</b>				
Direct				
Community Development Block Grants - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	C0033191	\$ 2,523,608	\$ 2,523,608
HOME Investment Partnerships Program	14.239	C0033191	1,699,232	1,699,232
Continuum of Care Program	14.267	MN0077L5K031811	484,283	-
Passed Through Minnesota Department of Human Services				
Emergency Solutions Grant Program				
	14.231	E-18-UC-27-0003	<u>1,105,252</u>	<u>1,105,252</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<b><u>\$ 5,812,375</u></b>	<b><u>\$ 5,328,092</u></b>
<b>U.S. Department of Justice</b>				
Direct				
Edward Byrne Memorial Formula Grant Program				
	16.579		\$ 48,509	\$ -
Equitable Sharing Program				
	16.922		8,014	-
Passed Through Minnesota Department of Public Safety				
Crime Victim Assistance				
	16.575	P0760VOCAFFY20	<u>217,301</u>	<u>-</u>
<b>Total U.S. Department of Justice</b>			<b><u>\$ 273,824</u></b>	<b><u>\$ -</u></b>

**DAKOTA COUNTY  
MINNESOTA**

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

<b>Federal Grantor Pass-Through Agency Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Numbers</b>	<b>Total Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Labor</b>				
Passed Through Minnesota Department of Employment and and Economic Development				
WIOA Cluster				
WIOA Adult Program	17.258	0143100	\$ 125,159	-
WIOA Adult Program	17.258	1143100	218,463	-
WIOA Adult Program	17.258	2143100	9,006	-
(Total expenditures for WIOA Adult Program 17.258 \$352,628)				
WIOA Youth Activities	17.259	0143600	16,673	-
WIOA Youth Activities	17.259	1143600	445,679	-
(Total expenditures for WIOA Youth Activities 17.259 \$462,352)				
WIOA Dislocated Worker Formula Grants	17.278	0148000	64,667	-
WIOA Dislocated Worker Formula Grants	17.278	1148000	80,019	-
WIOA Dislocated Worker Formula Grants	17.278	2148000	15,972	-
(Total expenditures for WIOA Dislocated Worker Formula Grants 17.278 \$160,658)				
(Total expenditures for WIOA Cluster \$975,638)				
<b>Total U.S. Department of Labor</b>			<b>\$ 975,638</b>	<b>\$ -</b>
<b>U.S. Department of Transportation</b>				
Passed Through Minnesota Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	1919155	\$ 647,708	\$ -
Highway Planning and Construction	20.205	1920180	223	-
Highway Planning and Construction	20.205	1921136	2,564,567	-
Highway Planning and Construction	20.205	1920091	786,832	-
Highway Planning and Construction	20.205	1920134	1,179,022	-
Highway Planning and Construction	20.205	8822183	1,459,383	-
Highway Planning and Construction	20.205	FLAP043	346,191	-
(Total expenditures for Highway Planning and Construction 20.205 \$6,983,926)				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	TMN20513-201714	240,256	-
Highway Safety Cluster				
National Priority Safety Programs	20.616	P079220405D	2,816	-
Passed Through City of Mendota Heights				
State and Community Highway Safety	20.600	Not Provided	1,725	-
(Total expenditures for Highway Safety Cluster \$4,541)				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	P079221AL164	14,590	-
<b>Total U.S. Department of Transportation</b>			<b>\$ 7,243,313</b>	<b>\$ -</b>
<b>U.S. Department of Treasury</b>				
Passed through Minnesota Department of Revenue				
COVID-19 Emergency Rental Assistance Program	21.023	ERAE016	\$ 5,478,880	2,121,430
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Provided	12,809,849	250,000
<b>Total U.S. Department of Treasury</b>			<b>\$ 18,288,729</b>	<b>\$ 2,371,430</b>
<b>U.S. National Foundation on Arts and Humanities</b>				
Passed through Minnesota Department of Education				
Grants to States	45.310		\$ 8,250	\$ -
<b>Total U.S. National Foundation on Arts and Humanities</b>			<b>\$ 8,250</b>	<b>\$ -</b>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.



**DAKOTA COUNTY  
MINNESOTA**

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

<b>Federal Grantor Pass-Through Agency Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Numbers</b>	<b>Total Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Education</b>				
Passed Through Minnesota Department of Health Special Education-Grants for Infants and Families	84.181	Not Provided	<b>\$ 2,100</b>	<b>\$ -</b>
<b>Total U.S. Department of Education</b>			<b>\$ 2,100</b>	<b>\$ -</b>
<b>U.S. Department of Health and Human Services</b>				
Passed Through Minnesota Department of Health Public Health Emergency Preparedness	93.069	H12H675J	\$ 291,085	\$ -
Environmental Public Health and Emergency	93.070	H12H671	1,130	-
Universal Newborn Hearing Screening Immunization Cluster	93.251	H12H671	3,350	-
Immunization Cooperative Agreements Early Hearing Detection and Intervention	93.268	H12H715	521,118	-
Information System (EHDI-IS) Surveillance Program	93.314	H12H738	300	-
Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC)	93.323	H12H717H	88,446	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response	93.354		193,027	-
Temporary Assistance for Needy Families (Total expenditures for Temporary Assistance for Needy Families 93.558 \$2,555,719)	93.558	H55214077	325,356	-
ACA Maternal, Infant, and Early Childhood Home Visiting Program	93.870	H12H722H	676,596	-
Maternal and Child Health Services Block Grant to the States	93.994	H12H722H	281,482	-
Passed Through Minnesota Department of Human Services Guardianship Assistance	93.090	H55211409	112,486	-
Comprehensive Community Mental Health Services for Children w/Serious Emotional Disturbances	93.104	H55178015	47,317	-
Promoting Safe and Stable Families	93.556	H55210100	37,022	-
Temporary Assistance for Needy Families (Total expenditures for Temporary Assistance for Needy Families 93.558 \$2,555,719)	93.558	H55214077	2,230,363	-
Child Support Enforcement	93.563	H55214004	7,359,557	-
Community-Based Child Abuse Prevention Grants	93.590	H55209100	72,234	-
Child Care and Development Fund Cluster				
Child Care and Development Block Grant	93.575	H55219358	549,203	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	H55211400	22,930	-
Foster Care - Title IV-E	93.658	H55211401	1,431,398	-
Adoption Assistance	93.659	H55211407	198,656	-
Social Services Block Grant	93.667	H55216190	1,590,175	-
Child Abuse and Neglect State Grants	93.669	H55211407	92,859	-
Chafee Foster Care Independence Program Medicaid Cluster	93.674	H55201420	105,935	-
Medical Assistance Program	93.778	H55215048	12,368,930	-
<b>Total U.S. Department of Health and Human Services</b>			<b>\$ 28,600,955</b>	<b>\$ -</b>
<b>Executive Office of the President</b>				
Direct High Intensity Drug Trafficking Areas Program	95.001		<b>\$ 79,776</b>	<b>\$ -</b>
<b>Total Executive Office of the President</b>			<b>\$ 79,776</b>	<b>\$ -</b>

**DAKOTA COUNTY  
MINNESOTA**

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

<b>Federal Grantor Pass-Through Agency Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Numbers</b>	<b>Total Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Homeland Security</b>				
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012	R29G70CGBLA19	\$ 18,149	\$ -
Passed Through Minnesota Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	P07204531	900,623	-
Emergency Management Performance Grants	97.042	P072019EMPG	257,277	-
Homeland Security Grant Program	97.067	P072018UASI	449,997	-
<b>Total U.S. Department of Homeland Security</b>			<b>\$ 1,626,046</b>	<b>\$ -</b>
<b>Total Federal Expenditures</b>			<b>\$ 67,699,108</b>	<b>\$ 7,699,522</b>

**DAKOTA COUNTY  
MINNESOTA**

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

---

---

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Dakota County. The County's reporting entity is defined in Note I to the financial statements. Dakota County's financial statements include the operations of the Dakota County Community Development Agency (the CDA) component unit, which expended \$36,320,962 in federal awards during the year ended June 30, 2022. Those expenditures are not included in the County's Schedule of Expenditures of Federal Awards, because the CDA had a separate single audit.

2. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Dakota County under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Dakota County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Dakota County.

3. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

4. Indirect Cost Rate

Dakota County has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**DAKOTA COUNTY  
MINNESOTA**

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

---

---

5. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 66,393,516
Grants held in the Custodial Fund	
WIA/WIOA Cluster	
WIA/WIOA Adult Program	80,107
WIA/WIOA Youth Activities	136,767
WIA/WIOA Dislocated Worker Formula Grants	87,854
Foster Care – Title IV-E	251,782
Medical Assistance Program	<u>749,082</u>
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 67,699,108</u>

The graphic consists of a central grey horizontal bar containing the text "Statistical Section". To the left of the bar, a teal-colored vertical rectangle extends upwards. To the right of the bar, a tan-colored vertical rectangle extends downwards. The overall composition is minimalist and modern.

# Statistical Section

This page was left blank intentionally.

# Statistical Section

This part of Dakota County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

## Contents

	<u>Page</u>
<b>Financial Trends</b>	141
These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	148
These schedules contain information to help the reader assess the factors affecting the County’s ability to generate its property taxes.	
<b>Debt Capacity</b>	154
These schedules present information to help the reader assess the affordability to the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	157
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place and to help make comparisons over time and with other governments.	
<b>Operating Information</b>	159
These schedules contain information about the County’s operations and resources to help the reader understand how the County provides the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

This page was left blank intentionally.



## Dakota County, Minnesota

### Net Position by Component

#### Primary Government

	2013 (Restated)	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 634,927,138	\$ 676,893,277	\$ 728,602,522	\$ 792,116,539	\$ 818,225,255	\$ 838,737,456	\$ 874,497,312	\$ 919,606,162	\$ 963,769,288	\$ 977,794,529
Restricted	27,406,220	21,784,009	25,176,075	32,212,249	53,245,122	75,360,146	82,891,449	111,648,309	88,463,500	94,912,735
Unrestricted	285,711,445	311,862,759	224,447,938	178,894,978	183,692,007	197,544,002	189,679,012	177,335,993	166,796,699	132,443,638
Total Net Position - Governmental Activities	\$ 948,044,803	\$ 1,010,540,045	\$ 978,226,535	\$ 1,003,223,766	\$ 1,055,162,384	\$ 1,111,641,604	\$ 1,147,067,773	\$ 1,208,590,464	\$ 1,219,029,487	\$ 1,205,150,902
Business-Type Activities										
Net Investment in Capital Assets	\$ 5,031,329	\$ 7,245,061	\$ 8,826,272	\$ 10,643,733	\$ 10,665,893	\$ 12,640,982	\$ 15,391,857	\$ 16,537,939	\$ 24,685,223	\$ 34,240,863
Restricted	149,306	147,267	149,531	149,030	147,414	147,849	151,177	137,535	138,129	84,129
Unrestricted	2,517,358	563,377	2,165,111	883,264	778,232	(1,247,952)	2,606,849	869,431	(8,539,180)	(10,634,507)
Total Net Position - Business-Type Activities	\$ 7,697,993	\$ 7,955,705	\$ 11,140,914	\$ 11,676,027	\$ 11,591,539	\$ 11,540,879	\$ 18,149,883	\$ 17,544,905	\$ 16,284,172	\$ 23,690,485
Total Primary Government										
Net Investment in Capital Assets	\$ 639,958,467	\$ 684,138,338	\$ 737,428,794	\$ 802,760,272	\$ 828,891,148	\$ 851,378,438	\$ 889,889,169	\$ 936,144,101	\$ 988,454,511	\$ 1,012,035,392
Restricted	27,555,526	21,931,276	25,325,606	32,361,279	53,392,536	75,507,995	83,042,626	111,785,844	88,601,629	94,996,864
Unrestricted	288,228,803	312,426,136	226,613,049	179,778,242	184,470,239	196,467,633	192,285,861	178,205,424	158,257,519	121,809,131
Total Net Position - Primary Government	\$ 955,742,796	\$ 1,018,495,750	\$ 989,367,449	\$ 1,014,899,793	\$ 1,066,753,923	\$ 1,123,182,483	\$ 1,165,217,656	\$ 1,226,135,369	\$ 1,235,313,659	\$ 1,228,841,387

#### Components Units

	2013 (Restated)	2014	2015	2016	2017	2018	2019	2020	2021	2022
Community Development Agency										
Net Investment in Capital Assets	\$ 81,612,927	\$ 84,988,917	\$ 89,380,592	\$ 92,249,133	\$ 97,672,468	\$ 154,077,941	\$ 151,591,709	\$ 153,603,277	\$ 99,326,312	\$ 105,795,678
Restricted	61,288,925	62,251,756	60,449,437	58,413,028	64,440,381	77,931,026	83,594,582	87,766,420	79,071,637	91,787,833
Unrestricted	86,865,611	97,038,422	103,144,207	110,772,169	112,797,004	118,198,799	124,929,751	135,131,691	150,162,396	153,202,794
Total Net Position - Community Development Agency	\$ 229,767,463	\$ 244,279,095	\$ 252,974,236	\$ 261,434,330	\$ 274,909,853	\$ 350,207,766	\$ 360,116,042	\$ 376,501,388	\$ 328,560,345	\$ 350,786,305
Vermillion River Watershed										
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,953,185	1,925,156	1,885,377	1,269,938	1,932,414	1,165,425	1,118,905	1,144,560	1,247,875	2,137,518
Total Net Position - Vermillion River Watershed	\$ 1,953,185	\$ 1,925,156	\$ 1,885,377	\$ 1,269,938	\$ 1,932,414	\$ 1,165,425	\$ 1,118,905	\$ 1,144,560	\$ 1,247,875	\$ 2,137,518

The County implemented GASB Statements 68 and 71 in 2015. Years prior to 2015 were not restated to show these changes.

**Dakota County, Minnesota**

*Changes in Net Position*

<b>Expenses</b>	<b>2013 (Restated)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (Restated)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Primary Government</b>										
<i>Governmental Activities</i>										
General Government	\$ 56,902,146	\$ 65,584,363	\$ 66,920,647	\$ 69,769,800	\$ 72,720,526	\$ 84,613,959	\$ 85,859,668	\$ 114,244,168	\$ 103,124,299	\$ 98,365,248
Public Safety	35,334,573	39,366,008	39,590,503	46,842,871	47,468,787	44,040,881	46,082,194	39,898,807	40,334,880	56,119,558
Highways and Streets	31,617,540	24,441,165	25,151,932	33,382,078	42,360,176	44,100,007	36,977,152	55,598,564	53,160,503	65,987,105
Sanitation	5,326,179	3,910,489	4,535,062	5,050,371	5,433,200	5,406,632	7,012,878	8,296,785	6,659,081	11,523,244
Human Services	66,211,619	70,662,704	72,053,369	81,202,624	83,935,657	87,735,585	91,577,154	98,788,720	110,567,209	112,884,642
Health	7,861,046	8,602,529	9,377,952	9,976,992	10,230,313	10,202,972	11,370,593	11,424,919	11,481,958	16,307,766
Culture and Recreation	17,287,925	13,567,104	18,114,323	20,365,261	22,611,807	18,452,909	19,838,959	25,730,014	29,918,672	29,914,228
Conservation of Natural Resources	4,276,455	3,520,375	4,852,937	4,093,572	7,387,706	3,470,791	4,452,761	5,349,827	5,348,771	5,070,276
Economic Development	8,079,665	9,946,696	11,715,865	9,073,780	9,032,938	9,774,538	10,349,954	6,404,966	8,348,294	8,948,642
Interest	1,916,583	1,447,204	1,013,259	64,536	13,828	9,366	4,758	-	-	46,847
<b>Total Governmental Activities</b>	<b>\$ 234,813,731</b>	<b>\$ 241,048,637</b>	<b>\$ 253,325,849</b>	<b>\$ 279,821,885</b>	<b>\$ 301,194,938</b>	<b>\$ 307,807,640</b>	<b>\$ 313,526,071</b>	<b>\$ 365,736,770</b>	<b>\$ 368,943,667</b>	<b>\$ 405,167,556</b>
<i>Business-Type Activities</i>										
Geographic Information Systems	\$ 9,096	\$ 9,100	\$ 44,123	\$ 624	\$ 5,647	\$ 3,565	\$ 672	\$ 17,642	\$ 3,406	\$ 58,000
Criminal Justice Information Integration Network	113,463	151,656	-	-	-	-	-	-	-	-
Byllesby Dam	407,634	867,864	753,762	1,495,120	1,116,690	755,385	851,568	1,228,093	1,346,924	895,918
<b>Total Business-Type Activities</b>	<b>\$ 530,193</b>	<b>\$ 1,028,620</b>	<b>\$ 797,885</b>	<b>\$ 1,495,744</b>	<b>\$ 1,122,337</b>	<b>\$ 758,950</b>	<b>\$ 852,240</b>	<b>\$ 1,245,735</b>	<b>\$ 1,350,330</b>	<b>\$ 953,918</b>
<b>Total Primary Government Expenses</b>	<b>\$ 235,343,924</b>	<b>\$ 242,077,257</b>	<b>\$ 254,123,734</b>	<b>\$ 281,317,629</b>	<b>\$ 302,317,275</b>	<b>\$ 308,566,590</b>	<b>\$ 314,378,311</b>	<b>\$ 366,982,505</b>	<b>\$ 370,293,997</b>	<b>\$ 406,121,474</b>
<b>Program Revenues</b>										
<b>Primary Government</b>										
<i>Governmental Activities</i>										
Fees, fines, charges and other:										
General Government	\$ 7,819,235	\$ 7,536,670	\$ 7,434,589	\$ 8,659,515	\$ 7,329,162	\$ 7,893,302	\$ 8,856,120	\$ 7,592,650	\$ 8,931,071	\$ 9,786,337
Public Safety	3,331,432	3,021,044	2,763,775	3,059,881	2,775,730	2,418,920	2,606,891	2,159,857	2,215,119	1,996,846
Highways and Streets	3,589,979	641,484	532,360	969,540	676,328	789,920	1,763,077	627,804	894,736	796,635
Sanitation	7,713,818	7,881,052	9,012,270	8,975,849	9,609,107	10,643,605	9,959,911	9,707,364	11,033,419	10,853,969
Human Services	7,776,989	940,947	2,341,929	2,195,204	2,154,736	1,913,574	1,483,044	2,571,490	3,107,236	2,156,582
Health	1,363,361	1,211,838	1,738,043	887,883	899,157	871,760	1,065,750	937,179	1,828,905	11,680,263
Culture and Recreation	1,540,512	1,539,480	1,570,060	1,712,736	1,787,799	1,842,587	1,726,198	1,083,883	1,596,076	1,685,912
Conservation of Natural Resources	25,455	391,528	378,424	414,241	599,109	513,655	642,998	580,707	530,044	630,150
Economic Development	302,581	-	-	-	13,863	-	-	-	-	-
<b>Total Governmental Fees, Fines, Charges and Other</b>	<b>\$ 33,463,362</b>	<b>\$ 23,164,043</b>	<b>\$ 25,771,450</b>	<b>\$ 26,874,849</b>	<b>\$ 25,844,991</b>	<b>\$ 26,887,323</b>	<b>\$ 28,103,989</b>	<b>\$ 25,260,934</b>	<b>\$ 30,136,606</b>	<b>\$ 39,586,694</b>
<i>Business-Type Activities</i>										
Geographic Information Systems	\$ 11,032	\$ 7,061	\$ 46,387	\$ 123	\$ 4,031	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Criminal Justice Information Integration Network	118,632	127,058	-	-	-	-	-	-	-	-
Byllesby Dam	657,061	690,875	578,688	702,190	840,710	704,290	705,361	636,757	85,597	36
<b>Total Business-Type Program Revenues</b>	<b>\$ 786,725</b>	<b>\$ 824,994</b>	<b>\$ 625,075</b>	<b>\$ 702,313</b>	<b>\$ 844,741</b>	<b>\$ 708,290</b>	<b>\$ 709,361</b>	<b>\$ 640,757</b>	<b>\$ 89,597</b>	<b>\$ 4,036</b>
<b>Total Primary Government Fees, Fines, Charges and Other</b>	<b>\$ 34,250,087</b>	<b>\$ 23,989,037</b>	<b>\$ 26,396,525</b>	<b>\$ 27,577,162</b>	<b>\$ 26,689,732</b>	<b>\$ 27,595,613</b>	<b>\$ 28,813,350</b>	<b>\$ 25,901,691</b>	<b>\$ 30,226,203</b>	<b>\$ 39,590,730</b>

**Dakota County, Minnesota**

*Changes in Net Position*

(Continued)

<b>Program Revenues</b>	<b>2013 (Restated)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (Restated)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Primary Government</b>										
<i>Governmental Activities</i>										
Operating Grants and Contributions:										
General Government	\$ 3,560,993	\$ 2,349,541	\$ 2,431,014	\$ 3,563,340	\$ 4,432,346	\$ 4,902,994	\$ 4,571,663	\$ 29,838,081	\$ 3,466,776	\$ 19,670,686
Public Safety	9,773,312	7,463,572	7,809,033	8,118,248	8,634,623	8,868,822	8,935,228	23,826,050	8,697,834	8,582,919
Highways and Streets	20,887,253	29,785,696	25,031,461	29,004,308	56,386,910	36,629,521	32,716,101	34,866,037	36,902,854	35,107,367
Sanitation	450,558	1,920,547	1,526,796	1,527,686	1,529,470	1,530,301	1,588,869	1,696,560	1,666,425	1,672,942
Human Services	29,671,099	41,818,152	39,216,444	42,920,353	45,210,891	50,180,826	49,556,440	61,505,763	67,402,559	64,959,568
Health	5,036,177	4,574,675	4,805,213	4,317,792	4,596,981	4,420,029	5,081,288	9,499,341	7,130,086	6,442,905
Culture and Recreation	3,410,363	2,580,992	4,869,406	3,382,097	8,106,626	1,383,441	4,714,178	7,292,899	3,611,661	5,466,765
Conservation of Natural Resources	3,491,245	877,855	2,139,007	2,168,548	3,938,542	1,662,649	819,948	783,884	1,288,370	(187,100)
Economic Development	7,590,498	10,162,440	11,585,829	8,882,185	10,963,998	6,380,251	7,706,546	14,643,883	6,745,249	7,947,690
Total Governmental Operating Grants and Contributions	\$ 83,871,498	\$ 101,533,470	\$ 99,414,203	\$ 103,884,557	\$ 143,800,387	\$ 115,958,834	\$ 115,690,261	\$ 183,952,498	\$ 136,911,814	\$ 149,663,742
<i>Business-Type Activities</i>										
Byllesby Dam	\$ 2,354,120	\$ -	\$ -	\$ 1,328,544	\$ 193,108	\$ -	\$ 1,149,604	\$ -	\$ -	\$ 8,356,195
Total Business-Type Operating Grants and Contributions	\$ 2,354,120	\$ -	\$ -	\$ 1,328,544	\$ 193,108	\$ -	\$ 1,149,604	\$ -	\$ -	\$ 8,356,195
Total Primary Government Operating Grants and Contributions	\$ 86,225,618	\$ 101,533,470	\$ 99,414,203	\$ 105,213,101	\$ 143,993,495	\$ 115,958,834	\$ 116,839,865	\$ 183,952,498	\$ 136,911,814	\$ 158,019,937
<b>Program Revenues</b>										
<b>Primary Government</b>										
<i>Governmental Activities</i>										
Capital Grants and Contributions:										
Highways and Streets	\$ 21,319,833	\$ 14,923,646	\$ 17,803,674	\$ 12,486,120	\$ 15,019,326	\$ 31,272,243	\$ 7,644,775	\$ 16,232,689	\$ 20,159,601	\$ 9,232,751
Culture and Recreation	130,735	1,027,842	3,630,509	1,493,529	1,451,949	1,616,402	5,574	354,058	364,326	346,414
Total Governmental Capital Grants and Contributions	\$ 21,450,568	\$ 15,951,488	\$ 21,434,183	\$ 13,979,649	\$ 16,471,275	\$ 32,888,645	\$ 7,650,349	\$ 16,586,747	\$ 20,523,927	\$ 9,579,165
<i>Business-Type Activities</i>										
Byllesby Dam	\$ -	\$ 777,414	\$ 1,310,519	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Business-Type Capital Grants and Contributions	\$ -	\$ 777,414	\$ 1,310,519	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Primary Government Capital Grants and Contributions	\$ 21,450,568	\$ 16,728,902	\$ 22,744,702	\$ 13,979,649	\$ 16,471,275	\$ 32,888,645	\$ 7,650,349	\$ 16,586,747	\$ 20,523,927	\$ 9,579,165

**Dakota County, Minnesota**

**Changes in Net Position**

(Continued)

<b>Net (Expense) Revenue (a)</b>	<b>2013 (Restated)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (Restated)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Primary Government</b>										
<i>Governmental Activities</i>										
General Government	\$ (45,521,918)	\$ (55,698,152)	\$ (57,055,044)	\$ (57,546,945)	\$ (60,959,018)	\$ (71,817,663)	\$ (72,431,885)	\$ (76,813,437)	\$ (90,726,452)	\$ (68,908,225)
Public Safety	(22,229,829)	(28,881,392)	(29,017,695)	(35,664,742)	(36,058,434)	(32,753,139)	(34,540,075)	(13,912,900)	(29,421,927)	(45,539,793)
Highways and Streets	14,179,525	20,909,661	18,215,563	9,077,890	29,722,388	24,591,677	5,146,801	(3,872,034)	4,796,688	(20,850,352)
Sanitation	2,838,197	5,891,110	6,004,004	5,453,164	5,705,377	6,767,274	4,535,902	3,107,139	6,040,763	1,003,667
Human Services	(28,763,531)	(27,903,605)	(30,494,996)	(36,087,067)	(36,570,030)	(35,641,185)	(40,537,670)	(34,711,467)	(40,057,414)	(45,768,492)
Health	(1,461,508)	(2,816,016)	(2,834,696)	(4,771,317)	(4,734,175)	(4,911,183)	(5,223,555)	(988,399)	(2,522,967)	1,815,402
Culture and Recreation	(12,206,315)	(8,418,790)	(8,044,348)	(13,776,899)	(11,265,433)	(13,610,479)	(13,393,009)	(16,999,174)	(24,346,609)	(22,415,137)
Conservation of Natural Resources	(759,755)	(2,250,992)	(2,335,506)	(1,510,783)	(2,850,055)	(1,294,487)	(2,989,815)	(3,985,236)	(3,530,357)	(4,627,226)
Economic Development	(186,586)	215,744	(130,036)	(191,595)	1,944,923	(3,394,287)	(2,643,408)	8,238,917	(1,603,045)	(1,000,952)
Interest	(1,916,583)	(1,447,204)	(1,013,259)	(64,536)	(13,828)	(9,366)	(4,758)	-	-	(46,847)
Total Governmental Net (Expense) Revenue	\$ (96,028,303)	\$ (100,399,636)	\$ (106,706,013)	\$ (135,082,830)	\$ (115,078,285)	\$ (132,072,838)	\$ (162,081,472)	\$ (139,936,591)	\$ (181,371,320)	\$ (206,337,955)
<i>Business-Type Activities</i>										
Geographic Information Systems	\$ 1,936	\$ (2,039)	\$ 2,264	\$ (501)	\$ (1,616)	\$ 435	\$ 3,328	\$ (13,642)	\$ 594	\$ (54,000)
Criminal Justice Information Integration Network	5,169	(24,598)	-	-	-	-	-	-	-	-
Byllesby Dam	2,603,547	600,425	1,135,445	535,614	(82,872)	(51,095)	1,003,397	(591,336)	(1,261,327)	7,460,313
Total Business-Type Net (Expense) Revenue	\$ 2,610,652	\$ 573,788	\$ 1,137,709	\$ 535,113	\$ (84,488)	\$ (50,660)	\$ 1,006,725	\$ (604,978)	\$ (1,260,733)	\$ 7,406,313
Total Primary Government Net (Expense) Revenue	\$ (93,417,651)	\$ (99,825,848)	\$ (105,568,304)	\$ (134,547,717)	\$ (115,162,773)	\$ (132,123,498)	\$ (161,074,747)	\$ (140,541,569)	\$ (182,632,053)	\$ (198,931,642)
<b>General Revenues, Transfers, and Special Items</b>										
<b>Primary Government</b>										
<i>Governmental Activities</i>										
Property Taxes	\$ 131,085,200	\$ 130,961,310	\$ 131,291,226	\$ 132,104,314	\$ 134,913,760	\$ 137,667,064	\$ 141,178,006	\$ 144,969,549	\$ 145,115,328	\$ 148,608,206
Gravel Taxes	616,104	641,711	648,871	702,699	681,057	758,483	755,599	866,369	813,440	775,816
Mortgage Registry and Deed Tax	541,012	469,380	620,763	644,838	662,588	632,849	756,387	896,215	1,170,517	923,232
Wheelage Tax (1st year collected was 2014)	-	3,622,715	3,882,501	4,121,216	3,880,323	4,060,282	4,150,519	3,969,104	4,100,773	3,938,641
Transit Tax (1st year collected was 2017)	-	-	-	-	2,634,283	18,092,372	20,739,456	18,482,153	21,086,607	23,482,994
Grants and Contributions (unrestricted)	15,709,430	17,392,414	17,729,391	18,310,891	17,366,297	19,152,689	18,963,824	20,408,983	20,488,774	20,392,663
Investment Earnings	(3,034,627)	7,902,963	3,027,128	2,678,241	5,349,627	8,500,619	15,343,510	10,633,812	(2,375,772)	(6,825,724)
Miscellaneous	2,475,734	1,543,935	1,658,116	1,210,534	1,329,806	1,259,350	1,152,925	1,216,610	1,175,182	1,018,167
Gain on Sale of Capital Assets	190,308	44,374	170,593	307,328	199,162	301,350	69,694	16,487	235,494	145,375
Transfers	(3,024,000)	316,076	(2,047,500)	-	-	-	(5,602,279)	-	-	-
Governmental Activities General Revenues, Transfers, and Special Items	\$ 146,460,406	\$ 162,894,878	\$ 156,981,089	\$ 160,080,061	\$ 167,016,903	\$ 190,425,058	\$ 197,507,641	\$ 201,459,282	\$ 191,810,343	\$ 192,459,370
Total Change in Net Position - Governmental Activities	\$ 50,432,103	\$ 62,495,242	\$ 50,275,076	\$ 24,997,231	\$ 51,938,618	\$ 58,352,220	\$ 35,426,169	\$ 61,522,691	\$ 10,439,023	\$ (13,878,585)
<i>Business-Type Activities</i>										
Transfers	\$ 3,024,000	\$ (316,076)	\$ 2,047,500	\$ -	\$ -	\$ -	\$ 5,602,279	\$ -	\$ -	\$ -
Total General Revenues - Business-Type Activities	\$ 3,024,000	\$ (316,076)	\$ 2,047,500	\$ -	\$ -	\$ -	\$ 5,602,279	\$ -	\$ -	\$ -
Total Change in Net Position - Business-Type Activities	\$ 5,634,652	\$ 257,712	\$ 3,185,209	\$ 535,113	\$ (84,488)	\$ (50,660)	\$ 6,609,004	\$ (604,978)	\$ (1,260,733)	\$ 7,406,313
Total Change in Net Position - Primary Government	\$ 56,066,755	\$ 62,752,954	\$ 53,460,285	\$ 25,532,344	\$ 51,854,130	\$ 58,301,560	\$ 42,035,173	\$ 60,917,713	\$ 9,178,290	\$ (6,472,272)

(a) Net revenue (expense) is the difference between the expenses and program revenue of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other government revenues. Numbers in parentheses indicate that expenses were greater than program

The County implemented GASB Statements 68 and 71 in 2015. Years prior to 2015 were not restated to show these changes.

**Dakota County, Minnesota**

**Changes in Net Position - Component Units**

<b>Expenses</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Component Unit										
Community Development Agency	\$ 45,690,723	\$ 45,809,051	\$ 48,779,121	\$ 50,192,082	\$ 54,180,692	\$ 61,783,314	\$ 62,328,777	\$ 62,298,076	\$ 59,587,281	\$ 60,114,035
Vermillion River Watershed	883,232	988,024	937,527	1,778,826	1,425,151	2,021,279	1,360,526	1,411,767	1,557,495	949,389
Total Component Unit	\$ 46,573,955	\$ 46,797,075	\$ 49,716,648	\$ 51,970,908	\$ 55,605,843	\$ 63,804,593	\$ 63,689,303	\$ 63,709,843	\$ 61,144,776	\$ 61,063,424
<b>Program Revenues</b>										
Component Unit										
Community Development Agency	\$ 46,279,218	\$ 51,920,861	\$ 48,824,536	\$ 49,592,155	\$ 58,450,581	\$ 63,308,990	\$ 60,142,109	\$ 66,637,510	\$ 64,469,043	\$ 72,537,891
Vermillion River Watershed	342,979	75,224	58,206	319,291	1,196,933	332,945	372,496	454,731	676,548	840,065
Total Component Unit	\$ 46,622,197	\$ 51,996,085	\$ 48,882,742	\$ 49,911,446	\$ 59,647,514	\$ 63,641,935	\$ 60,514,605	\$ 67,092,241	\$ 65,145,591	\$ 73,377,956
<b>General Revenues - Community Development Agency</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Property Taxes	\$ 7,092,062	\$ 6,513,347	\$ 6,612,923	\$ 6,807,677	\$ 7,010,940	\$ 9,125,928	\$ 9,532,762	\$ 10,312,761	\$ 11,065,743	\$ 10,813,426
Tax Increment Financing Revenue	1,659,474	1,280,041	1,510,242	1,434,707	1,532,006	-	-	-	-	-
Investment Earnings	105,064	606,434	526,561	817,637	662,688	1,326,251	2,562,182	1,733,151	183,092	(1,704,954)
Total General Revenues - Community Development Agency	\$ 8,856,600	\$ 8,399,822	\$ 8,649,726	\$ 9,060,021	\$ 9,205,634	\$ 10,452,179	\$ 12,094,944	\$ 12,045,912	\$ 11,248,835	\$ 9,108,472
Total Change in Net Position - Community Development Agency	\$ 9,445,095	\$ 14,511,632	\$ 8,695,141	\$ 8,460,094	\$ 13,475,523	\$ 11,977,855	\$ 9,908,276	\$ 16,385,346	\$ 16,130,597	\$ 21,532,328
<b>General Revenues - Vermillion River Watershed</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Property Taxes	\$ 835,041	\$ 861,518	\$ 816,583	\$ 819,669	\$ 863,702	\$ 890,963	\$ 911,947	\$ 966,568	\$ 970,789	\$ 972,771
Investment Earnings	12,168	23,253	22,959	24,427	26,992	30,382	29,563	16,123	13,473	26,196
Total General Revenues - Vermillion River Watershed	\$ 847,209	\$ 884,771	\$ 839,542	\$ 844,096	\$ 890,694	\$ 921,345	\$ 941,510	\$ 982,691	\$ 984,262	\$ 998,967
Total Change in Net Position - Vermillion River Watershed	\$ 306,956	\$ (28,029)	\$ (39,779)	\$ (615,439)	\$ 662,476	\$ (766,989)	\$ (46,520)	\$ 25,655	\$ 103,315	\$ 889,643
Total Change in Net Position - Component Units	\$ 9,752,051	\$ 14,483,603	\$ 8,655,362	\$ 7,844,655	\$ 14,137,999	\$ 11,210,866	\$ 9,861,756	\$ 16,411,001	\$ 16,233,912	\$ 22,421,971

(a) Net revenue (expense) is the difference between the expenses and program revenue of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other government revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

**Dakota County, Minnesota**

*Fund Balances  
Governmental Funds*

	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021	2022
General Fund:										
Nonspendable	\$ 2,715,339	\$ 2,668,745	\$ 918,924	\$ 590,622	\$ 903,399	\$ 1,142,119	\$ 1,037,914	\$ 1,137,028	\$ 1,009,935	\$ 1,674,543
Restricted	2,737,517	4,863,501	2,411,854	3,422,516	3,574,610	3,767,272	2,061,693	11,150,828	3,072,442	3,685,214
Committed	292,387	1,018,120	-	40,601,526	48,010,163	49,455,436	-	-	-	-
Assigned	25,488,970	114,550,801	15,991,647	12,212,149	12,091,582	14,760,382	13,472,166	2,924,451	3,988,180	2,609,719
Unassigned	31,174,973	37,407,381	136,384,503	121,527,661	122,585,397	124,293,814	114,172,594	127,446,383	102,222,194	84,067,178
Total General Fund	\$ 62,409,186	\$ 160,508,548	\$ 155,706,928	\$ 178,354,474	\$ 187,165,151	\$ 193,419,023	\$ 130,744,367	\$ 142,658,690	\$ 110,292,751	\$ 92,036,654
All Other Governmental Funds										
Nonspendable	\$ 1,152,899	\$ 1,321,295	\$ 1,951,000	\$ 1,837,540	\$ 1,218,877	\$ 1,254,552	\$ 972,331	\$ 1,267,223	\$ 1,607,142	\$ 1,578,651
Restricted	7,211,942	3,006,049	2,116,826	1,053,347	24,992,184	43,514,584	64,620,388	71,063,628	68,559,264	77,204,023
Committed	16,800,000	16,800,000	33,903,045	-	-	-	51,092,680	52,891,738	52,862,042	54,652,341
Assigned	195,028,051	126,133,830	106,849,172	89,054,808	97,638,134	103,076,851	107,993,553	72,060,559	79,749,324	70,151,197
Unassigned	-	-	(596,278)	-	(585,420)	-	-	-	(4,434,957)	(2,852,777)
Total All Other Governmental Funds	\$ 220,192,892	\$ 147,261,174	\$ 144,223,765	\$ 91,945,695	\$ 123,263,775	\$ 147,845,987	\$ 224,678,952	\$ 197,283,148	\$ 198,342,815	\$ 200,733,435

## Dakota County, Minnesota

### Changes in Fund Balances Governmental Funds

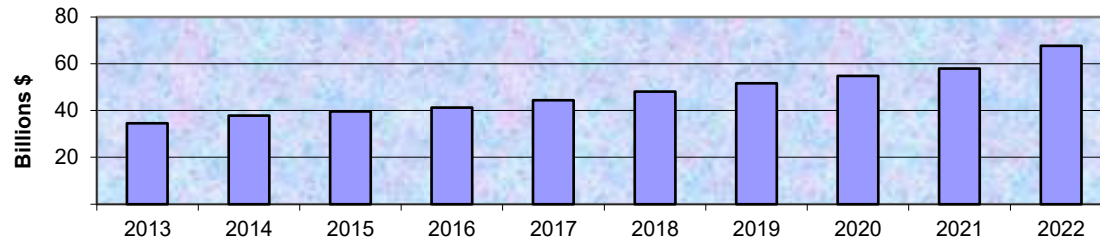
	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 134,665,766	\$ 136,359,731	\$ 136,989,719	\$ 137,648,397	\$ 142,973,021	\$ 161,251,560	\$ 167,727,301	\$ 168,959,044	\$ 172,533,419	\$ 177,668,407
Licenses and Permits	1,254,978	2,129,725	2,311,817	2,199,311	2,256,683	2,250,783	2,525,678	2,191,773	2,550,116	2,584,844
Intergovernmental	110,790,958	140,173,118	131,962,034	129,148,654	180,266,276	159,220,862	155,163,215	198,988,771	193,638,930	182,486,636
Charges for Services	34,425,251	20,543,486	20,848,708	20,977,000	20,817,024	21,674,944	21,713,363	21,494,465	24,160,975	22,181,690
Fines and Forfeits	113,171	81,087	112,460	84,343	98,239	86,600	86,443	66,752	100,255	47,629
Gifts and Contributions	24,652	124,616	12,676	23,694	30,509	73,419	62,530	54,336	117,198	55,458
Investment Earnings	(3,057,304)	7,846,381	2,886,545	3,210,132	5,349,627	7,792,530	15,292,119	10,436,162	(1,752,875)	(7,001,837)
Miscellaneous	4,495,180	4,501,053	4,552,892	5,001,712	5,109,882	5,137,299	4,919,350	4,592,479	5,209,491	8,379,643
<b>Total Revenues</b>	<b>\$ 282,712,652</b>	<b>\$ 311,759,197</b>	<b>\$ 299,676,851</b>	<b>\$ 298,293,243</b>	<b>\$ 356,901,261</b>	<b>\$ 357,487,997</b>	<b>\$ 367,489,999</b>	<b>\$ 406,783,782</b>	<b>\$ 396,557,509</b>	<b>\$ 386,402,470</b>
<b>Expenditures</b>										
<b>Current</b>										
General Government	\$ 56,842,557	\$ 56,895,468	\$ 66,437,160	\$ 61,998,869	\$ 66,332,612	\$ 67,587,263	\$ 73,357,603	\$ 99,179,207	\$ 93,825,600	\$ 85,992,389
Public Safety	36,676,226	38,118,314	38,732,137	40,331,218	41,898,007	44,122,644	45,401,308	47,978,646	48,543,969	49,867,690
Highways and Streets	50,801,833	45,884,786	53,273,832	59,981,844	65,207,585	59,501,236	60,248,651	82,936,211	95,572,415	80,843,811
Sanitation	7,398,443	5,900,555	4,628,357	4,972,357	5,314,937	5,351,296	6,983,842	8,427,367	6,898,702	11,230,429
Human Services	70,193,719	71,073,035	71,867,015	76,989,354	80,280,668	86,751,403	90,791,578	101,739,931	114,442,511	108,569,581
Health	8,162,589	8,729,094	9,356,123	9,338,776	9,709,710	10,070,410	11,304,671	12,100,456	12,163,647	15,609,210
Culture and Recreation	21,450,861	24,217,982	25,272,217	28,326,858	25,965,503	27,891,578	27,328,953	33,652,104	31,800,214	28,744,969
Conservation of natural resources	4,274,132	3,576,475	4,935,421	3,980,145	7,261,105	3,455,271	4,387,366	5,501,305	5,354,450	5,058,196
Economic Development	8,947,128	10,485,161	11,995,645	9,408,698	9,378,042	10,056,935	10,456,088	6,498,522	8,711,537	9,147,521
Intergovernmental										
Highways and Streets	-	186,803	199,461	-	-	-	-	-	-	-
Capital Outlay	1,727,246	7,604,780	8,825,960	8,416,595	5,262,334	12,272,244	17,129,719	25,427,764	11,660,400	7,958,907
Debt Service										
Principal Retirement	5,855,000	12,825,000	10,299,591	23,556,611	136,449	140,911	145,518	-	-	38,606
Interest	2,020,059	1,655,031	1,180,282	495,500	13,828	9,366	4,758	-	-	4,996
Administrative Charges	2,950	3,350	8,750	6,450	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 274,352,743</b>	<b>\$ 287,155,834</b>	<b>\$ 307,011,951</b>	<b>\$ 327,803,275</b>	<b>\$ 316,760,780</b>	<b>\$ 327,210,557</b>	<b>\$ 347,540,055</b>	<b>\$ 423,441,513</b>	<b>\$ 428,973,445</b>	<b>\$ 403,066,305</b>
<b>Excess of Revenues Over/ (Under) Expenditures</b>	<b>\$ 8,359,909</b>	<b>\$ 24,603,363</b>	<b>\$ (7,335,100)</b>	<b>\$ (29,510,032)</b>	<b>\$ 40,140,481</b>	<b>\$ 30,277,440</b>	<b>\$ 19,949,944</b>	<b>\$ (16,657,731)</b>	<b>\$ (32,415,936)</b>	<b>\$ (16,663,835)</b>
<b>Other Financing Sources</b>										
Transfers In	\$ 4,147,314	\$ 8,782,958	\$ 53,670,221	\$ 26,639,436	\$ 3,195,718	\$ 14,079,834	\$ 18,301,058	\$ 29,882,363	\$ 14,886,018	\$ 3,835,322
Transfers Out	(7,171,314)	(8,466,882)	(55,717,721)	(26,639,436)	(3,092,144)	(13,966,718)	(23,785,252)	(29,261,110)	(14,259,533)	(3,204,654)
Proceeds from Capital Lease	-	-	704,080	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	187,815	44,374	190,994	314,626	199,162	301,350	69,694	191,474	247,244	145,375
<b>Total Other Financing Sources</b>	<b>\$ (2,836,185)</b>	<b>\$ 360,450</b>	<b>\$ (1,152,426)</b>	<b>\$ 314,626</b>	<b>\$ 302,736</b>	<b>\$ 414,466</b>	<b>\$ (5,414,500)</b>	<b>\$ 812,727</b>	<b>\$ 873,729</b>	<b>\$ 776,043</b>
<b>Net Change in Fund Balance</b>	<b>\$ 5,523,724</b>	<b>\$ 24,963,813</b>	<b>\$ (8,487,526)</b>	<b>\$ (29,195,406)</b>	<b>\$ 40,443,217</b>	<b>\$ 30,691,906</b>	<b>\$ 14,535,444</b>	<b>\$ (15,845,004)</b>	<b>\$ (31,542,207)</b>	<b>\$ (15,887,792)</b>
Debt Service Expenditures as Percent of Non-Capital Expenditures	3.38%	6.02%	4.67%	9.03%	0.06%	0.05%	0.05%	0.00%	0.00%	0.01%

# Dakota County, Minnesota

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Year Assessed	Real Property		Personal Property		Total		Assessed to % of Total Total Estimated Market Value	Total Direct County Tax Rate
	Assessed* Value	Estimated Market Value	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value		
2013	\$ 402,125,071	\$ 34,109,574,007	\$ 8,665,752	\$ 445,586,670	\$ 410,790,823	\$ 34,555,160,677	1.2 %	0.33421
2014	434,588,066	37,249,751,955	9,073,792	465,663,370	443,661,858	37,715,415,325	1.2	0.33745
2015	454,661,066	39,093,256,221	9,845,321	504,162,445	464,506,387	39,597,418,666	1.2	0.29633
2016	471,286,219	40,645,907,860	10,787,023	552,044,681	482,073,242	41,197,952,541	1.2	0.28570
2017	507,139,039	43,796,489,603	11,400,448	582,982,924	518,539,487	44,379,472,527	1.2	0.28004
2018	547,666,437	47,405,446,930	11,603,384	593,137,563	559,269,821	47,998,584,493	1.2	0.26580
2019	589,610,832	51,055,156,039	11,572,869	591,828,463	601,183,701	51,646,984,502	1.2	0.25386
2020	626,417,610	54,081,034,984	12,229,486	624,354,483	638,647,096	54,705,389,467	1.2	0.24133
2021	662,362,315	57,381,581,817	9,048,457	465,275,490	671,410,772	57,846,857,307	1.2	0.21630
2022	770,676,492	67,134,746,569	9,600,612	492,676,896	780,277,104	67,627,423,465	1.2	0.21630

**Estimated Market Value-Real and Personal Property**



\*Valuations are determined as of January 1 of the year preceding the tax collection year. Amounts are shown for the year in which taxes are payable.

Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

Total County Direct Tax Rate available only in %.

Source: Dakota County Property Taxation and Records Department



This page was left blank intentionally.

Dakota County, Minnesota

DIRECT AND OVERLAPPING GOVERNMENTS  
TAX CAPACITY RATES  
LAST TEN YEARS

<u>Governments</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b><u>DAKOTA COUNTY</u></b>										
Revenue	0.14353	0.14759	0.13473	0.13825	0.12761	0.11444	0.10520	0.10561	0.10011	0.09562
Highway	0.01094	0.01311	0.01094	0.01144	0.01255	0.01140	0.01049	0.00655	0.00615	0.00568
Community Services	0.12475	0.12475	0.11073	0.10290	0.10708	0.10795	0.10715	0.09677	0.09029	0.08611
Environmental Management	0.00129	0.00130	0.00124	0.00094	0.00092	0.00085	0.00079	0.00000	0.00000	0.00000
Parks	0.00721	0.00722	0.00249	0.00257	0.00275	0.00241	0.00258	0.00234	0.00221	0.00146
County Library	0.02840	0.02864	0.02649	0.02528	0.02495	0.02400	0.02300	0.02230	0.02099	0.02021
County Building	0.00152	0.00154	0.00137	0.00132	0.00129	0.00217	0.00212	0.00557	0.00524	0.00499
Debt Services	0.01371	0.01014	0.00528	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
DCLLR	0.00286	0.00316	0.00306	0.00299	0.00289	0.00258	0.00253	0.00219	0.00217	0.00223
County Referendum	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Total	0.33421	0.33745	0.29633	0.28570	0.28004	0.26580	0.25386	0.24133	0.22716	0.21630
<b><u>OVERLAPPING RATES:</u></b>										
<b><u>CITIES</u></b>										
Apple Valley	0.49210	0.47891	0.45274	0.44721	0.44473	0.42475	0.39603	0.38782	0.38192	0.38182
Burnsville	0.47021	0.46670	0.44790	0.46525	0.46557	0.43552	0.43595	0.43148	0.42853	0.43054
Coates	0.22842	0.19507	0.20081	0.17482	0.17490	0.17399	0.15688	0.17196	0.13838	0.14258
Eagan	0.38272	0.38250	0.36525	0.37097	0.37385	0.36378	0.35227	0.35262	0.36333	0.36119
Farmington	0.66821	0.65876	0.61455	0.59239	0.58760	0.57161	0.54372	0.50971	0.49251	0.50623
Hampton	0.47055	0.44221	0.46932	0.42776	0.45342	0.40813	0.34468	0.44044	0.37915	0.41069
Hastings	0.68547	0.66246	0.62581	0.63577	0.62518	0.60864	0.59612	0.57391	0.57351	0.58807
Inver Grove Heights	0.46312	0.46128	0.48131	0.49266	0.51644	0.51112	0.53537	0.51037	0.50590	0.51925
Lakeville	0.41234	0.40696	0.38948	0.38669	0.37510	0.36419	0.35607	0.34615	0.34351	0.32846
Lilydale	0.35556	0.34570	0.32619	0.30133	0.30276	0.28772	0.27155	0.26130	0.25889	0.24826
Mendota	0.47239	0.46518	0.46806	0.49808	0.44384	0.51502	0.27453	0.30252	0.29374	0.27020
Mendota Heights	0.34479	0.34737	0.34964	0.35247	0.37487	0.37826	0.39294	0.38315	0.37849	0.39741
Miesville	0.34670	0.32952	0.32255	0.31950	0.31635	0.30821	0.29797	0.31106	0.30174	0.30460
New Trier	0.56659	0.61658	0.55227	0.52333	0.67619	0.53348	0.58132	0.52669	0.54828	0.52702
Northfield	0.61901	0.59785	0.56750	0.57552	0.55667	0.57164	0.56216	0.58161	0.56661	0.59867
Randolph	0.32743	0.36865	0.26076	0.26284	0.28171	0.24722	0.21488	0.31845	0.24405	0.26849
Rosemount	0.48862	0.47676	0.45152	0.43149	0.41832	0.40961	0.39355	0.38580	0.36954	0.36949
South St. Paul	0.63280	0.60901	0.60405	0.64693	0.63853	0.64041	0.64582	0.60847	0.63388	0.64411
Sunfish Lake	0.27800	0.26775	0.23869	0.25558	0.26178	0.26168	0.26206	0.28528	0.22716	0.28529
Vermillion	0.51193	0.47656	0.47954	0.41978	0.48789	0.41866	0.46032	0.41116	0.38087	0.35757
West St. Paul	0.69447	0.71249	0.70642	0.69795	0.71412	0.69287	0.28780	0.70106	0.69427	0.70684

Unaudited

Dakota County, Minnesota

DIRECT AND OVERLAPPING GOVERNMENTS  
TAX CAPACITY RATES  
LAST TEN YEARS

(Continued)

<u>Governments</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>TOWNSHIPS</u>										
Castle Rock	0.15622	0.14310	0.12364	0.12161	0.12145	0.12259	0.39603	0.11248	0.10448	0.10332
Douglas	0.22376	0.18733	0.18509	0.15701	0.15190	0.22048	0.16226	0.16392	0.18881	0.17360
Empire	0.31746	0.31164	0.29823	0.29445	0.29462	0.29892	0.27430	0.29131	0.27250	0.27623
Eureka	0.16861	0.15362	0.14688	0.13672	0.14463	0.14534	0.13685	0.20183	0.19310	0.19139
Greenvale	0.19220	0.17982	0.18013	0.17263	0.17123	0.16966	0.16868	0.16215	0.14722	0.14046
Hampton	0.17613	0.15415	0.14439	0.14581	0.13322	0.13514	0.12713	0.11824	0.13208	0.11223
Marshan	0.14877	0.13995	0.12860	0.12635	0.16613	0.16708	0.15110	0.19431	0.17084	0.17011
Nininger	0.15121	0.16384	0.16495	0.15829	0.16477	0.15484	0.15261	0.14610	0.14461	0.13636
Randolph	0.07444	0.08004	0.08665	0.08940	0.07345	0.09617	0.08630	0.08779	0.08270	0.07036
Ravenna	0.17773	0.20128	0.17452	0.18196	0.18164	0.17242	0.16870	0.15964	0.17435	0.13176
Sciota	0.17239	0.15021	0.13745	0.10887	0.07750	0.11892	0.13674	0.14562	0.13129	0.13398
Vermillion	0.19555	0.17466	0.17214	0.16724	0.16279	0.16282	0.15723	0.14728	0.14070	0.16031
Waterford	0.13640	0.13493	0.11909	0.16816	0.17375	0.28812	0.28780	0.28368	0.26483	0.25143
<u>SCHOOL DISTRICTS</u>										
6	0.35478	0.44522	0.35881	0.36719	0.35868	0.31367	0.29622	0.28878	-	0.29116
191	0.26168	0.25661	0.24554	0.31065	0.27529	0.25759	0.26202	0.23765	0.03432	0.20273
192	0.57226	0.56326	0.53474	0.57584	0.54269	0.52825	0.51401	0.53105	0.02394	0.49481
194	0.33535	0.33048	0.31459	0.35319	0.32914	0.32992	0.32535	0.34851	0.03722	0.33983
195	0.19114	0.18001	0.16685	0.18661	0.17065	0.17509	0.19879	0.20376	0.18555	0.18555
196	0.27956	0.27606	0.23271	0.24317	0.23336	0.21352	0.20613	0.19860	0.02394	0.19971
197	0.24429	0.23863	0.24063	0.22170	0.22295	0.21224	0.24246	0.22125	0.03432	0.20391
199	0.27556	0.33418	0.34864	0.30272	0.28572	0.26680	0.26537	0.22896	0.23368	0.22296
200	0.23932	0.23052	0.20965	0.20938	0.20305	0.20545	0.19079	0.17924	0.02394	0.16214
252	0.24555	0.23940	0.24900	0.28498	0.26310	0.24453	0.24663	0.20806	0.02394	0.19835
659	0.38435	0.36410	0.34064	0.32847	0.30937	0.33150	0.31216	0.30468	0.02394	0.27017
<u>SPECIAL DISTRICTS</u>										
Watershed M	0.00642	0.00748	0.00679	0.00691	0.00745	0.00712	0.00664	0.00540	0.00540	0.00523
Watershed V	0.00543	0.00545	0.00466	0.00449	0.00449	0.00429	0.00403	0.00399	0.00370	0.00348
Transit District	0.01458	0.01377	0.01292	0.01261	0.01215	0.01104	0.01244	0.01150	0.01038	0.00969
Mosquito Control	0.00573	0.00548	0.00518	0.00491	0.00475	0.00443	0.00435	0.00406	0.00384	0.00372
Metropolitan Council	0.01223	0.01015	0.00827	0.00958	0.00878	0.00821	0.00666	0.00606	0.00635	0.00649
Dakota County CDA	0.01664	0.01650	0.01559	0.01547	0.01548	0.01479	0.01479	0.01469	0.01375	0.01391
Burnsville EDA	0.00906	0.00889	0.00860	0.00891	0.00897	0.00955	0.00924	0.00136	0.00290	0.00317
Hastings HRA	0.01428	0.01613	0.01379	0.01551	0.01500	0.01454	0.01453	0.01455	0.01472	0.01491
Northfield EDA	0.01801	0.01716	0.01697	0.01702	0.01638	0.01624	0.01599	0.01572	0.01536	0.01600
Northfield HRA	0.01838	0.01751	0.01732	0.01763	0.01670	0.01655	0.01629	0.01602	0.01566	0.01633
South St. Paul EDA	---	---	---	0.01363	0.01685	0.01358	0.01516	0.01383	0.01558	0.01475
South St. Paul HRA	0.01351	0.01450	0.01468	0.01649	0.01492	0.01453	0.01527	0.01417	0.01588	0.01506
South Metro EMS	0.01774	0.01249	0.01264	0.01784	0.01541	0.01402	0.01333	0.01200	0.01162	0.01800
Light Transit Rail	0.00432	0.00403	0.00371	0.00357	0.00342	0.00031	---	---	---	---

The Tax Capacity Rate is determined by dividing a taxing district's property tax levy amount by the taxing district's total tax capacity.

Source: Dakota County Property Taxation and Records Department

Unaudited

***Dakota County, Minnesota***

**PRINCIPAL TAXPAYERS CURRENT YEAR AND NINE YEARS AGO**

<u>Name</u>	<u>Type of Business</u>	<u>2013 Tax Capacity Value</u>	<u>% of Total County Tax Capacity</u>	<u>Name</u>	<u>Type of Business</u>	<u>2022 Tax Capacity Value</u>	<u>% of Total County Tax Capacity</u>
Northern States Power Co	Electric Utility	\$ 6,781,264	1.8 %	Northern States Power Co	Utility	\$ 8,050,750	1.4 %
Flint Hills	Refinery	3,282,089	0.9	Flint Hills Resources Pine Bend LLC	Industrial	4,544,751	0.8
Burnsville Center Spe LP	Burnsville Center	2,079,250	0.5	Northern Natural Gas Co.	Utility	2,477,030	0.4
Dakota Electric Assn.	Electric Utility	1,787,744	0.5	Paragon Outlets Eagan LLC	Commercial	1,699,250	0.3
West Publishing Co.	Book Publishing	1,463,325	0.4	West Publishing Co	Industrial	1,618,348	0.3
Northern Natural Gas Co.	Natural Gas Utility	1,338,438	0.3	SVC CPC Eagan LLC	Commercial	1,544,210	0.3
Health Landlord (MN) LLC	Commercial	1,177,650	0.3	MV Eagan Ventures LLC	Commercial	1,360,636	0.2
Minnegasco Inc.	Natural Gas Utility	1,076,964	0.3	Chicago & NW Trans Co	RR	1,229,443	0.2
Eagan Promenade Inc	Health Care	780,284	0.2	Health Landlord (MN) LLC	Commercial	1,181,669	0.2
Menard Inc	Retail	698,950	0.2	GSIC II Southview LLC	Apartment	1,134,435	0.2
	<b>TOTAL</b>	<b><u>\$ 20,465,958</u></b>	<b><u>5.4 %</u></b>		<b>TOTAL</b>	<b><u>\$ 24,840,522</u></b>	<b><u>4.3 %</u></b>

**Dakota County, Minnesota**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**

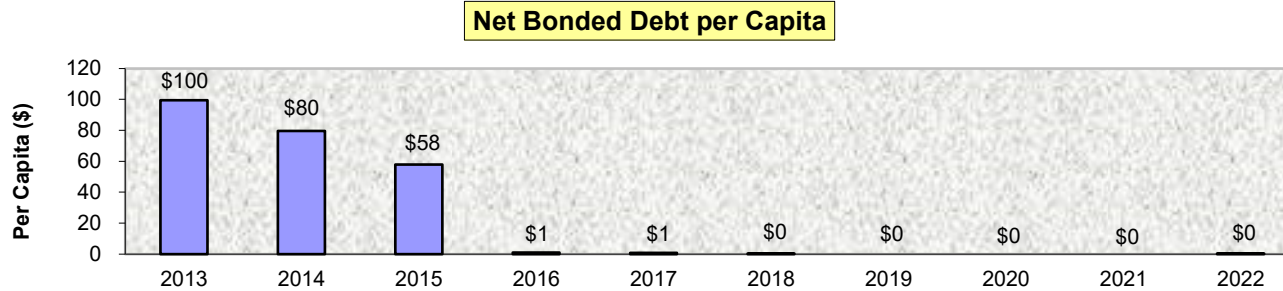
Fiscal Year	Total Tax Levy	Current Collections		Delinquent Collections	Total Collections	% of Current Levy	Outstanding Delinquent Taxes	Total Delinquent Taxes as a % of Current Levy
		Amount	% of Levy					
2013	\$ 129,152,073	\$ 127,962,335	99.1	\$ 755,531	\$ 128,717,866	99.7	\$ 1,694,382	1.3 %
2014	128,377,938	127,389,352	99.2	892,658	128,282,010	99.9	1,342,028	1.0
2015	129,661,717	128,723,340	99.3	650,201	129,373,541	99.8	1,154,427	0.9
2016	130,196,625	129,468,269	99.4	430,689	129,898,958	99.8	1,198,369	0.9
2017	132,800,558	132,001,073	99.4	722,237	132,723,310	99.9	1,031,027	0.8
2018	136,651,774	135,904,206	99.5	757,616	136,661,822	100.0	1,009,680	0.7
2019	140,614,675	139,882,554	99.5	554,633	140,437,187	99.9	867,022	0.6
2020	144,613,647	143,544,446	99.3	1,016,467	144,560,913	100.0	414,365	0.3
2021	149,058,650	147,927,215	99.2	947,617	148,874,832	99.9	345,096	0.2
2022	148,843,318	147,861,240	99.3	767,132	148,628,372	99.9	410,921	0.3

\*Includes tax adjustments, tax credits and fiscal disparity adjustments  
Source: Dakota County Property Taxation and Records Department

# Dakota County, Minnesota

## RATIOS OF OUTSTANDING NET DEBT TO ASSESSED VALUE AND PER CAPITA, AND DEBT PER CAPITA LAST TEN YEARS

Year Assessed	Population	Assessed Value	Gross Bonded Debt	Lease Payable	Debt Service Funds	Net Debt	Ratio of Net Debt to Assessed Value*	Net Debt Per Capita**	Ratio of Net Debt to Personal Income
2013	408,509	\$ 410,790,823	\$ 46,494,476	\$ -	\$ 5,838,954	\$ 40,655,522	9.90 %	100	0.20%
2014	412,529	443,661,858	33,660,684	-	832,407	32,828,277	7.40	80	0.15%
2015	414,686	464,506,387	23,468,911	559,489	-	24,028,400	5.17	58	0.11%
2016	417,487	482,073,242	-	422,878	-	422,878	0.09	1	0.00%
2017	421,751	518,539,487	-	286,429	-	286,429	0.06	1	0.00%
2018	425,423	559,269,821	-	145,518	-	145,518	0.03	0	N/A***
2019	429,021	601,183,701	-	-	-	-	-	-	N/A***
2020	431,807	638,647,096	-	-	-	-	-	-	N/A***
2021	442,038	671,410,772	-	-	-	-	-	-	N/A***
2022	443,341	780,277,104	-	128,686	-	128,686	0.02	0	N/A***



\* Prior years restated to reflect change in Ratio of Net Debt to Assessed Value vs. Ratio of Gross Bonded Debt to Assessed Value

\*\*Prior years restated to reflect change in Net Debt per Capita vs. Gross Bonded Debt per Capita

\*\*\*Personal Income information was not available for current year at the time of publication.

# Dakota County, Minnesota

## COMPUTATION OF DIRECT, UNDERLYING AND OVERLAPPING BONDED DEBT GENERAL OBLIGATION BONDS DECEMBER 31, 2022

<u>Government Unit</u>	Gross GO Debt	Applicable to Dakota County	
	Outstanding <sup>1</sup>	Percent <sup>2</sup>	Amount
<b><u>Direct:</u></b>			
Dakota County	\$ -	0.0 %	\$ -
<b><u>Underlying:</u></b>			
Dakota County CDA	\$ 242,126,428	100.0 %	\$ 242,126,428
City of Apple Valley	33,276,196	100.0	33,276,196
City of Burnsville	68,347,000	100.0	68,347,000
City of Eagan	45,115,000	100.0	45,115,000
City of Farmington	11,250,000	100.0	11,250,000
City of Hampton	3,075,000	100.0	3,075,000
City of Hastings	23,640,000	99.9	23,616,360
City of Inver Grove Hts	37,670,000	100.0	37,670,000
City of Lakeville	149,435,000	100.0	149,435,000
City of Lilydale	2,078,000	100.0	2,078,000
City of Mendota	-	100.0	-
City of Mendota Heights	21,645,000	100.0	21,645,000
City of Northfield	48,792,037	7.9	3,854,571
City of Rosemount	5,885,000	100.0	5,885,000
City of South St. Paul	21,734,000	100.0	21,734,000
City of Sunfish Lake	1,775,874	100.0	1,775,874
City of West St. Paul	46,160,000	100.0	46,160,000
Empire Township	1,985,000	100.0	1,985,000
Randolph Township	-	100.0	-
Ravenna Township	-	100.0	-
Special S.D. #6 (South St Paul)	37,125,000	100.0	37,125,000
Ind. S.D. #191 (Burnsville)	113,850,000	75.8	86,298,300
Ind. S.D. #192 (Farmington)	134,380,000	100.0	134,380,000
Ind. S.D. #194 (Lakeville)	188,520,000	80.0	150,816,000
Ind. S.D. #195 (Randolph)	9,970,000	88.2	8,793,540
Ind. S.D. #196 (Rosemount)	97,905,000	100.0	97,905,000
Ind. S.D. #197 (W. St. Paul)	126,790,000	100.0	126,790,000
Ind. S.D. #199 (Inver Grove Hts.)	51,130,000	100.0	51,130,000
Ind. S.D. #200 (Hastings)	68,547,524	87.2	59,773,441
Ind. S.D. #252 (Cannon Falls)	25,470,000	4.9	1,248,030
Ind. S.D. #659 (Northfield)	50,485,000	14.8	7,471,780
<b>Total underlying debt</b>	<b>\$ 1,668,162,059</b>		<b>\$ 1,480,759,520</b>
<b><u>Overlapping:</u></b>			
Metropolitan Council (Parks & Solid Waste)	\$ 10,134,715 <sup>3</sup>	13.4 %	\$ 1,358,052
Metropolitan Transit Commission	125,325,888	13.4 %	16,793,669
<b>Total overlapping debt</b>	<b>\$ 135,460,603</b>		<b>\$ 18,151,721</b>
<b>Total debt</b>	<b>\$ 1,803,622,662</b>		<b>\$ 1,498,911,241</b>

<sup>1</sup> The Gross G.O. Debt Outstanding includes that portion of debt which is secured by the authority to levy taxes on real estate.

<sup>2</sup> Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.

<sup>3</sup> The Metropolitan Council also has outstanding \$69,421,280 of general obligation sanitary sewer bonds and loans which are supported by system revenues.

**Dakota County, Minnesota**

**Legal Debt Margin  
Last Ten Fiscal Years**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Estimated Market Value</b>	\$ 34,555,160,677	\$ 37,715,415,325	\$ 39,597,418,666	\$ 41,197,952,541	\$ 44,379,472,527	\$ 47,998,584,493	\$ 51,646,984,502	\$ 54,705,389,467	\$ 57,846,857,307	\$ 67,627,423,465
<b>Legal Debt Margin</b>										
Debt Limit (3% of assessed value)*	\$ 1,036,654,820	\$ 1,131,462,460	\$ 1,187,922,560	\$ 1,235,938,576	\$ 1,331,384,176	\$ 1,439,957,535	\$ 1,549,409,535	\$ 1,641,161,684	\$ 1,735,405,719	\$ 2,028,822,704
Debt Applicable to limit:										
General Obligation Bonds	\$ 46,275,369	\$ 33,660,684	\$ 23,420,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amount reserved for repayment of general obligation debt	(5,838,954)	(832,407)	-	-	-	-	-	-	-	-
Total Debt Applicable to Limit	\$ 40,436,415	\$ 32,828,277	\$ 23,420,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Legal Debt Margin</b>	<u>\$ 996,218,405</u>	<u>\$ 1,098,634,183</u>	<u>\$ 1,164,502,560</u>	<u>\$ 1,235,938,576</u>	<u>\$ 1,331,384,176</u>	<u>\$ 1,439,957,535</u>	<u>\$ 1,549,409,535</u>	<u>\$ 1,641,161,684</u>	<u>\$ 1,735,405,719</u>	<u>\$ 2,028,822,704</u>
Total debt applicable to the limit as a percent of debt limit	3.9%	3.0%	2.0%	-	-	-	-	-	-	-

*Minn. Stat. Section 475.53, subd. 1 states  
or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the estimated market value.*



# Dakota County, Minnesota

## DEMOGRAPHIC STATISTICS LAST TEN YEARS

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Personal Income<sup>1</sup></b>	<b>Per Capita Income<sup>1</sup></b>	<b>Median Age<sup>2</sup></b>	<b>School Enrollment K through 12<sup>3</sup></b>	<b>Annual Average Unemployment Rate<sup>4</sup></b>
2013	408,509	\$ 20,706,256,000	\$ 50,687	37.4	77,716	4.5%
2014	412,529	21,524,339,000	52,177	36.8	75,226	3.8
2015	414,686	22,272,614,000	53,710	37.3	75,336	3.3
2016	417,487	22,951,451,000	54,975	37.6	75,123	3.4
2017	421,751	24,308,945,000	57,638	37.8	76,323	3.1
2018	425,423	25,802,276,000	60,651	38.2	76,821	2.5
2019	429,021	26,562,417,000	61,914	38.3	77,228	2.9
2020	431,807	27,958,762,000	64,748	37.7	77,711	5.9
2021	442,038	30,026,160,000	67,927	39	75,499	3.1
2022	443,341	NA*	NA*	NA*	77,007	2.0

Data Sources:

<sup>1</sup> US Dept Of Commerce, Bureau of Economic Analysis

<sup>2</sup> US Census Bureau

<sup>3</sup> State Department of Education; Public, Private, & Charter school enrollment

<sup>4</sup> State Department of Employment and Economic Development

\*Information for current year was not available at time of publication.

## *Dakota County, Minnesota*

### PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<b>2013</b>	<b>Percentage of Total County Employment</b>	<u>Employer</u>	<b>2022</b>	<b>Percentage of Total County Employment</b>
	<u>Employees</u>			<u>Employees</u>	
Reuters Thomson West	7,000	3.01%	Independent School District 196	4,500	1.87%
Blue Cross-Blue Shield	3,550	1.53%	Thomson West	4,200	1.75%
Independent School District 196	3,500	1.51%	Blue Cross-Blue Shield of MN	3,000	1.25%
Burnsville Center	3,000	1.29%	Burnsville Center*	3,000	1.25%
Prime Therapeutics	2,700	1.16%	Independent School District 194	2,268	0.94%
Dakota County	1,806	0.78%	US Postal Service (Eagan)	2,100	0.87%
Fairview Ridges Hospital	1,500	0.65%	Dakota County	1,870	0.78%
UTC Aerospace	1,500	0.65%	UTC Aerospace Systems	1,800	0.75%
US Postal Service	1,481	0.64%	CHS Inc	1,600	0.67%
Independent School District 191	1,374	0.59%	Independent School District 191	1,300	0.54%
<b>Total County Employment</b>	<b>232,407</b>	<b>11.81%</b>	<b>Total County Employment</b>	<b>240,319</b>	<b>10.67%</b>

*\*Includes part-time employees*

*Source: Department of Employment and Economic Development*

*Note: This does not purport to be a comprehensive list and is based on a March*

## Dakota County, Minnesota

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

<b>Function/program</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>County Wide</b>	3.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00	1.00	2.00
<b>Public Service</b>										
Public Service	10.25	9.25	9.25	8.56	7.00	7.06	5.31	3.50	3.50	4.00
Assessor	35.00	35.00	37.00	38.00	38.50	38.50	40.00	40.00	40.00	40.00
Elections	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
Property Records	0.00	44.60	44.50	44.80	45.30	36.30	34.30	34.30	34.30	34.30
Treasurer-Auditor	43.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Service & Licensing	23.75	23.75	23.75	23.75	24.81	28.75	28.44	30.00	30.00	30.00
Library	135.93	135.93	135.93	135.92	134.86	134.86	130.48	130.81	130.81	124.30
<b>Operations Management</b>										
Risk Management	5.70	5.70	7.00	7.00	6.00	6.00	7.00	7.00	7.00	7.00
Information Technology	58.80	64.00	65.00	65.00	65.00	66.00	68.00	69.00	69.10	69.10
Financial Services	33.50	34.24	35.00	35.00	35.00	28.00	28.00	28.00	27.00	27.00
Budget	0.00	0.00	0.00	0.00	0.00	8.00	8.00	8.00	7.90	6.90
OMB Division Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	3.00
Office of Performance & Analysis	12.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
CJN	6.00	6.00	6.90	6.90	6.90	6.90	6.90	8.00	8.00	8.00
<b>Administration</b>										
County Administration	10.00	10.00	11.00	11.00	11.00	11.00	11.00	11.00	10.00	8.00
County Board	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
County Communications	6.10	6.10	7.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00
Employee Relations	19.05	19.05	19.05	19.05	19.05	19.05	19.45	19.45	19.45	20.45
<b>Community Services</b>										
Community Services Administration	15.00	15.00	17.00	17.00	18.00	18.00	18.00	17.00	16.00	15.00
Social Services	298.50	299.22	313.52	333.52	355.20	363.20	372.75	382.35	394.35	424.35
Employment & Economic Assistance	244.60	255.50	248.10	254.10	267.15	268.12	267.20	271.20	273.20	282.50
Public Health	94.30	90.72	91.52	93.12	94.02	98.42	110.02	110.02	110.02	121.27
Veterans Services	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00
Community Corrections	171.20	169.29	171.22	171.52	173.92	174.92	176.92	176.92	176.92	176.92
<b>Public Safety</b>										
Sheriff	171.30	172.71	174.09	179.09	182.59	186.09	183.25	188.25	191.25	191.25
<b>County Attorney</b>										
County Attorney	84.00	85.99	88.99	87.87	90.87	94.87	94.00	94.00	94.00	97.00
<b>Physical Development</b>										
Office of GIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Physical Development	20.50	25.75	25.75	25.35	25.35	26.35	25.35	26.35	26.35	25.85
Transportation	82.43	87.43	87.43	90.43	98.43	102.43	98.00	97.00	97.00	97.00
Operations Management	46.50	43.50	70.57	70.07	71.07	71.07	65.00	66.00	66.00	68.00
Parks	45.30	43.48	23.08	23.08	25.08	28.78	20.70	21.70	20.70	21.00
Water Resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Physical Development Planning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Environmental Management/Resources	30.70	31.50	32.50	33.60	33.50	33.50	34.00	35.00	35.00	36.00
Survey	8.00	8.00	8.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00
Byllesby Dam	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.00	2.00	2.00
<b>Total</b>	<b>1728.01</b>	<b>1744.71</b>	<b>1777.15</b>	<b>1811.73</b>	<b>1860.60</b>	<b>1893.17</b>	<b>1890.07</b>	<b>1913.85</b>	<b>1927.85</b>	<b>1977.19</b>

Source: Dakota County Departmental documents

**Dakota County, Minnesota**  
**Operating Indicators by Governmental Function**  
**Last Ten Fiscal Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Government</b>										
Property Documents Recorded	98,215	73,232	78,517	80,652	75,564	70,130	74,001	99,794	110,100	70,713
County Veterans Population	27,067	27,550	27,048	25,689	25,094	24,496	23,900	23,900	25,170	21,950
New Adult Criminal Court Cases	3,664	3,812	4,069	4,253	4,784	4,851	4,918	4,450	4,333	4,252
Juvenile Delinquency Referrals	2,013	1,891	1,784	1,731	1,796	1,587	1,450	961	865	1,058
Commitment Referrals	249	250	252	233	253	270	255	323	343	375
Plat Reviews	62	83	86	92	74	93	74	86	94	83
<b>Public Safety</b>										
Probation Offenders Served <sup>1</sup>	11,503	10,903	10,642	10,566	12,192	12,349	12,270	10,869	10,057	10,451
Community Restoration Hours Served <sup>3</sup>	66,676	60,606	57,634	58,124	54,523	52,235	52,299	22,212	29,877	28,390
Driving While Impaired Arrests	144	127	144	138	134	119	146	91	87	75
Applications for Permit to Carry Handguns	4,394	2,868	3,632	4,754	3,870	4,423	3,373	8,249	7,105	6,362
Daily Inmate Responsibility Average	211	229	214	225	215	208	203	125	144	165
<b>Highways and Streets</b>										
Fuel Used (Diesel and Unleaded)	117,978	127,653	103,998	106,885	97,349	126,696	139,002	107,069	98,440	110,729
<b>Sanitation</b>										
Pounds of Household Hazardous Waste Collected	3,726,818	4,176,000	4,180,000	4,295,619	3,800,936	3,584,356	3,335,313	3,528,793	2,953,364	2,652,038
<b>Human Services</b>										
Intake and Crisis Calls	44,903	47,730	52,929	65,614	58,945	59,702	54,376	61,240	58,741	76,419
Average Monthly # of Children in Out-of-Home Placement	110	103	128	173	299	240	278	215	174	172
Chemical Health Assessments Completed	787	779	637	569	606	563	596	321	268	419
Public Assistance Caseload	22,700	25,819	36,575	40,110	40,346	42,570	41,180	46,237	52,603	56,537
Child Support Collections	\$46,646,864	\$45,957,834	\$44,973,145	\$44,531,574	\$43,208,675	\$42,849,581	\$42,057,930	\$44,910,870	\$40,587,510	\$37,507,086
Average # of Families Served - Child Care Assistance Programs	1,230	1,202	1,323	1,132	1,053	1,290	1,326	1,283	1,027	1,158
Long Term Care Clients on Medicaid Waiver	3,009	3,097	3,520	3,817	3,883	4,479	4,763	4,701	6,405	8,950
<b>Health</b>										
Family Health Referrals	582	857	1,131	1,146	1,282	1,446	1,263	896	685	1,147
WIC Clients	10,567	10,680	10,246	10,177	9,859	9,638	9,079	8,603	8,570	9,139
Number of Confirmed Tuberculosis Cases	25	41	30	17	21	29	33	16	17	20
Health Alerts Issued	24	21	13	20	13	16	11	26	21	13
Vaccinations Administered	3,045	2,812	1,615	1,604	1,684	1,696	2,380	872	61,975	7,188
<b>Culture and Recreation</b>										
Visitors to Library (Gate Counts)	2,057,720	2,057,720	2,057,720							
<b>Economic Development</b>										
Employment and Training Caseload	4,907	4,639	4,223	4,192	4,303	4,306	4,023	3,157	2,793	2,447
Number of Adults Program Participants Placed in Employment	1,445	1,444	1,238	1,493	1,397	1,373	1,307	604	571	553

Source: County Departmental budget documents, web-sites, and staff.

<sup>1</sup> Previous years' data reflected the number of cases served, which duplicated the client count. As of 2016, the data shows the number of clients/offenders served.

<sup>2</sup> 2015 data included all gallons used Countywide, not just for Highways and Streets

<sup>3</sup> Previous years' data did not include juvenile community restoration hours. As of 2016, the data reflects all community restoration hours.

## *Dakota County, Minnesota*

### CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Public Safety</b>										
Justice Center	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Patrol Units <sup>1</sup>	105.00	31.00	29.00	35.00	39.00	38.00	37.00	38.00	39.00	41.00
<b>Transportation</b>										
Bituminous (miles)	359.70	359.70	359.70	359.70	362.55	362.55	362.55	368.60	368.60	372.60
Concrete (miles)	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80
Gravel (miles)	56.50	56.50	55.50	55.50	53.25	53.25	53.25	47.20	47.20	43.20
Bridges	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00
Traffic signals	134.00	134.00	134.00	134.00	134.00	134.00	136.00	136.00	140.00	140.00
Culverts	48.00	48.00	48.00	48.00	48.00	48.00	48.00	28.00	49.00	49.00
Highway Shops	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Culture &amp; Recreation</b>										
Acreage	5,382.00	5,539.00	5,602.00	5,653.00	5,653.00	5,611.00	5,611.00	5,653.00	5,653.00	5,965.00
County Parks	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Regional parks & trails	8.00	8.00	8.00	8.00	11.00	11.00	11.00	11.00	11.00	11.00
Libraries	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00

Data Sources: Various county departments

<sup>1</sup> Previous years' data included all units. Data for 2014 (and subsequent years) includes only Patrol Units.

This page was left blank intentionally.