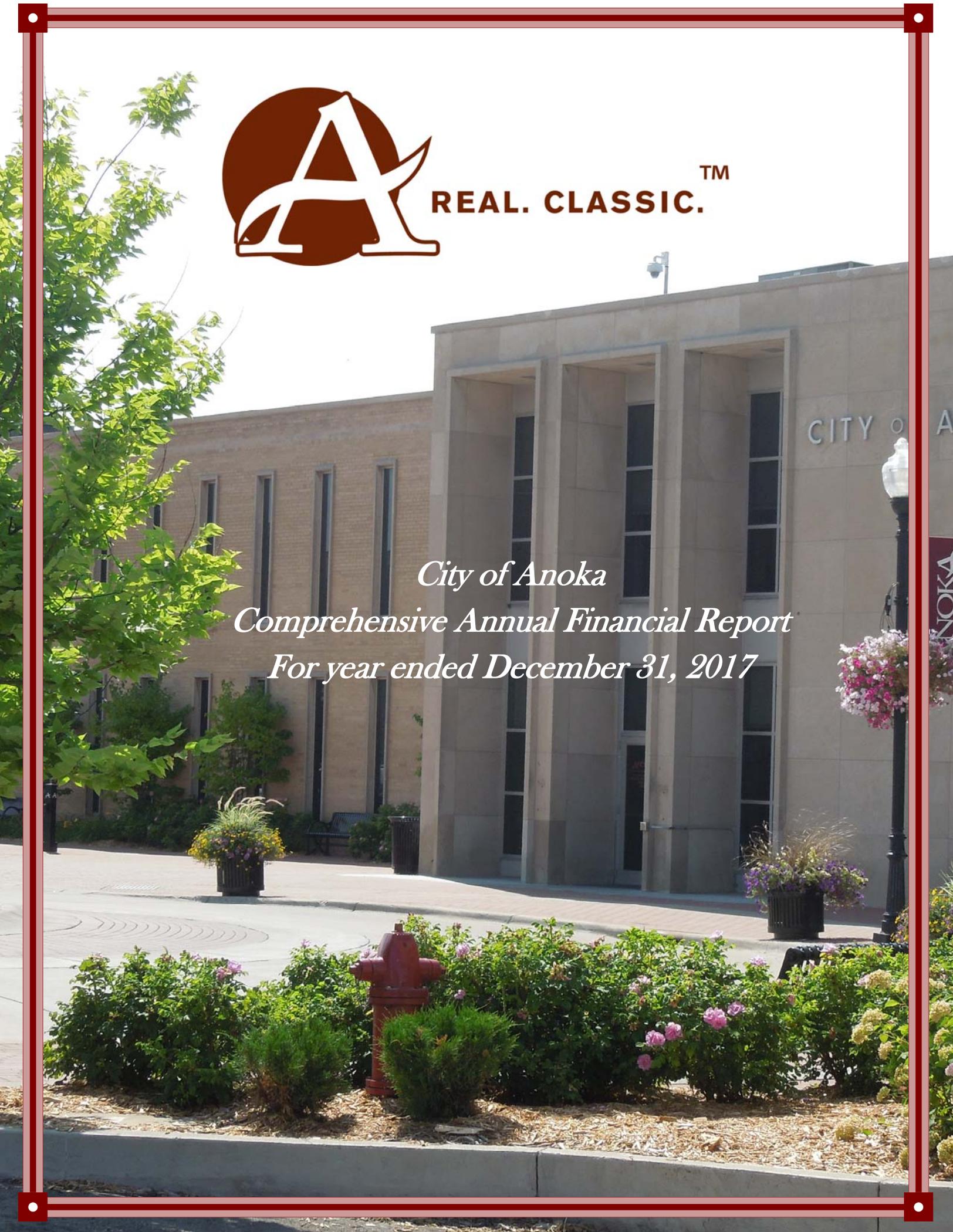




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*City of Anoka
Comprehensive Annual Financial Report
For year ended December 31, 2017*





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CITY OF ANOKA, MINNESOTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the Year Ended December 31, 2017

Prepared by the Finance Department

Brenda Smith, Director



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CITY OF ANOKA, MINNESOTA

Comprehensive Annual Financial Report

Year ended December 31, 2017

TABLE OF CONTENTS

PART I - INTRODUCTORY SECTION	Page
Letter of Transmittal	1
Elected and Appointed Officials	5
Organizational Charts	6
Geographical Location	8
Certificate of Achievement for Excellence in Financial Reporting	9
PART II - FINANCIAL SECTION	
Independent Auditor Report	12
Management's Discussion and Analysis	16
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	26
Statement of Activities	27
Fund Financial Statements:	
Balance Sheet Governmental Funds	28
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position	29
Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Statement of Net Position Proprietary Funds	32
Reconciliation of the Balance Sheet of Proprietary Funds to the Statement of Activities	33
Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Statement of Cash Flows Proprietary Funds	36
Statement of Fiduciary Net Position Fiduciary Funds	38
Notes to Financial Statements	39

**CITY OF ANOKA, MINNESOTA
TABLE OF CONTENTS**

PART II – FINANCIAL SECTION (Continued) Page

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress	75
Schedule of Contributions	76
Schedule of Proportionate Share of Net Pension Liability	78
Budgetary Comparison Schedule General Fund	80
Note to Required Supplementary Information	81

COMBINING NONMAJOR FUND STATEMENTS

Description of Nonmajor Governmental Funds	83
Combining Balance Sheet Nonmajor Governmental Funds	85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds	87
Budgetary Comparison Schedule Special Revenue Funds	89
Description of Nonmajor Proprietary Funds	92
Combining Statement of Net Position Nonmajor Proprietary Funds	93
Combining Statement of Revenues, Expenditures, and Changes in Net Position Nonmajor Proprietary Funds	94
Combining Statement of Cash Flows Nonmajor Proprietary Funds	95

COMBINING INTERNAL SERVICE FUND STATEMENTS

Description of Internal Service Funds	96
Combining Statement of Net Position Internal Service Funds	97
Combining Statement of Revenues, Expenses, and Changes in Net Position Internal Service Funds	98
Combining Statement of Cash Flows Internal Service Funds	99

**CITY OF ANOKA, MINNESOTA
TABLE OF CONTENTS**

PART II – FINANCIAL SECTION (Continued) Page

SUPPLEMENTAL FINANCIAL SCHEDULES

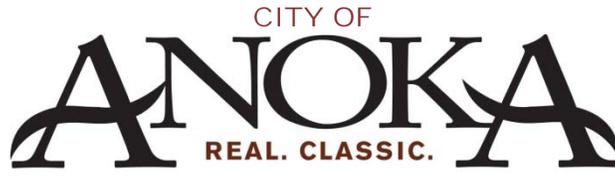
Schedule of Revenues and Other Financing Sources	
Budget and Actual General Fund	100
Schedule of Expenditures and Other Financing Uses	
Budget and Actual General Fund	102
Combined Schedule of Indebtedness	108
Schedule of Bond Maturities	110
Schedule of Debt Service Requirements	112
Combining Statement of Net Position Fiduciary Funds	113
Combining Statement of Changes in Assets and Liabilities Fiduciary Funds	114
Balance Sheet Component Unit	116
Statement of Revenues, Expenditures, and	
Changes in Fund Balances Component Unit	117

PART III – STATISTICAL SECTION (UNAUDITED) Page

Description of Statistical Section	119
Net Position by Component Last Ten Fiscal Years	120
Changes in Net Position Last Ten Fiscal Years	122
Combining Fund Balances of Governmental Funds Last Ten Fiscal Years	126
Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years	128
Estimated Actual and Taxable Value of Taxable Property Last Ten Fiscal Years	130
Property Tax Rates, Direct and Overlapping Governments Last Ten Fiscal Years	131
Principal Taxpayers December 31, 2017	132
Building Permit Values and Real Property Values Last Ten Fiscal Years	133
Property Tax Levies and Collections Last Ten Fiscal Years	134
Outstanding Debt by Type Last Ten Fiscal Years	135
Ratios of Net General Obligation Bonded Debt Outstanding Last Ten Fiscal Years	136
Direct and Overlapping General Obligation Bonded Debt December 31, 2017	137
Legal Debt Margin Information Last Ten Fiscal Years	138
Pledged Revenue Coverage Last Ten Fiscal Years	140
Demographic and Economic Statistics Last Ten Fiscal Years	141
Principal Employers December 31, 2017	142
Full-Time Equivalent Employees by Function Last Ten Fiscal Years	143
Operating Indicators by Function Last Ten Fiscal Years	145
Capital Asset Statistics by Function Last Ten Fiscal Years	146



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June 18, 2018

To the Honorable Mayor, City Council, and Citizens of the City of Anoka:

State law requires that the chief financial officer in cities with populations of more than 2,500 submit to the state auditor audited financial statements within 180 days after the close of each year. State law also requires that these statements be submitted to the Mayor and council members within 210 days after the close of each fiscal year. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the City of Anoka for the fiscal year ended December 31, 2017.

This report consists of management's representations concerning the finances of the City of Anoka. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Anoka has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Anoka's financial statements in conformity with generally accepted accounting principles (GAAP) in the U.S. Because the cost of internal controls should not outweigh their benefits, the City of Anoka's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Anoka's financial statements have been audited by Wipfli LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Anoka for the fiscal year ended December 31, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Anoka's financial statements for the fiscal year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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



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www.ci.anoka.mn.us

Profile of the Government

The City of Anoka, incorporated on March 2, 1878, is the county seat of Anoka County, Minnesota, and lies approximately 20 miles northwest of Minneapolis-St. Paul. The City is comprised of an area of 7.13 square miles and serves a population of 17,995. The City is a unique blend of history and economic vitality. The City of Anoka is empowered to levy a property tax on both real and personal properties located within its boundaries. While it also is empowered by state statute to extend its corporate limits by annexation, the City of Anoka is bordered on all sides by other incorporated communities.

The City of Anoka has operated under the council-manager form of government since April 1, 1914. Policy making and legislative authority are vested in a City council, consisting of the mayor and four other members. The City council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City manager and City attorney. The City manager is responsible for carrying out the policies and ordinances of the council, overseeing the day-to-day operations of the city government, and appointing the heads of the various departments. The council is elected on a nonpartisan basis. The Mayor is elected every two years, and council members serve four-year staggered terms and are elected at large.

The City of Anoka provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; electric, water, and sewer services; and recreational activities and cultural events.

The annual budget serves as the foundation for the City of Anoka financial planning and control. All departments are required to submit requests for appropriation to the City manager in June of each year. The City manager uses these requests as the starting point for developing a proposed budget. The City manager then presents this proposed budget to the council for review at their first meeting in August. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 26.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Transfers of appropriations between departments and funds require the approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as required supplementary information in this report on page 80. Special revenue fund budgetary comparisons start on page 89.

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 City of Anoka operates.



Local economy. The City of Anoka is the county seat for Anoka County. The City currently enjoys a favorable economic environment, and local indicators point to continued stability. The region has a varied tax base that adds to the relative stability of the unemployment rate. Major industries with headquarters or divisions located within the government's boundaries or in close proximity include computer hardware and software manufacturers, electrical controls, ammunition, and medical services.

The City of Anoka area has an employed labor force of approximately 15,188, which compares favorably to the 7,612 housing units located within the corporate boundaries. The city's current tax base consists of 44% residential, 37% commercial-industrial, and 19% exempt properties.

Because of the fully developed nature of the community, the opportunity for new and expanded housing is limited. The City's focus is on developing previously purchased properties or on undeveloped existing property. There are several potential townhome developments throughout the city. The City continues to focus on redeveloping the central business district to include cooperative living units, a restaurant, and additional residential units. Another focus is on assisting homeowners to redevelop and remodel the current available housing so that, as the change-over from older residents occurs, younger families will continue to be attracted to the City of Anoka.

Long-term financial planning. The City is currently in the redevelopment stage of an area west of downtown. This area is next to the industrial park but is also located next to the golf course. In preparation for new roads and housing, the City will continue to purchase land necessary to complete the parkway and housing plans. All of the redevelopment and development happening in the City of Anoka increases the City's tax base and helps keep tax rates low or level. The City also continues to increase the density in the downtown area to keep it a vibrant economic gem.

The City is working closely with state, federal, and neighboring communities to improve the area's state and county transportation network, which includes upgraded highways and well-placed pathways. Funding for most of the transportation improvements will need to come from state, county, and federal sources, with some minor portion supported by the local taxpayers. The City continues to work on local street improvement projects by reconstructing approximately one mile of city streets every year. The annual cost of reconstruction improvements are built into the City's capital improvement planning.

Budget policies and practices. The City charter allows the council to increase a budget to the extent that actual revenues exceed budgeted revenues or transfer within budgeted funds. In 2017, this ability made it possible for the City to increase lodging fund expenditures as a result of increased lodging tax collections. It also allowed flexibility among general fund departments to move budget to cover additional expenditures which were the result of added security personnel in the police department.

Major initiatives. In 2017, the City replenished depleted capital and internal service funds through an increase in the levy. The city was able to increase the levy while giving property tax payers relief as a result of the largest tax increment district being decertified in 2015. During the great recession, the city maintained core services without increasing the tax levy through decreases to capital and internal service funds. The city still continued to invest in streets and infrastructure through transferred funds from electric to capital project funds to complete desired infrastructure improvements.



During the Comp plan process, the top priority for residents was to improve the look and feel of the south entrance to the city. This was accomplished in 2017 through purchasing existing properties along Ferry Street and relocating them to another location within the city. It was a tremendous achievement, and a win-win situation. The existing property owners are completely satisfied with their new location and the south entrance to the city has an improved look and feel.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Anoka for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2016. This was the 37th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The GFOA awarded the Distinguished Budget Presentation Award to the City of Anoka for its 2017 Budget. This was the 11th consecutive year that the City has received this prestigious award. In order to be awarded a Distinguished Budget Presentation Award, the government published an easily readable and efficiently organized Budget. This report satisfied the generally accepted budgeting practices as pronounced by the GFOA and GAAP for governmental accounting.

The GFOA awarded the Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Anoka for its popular annual financial report (PAFR) for the fiscal year ended December 31, 2016. This was the 2nd year that the City has created and distributed a popular report to the citizens of Anoka, and the City was one of only 198 municipalities nationwide to receive the award. In order to receive the award, the government must create a high quality report designed to be readily accessible and easily understood to the general public without a background in finance that also clearly advises readers of the availability of the CAFR.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated services of the Finance Department staff. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Anoka's finances.

Respectfully submitted



Brenda Smith
Finance Director



CITY OF ANOKA, MINNESOTA

Elected and Appointed Officials

December 31, 2017



City Council

Phil Rice, Mayor
Term Expires 12/31/18

Mark Freeburg, Councilmember
Term Expires 12/31/20

Jeff Weaver, Councilmember
Term Expires 12/31/18

Carl Anderson, Councilmember
Term Expires 12/31/18

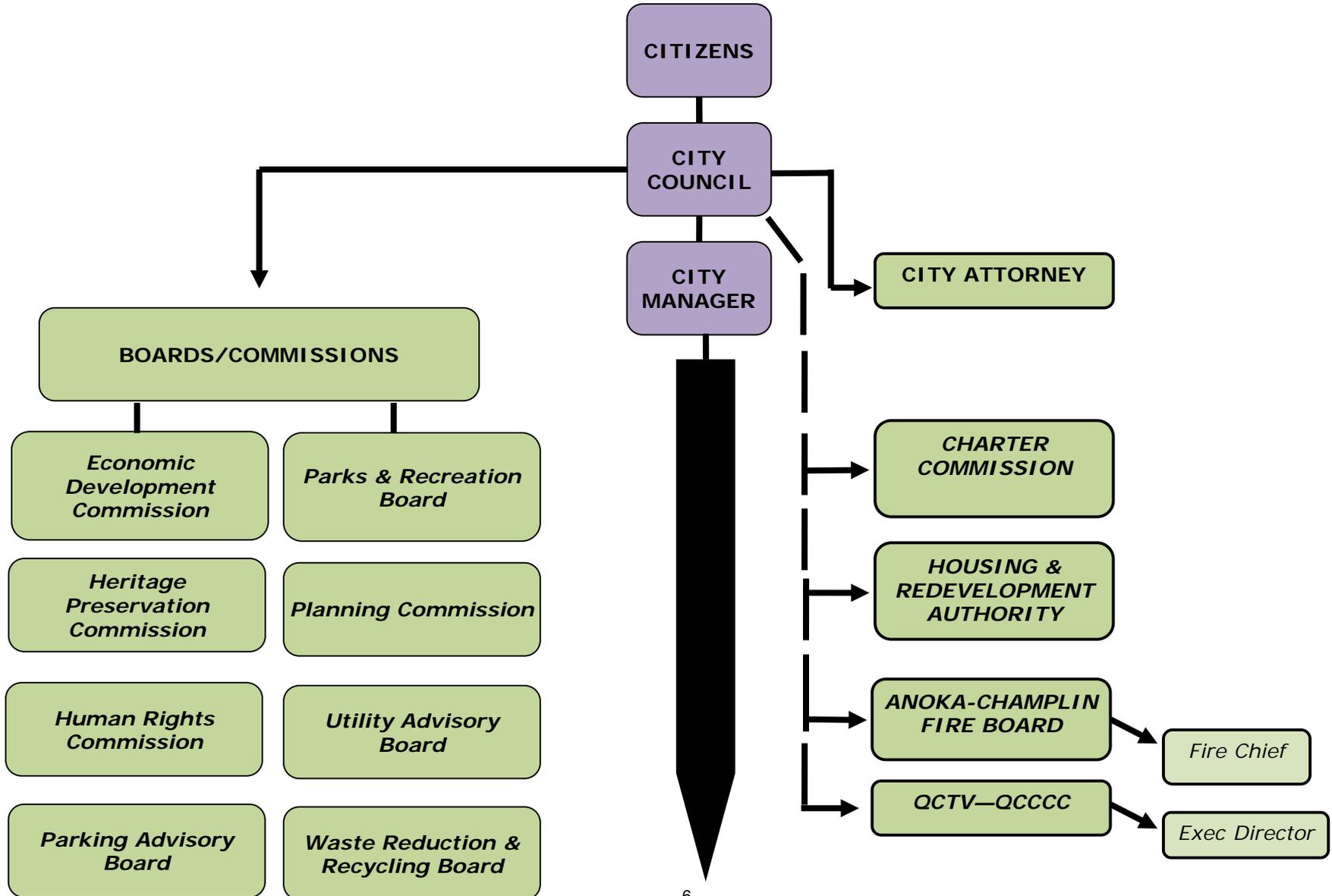
Brian Wesp, Councilmember
Term Expires 11/6/18

City Managerial Staff

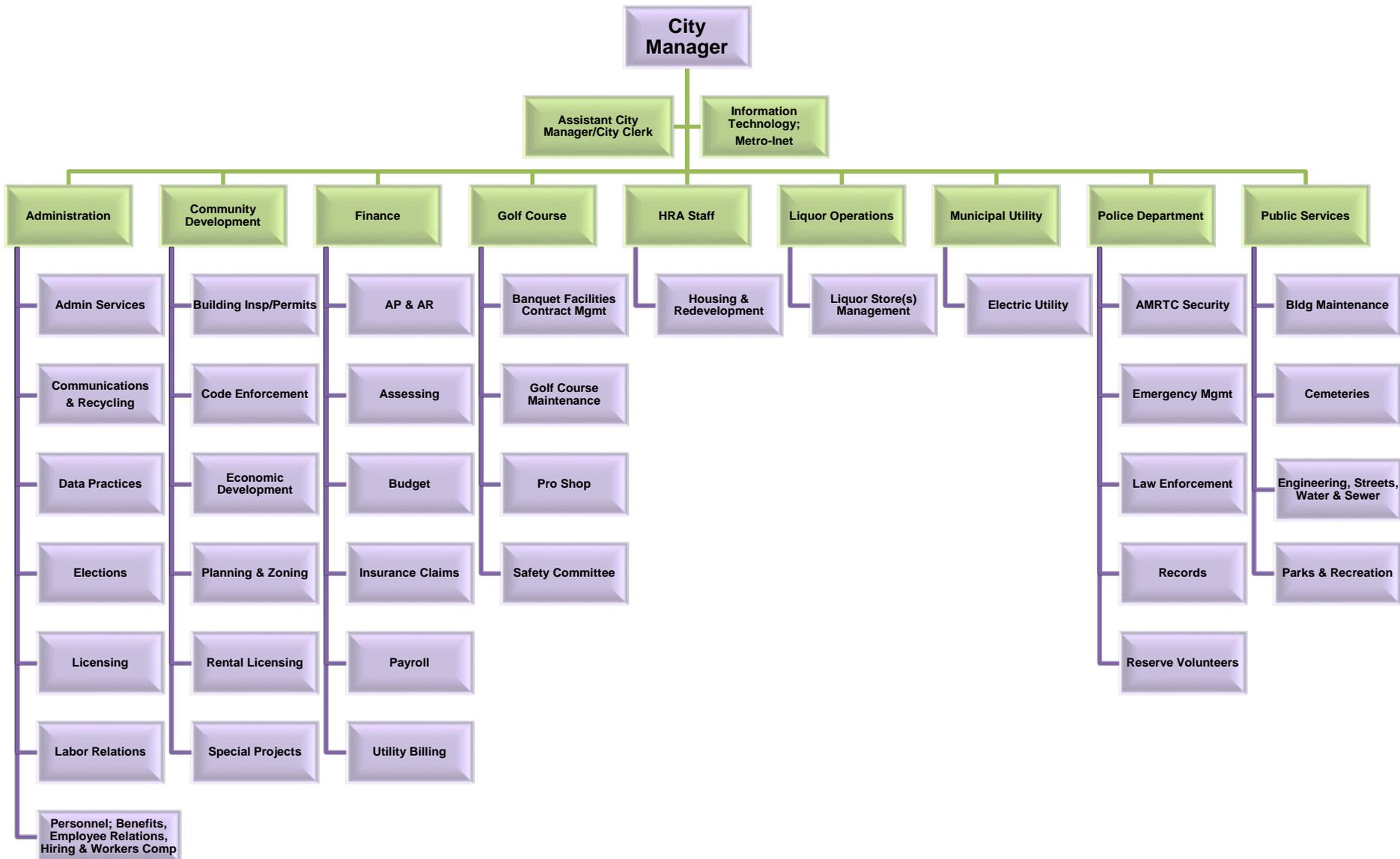
<u>Employee</u>	<u>Position</u>
Greg Lee	City Manager
Scott Baumgartner	Attorney
Greg Geiger	Electric Utility Director
Brenda Smith	Finance Director
Charlie Thompson	Fire Chief
Larry Norland	Golf Manager
Dave Duwenhoegger	Liquor Operations Manager
Doug Borglund	Community Development Director
Eric Peterson	Police Chief

CITY OF ANOKA, MINNESOTA

City of Anoka Organizational Chart



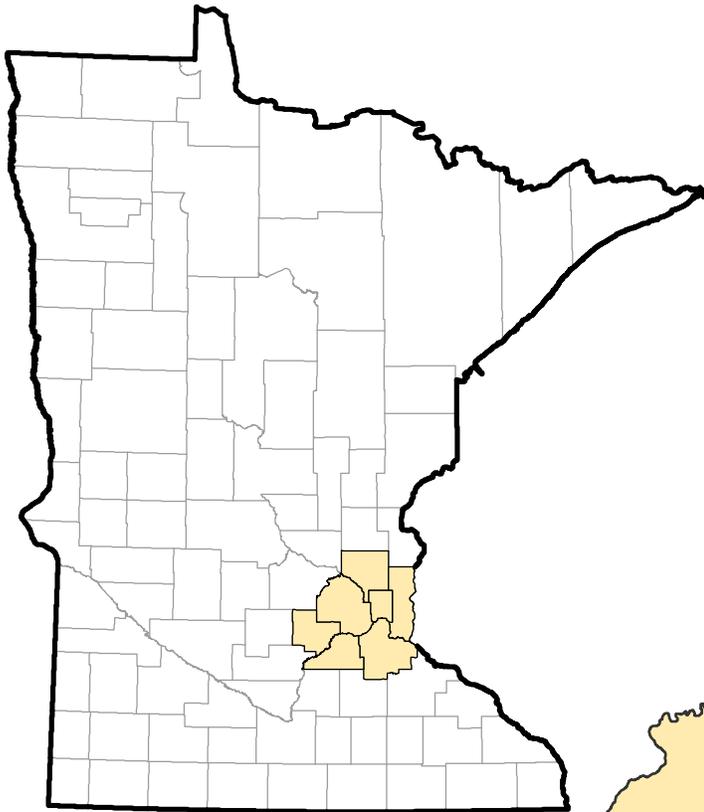
City of Anoka Organizational Chart



City of Anoka

Geographical Location

ANOKA
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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Anoka
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**City of Anoka
Minnesota**

For its Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



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Independent Auditor’s Report

City Council
City of Anoka
Anoka, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Anoka, Minnesota, (the “City”) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Anoka, Minnesota, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that management's discussion and analysis on pages 16-25, information about the City's net pension liability and other post-employment benefits on pages 75-79, and budgetary comparison information on pages 80-81, be presented to supplement the basic financial statements. Such information, 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, the combining internal service fund statements, supplemental financial schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the combining internal service fund statements, and supplemental financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the combining and individual nonmajor fund financial statements, the combining internal service fund statements, and supplemental financial schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2018 on our consideration of the City's internal control over financial reporting and on our tests of 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 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 the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Minneapolis, Minnesota
June 18, 2018



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Management's Discussion and Analysis

As management of the City of Anoka (the City), we offer readers of the City of Anoka's financial statements this narrative overview and analysis of the financial activities of the City of Anoka for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

Financial Highlights

- At the close of 2017, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$147,263,356 (net position). Of this amount, \$18,520,957 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position increased by \$4,494,103, or 3.15%.
- As of the close of the current fiscal year, the City of Anoka's governmental funds reported combined ending fund balances of \$7,333,865, which is a decrease of \$3,355,125 from 2016.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,681,652, or 41.3% percent of total general fund expenditures.
- The City of Anoka's total bonded debt decreased by \$2,415,000 during the current fiscal year.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City of Anoka's basic financial statements. The City of Anoka's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Anoka's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Anoka's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Anoka is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Anoka that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Anoka include general government, public safety, public works, and parks and recreation. The business-type activities of the City of Anoka include electric, water, sanitary sewer, liquor, golf, storm drainage, refuse, and recycling. The government-wide financial statements can be found on pages 26 and 27 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Anoka, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Anoka can be divided into three 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 financial 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 City's near-term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Anoka maintains six individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Street Renewal Fund, Commuter Rail Transit Village Tax Increment Fund, Greens of Anoka Tax Increment Fund, and the South Ferry Tax Increment Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The City of Anoka adopts an annual appropriated budget for its general and special revenue funds, except for the Police Forfeiture Fund. A budgetary comparison statement has been provided for budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-31 of this report.

Proprietary funds. The City of Anoka maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Anoka uses enterprise funds to account for its electric, water, sewer, liquor, golf, storm drainage, refuse, and recycling. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City of Anoka's various functions. The City of Anoka uses internal service funds to account for its information technology, general risk management, employee benefits, and vehicle/equipment fleet. These services benefit governmental and business-type functions, and they have been included within both governmental activities and business-type functions in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail, and exclude internal service fund allocations. The proprietary fund financial statements provide separate information for the electric, water, storm drainage, and liquor operations, which are considered to be major funds of the City of Anoka. Sewer, golf, refuse, and recycling are considered non-major funds and are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for these funds are provided in the form of combining statements elsewhere in this report.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 32-37 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City of Anoka's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 38 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 39 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds, enterprise funds, and internal service funds and the component unit are presented immediately following the required basic financial statements and required supplementary information. Combining and individual fund statements and schedules can be found starting on page 83 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Anoka, at the close of 2017 assets plus deferred outflows exceeded liabilities plus deferred inflows by \$147,263,356.

The largest portion of the City of Anoka's net position (85% percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Anoka uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Anoka's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Anoka Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 13,442,864	\$ 14,594,924	\$ 25,052,107	\$ 25,427,308	\$ 38,494,971	\$ 40,022,232
Capital assets	93,383,668	90,376,953	45,454,561	43,651,348	138,838,229	134,028,301
Total Assets	<u>106,826,532</u>	<u>104,971,877</u>	<u>70,506,668</u>	<u>69,078,656</u>	<u>177,333,200</u>	<u>174,050,533</u>
Deferred outflows of resources	<u>5,646,652</u>	<u>8,773,908</u>	<u>857,503</u>	<u>1,576,443</u>	<u>6,504,155</u>	<u>10,350,351</u>
Current and other liabilities	2,331,673	3,379,909	4,116,705	4,027,419	6,448,378	7,407,328
Long-term liabilities	18,074,115	26,306,107	4,949,890	5,729,329	23,024,005	32,035,436
Total liabilities	<u>20,405,788</u>	<u>29,686,016</u>	<u>9,066,595</u>	<u>9,756,748</u>	<u>29,472,383</u>	<u>39,442,764</u>
Deferred inflows of resources	<u>6,520,784</u>	<u>1,737,884</u>	<u>580,832</u>	<u>450,983</u>	<u>7,101,616</u>	<u>2,188,867</u>
Net Position	<u>\$ 85,546,612</u>	<u>\$ 82,321,885</u>	<u>\$ 61,716,744</u>	<u>\$ 60,447,368</u>	<u>\$ 147,263,356</u>	<u>\$ 142,769,253</u>
Net investment in capital assets	\$ 81,699,387	\$ 75,833,210	\$ 43,686,972	\$ 41,570,574	\$ 125,386,359	\$ 117,403,784
Restricted:						
Debt	162,654	1,553,640	-	225,563	162,654	1,779,203
Tax Increment	3,193,386	3,621,272	-	-	3,193,386	3,621,272
Unspent bond proceeds	-	-	-	1,012,308	-	1,012,308
Unrestricted	491,185	1,313,763	18,029,772	17,638,923	18,520,957	18,952,686
Total net position	<u>\$ 85,546,612</u>	<u>\$ 82,321,885</u>	<u>\$ 61,716,744</u>	<u>\$ 60,447,368</u>	<u>\$ 147,263,356</u>	<u>\$ 142,769,253</u>

The net position of the City of Anoka increased by \$4,494,103. The primary reason for the increase in net position is the reduction in the GASB 68 pension liability. The reduction reflects better than anticipated returns on PERA pension plans in the program year. Details regarding reported pension expense can be found in the note on page 66 and schedules on pages 76-79. A small portion of the City of Anoka's net position, 2.3%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$18,520,957 may be used to meet the City's ongoing obligations to citizens and creditors. Net investment in capital assets increased by \$7,982,575, or 6.8%, due to reduction in debt associated with capital assets, as well as continued capital outlay to city infrastructure. The City used a combination of grants and available funds for investment in capital assets. Net position restricted for debt service decreased \$1,616,549, net position restricted for tax increments decreased by \$427,886 and net position restricted for infrastructure decreased \$1,012,308 for a net decrease in restricted net position of \$3,056,743.

At the end of the current fiscal year, the City of Anoka is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities.

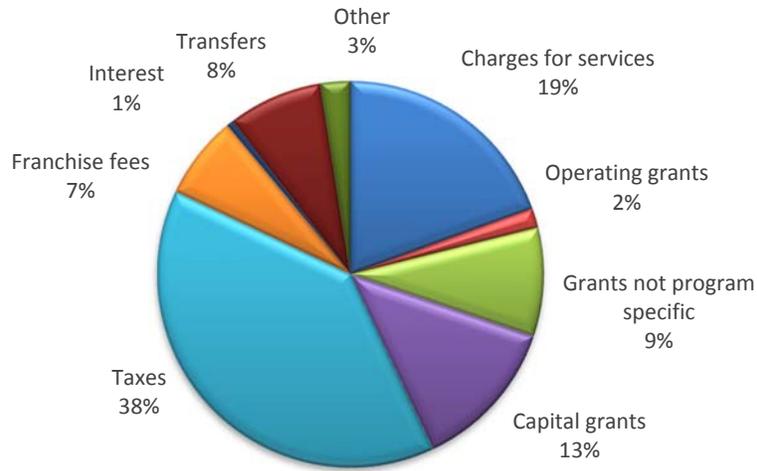
Governmental Activities

Governmental activities account for just over 58% of the City of Anoka's net position. For the year ending December 31 2017, there is an increase in net position for governmental activities of \$3,224,727. Total revenues for governmental activities amounted to \$16,793,732; transfers in were \$1,500,000. Total expenses were \$15,440,292. Key elements of the decrease in net position are as follows.

	City of Anoka's Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 3,649,090	\$ 3,114,732	\$ 38,035,368	\$ 37,672,927	\$ 41,684,458	\$ 40,787,659
Operating grants and contributions	310,718	295,741	61,796	56,042	372,514	351,783
Capital grants and contributions	2,412,774	187,695	-	-	2,412,774	187,695
General revenues:						
Property taxes	7,177,145	6,863,671	-	-	7,177,145	6,863,671
Franchise taxes	1,315,417	1,334,186	-	-	1,315,417	1,334,186
Grants and contributions not restricted	1,719,554	1,712,178	-	-	1,719,554	1,712,178
Investment income, net	104,574	62,064	327,960	290,001	432,534	352,065
Other	104,460	84,074	561,204	451,212	665,664	535,286
Total revenues	<u>16,793,732</u>	<u>13,654,341</u>	<u>38,986,328</u>	<u>38,470,182</u>	<u>55,780,060</u>	<u>52,124,523</u>
Expenses:						
General government	2,606,360	2,581,670	-	-	2,606,360	2,581,670
Public safety	6,434,580	7,296,891	-	-	6,434,580	7,296,891
Public works	2,927,491	2,778,563	-	-	2,927,491	2,778,563
Park and recreation	2,963,585	2,455,616	-	-	2,963,585	2,455,616
Interest on debt	508,276	557,369	-	-	508,276	557,369
Electric	-	-	26,685,242	26,193,102	26,685,242	26,193,102
Water	-	-	1,329,635	1,408,208	1,329,635	1,408,208
Sewer	-	-	2,260,974	2,202,166	2,260,974	2,202,166
Liquor	-	-	4,267,203	4,038,791	4,267,203	4,038,791
Golf	-	-	1,107,911	1,073,673	1,107,911	1,073,673
Storm drainage	-	-	188,734	268,033	188,734	268,033
Refuse	-	-	112,193	116,745	112,193	116,745
Recycling	-	-	297,525	293,927	297,525	293,927
Total expenses	<u>15,440,292</u>	<u>15,670,109</u>	<u>36,249,417</u>	<u>35,594,645</u>	<u>51,689,709</u>	<u>51,264,754</u>
Gain (Loss) on disposal of capital assets	<u>371,287</u>	<u>(399,610)</u>	<u>32,465</u>	<u>8,562</u>	<u>403,752</u>	<u>(391,048)</u>
Increase in net position before transfers and contributed capital	<u>1,724,727</u>	<u>(2,415,378)</u>	<u>2,769,376</u>	<u>2,884,099</u>	<u>4,494,103</u>	<u>468,721</u>
Transfers	<u>1,500,000</u>	<u>1,424,000</u>	<u>(1,500,000)</u>	<u>(1,424,000)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>3,224,727</u>	<u>(991,378)</u>	<u>1,269,376</u>	<u>1,460,099</u>	<u>4,494,103</u>	<u>468,721</u>
Net assets on Jan. 1	<u>82,321,885</u>	<u>83,313,263</u>	<u>60,447,368</u>	<u>58,987,269</u>	<u>142,769,253</u>	<u>142,300,532</u>
Net position on Dec. 31	<u>\$ 85,546,612</u>	<u>\$ 82,321,885</u>	<u>\$ 61,716,744</u>	<u>\$ 60,447,368</u>	<u>\$ 147,263,356</u>	<u>\$ 142,769,253</u>

Following are specific graphs that provide comparisons of the governmental activities revenues and expenses.

Revenue Sources - Governmental Activities



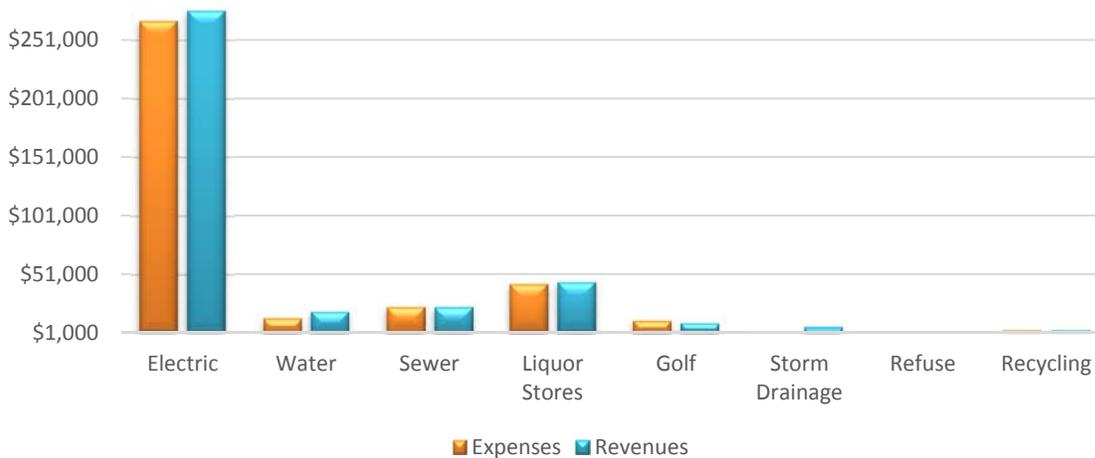
- Total property taxes increased \$313,474 during the year, which is due to a tax levy increase, as well as increased property values within the City.
- Charges for service increased by \$534,358. Charges for services vary every year, because they are based on projects occurring throughout the city. The large increase this year was primarily a result of increased service availability charges and increased collections related to street renewal assessments.
- Capital grants and contributions increased \$2,225,079 as a result of increased aid for street projects.
- All governmental expenses, except interest on long-term debt, are supported with general revenues to a varying extent.

Expenses and Program Revenues - Governmental Activities



Business-type activities. Business-type net position increased by \$1,269,376. The increase is primarily associated with electric utility operations. Below is a graph showing the business-type activities revenue and expense comparisons.

Expenses and Program Revenues - Business Type Activities (in \$100's)



- Charges for services for business-type activities totaled \$38,035,368. The electric public utility accounts for 72.7% of the total. Overall business-type charges for services increased by \$362,441 when compared to 2016. There were changes in rate structure in the Sewer and Storm Drainage Funds in 2017. The Electric Fund continued a purchase power adjustment to the rate to cover power costs and operations with a budgeted rate increase and discontinuation of the purchased power adjustment set for 2018.
- Investment income in business-type activities increased again in 2017 by \$37,959 as a result of current market conditions.
- Operating expenses increased by \$654,772. Personal, professional, and contractual services all decreased in 2017. The electric utility also had decreased costs for purchased power and franchise fees. The majority of the increase in operating expenses arose from increased supply costs for electric utility, liquor stores, and golf course. Sanitary sewer disposal costs from the Met Council increased 3.9% in 2017 compared to 2016

Financial Analysis of the City's Funds

Governmental funds. The focus of the City of Anoka's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Anoka's financing requirements. In particular, 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.

At the end of the current fiscal year, the City of Anoka's governmental funds reported combined ending fund balances of \$7,333,865, a decrease of \$3,355,125. The decrease is the result of capital spending of \$7.5 million and planned retirement of debt of \$2.3 million. Of the total governmental fund balance, \$55,026 is nonspendable to indicate that it is not available for new spending, because it has already been spent on inventory, land held for resale, and prepaid maintenance contracts. The restricted fund balance also indicates that it is not available for new spending, because it has outside restrictions for land held for resale, advances to other funds, debt service, and tax increment.

The General Fund is the chief operating fund of the City of Anoka. At the end of the current year, unassigned fund balance of the General Fund was \$4,681,652, while total fund balance was \$4,736,678. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 41.3% of total General Fund expenditures.

The fund balance of the City's General Fund increased by \$165,840 during the current year. Actual revenues in the General Fund were over budgeted revenues by \$125,409. Actual expenditures were under budget by \$194,981. With improvements in the economy, the city strives to stay competitive to retain and attract new employees by keeping salary and benefits comparable to other cities this size. The majority of the expenditures under budget occurred as a result of lower than expected contractual costs. Departments continue to create better efficiencies through new technological uses and streamlining processes. Key factors are as follows:

- The General Fund tax levy for 2017 increased \$343,655 from the tax levy in 2016. Actual General Fund tax revenues in 2017 were up \$387,078 compared to 2016.
- The City's General Fund licenses and permits revenues decreased by \$32,568 when compared to 2016 as a result of new developments reaching completion. Governmental aid from the state increased \$55,197 over 2016.
- General Fund expenditures were \$628,063 higher than 2016 due to planned increases in personal and capital expenditures.

The Debt Service Fund balance is \$544,057, which is a decrease of \$1,447,134 from 2016. This decrease is the result of retirement of debt. The Street Renewal Fund balance is \$35,819, a decrease of \$816,321. The fund received a \$600,000 transfer from the Electric Fund. The Commuter Rail Transit Village Tax Increment Fund has a deficit fund balance of \$2,984,776. This fund will see additional tax revenues generated in the future to pay for internal loans and infrastructure projects. The Greens of Anoka Tax Increment Fund deficit is \$1,501,849. This fund will also see tax revenues generated in 2018 and beyond to pay the internal loan for road projects in this district. The South Ferry Tax Increment Fund deficit is \$1,426,787. This fund will see future tax revenues and transfers from other districts to pay for activity in this district.

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

The unrestricted net position in the respective major proprietary funds are Electric - \$14,803,421; Water - \$1,828,235; Liquor - \$945,778; and Storm Drainage - \$118,841. Most propriety funds had increases in net position in 2017, with the exception of Golf and Refuse funds due to operating losses of \$191,071 in Golf and \$4,816 in Refuse.

Budgetary Highlights

General Fund

The amendment to the original revenue budget for the General Fund in 2017 was a decrease of \$189,550 to reflect the budgeted use of fund balance. Actual revenues exceeded the final budget by \$125,409.

The amendments to the original expenditure budget for the General Fund in 2017 resulted in a decrease of \$35,000. Actual expenditures were under the final budget amount of \$194,981. Highlights of expenditure variances from the 2017 budget are summarized as follows:

- General government activities under budget by \$94,404
- Public safety activities under budget by \$39,409
- Public works activities under budget by \$27,964
- Parks and recreation under budget by \$33,204

Capital Assets and Debt Administration

Capital assets. The City of Anoka's investment in capital assets for its governmental and business type activities as of December 31, 2017, amounts to \$138,838,229 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, furniture, machinery, and equipment. The total increase in the City of Anoka's investment in capital assets for the current fiscal year was 5.2%, or \$6,860,905. There is a 5.7% increase in governmental activities investment in capital assets and a 4.1% increase for business-type activities investment in capital assets.

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

- \$4.6 million in street renewal and improvement projects
- \$2.4 million in water, sewer, and storm drain infrastructure improvements
- \$1.6 million in electric infrastructure improvements

The capital assets note (see Note 7) to the financial statements, which begins on page 56 of this report, provides more detailed information on capital asset activity.

City of Anoka's Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 9,025,301	\$ 8,844,435	\$ 1,289,095	\$ 1,289,095	\$ 10,314,396	\$ 10,133,530
Construction in progress	7,142,562	2,066,511	111,956	111,956	7,254,518	2,178,467
Infrastructure	53,442,528	53,591,499	39,710,562	38,015,011	93,153,090	91,606,510
Buildings and structures	20,027,720	20,459,143	1,642,227	1,621,084	21,669,947	22,080,227
Machinery and equipment	3,562,070	3,178,538	1,692,760	1,531,176	5,254,830	4,709,714
Furniture and equipment	183,487	185,850	53,404	71,013	236,891	256,863
Other improvements	-	-	954,557	1,012,013	954,557	1,012,013
Total capital assets	<u>\$ 93,383,668</u>	<u>\$ 88,325,976</u>	<u>\$ 45,454,561</u>	<u>\$ 43,651,348</u>	<u>\$ 138,838,229</u>	<u>\$ 131,977,324</u>

Long-term debt. At the end of the current fiscal year, the City of Anoka had total long-term debt outstanding of \$10,820,000. The City has \$9,110,000 of long-term debt for tax increment, public safety buildings, and public facilities. In addition, \$2,308,137 due to the Met Council for purchasing property for a future Highway Ten improvement project is also included as governmental activity debt. The City has business-type activity long-term debt in the amount of \$1,710,000 in the Storm Drainage Fund for storm drain improvements.

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 9,110,000	\$ 11,215,000	\$ -	\$ -	\$ 9,110,000	\$ 11,215,000
Revenue bonds	-	-	1,710,000	2,020,000	1,710,000	2,020,000
Met Council loan	2,308,137	2,502,460	-	-	2,308,137	2,502,460
Total outstanding debt	<u>\$ 11,418,137</u>	<u>\$ 13,717,460</u>	<u>\$ 1,710,000</u>	<u>\$ 2,020,000</u>	<u>\$ 13,128,137</u>	<u>\$ 15,737,460</u>

The City of Anoka's total debt decreased by \$2,609,323 during the current year. The City extinguished the public facility bond and water refunding bonds in 2017. The City has long-term debt payable to the Met Council. This debt is considered long term, since it is unknown when improvements will be made to Highway Ten. The City of Anoka maintains a bond rating of AA+ from Standard and Poor's for general obligation and revenue bond debt.

State statutes limit the amount of general obligation debt a Minnesota city may issue to 3% of total estimated market value. The current debt limitation for the City of Anoka is \$40,863,480. The City's current outstanding debt that applies to the limitation is \$13,128,137, and only \$2,770,943 of this amount is counted within the statutory limitation, since the other debt is either wholly or partially financed by revenues or sources other than a general tax levy. Additional information on the City of Anoka's long-term debt can be found in Note 8 starting on page 57 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in the Anoka County is currently estimated at 3.1%, compared with 3.9% a year ago. Overall, unemployment in the state of Minnesota is estimated at 3.4% and for the United States at 3.9%.
- The occupancy rate for industrial properties city-wide is 97.8%. The City's industrial park district is maintaining about a 96.5% occupancy rate.

These factors and other factors were considered when the City of Anoka prepared its 2018 budget.

At the end of 2017, total unassigned fund balance in the General Fund was \$4,681,652. The nonspendable fund balance of \$55,026 is for inventories, prepaid items, and land held for resale. The City's 2018 total tax levy increased \$197,105 or 2.97% over last year.

The General Fund budgeted revenues (excluding uses of fund balance) are increasing by a total of 4.4% in 2018. Total general fund budgeted expenditures increased 2.8% in 2018. The General Fund expenditures include transfer to debt service of \$565,000. General Fund expenditures have remained relatively the same over the past couple years.

In 2018, the electric utility rate will increase 10% to offset increased cost of purchased power, but the elimination of the purchased power adjustment means the net increase to the variable rate is approximately 3%. The sewer utility rate will increase by 9.8%, and the storm drainage utility rate will increase by approximately 11% to help offset infrastructure costs in the future.

Requests for information. This financial report is designed to provide a general overview of the City of Anoka's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 2015 1st Avenue, Anoka, MN 55303.

CITY OF ANOKA, MINNESOTA

**STATEMENT OF NET POSITION
DECEMBER 31, 2017**

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		HRA
Assets and Deferred Outflows of Resources				
Current assets:				
Cash and investments	\$ 11,438,089	\$ 12,181,723	\$ 23,619,812	\$ 1,004,661
Taxes receivable	139,972	-	139,972	8,554
Accounts receivable	905,141	3,963,651	4,868,792	343,185
Special assessments receivable	-	4,847	4,847	-
Accrued interest receivable	33,540	56,272	89,812	4,393
Internal balances	(7,175,260)	7,175,260	-	-
Inventories	51,161	1,670,354	1,721,515	-
Prepaid items	28,308	-	28,308	-
Land held for resale	5,662,310	-	5,662,310	1,425,500
Total current assets	11,083,261	25,052,107	36,135,368	2,786,293
Noncurrent assets:				
Special assessments receivable	2,359,603	-	2,359,603	-
Nondepreciable capital assets	16,167,863	1,401,051	17,568,914	237,058
Capital assets - Net of depreciation:				
Infrastructure	53,442,528	39,710,562	93,153,090	546,074
Buildings and structures	20,027,720	1,642,227	21,669,947	-
Machinery, vehicles, and equipment	3,562,070	1,692,760	5,254,830	-
Furniture and equipment	183,487	53,404	236,891	-
Other improvements	-	954,557	954,557	-
Total noncurrent assets	95,743,271	45,454,561	141,197,832	783,132
Total assets	106,826,532	70,506,668	177,333,200	3,569,425
Deferred outflows of resources:				
Deferred pension resources	5,646,652	857,503	6,504,155	8,176
Total assets and deferred outflows of resources	\$ 112,473,184	\$ 71,364,171	\$ 183,837,355	\$ 3,577,601
Liabilities, Deferred Inflows of Resources, and Net Position				
Current liabilities:				
Accounts payable	\$ 834,311	\$ 2,538,515	\$ 3,372,826	\$ 254,440
Accrued wages payable	314,908	139,864	454,772	3,884
Due to other governments	555	-	555	-
Accrued interest payable	115,259	17,271	132,530	-
Deposits	-	1,181,029	1,181,029	-
Unearned revenue	373,640	94,526	468,166	-
Current portion of compensated absences payable	18,000	60,500	78,500	-
Current portion of long-term liabilities	675,000	85,000	760,000	-
Total current liabilities	2,331,673	4,116,705	6,448,378	258,324
Noncurrent liabilities:				
Compensated absences payable	791,175	238,893	1,030,068	2,295
Net other postemployment benefit obligation	206,819	-	206,819	-
Noncurrent portion of long-term liabilities	11,009,281	1,682,589	12,691,870	-
Net pension liability	6,066,840	3,028,408	9,095,248	42,540
Total noncurrent liabilities	18,074,115	4,949,890	23,024,005	44,835
Total liabilities	20,405,788	9,066,595	29,472,383	303,159
Deferred inflows of resources:				
Deferred pension resources	6,520,784	580,832	7,101,616	10,421
Net Position:				
Net investment in capital assets	81,699,387	43,686,972	125,386,359	783,132
Restricted for Debt Service	162,654	-	162,654	-
Restricted for Tax Increment	3,193,386	-	3,193,386	1,913,620
Unrestricted	491,185	18,029,772	18,520,957	567,269
Total net position	85,546,612	61,716,744	147,263,356	3,264,021
Total liabilities, deferred inflows of resources, and net position	\$ 112,473,184	\$ 71,364,171	\$ 183,837,355	\$ 3,577,601

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit HRA
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business - Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 2,606,360	\$ 251,317	\$ -	\$ -	\$ (2,355,043)	\$ -	\$ (2,355,043)	
Public safety	6,434,580	1,206,524	299,540	-	(4,928,516)	-	(4,928,516)	
Public works	2,927,491	1,627,532	-	2,359,127	1,059,168	-	1,059,168	
Parks and recreation	2,963,585	563,717	11,178	53,647	(2,335,043)	-	(2,335,043)	
Interest on long-term debt	508,276	-	-	-	(508,276)	-	(508,276)	
Total governmental activities	<u>15,440,292</u>	<u>3,649,090</u>	<u>310,718</u>	<u>2,412,774</u>	<u>(9,067,710)</u>	<u>-</u>	<u>(9,067,710)</u>	
Business-type activities:								
Electric	26,685,242	27,649,947	-	-	-	964,705	964,705	
Water	1,329,635	1,887,801	-	-	-	558,166	558,166	
Sewer	2,260,974	2,249,203	-	-	-	(11,771)	(11,771)	
Liquor Stores	4,267,203	4,428,648	-	-	-	161,445	161,445	
Golf	1,107,911	913,608	-	-	-	(194,303)	(194,303)	
Storm Drainage	188,734	559,706	-	-	-	370,972	370,972	
Refuse	112,193	106,540	-	-	-	(5,653)	(5,653)	
Recycling	297,525	239,915	61,796	-	-	4,186	4,186	
Total business-type activities	<u>36,249,417</u>	<u>38,035,368</u>	<u>61,796</u>	<u>-</u>	<u>-</u>	<u>1,847,747</u>	<u>1,847,747</u>	
Total primary government	<u>51,689,709</u>	<u>41,684,458</u>	<u>372,514</u>	<u>2,412,774</u>	<u>(9,067,710)</u>	<u>1,847,747</u>	<u>(7,219,963)</u>	
Component unit:								
HRA	<u>221,378</u>	<u>5,195</u>	<u>-</u>	<u>-</u>				<u>(216,183)</u>
General revenues:								
Taxes:								
Property taxes, levied for general purposes					6,635,017	-	6,635,017	228,401
Property taxes, levied for debt service					(2,006)	-	(2,006)	-
Property taxes, levied for tax increment					544,134	-	544,134	317,057
Franchise taxes					1,315,417	-	1,315,417	-
Grants, aid, and contributions not restricted to specific programs					1,719,554	-	1,719,554	-
Investment income, net					104,574	327,960	432,534	11,708
Gain on disposal of capital assets					371,287	32,465	403,752	-
Other					104,460	561,204	665,664	55,895
Transfers					1,500,000	(1,500,000)	-	-
Total general revenues and transfers					<u>12,292,437</u>	<u>(578,371)</u>	<u>11,714,066</u>	<u>613,061</u>
Change in net position					<u>3,224,727</u>	<u>1,269,376</u>	<u>4,494,103</u>	<u>396,878</u>
Net position - Beginning of year					<u>82,321,885</u>	<u>60,447,368</u>	<u>142,769,253</u>	<u>2,867,143</u>
Net position - End of year					<u>85,546,612</u>	<u>61,716,744</u>	<u>147,263,356</u>	<u>3,264,021</u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Street Renewal</u>	<u>Commuter Rail Transit Village Tax Increment</u>	<u>Greens of Anoka Tax Increment</u>	<u>South Ferry Tax Increment</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS								
Cash and investments	\$ 5,115,659	\$ 542,493	\$ 21,174	\$ 52,780	\$ 597,979	\$ 61,679	\$ 3,145,875	\$ 9,537,639
Receivables, net:								
Taxes	124,725	1,934	-	1,760	19	11,534	-	139,972
Special assessments	4,725	-	2,354,878	-	-	-	-	2,359,603
Accounts receivable	58,114	-	73,687	-	215,656	-	63,413	410,870
Due from other funds	136,872	-	-	-	-	-	261	137,133
Accrued interest	18,329	2,102	(5,552)	-	-	-	12,458	27,337
Advance to other funds	-	-	-	-	-	-	970,000	970,000
Inventories	14,718	-	-	-	-	-	-	14,718
Prepaid items	18,308	-	-	-	-	-	-	18,308
Land held for resale	22,000	-	230,000	432,331	639,312	-	4,338,667	5,662,310
Total assets	<u>\$ 5,513,450</u>	<u>\$ 546,529</u>	<u>\$ 2,674,187</u>	<u>\$ 486,871</u>	<u>\$ 1,452,966</u>	<u>\$ 73,213</u>	<u>\$ 8,530,674</u>	<u>\$ 19,277,890</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 224,995	\$ 450	\$ 302,417	\$ -	\$ 69,140	\$ -	\$ 92,732	\$ 689,734
Accrued wages payable and other benefits	304,972	-	-	-	-	-	3,029	308,001
Due to other funds	-	-	5,325	-	-	-	501,068	506,393
Due to other governments	-	-	555	-	-	-	-	555
Unearned revenue	154,862	-	-	-	215,656	-	3,122	373,640
Advance from other funds	-	-	-	3,470,000	2,670,000	1,500,000	-	7,640,000
Total liabilities	<u>684,829</u>	<u>450</u>	<u>308,297</u>	<u>3,470,000</u>	<u>2,954,796</u>	<u>1,500,000</u>	<u>599,951</u>	<u>9,518,323</u>
Deferred inflows of resources:								
Unavailable revenue-Property taxes	91,943	2,022	-	1,647	19	-	-	95,631
Unavailable revenue-Special assessments	-	-	2,330,071	-	-	-	-	2,330,071
Total deferred inflows of resources	<u>91,943</u>	<u>2,022</u>	<u>2,330,071</u>	<u>1,647</u>	<u>19</u>	<u>-</u>	<u>-</u>	<u>2,425,702</u>
Fund balances:								
Nonspendable	55,026	-	-	-	-	-	-	55,026
Restricted	-	544,057	-	432,331	639,312	-	5,524,619	7,140,319
Committed	-	-	-	-	-	-	2,171,886	2,171,886
Assigned	-	-	230,000	-	-	-	778,685	1,008,685
Unassigned	4,681,652	-	(194,181)	(3,417,107)	(2,141,161)	(1,426,787)	(544,467)	(3,042,051)
Total fund balances	<u>4,736,678</u>	<u>544,057</u>	<u>35,819</u>	<u>(2,984,776)</u>	<u>(1,501,849)</u>	<u>(1,426,787)</u>	<u>7,930,723</u>	<u>7,333,865</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,513,450</u>	<u>\$ 546,529</u>	<u>\$ 2,674,187</u>	<u>\$ 486,871</u>	<u>\$ 1,452,966</u>	<u>\$ 73,213</u>	<u>\$ 8,530,674</u>	<u>\$ 19,277,890</u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

DECEMBER 31, 2017

Total governmental fund balances	\$ 7,333,865
Amounts reported for governmental activities in the statement of net position (page 26) are different because:	
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and are not reported in the funds.	91,623,978
Long-term liabilities, including bonds payable and related premiums, are not due and payable in the current period and, therefore, are not reported in the funds.	(11,684,281)
Internal service funds are used by management to charge the costs of fleet management, payroll benefits, insurance, and management information systems to individual funds. The assets and liabilities of the internal services funds are included in governmental activities in the statement of net position.	3,110,398
The net pension liability and related deferred inflows and deferred outflows are recorded only in the government-wide statement of net position.	(6,940,972)
The liability recorded for other postemployment benefits are not due and payable in the current period and, therefore, are not recorded in the governmental funds.	(206,819)
Governmental funds do not report a liability for accrued interest until due and payable.	(115,259)
Deferred inflows are not available to pay for current period expenditures and, therefore, are deferred in the funds.	<u>2,425,702</u>
Net position of the governmental activities	<u>\$ 85,546,612</u>

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Street Renewal</u>	<u>Commuter Rail Transit Village Tax Increment</u>	<u>Greens of Anoka Tax Increment</u>	<u>South Ferry Tax Increment</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Revenues:								
Taxes	\$ 6,654,637	\$ 1,664	\$ -	\$ 198,822	\$ 222,678	\$ 26,905	\$ 118,083	\$ 7,222,789
Special assessments	-	-	937,857	-	-	-	-	937,857
Licenses and permits	438,588	-	13,118	-	-	-	59,160	510,866
Fines and forfeitures	63,351	-	-	-	-	-	41,870	105,221
Intergovernmental	2,215,682	-	1,120,000	-	710,000	-	341,133	4,386,815
Charges for current services	1,120,379	-	-	-	-	-	221,561	1,341,940
Franchise fees	946,078	-	369,339	-	-	-	-	1,315,417
Investment income	28,670	5,459	(1,037)	-	-	-	31,701	64,793
Net increase (loss) in fair value of investments	443	15,872	20,183	-	-	-	3,282	39,780
Miscellaneous	215,706	-	123,995	-	-	-	236,482	576,183
Total revenues	<u>11,683,534</u>	<u>22,995</u>	<u>2,583,455</u>	<u>198,822</u>	<u>932,678</u>	<u>26,905</u>	<u>1,053,272</u>	<u>16,501,661</u>
Expenditures:								
Current:								
General government	1,859,458	2,775	-	11,986	58,328	9,362	28,642	1,970,551
Public safety	5,651,201	-	-	-	-	-	74,447	5,725,648
Public works	1,292,121	-	4,264	-	-	-	87,250	1,383,635
Parks and recreation	2,107,354	-	-	-	-	-	115,351	2,222,705
Capital outlay	427,560	-	3,995,512	-	1,129,863	181,066	1,827,787	7,561,788
Debt service:								
Principal retirement	-	2,105,000	-	-	-	-	194,323	2,299,323
Interest and fiscal charges	-	322,354	-	97,300	75,732	53,945	15,092	564,423
Total expenditures	<u>11,337,694</u>	<u>2,430,129</u>	<u>3,999,776</u>	<u>109,286</u>	<u>1,263,923</u>	<u>244,373</u>	<u>2,342,892</u>	<u>21,728,073</u>
Excess (deficiency) of revenues over (under) expenditures	<u>345,840</u>	<u>(2,407,134)</u>	<u>(1,416,321)</u>	<u>89,536</u>	<u>(331,245)</u>	<u>(217,468)</u>	<u>(1,289,620)</u>	<u>(5,226,412)</u>
Other financing sources (uses) including transfers:								
Transfer in	400,000	960,000	600,000	-	-	150,000	770,000	2,880,000
Transfer out	(580,000)	-	-	-	-	-	(800,000)	(1,380,000)
Proceeds from sale of asset	-	-	-	-	-	-	371,287	371,287
Total other financing sources (uses)	<u>(180,000)</u>	<u>960,000</u>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>341,287</u>	<u>1,871,287</u>
Net changes in fund balances	165,840	(1,447,134)	(816,321)	89,536	(331,245)	(67,468)	(948,333)	(3,355,125)
Fund balances (deficits) at beginning of year	<u>4,570,838</u>	<u>1,991,191</u>	<u>852,140</u>	<u>(3,074,312)</u>	<u>(1,170,604)</u>	<u>(1,359,319)</u>	<u>8,879,056</u>	<u>10,688,990</u>
Fund balances (deficits) at end of year	<u>\$ 4,736,678</u>	<u>\$ 544,057</u>	<u>\$ 35,819</u>	<u>\$ (2,984,776)</u>	<u>\$ (1,501,849)</u>	<u>\$ (1,426,787)</u>	<u>\$ 7,930,723</u>	<u>\$ 7,333,865</u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

FOR FISCAL YEAR ENDED DECEMBER 31, 2017

Net change in fund balances - Total governmental funds (page 30)	\$ (3,355,125)
Amounts reported for government activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	4,716,061
Net pension obligations reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds until actually due.	(498,653)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	269,841
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt-related items.	2,299,323
Interest expense accrued on bonds payable that is reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.	56,147
Net other postemployment benefit obligation reported in the statement of activities does not require the use of current financial resources and is not reported as expenditures in governmental funds until actually due.	(53,412)
Internal service funds are used by management to charge the costs of fleet management, insurance, employee benefits, and management information systems to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	<u>(209,455)</u>
Change in net position of governmental activities (page 27)	<u>\$ 3,224,727</u>

CITY OF ANOKA, MINNESOTA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Liquor	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Assets:							
Current assets:							
Cash and cash equivalents	\$ 8,226,120	\$ 1,960,122	\$ 1,198,304	\$ 177,766	\$ 619,411	\$ 12,181,723	\$ 1,900,450
Receivables, net:							
Special assessments	4,847	-	-	-	-	4,847	-
Accounts receivable	3,409,561	179,623	-	70,750	303,717	3,963,651	494,271
Accrued interest	35,828	10,941	4,786	689	4,028	56,272	6,203
Due from other funds	381,393	-	-	-	-	381,393	-
Inventory	944,710	-	684,420	-	41,224	1,670,354	36,443
Prepaid items	-	-	-	-	-	-	10,000
Advance to other funds	6,670,000	-	-	-	-	6,670,000	-
Total current assets	<u>19,672,459</u>	<u>2,150,686</u>	<u>1,887,510</u>	<u>249,205</u>	<u>968,380</u>	<u>24,928,240</u>	<u>2,447,367</u>
Noncurrent assets:							
Land and improvements	806,267	111,956	311,392	-	171,436	1,401,051	-
Buildings and structures	2,415,647	1,124,314	1,334,659	-	426,443	5,301,063	50,000
Furniture and equipment	656,396	-	257,158	-	169,564	1,083,118	650,169
Machinery and automotive equipment	3,696,846	819,633	14,806	-	1,965,804	6,497,089	5,015,210
Distribution system	41,321,716	16,295,273	-	5,853,036	8,204,573	71,674,598	-
Other improvements	-	-	-	-	2,704,961	2,704,961	-
Total property	<u>48,896,872</u>	<u>18,351,176</u>	<u>1,918,015</u>	<u>5,853,036</u>	<u>13,642,781</u>	<u>88,661,880</u>	<u>5,715,379</u>
Accumulated depreciation	(25,372,798)	(8,980,018)	(1,261,685)	(674,757)	(6,918,061)	(43,207,319)	(3,955,689)
Total noncurrent assets	<u>23,524,074</u>	<u>9,371,158</u>	<u>656,330</u>	<u>5,178,279</u>	<u>6,724,720</u>	<u>45,454,561</u>	<u>1,759,690</u>
Total assets	<u>43,196,533</u>	<u>11,521,844</u>	<u>2,543,840</u>	<u>5,427,484</u>	<u>7,693,100</u>	<u>70,382,801</u>	<u>4,207,057</u>
Deferred outflows of resources:							
Deferred pension resources	457,274	90,945	136,033	8,137	165,114	857,503	-
Total assets and deferred outflows of resources	<u>\$ 43,653,807</u>	<u>\$ 11,612,789</u>	<u>\$ 2,679,873</u>	<u>\$ 5,435,621</u>	<u>\$ 7,858,214</u>	<u>\$ 71,240,304</u>	<u>\$ 4,207,057</u>
Liabilities:							
Current liabilities:							
Accounts payable	\$ 1,969,056	\$ 23,432	\$ 413,898	\$ 96,177	\$ 35,952	\$ 2,538,515	\$ 144,577
Accrued wages payable	85,310	12,882	21,140	-	20,532	139,864	6,907
Accrued interest payable	-	-	-	17,271	-	17,271	-
Due to other funds	-	-	-	-	-	-	12,133
Current portion of compensated absences payable	60,500	-	-	-	-	60,500	18,000
Current portion of bonds payable	-	-	-	85,000	-	85,000	-
Deposits	1,122,861	-	3,720	-	54,448	1,181,029	-
Unearned revenue	94,526	-	-	-	-	94,526	-
Total current liabilities	<u>3,332,253</u>	<u>36,314</u>	<u>438,758</u>	<u>198,448</u>	<u>110,932</u>	<u>4,116,705</u>	<u>181,617</u>
Noncurrent liabilities:							
Compensated absences payable	79,089	21,273	61,747	-	76,784	238,893	791,175
Bonds payable	-	-	-	1,682,589	-	1,682,589	-
Net pension liability	1,601,254	301,566	485,837	22,347	617,404	3,028,408	-
Total liabilities	<u>5,012,596</u>	<u>359,153</u>	<u>986,342</u>	<u>1,903,384</u>	<u>805,120</u>	<u>9,066,595</u>	<u>972,792</u>
Deferred inflows of resources:							
Deferred pension resources	313,716	54,243	91,423	2,706	118,744	580,832	-
Net position:							
Net investment in capital assets	23,524,074	9,371,158	656,330	3,410,690	6,724,720	43,686,972	1,759,690
Unrestricted	14,803,421	1,828,235	945,778	118,841	209,630	17,905,905	1,474,575
Total net position	<u>38,327,495</u>	<u>11,199,393</u>	<u>1,602,108</u>	<u>3,529,531</u>	<u>6,934,350</u>	<u>61,592,877</u>	<u>3,234,265</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 43,653,807</u>	<u>\$ 11,612,789</u>	<u>\$ 2,679,873</u>	<u>\$ 5,435,621</u>	<u>\$ 7,858,214</u>	<u>\$ 71,240,304</u>	<u>\$ 4,207,057</u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

**RECONCILIATION TO THE BALANCE SHEET OF THE PROPRIETARY FUNDS
TO THE STATEMENT OF NET POSITION
FOR FISCAL YEAR ENDED DECEMBER 31, 2017**

Net position - Total enterprise funds	\$ 61,592,877
Amounts reported for proprietary activities in the statement of net position (page 27) are different because:	
Internal service funds are used by management to charge the costs of fleet management, payroll benefits, insurance, and management information systems to individual funds. The assets and liabilities of the internal services funds are included in governmental activities in the statement of net position.	<u>123,867</u>
Net position of the business-type (page 27)	<u><u>\$ 61,716,744</u></u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Electric	Water	Liquor	Storm Drainage	Other Enterprise Funds		
Operating revenues:							
Charges for sales and services:							
Electric utility sales	\$ 27,487,642	\$ -	\$ -	\$ -	\$ -	\$ 27,487,642	\$ -
Water utility sales	-	1,873,597	-	-	-	1,873,597	-
Liquor sales	-	-	4,428,648	-	-	4,428,648	-
Sewer	-	-	-	-	2,249,203	2,249,203	-
Golf	-	-	-	-	840,086	840,086	-
Storm water	-	-	-	559,706	-	559,706	-
Refuse	-	-	-	-	106,540	106,540	-
Recycling	-	-	-	-	239,915	239,915	-
Other	162,305	14,204	-	-	135,318	311,827	1,462,360
Total operating revenues	27,649,947	1,887,801	4,428,648	559,706	3,571,062	38,097,164	1,462,360
Operating expenses:							
Personal services	1,732,347	407,431	584,240	22,108	992,743	3,738,869	211,679
Supplies	635,697	94,595	11,478	-	186,100	927,870	271,182
Professional services	1,173,458	301,544	203,680	22,067	250,279	1,951,028	823,612
Contractual services	442,948	29,720	3,028	14,239	118,211	608,146	101,542
Purchased power	20,424,379	-	-	-	-	20,424,379	-
Disposal	-	-	-	-	1,736,131	1,736,131	-
Franchise fee	927,183	-	-	-	-	927,183	-
Cost of sales	-	-	3,405,267	-	65,890	3,471,157	-
Depreciation	1,322,423	490,656	51,239	130,392	420,994	2,415,704	401,589
Total operating expenses	26,658,435	1,323,946	4,258,932	188,806	3,770,348	36,200,467	1,809,604
Operating income (loss)	991,512	563,855	169,716	370,900	(199,286)	1,896,697	(347,244)
Nonoperating revenues (expenses):							
Interest income	106,118	24,416	11,045	1,073	9,408	152,060	17,351
Internal interest income	181,606	-	-	-	-	181,606	-
Net increase (loss) in fair value of investments	(5,158)	(9,510)	(4,439)	13,796	(395)	(5,706)	8,925
Interest expense	(5,796)	(562)	-	(38,227)	-	(44,585)	-
Gain on sale of capital assets	32,465	-	-	-	-	32,465	42,316
Other income	476,381	118,715	4,793	3,000	2,900	605,789	20,247
Total nonoperating revenues (expenses)	785,616	133,059	11,399	(20,358)	11,913	921,629	88,839
Income (loss) before transfers	1,777,128	696,914	181,115	350,542	(187,373)	2,818,326	(258,405)
Other transfers:							
Transfer out	(1,425,000)	(40,000)	(35,000)	-	-	(1,500,000)	-
Change in net position	352,128	656,914	146,115	350,542	(187,373)	1,318,326	(258,405)
Net position - Beginning of year	37,975,367	10,542,479	1,455,993	3,178,989	7,121,723	60,274,551	3,492,670
Net position - Ending of year	\$ 38,327,495	\$ 11,199,393	\$ 1,602,108	\$ 3,529,531	\$ 6,934,350	\$ 61,592,877	\$ 3,234,265

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF PROPRIETARY FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED DECEMBER 31, 2017**

Change in net position - Total enterprise funds (page 34)	\$ 1,318,326
Amounts reported for proprietary activities in the statement of activities (page 27) are different because:	
Internal service funds are used by management to charge the costs of fleet management, payroll benefits, insurance, and management information systems to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	<u>(48,950)</u>
Change in net position of business-type activities:	<u>\$ 1,269,376</u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Liquor	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:							
Received from customers	\$ 27,820,010	\$ 1,980,129	\$ 4,433,501	\$ 554,705	\$ 3,573,057	\$ 38,361,402	\$ -
Received from interfund services provided	181,606	-	-	-	-	181,606	1,462,360
Reimbursement from insurance carrier	-	-	-	-	-	-	(494,271)
Payments to suppliers for goods and services	(22,871,512)	(464,416)	(3,475,527)	56,924	(639,871)	(27,394,402)	(1,113,815)
Payments to employees for services	(1,596,131)	(387,197)	(533,505)	(22,107)	(942,299)	(3,481,239)	(191,358)
Payments to other funds for franchise fee	(927,183)	-	-	-	-	(927,183)	-
Disposal charges	-	-	-	-	(1,736,131)	(1,736,131)	-
Deposits received	(9,084)	-	4	-	2,918	(6,162)	-
Net cash provided by operating activities	<u>2,597,706</u>	<u>1,128,516</u>	<u>424,473</u>	<u>589,522</u>	<u>257,674</u>	<u>4,997,891</u>	<u>(337,084)</u>
Cash flows from noncapital financing activities:							
(Increase)/decrease from other funds	(1,495,075)	182,700	-	(180,000)	-	(1,492,375)	12,133
Transfer (to) from other funds	(1,425,000)	(40,000)	(35,000)	-	-	(1,500,000)	-
Net cash provided by (used in) noncapital financing activities	<u>(2,920,075)</u>	<u>142,700</u>	<u>(35,000)</u>	<u>(180,000)</u>	<u>-</u>	<u>(2,992,375)</u>	<u>12,133</u>
Cash flows from capital and related financing activities:							
Acquisition of capital assets	(1,577,942)	(862,786)	(122,161)	(1,138,219)	(517,810)	(4,218,918)	(743,421)
Principal paid on bonds and leases	-	(225,000)	-	(88,185)	-	(313,185)	-
Interest paid	(5,796)	(3,374)	-	(38,036)	-	(47,206)	-
Proceeds from sale of capital assets	32,465	-	-	-	-	32,465	42,316
Net cash provided by (used in) capital and related financing activities	<u>(1,551,273)</u>	<u>(1,091,160)</u>	<u>(122,161)</u>	<u>(1,264,440)</u>	<u>(517,810)</u>	<u>(4,546,844)</u>	<u>(701,105)</u>
Cash flows from investing activities:							
Investment earnings	98,262	11,614	5,079	19,138	8,768	142,861	29,976
Net (decrease) increase in cash and cash equivalents	(1,775,380)	191,670	272,391	(835,780)	(251,368)	(2,398,467)	(996,080)
Cash and cash equivalents at beginning of year	10,001,500	1,768,452	925,913	1,013,546	870,779	14,580,190	2,896,530
Cash and cash equivalents at end of year	<u>\$ 8,226,120</u>	<u>\$ 1,960,122</u>	<u>\$ 1,198,304</u>	<u>\$ 177,766</u>	<u>\$ 619,411</u>	<u>\$ 12,181,723</u>	<u>\$ 1,900,450</u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

**STATEMENT OF CASH FLOWS (CONTINUED)
 PROPRIETARY FUNDS
 FOR FISCAL YEAR ENDED DECEMBER 31, 2017**

	<u>Business-Type Activities - Enterprise Funds</u>						<u>Governmental Activities - Internal Service Funds</u>
	<u>Electric</u>	<u>Water</u>	<u>Liquor</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	\$ 991,512	\$ 563,855	\$ 169,716	\$ 370,900	\$ (199,286)	\$ 1,896,697	\$ (347,244)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation	1,322,424	490,656	51,239	130,392	420,994	2,415,705	401,589
Other income	657,987	118,715	4,793	3,000	2,900	787,395	20,247
Changes in assets and liabilities:							
Accounts receivable	(295,213)	(5,477)	60	(8,001)	(905)	(309,536)	(494,271)
Inventory	(266,122)	-	(604)	-	(86)	(266,812)	69
Prepaid items	-	-	-	-	-	-	35,834
Net pension liability	(368,236)	(54,511)	(100,592)	(6)	(136,017)	(659,362)	-
Deferred outflows - pensions	107,895	15,972	29,473	1	39,852	193,193	-
Deferred inflows - pensions	366,132	54,200	100,017	6	135,241	655,596	-
Accounts payable	71,091	(38,557)	148,530	93,230	(19,305)	254,989	26,371
Accrued wages payable	60,045	9,451	16,176	-	14,422	100,094	5,738
Compensated absences payable	(29,620)	(4,879)	5,661	-	(3,054)	(31,892)	14,583
Deposits	(9,084)	-	4	-	2,918	(6,162)	-
Unearned revenues	(11,105)	(20,909)	-	-	-	(32,014)	-
Total adjustments	1,606,194	564,661	254,757	218,622	456,960	3,101,194	10,160
Net cash provided by operating activities	\$ 2,597,706	\$ 1,128,516	\$ 424,473	\$ 589,522	\$ 257,674	\$ 4,997,891	\$ (337,084)

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS DECEMBER 31, 2017

	<u>Agency</u>
Assets	
Cash and investments	\$ 427,552
Accounts receivable	6,108
Accrued interest receivable	<u>1,656</u>
Total assets	<u><u>\$ 435,316</u></u>
Liabilities	
Liabilities:	
Deposits payable	\$ 246,940
Due to other organizations	<u>188,376</u>
Total liabilities	<u><u>\$ 435,316</u></u>

See accompanying notes to financial statements.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Accounting Policies of the City of Anoka, Minnesota (the City), conform to accounting principles generally accepted in the United States (GAAP) as applicable to governmental units. The following is a summary of the more significant accounting policies:

A. Financial Reporting Entity

The criteria used to determine the financial reporting entity were in conformance with GAAP and includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. For financial reporting purposes, the City's financial statements include all funds, departments, agencies, boards, commissions, and other organizations for which the City is considered to be financially accountable.

The City is considered financially accountable for a component unit, if it appoints a voting majority of the organization's governing body and is able to impose its will on the organization by significantly influencing the programs, projects, activities, or levels of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

As a result of applying the criteria above, the financial statements of the reporting entity include those of the City of Anoka and its component unit. In conformity with GAAP, the financial statements of the City of Anoka Housing and Redevelopment Authority (HRA) have been included in the City's reporting entity as a discretely presented component unit.

The discretely presented component unit is reported in a separate column to emphasize that it is legally separate from the City. The HRA was created by the City to carry out certain development projects within the City's HRA tax increment districts. The governing board is appointed by the City Council. The HRA can give, sell, buy, and transfer property; provide grants, loans, leases, and abatements; and raise funds. The HRA may levy a special property tax to fund housing improvement plans within the City. The levy is separate from the City's general fund levy. The HRA annually submits a budget to the City Council, which has the final authority to approve the HRA levy each year. Separate financial statements of the component unit are not prepared but are included in the supplemental section of this document.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. 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 to a significant extent on fees and charges for support.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements (continued):

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

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

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

The government-wide financial statements are reported using the “economic resources” measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the 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. The fiduciary fund financial statements have no measurement focus.

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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Revenues are recorded when received, except for the following items for which receivables have been recorded:

1. Property tax revenue is recorded when it becomes measurable and available to finance expenditures of the current fiscal year. All delinquent taxes receivable are completely offset by deferred inflows of resources. Taxes due from Anoka County on December 31 have been accrued by the City because they will be transmitted to the City in January.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued):

2. Special assessment revenue is recorded when it becomes measurable and available to finance expenditures of the current fiscal year. All special assessments receivable in the Governmental Funds are completely offset by deferred inflows of resources. Special assessments due from the County on December 31 have been accrued as revenue, because they will be transmitted to the City in January.
3. Investment earnings are recorded as revenues in the year when earned.
4. Certain grants and state aid received by the City require that eligible expenditures be made in order to earn the grant or aid. Revenue for these grants or state aid is recorded for the period in which eligible expenditures are made.

The City reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service fund is used to account for the accumulation of resources that are restricted, committed, or assigned for expenditures of principal and interest on general and tax increment long-term debt.

Street Renewal Fund - The Street Renewal Capital Project Fund is used to account for financial resources to be used to finance public works projects that are financed partially by special assessments levied against properties that benefit from the public improvements.

Commuter Rail Transit Village Tax Increment Fund - The Commuter Rail Transit Village Tax Increment Fund is used to account for the financial resources and expenditures in the City's transit-oriented development village.

Greens of Anoka Tax Increment Fund - The Greens of Anoka Tax Increment Fund is used to account for the financial resources and expenditures in the City's golf course redevelopment district.

South Ferry Tax Increment Fund - The South Ferry Tax Increment Fund is used to account for the redevelopment of South Ferry Street.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The City reports the following major enterprise funds:

Electric Fund - The Electric Fund accounts for the activities related to the operation of an electric utility system.

Water Fund - The Water Fund is used to account for the provision of water services to properties within the City of Anoka.

Liquor Fund - The Liquor Fund accounts for the revenues and expenses related to operation of the two municipal liquor stores.

Storm Drainage Fund - The Storm Drainage Fund is used to account for operating revenues and expenses of maintaining a storm sewer system.

Additionally, the City reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of the specific revenue sources (other than major capital resources) that are restricted or committed for a specified purpose.

Capital Project Funds - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or major purchases of equipment (other than those financed by Proprietary Funds).

Enterprise Funds - Enterprise Funds are maintained to account for the operation of City service enterprises that are self-supporting and financed by user charges.

Internal Service Funds – Internal Service Funds account for fleet management, risk management, information management, and benefit management services provided to other departments of the government on a cost-reimbursements basis.

Agency Funds – Agency Funds account for funds held by the City as agent for private individuals, organizations, or other governments in a custodial nature and do not involve measurement of results of operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments in lieu of taxes and other charges between the City's electric, water, sewer, liquor, golf, and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported from the various functions concerned.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

D. Assets, Deferred outflows of resources, Liabilities, Deferred inflow of resources, and Net position/fund balances

Cash and Cash Equivalents

Cash balances from all funds are pooled together in official depositories and invested to the maximum extent possible. All investment transactions are accounted for in an Investment Agency Fund through a cash overdraft account. On December 31 of each year, the investments and accrued interest receivable balances are allocated from the Investment Agency account to all funds, based on their relative cash balance.

On January 1 of each year, this allocation is reversed to re-create an investment pool for maximization of interest earnings. Earnings on investments are allocated to all funds based on their average monthly balances. Periodically, during the year, certain funds have a temporary cash deficit. These funds with cash deficits are charged interest (at the same rate as funds with a positive balance earn interest) when investment interest earnings are allocated.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred outflows of resources, Liabilities, Deferred inflow of resources, and Net position/fund balances

Cash and Cash Equivalents (continued)

The City invests in municipal bonds, commercial paper, certificates of deposit, banker's acceptances, The United States Treasury, and agencies of the U.S. government. Investments are recorded at fair value based on quoted market prices.

Property Taxes

Property tax levies are set by the City Council in December of each year and are certified to Anoka County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The tax levy notice is mailed in March, with the first half-payment due on May 15 and the second half-payment due on October 15.

All property tax receivables are shown net of an allowance for uncollectibles. Unpaid taxes at December 31 become liens on the respective property and are classified in the financial statements as delinquent taxes receivable. Taxes and special assessments receivable currently total \$2,499,575. Of this receivable, \$2,425,702 is not expected to be collected in the current year and is reflected in the deferred inflows of resources section.

Accounts Receivable

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The City considers these receivables to be collectible and, therefore, no allowance for uncollectible amounts has been recorded.

Inventories and Prepaid Items

Inventory of materials and supplies has been valued at the lower of cost (determined on the first-in, first-out basis, except for the Liquor Fund, which is on an average cost basis) or market value. Inventory in the General Fund is for fuel supplies and is equally offset by non-spendable fund balance. The cost of inventory is recorded as an expense when consumed (i.e., consumption method) in the General Fund and Proprietary Fund types.

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

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred outflows of resources, Liabilities, Deferred inflow of resources, and Net position/fund balances (continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extended assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All proprietary fund noncurrent capital assets, with the exception of the Electric Utility Fund, are depreciated on an item basis. Noncurrent capital assets in the Electric Utility Fund are grouped into common or like-kind assets and depreciated on a composite basis using straight-line depreciation. When Electric Utility Fund capital assets are retired, the original cost is removed from the accounts and charged, together with any cost of removal, to accumulated depreciation. Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	5-30
Equipment and vehicles	3-30
Streets and public infrastructure	15-60
Utility distribution systems	15-60

Deferred Outflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one item that qualifies for reporting in this category.

Accordingly the item, deferred pension resources, is reported only in the statement of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred outflows of resources, Liabilities, Deferred inflow of resources, and Net position/fund balances (continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents the acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the term, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental fund reports unavailable revenues from three sources: property taxes, special assessments, and intergovernmental. These amounts are deferred and recognized as an inflow or resources in the period that the amounts become available. The City has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. The City compensates all employees upon termination for unused vacation, holiday, and compensatory time. City employees are entitled to sick leave benefits at the rate of eight hours for each calendar month of full-time service.

Employees hired prior to January 1, 1981 (February 1, 1987, for police patrol), and retiring employees who meet the Public Employees Retirement Association (PERA) age and years of service requirements are compensated for one-third of unused sick leave, up to a maximum of 350 hours upon termination of employment. Accumulated vacation and sick leave is reported as an expense and an accrued liability as the benefits accrue to employees in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if benefits have matured as a result of employee resignations and retirements. The employee benefits internal service fund reports the government funds' liability for compensated absences on the accrual basis.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred outflows of resources, Liabilities, Deferred inflow of resources, and Net position/fund balances (continued)

Pensions

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

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 debt are reported as liabilities in the applicable governmental activities, business-type activities, and proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and related premiums are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Bond issue costs are recognized when they are incurred. Interest is reported as an expenditure in the period in which the related payment is made.

Net Position/Fund Equity

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, in the government-wide financial statements. The net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net positions are reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred outflows of resources, Liabilities, Deferred inflow of resources, and Net position/fund balances (continued)

Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose the constraints for which amounts in those funds can be spent. These classifications are as follows:

Non-spendable – Consists of amounts that are not in spendable form, such as inventory or prepaid items.

Restricted – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors or constraints imposed by state statutory provisions.

Committed – Consists of internally imposed constraints. These constraints are established by resolution of the City Council.

Assigned – Consists of internally imposed constraints. These constraints reflect the specific purpose for the City's intended use. These constraints are established by the City Council and/or management. Pursuant to City Council resolution, the City's Finance Director and/or Manager is authorized to establish assignments of fund balance.

Unassigned – Is the residual classification for the general fund and also reflects negative residual amounts in other funds.

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

When committed, assigned, or unassigned resources are available for use, it is the City's policy to use resources in the following order; (1) committed, (2) assigned, and (3) unassigned.

The City's targeted unassigned General Fund balance is at least 30% of budgeted operating expenditures.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds and net position - governmental activities* as reported in the government-wide statement of activities. One element of the reconciliation explains that “capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and are not reported in the funds.” Details of this difference are as follows.

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of activities

Non-depreciable	\$16,167,863
Infrastructure	53,442,528
Buildings and structures	20,027,720
Machinery, vehicles, and equipment	1,925,823
Furniture and equipment	<u>60,044</u>
Net adjustment to increase fund balance - Total governmental funds to arrive at net position - Governmental activities	<u>\$ 91,623,978</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances reconciles the reconciliation of the net changes in fund balances of total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 7,561,788
Depreciation expense	<u>(2,845,727)</u>
Net adjustment to increase net changes in fund balances - Total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 4,716,061</u>

Another element of the reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.” The details of this difference are as follows:

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

Retirement of general obligation bonds	\$ 2,105,000
Retirement of Met Council loan	<u>194,323</u>
Net adjustment to decrease net changes in fund balances - Total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 2,299,323</u>

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

The following funds have a negative fund balance at December 31, 2017:

1. The Commuter Rail Transit Village Tax Increment Fund has a negative fund balance of \$2,984,776. The negative fund balance will be eliminated with future tax increment revenue collections.
2. The Greens of Anoka Tax Increment Fund has a negative fund balance of \$1,501,849. The negative fund balance will be eliminated with future tax increment revenue collections.
3. The South Ferry Tax Increment Fund has a negative fund balance of \$1,426,787. The negative fund balance will be eliminated with future tax increment revenue collections.
4. The Building Improvement Fund has a negative fund balance of \$96,108. The negative fund balance will be eliminated with the sale of property held for resale and future transfers from the Electric Fund.

4. CASH AND INVESTMENTS

City of Anoka

The City follows its own investment policy, which is designed following the state statute guidelines for investment purposes of City funds. The state statute allows for investments in United States securities, state and local government general obligation securities rated "A" or better by a national bond rating agency, state and local government revenue securities rated "AA" or better by a national bond rating agency, commercial paper rated in the highest quality category by two national rating agencies and that mature in 270 days or less, certificates of deposit, banker's acceptance, and repurchase agreements.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

4. CASH AND INVESTMENTS

City of Anoka (continued)

In addition to the limitations described in the state statute, the City's investment policy restricts investment maturities to a maximum of 10 years. The following tables of cash and investments for the City of Anoka include fiduciary funds of \$427,552 and exclude petty cash of \$4,875.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates.

As of December 31, 2017, the City had the following investments and maturities (in years):

	Fair Value	Investment Maturities (in years)		
		Less than one	1-5	6-10
Federal Home Loan Bk. (FHLB)	\$ 3,280,228	\$ 2,046,013	\$ 1,234,215	\$ -
Federal Nat'l. Mtg. Assn. (FNMA)	5,186,770	749,640	4,437,130	-
Federal Home Loan Mtg. Corp. (Freddie Mac)	2,451,154	745,132	1,706,022	-
Federal Farm Credit	2,208,853	-	1,474,415	734,438
Municipal Bonds	1,645,243	1,135,813	509,430	-
Certificates of Deposit	4,075,267	2,169,848	1,905,419	-
Money Market Accounts	5,194,974	5,194,974	-	-
	<u>\$ 24,042,489</u>	<u>\$ 12,041,420</u>	<u>\$ 11,266,631</u>	<u>\$ 734,438</u>

(b) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor's and Moody's.

The following table lists the credit quality ratings per Moody's and/or Standard & Poor's of the City's investments as of December 31, 2017:

	Fair Value	AA	Not Rated
Federal Home Loan Bk. (FHLB)	\$ 3,280,228	\$ 3,280,228	\$ -
Federal Nat'l. Mtg. Assn. (FNMA)	5,186,770	5,186,770	-
Federal Home Loan Mtg. Corp. (Freddie Mac)	2,451,154	2,451,154	-
Federal Farm Credit	2,208,853	2,208,853	-
Municipal Bonds	1,645,243	1,645,243	-
Certificates of Deposit	4,075,267	-	4,075,267
Money Market Accounts	5,194,974	-	5,194,974
	<u>\$ 24,042,489</u>	<u>\$ 14,772,248</u>	<u>\$ 9,270,241</u>

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

4. CASH AND INVESTMENTS

City of Anoka (continued)

(c) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. The City does not have a formal policy related to custodial credit risk of investments or deposits. At December 31, 2017, all of the City's investments are insured and registered and are held by the counterparty's agent in the City's name.

(d) Restricted Cash

The City does not have cash restricted as of December 31, 2017.

Component Unit - Housing and Redevelopment Authority (HRA)

The HRA is a component unit of the City. The HRA follows the City's investment policy, which is designed following the state statute guidelines for investment purposes of City funds.

The state statute allows for investments in United States securities, state and local government general obligation securities rated "A" or better by a national bond rating agency, state and local government revenue securities rated "AA" or better by a national bond rating agency, commercial paper rated in the highest quality category by two national rating agencies and that mature in 270 days or less, certificates of deposit, banker's acceptances, and repurchase agreements.

As of December 31, 2017, the HRA had the following investments and maturities:

Money market accounts - Less than one year - \$1,004,661

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

4. CASH AND INVESTMENTS

Component Unit - Housing and Redevelopment Authority (HRA) (continued)

(b) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor's and Moody's. The following lists the credit quality ratings per Moody's and/or Standard & Poor's of the HRA's investments as of December 31, 2017:

Money market accounts - \$1,004,661 – Not Rated

(c) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the HRA will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. The HRA does not have a formal policy related to custodial credit risk of investments or deposits. At December 31, 2017, all of the HRA's investments are insured and registered and are held by the counterparty's agent in the City's name.

5. FAIR VALUE MEASUREMENT

City of Anoka

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The City has the following investments valued at recurring fair value measurements at December 31, 2017:

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

5. FAIR VALUE MEASUREMENT

City of Anoka (continued)

Investments by fair value level	Total Assets at Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Accounts	\$ 5,194,974	\$ -	\$ 5,194,974	\$ -
Negotiable Certificates of Deposit	4,075,267	-	4,075,267	-
Municipal Bonds	1,645,243	-	1,645,243	-
US government agency obligations	13,127,005	-	13,127,005	-
Total investments measured at fair value	\$ 24,042,489	\$ -	\$ 24,042,489	\$ -

The following is a description of the valuation methodologies used for assets measured at fair value in the table above:

Money market funds and bankers acceptances: Valued using a net asset value (NAV) of \$1.

Negotiable Certificates of Deposit: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable certificates of deposit.

US Treasury Obligation – State and Local Government Series: These are securities sold by the US Department of Treasury to state and local government entities, upon request by those entities, to assist them in complying with arbitrage regulations. These securities are issued in book entry form and are not marketable. They are valued using a (NAV) of \$1.

US Government agency and municipal bond obligations: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Component Unit - Housing and Redevelopment Authority (HRA)

Investments by Fair Value Level

Money Market Accounts – Significant Other Observable Inputs (Level 2) \$1,004,661

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

6. INTERFUND ACTIVITY

The City had the following interfund receivable and payable balances as of December 31, 2017:

Fund	Due From Other Funds	Due To Other Funds	Advance To Other Funds	Advance From Other Funds
General Fund	\$ 136,872	\$ -	\$ -	\$ -
Street Renewal	-	5,325	-	-
CRTV Tax Increment	-	-	-	3,470,000
Greens of Anoka Tax Increment	-	-	-	2,670,000
South Ferry Tax Increment	-	-	-	1,500,000
Non major governmental funds	261	501,068	970,000	-
Electric Utility	381,393	-	6,670,000	-
Internal Service Funds	-	12,133	-	-
Total	\$ 518,526	\$ 518,526	\$ 7,640,000	\$ 7,640,000

The interfund receivables and payables are used to borrow funds internally for special projects and year-end adjustments. \$376,068 of the due to other funds in the Building Improvement fund, a non-major government fund, will not be repaid within one year. Advances to and from other funds are longer term commitments.

Interfund transfers for the year were as follows:

	General Fund	Debt Service	Street Renewal	Non Major Gov	Total out
General Fund	\$ -	\$ 580,000	\$ -	\$ -	\$ 580,000
South Ferry Tax Increment	-	-	-	150,000	150,000
Non Major Gov	-	380,000	-	270,000	650,000
Electric	400,000	-	600,000	425,000	1,425,000
Water	-	-	-	40,000	40,000
Liquor	-	-	-	35,000	35,000
Total in	\$ 400,000	\$ 960,000	\$ 600,000	\$ 920,000	\$ 2,880,000

Transfers are used to (1) move revenues from the fund that budget requires to collect them to the fund that budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various capital accounted for in other funds in accordance with budgetary authorizations. Any transfers within the governmental funds or within the proprietary funds have been eliminated in the government-wide statement of activities.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

7. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 8,844,435	\$ 181,066	\$ 200	\$ -	\$ 9,025,301
Construction in progress	2,066,511	6,354,094	-	(1,278,043)	7,142,562
Total capital assets not being depreciated	10,910,946	6,535,160	200	(1,278,043)	16,167,863
Capital assets being depreciated:					
Infrastructure	66,805,359	323,357	-	1,278,043	68,406,759
Building and structures	34,467,783	459,936	-	-	34,927,719
Machinery and equipment	9,279,068	929,955	191,770	-	10,017,253
Furniture and equipment	1,213,565	56,799	-	-	1,270,364
Total capital assets being depreciated	111,765,775	1,770,047	191,770	1,278,043	114,622,095
Less accumulated depreciation for:					
Infrastructure	13,213,860	1,750,371	-	-	14,964,231
Building and structures	14,008,640	891,359	-	-	14,899,999
Machinery and equipment	6,100,530	546,423	191,770	-	6,455,183
Furniture and equipment	1,027,715	59,162	-	-	1,086,877
Total accumulated depreciation	34,350,745	3,247,315	191,770	-	37,406,290
Total capital assets being depreciated, net	77,415,030	(1,477,268)	-	1,278,043	77,215,805
Governmental activities capital assets, net	\$ 88,325,976	\$ 5,057,892	\$ 200	\$ -	\$ 93,383,668
Business-type activities:					
Capital assets not being depreciated:					
Land and improvements	\$ 1,289,095	\$ -	\$ -	\$ -	\$ 1,289,095
Construction in progress	111,956	-	-	-	111,956
Total capital assets not being depreciated	1,401,051	-	-	-	1,401,051
Capital assets being depreciated:					
Infrastructure	68,014,191	3,716,315	55,904	(4)	71,674,598
Building and structures	5,160,355	140,710	-	(2)	5,301,063
Machinery and equipment	6,214,715	343,764	61,391	1	6,497,089
Furniture and equipment	1,083,117	-	-	1	1,083,118
Other improvements	2,686,833	18,128	-	-	2,704,961
Total capital assets being depreciated	83,159,211	4,218,917	117,295	(4)	87,260,829
Less accumulated depreciation for:					
Infrastructure	29,999,180	2,020,764	55,904	(4)	31,964,036
Building and structures	3,539,271	119,566	-	(1)	3,658,836
Machinery and equipment	4,683,539	182,182	61,391	(1)	4,804,329
Furniture and equipment	1,012,104	17,609	-	1	1,029,714
Other improvements	1,674,820	75,583	-	1	1,750,404
Total accumulated depreciation	40,908,914	2,415,704	117,295	(4)	43,207,319
Total capital assets being depreciated, net	42,250,297	1,803,213	-	-	44,053,510
Business-type activities capital assets, net	\$ 43,651,348	\$ 1,803,213	\$ -	\$ -	\$ 45,454,561

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

7. CAPITAL ASSETS (continued):

Depreciation expense (including internal service fund depreciation) was charged to functions/programs of the City as follows:

Governmental activities:	
General Government	\$ 950,882
Public Safety	201,609
Streets and Highways (including depreciation of infrastructure)	1,440,009
Parks and Recreation	654,815
Total depreciation of expense - Governmental activities	<u>\$ 3,247,315</u>
Business-type activities:	
Electric	\$ 1,322,423
Water	490,656
Sewer	295,263
Storm Drainage	130,392
Liquor	51,239
Golf	125,731
Total depreciation of expense - Business-type activities	<u>\$ 2,415,704</u>

8. LONG-TERM DEBT

City of Anoka

Bonds payable at December 31, 2017, are summarized as follows:

	<u>Maturities</u>	<u>Rate</u>	<u>Balance</u>
Governmental activities:			
General Obligation Bonds:			
G.O. Public facilities crossover refunding	2028	2.00%	\$ 1,510,000
G.O. Public facilities refunding	2022	2.00-3.15%	1,805,000
G.O. Tax increment crossover refunding	2033	3.00-4.00%	5,795,000
Business-type activities:			
General Obligation Revenue Bonds:			
Utility storm water revenue bonds	2036	2.00-3.00%	1,710,000
			<u>\$ 10,820,000</u>

The Met Council loan payable at December 31, 2017, is \$2,308,137. There is no scheduled payback for this loan, nor is there any interest charged.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

8. LONG-TERM DEBT

City of Anoka (continued)

Descriptions of Long-Term Debt

General obligation bonds – The bonds were issued for improvements or projects that benefited the City as a whole and are, therefore, repaid from ad valorem levies and tax increment revenues.

Revenue bonds – The bonds were issued for improvements or projects that primarily benefited a particular business-type activity and are, therefore, *primarily* repaid from charges for services within that activity

Governmental loan – The loan with the Met Council is for purchasing property or right of way in advance of reconstruction. This loan will be repaid when The Minnesota Department of Transportation uses the right-of-way property for reconstruction of Highway Ten.

Changes in long-term liabilities during 2017 are summarized as follows:

	1/1/2017	Issued	Retired	12/31/2017	Due in One Year
Governmental activities:					
General obligation bonds	\$ 11,215,000	\$ -	\$ 2,105,000	\$ 9,110,000	\$ 675,000
Premium on bonds	285,305	-	19,161	266,144	-
Other liabilities					
GERF pension liability	3,284,883	158,824	711,659	2,732,048	-
PEPPF pension liability	10,193,460	362,059	7,220,727	3,334,792	-
Compensated absences	794,592	575,067	560,484	809,175	18,000
OPEB	153,407	75,669	22,257	206,819	-
Met Council loan	2,502,460	-	194,323	2,308,137	-
Total Governmental activities	<u>28,429,107</u>	<u>1,171,619</u>	<u>10,833,611</u>	<u>18,767,115</u>	<u>693,000</u>
Business-type activities					
Revenue bonds	2,020,000	-	310,000	1,710,000	85,000
Premium on bonds	60,774	-	3,185	57,589	-
Other liabilities					
GERF pension liability	3,687,770	189,427	848,789	3,028,408	-
Compensated absences	331,285	175,412	207,304	299,393	60,500
Total Business-type activities	<u>6,099,829</u>	<u>364,839</u>	<u>1,369,278</u>	<u>5,095,390</u>	<u>145,500</u>
Total long-term debt	<u>\$ 34,528,936</u>	<u>\$ 1,536,458</u>	<u>\$ 12,202,889</u>	<u>\$ 23,862,505</u>	<u>\$ 838,500</u>

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

8. LONG-TERM DEBT

City of Anoka

Descriptions of Long-Term Debt (continued)

Compensated absences are liquidated through proprietary funds and internal service funds. OPEB and pension liabilities are unfunded. The Met Council loan is payable with the sale of land held for resale when the State of Minnesota reconstructs Highway Ten.

The scheduled annual principal and interest payments on the City's indebtedness as of December 31, 2017, are the following:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total
	Principal	Interest	Principal	Interest	
2018	\$ 675,000	\$ 268,410	\$ 85,000	\$ 40,600	\$ 1,069,010
2019	680,000	251,363	85,000	38,900	1,055,263
2020	700,000	232,652	85,000	37,200	1,054,852
2021	685,000	213,065	85,000	35,500	1,018,565
2022	765,000	190,890	85,000	33,800	1,074,690
2023-2027	2,390,000	703,012	425,000	143,500	3,661,512
2028-2032	2,660,000	311,579	450,000	93,225	3,514,804
2033-2036	555,000	9,435	410,000	25,350	999,785
	<u>\$ 9,110,000</u>	<u>\$ 2,180,406</u>	<u>\$ 1,710,000</u>	<u>\$ 448,075</u>	<u>\$ 13,448,481</u>

The City has pledged future storm water customer revenues, net of specified operating expense, to repay the storm water utility bond. Proceeds from the bond provided for financing for the construction of capital assets used in storm water collection and treatment, activities which are accounted for in an enterprise fund of the City. This bond is payable through 2036. Total principal and interest remaining to be paid on the bond is \$2,158,075. Total principal and interest paid and total storm water revenues pledged for the repayment of this bond for the current year were \$126,412 and \$501,292, respectively.

Principal and interest payments on general obligation bonds are financed by the Debt Service Funds, which receives tax levy revenue and transfers from the Enterprise, HRRD Tax Increment funds, and the general fund. All bonds are backed by the full faith and credit of the City.

State of Minnesota Statutes, Chapter 475, provides that the City shall not incur or be subject to a net debt in excess of 3% of the market value of taxable property.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

8. LONG-TERM DEBT

City of Anoka

Descriptions of Long-Term Debt (continued)

At December 31, 2017, the legal debt margin was calculated as follows:

Market value of taxable property	<u>\$ 1,362,116,000</u>
Debt limit, 3.0% of market value	\$ 40,863,480
Less amount of debt (applicable to debt limit)	<u>(2,770,943)</u>
Legal debt margin	<u>\$ 38,092,537</u>

From time to time, the City has issued industrial development revenue bonds in accordance with the Minnesota Municipal Industrial Development Act. These obligations are issued to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The obligations are secured by the property financed and are payable solely from payments received on the underlying mortgage loan.

Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2017, there are two series of health care facility revenue bonds outstanding with an aggregate principal amount payable of \$22,560,000 and \$22,235,000, one series of senior housing facility revenue bonds outstanding with an aggregate principal amount payable of \$11,285,000, one series of senior housing and healthcare revenue bonds outstanding with an aggregate principal amount payable of \$13,935,000, and one series of taxable senior housing and healthcare revenue bonds with an aggregate principal amount payable of \$1,065,000.

Component Unit – HRA

The HRA reported a liability of \$42,540 for its proportionate share of the General Employees Fund Pension net pension liability for the year ended December 31, 2017.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft or damage to and the destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City reports its insurance activities in the Insurance Fund (an internal service fund). The City participates in a public entity risk pool to mitigate its exposure to these risks. Workers' compensation, property, and liability coverages are provided through a pooled self-insurance plan with other cities.

The City pays an annual premium for its workers' compensation coverage. The public entity risk pool is responsible for the payment of associated claims.

The City has a \$50,000 deductible per occurrence, with a \$200,000 annual maximum, for its property and liability coverage. The public entity risk pool is responsible for all losses in excess of \$200,000 each year. Settled claims have not exceeded insurance coverage in any of the past three years. The public entity risk pool has purchased a reinsurance policy to guard against excessive losses.

Changes in the balances of claims liabilities in the Insurance Fund during 2016 and 2017 were as follows:

	<u>2016</u>	<u>2017</u>
Unpaid claims at beginning of year	\$ -	\$ 794
Current-year claims	52,425	318,340
Claim payments	<u>(51,631)</u>	<u>(311,138)</u>
Balance at end of year	<u>\$ 794</u>	<u>\$ 7,996</u>

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

10. FUND BALANCE/NET POSITION

Classifications

At December 31, 2017, a summary of the governmental fund balance classifications is as follows:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
General Fund						
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ 4,681,652	\$ 4,681,652
Land held for resale	22,000	-	-	-	-	22,000
Inventories	14,718	-	-	-	-	14,718
Prepaid items	18,308	-	-	-	-	18,308
Total General Fund	55,026	-	-	-	4,681,652	4,736,678
Debt Service	-	544,057	-	-	-	544,057
Street Renewal						
Unassigned	-	-	-	-	(194,181)	(194,181)
Land held for resale	-	-	-	230,000	-	230,000
Total Street Renewal	-	-	-	230,000	(194,181)	35,819
Commuter Rail Tax Increment						
Redevelopment in district	-	-	-	-	(3,417,107)	(3,417,107)
Land held for resale	-	432,331	-	-	-	432,331
Total Commuter Rail Tax Increment	-	432,331	-	-	(3,417,107)	(2,984,776)
Greens of Anoka Tax Increment						
Redevelopment in district	-	-	-	-	(2,141,161)	(2,141,161)
Land held for resale	-	639,312	-	-	-	639,312
Total Greens of Anoka Tax Inc	-	639,312	-	-	(2,141,161)	(1,501,849)
South Ferry Tax Increment	-	-	-	-	(1,426,787)	(1,426,787)
Nonmajor Governmental Funds						
Parking operations improvements	-	-	536,747	-	-	536,747
Lodging and tourism marketing	-	-	15,892	-	-	15,892
Cemetery operations and improvements	-	-	421,821	-	-	421,821
Police supplies and equipment	-	-	16,456	-	-	16,456
Food shelves	-	-	6,613	-	-	6,613
Urban redevelopment	-	-	1,174,357	-	-	1,174,357
State Aid Construction	-	2,331,233	-	-	(206,438)	2,124,795
Parks	-	-	-	536,764	-	536,764
Tax increment	-	3,193,386	-	-	-	3,193,386
Building improvements	-	-	-	241,921	(338,029)	(96,108)
Total Nonmajor Funds	-	5,524,619	2,171,886	778,685	(544,467)	7,930,723
Total Fund Balances	\$ 55,026	\$ 7,140,319	\$ 2,171,886	\$ 1,008,685	\$ (3,042,051)	\$ 7,333,865

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

11. OTHER POSTEMPLOYMENT BENEFITS

The City recognizes the cost of postemployment health care in the year the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the City's future cash flows.

Plan Description

The City provides postemployment health care benefits as required by Minnesota Statute 471.61 subdivision 2b. Active employees who retire from the City when eligible to receive a retirement benefit from the Public Employees Retirement Association (PERA) of Minnesota and do not participate in any other health benefits program providing coverage similar to that herein described will be eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the City health benefits program indefinitely. Retirees are required to pay 100% of the total group rate. Since the premium is a blended rate determined on the entire active and retiree population, the retirees, whose costs are statistically higher than the group average, are receiving an implicit rate subsidy. The City has used the actuarial valuation method set forth in GASB Statement No. 45 to determine the materiality of other postemployment benefits (OPEB).

Funding Policy

The required contribution is based on a projected pay-as-you-go financing requirement.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit cost (expense) is calculated based on the implicit rate "subsidy" annual required cost (ARC) of the employer, an amount determined by the actuarial valuation method set forth in the parameter of GASB No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded liabilities (or funding excess) over a period not to exceed 30 years. The City's cost for the current year and the related information is as follows at December 31, 2017:

Annual OPEB cost	
Annual required contribution	\$ 78,641
Interest on net OPEB obligation	5,369
Adjust to ARC	<u>(8,341)</u>
Total annual OPEB	75,669
Contributions made	<u>(22,257)</u>
Increase in net OPEB obligation	53,412
Net OPEB obligation, beginning of year	<u>153,407</u>
Net OPEB obligation, end of year	<u>\$ 206,819</u>

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

11. OTHER POSTEMPLOYMENT BENEFITS (continued)

Three-Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Cost</u>	<u>Net OPEB Obligation</u>
12/31/2017	\$ 75,669	29.4%	\$ 206,819
12/31/2016	\$ 28,994	45.9%	\$ 153,407
12/31/2015	\$ 28,910	75.6%	\$ 137,715

Funding Status and Funding Progress

As of January 1 2017, the most recent actuarial valuation date, the plan was not funded. Typically, funding for the prior year, net other postemployment benefit obligations, occurs within the same fund the retiree was originally expensed. The actuarial accrued liability for benefits was \$431,374, resulting in an unfunded accrued liability of \$431,374. The covered payroll (annual payroll of active employees eligible for health benefits) was \$8,479,297, and the ratio of unfunded accrued liability to covered payroll was 5.1%.

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

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in AAL and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

11. OTHER POSTEMPLOYMENT BENEFITS

Actuarial Methods and Assumptions (continued)

In the January 1, 2017 actuarial valuation the entry age normal level percent of pay cost method was used. The actuarial assumptions included a 3.5% discount rate for liabilities and annual health care cost trend rate of 6.8% in 2017, with reductions yearly through 2021 to bring it to 5.5%, and a transition to ultimate rate of 4.4% in 2075. The assumed inflation rate is 2.75%. The unfunded actuarial accrued liability (UAAL) is amortized over a 30-year period on an open basis. The remaining amortization period as of December 31, 2017, is 30 years. The City has chosen to amortize the entire UAAL as a level dollar over a 30-year open period. This method will re-amortize the UAAL each year over 30 years.

12. DEFINED BENEFIT PENSION PLANS

A. Plan Description

The City of Anoka 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.

(a) General Employees Retirement Plan (General Employees Plan (accounted for in the General Employees Fund))

All full-time and certain part-time employees of the City of Anoka are covered by the General Employees Retirement Plan. General Employees Plan members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security, and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

(b) Public Employees Police and Fire Plan (Police and Fire Plan (accounted for in the Police and Fire Fund))

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.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS

A. Plan Description (continued)

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.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. 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.

(a) General Employees Plan Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. 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.

(b) Police and Fire Plan Benefits

Benefits for the 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.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS (continued)

B. Contributions

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

(a) General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in 2017. The City of Anoka was required to contribute 7.50% for Coordinated Plan members in calendar year 2017. The City of Anoka's contributions to the General Employees Fund for the year ended December 31, 2017, were \$447,978. The City's contributions were equal to the required contributions as set by state statute.

(b) Police and Fire Fund Contributions

Plan members were required to contribute 10.8% of their annual covered salary in calendar year 2017. The City of Anoka was required to contribute 16.20% of pay for members in calendar year 2017. The City of Anoka's regular contributions to the Police and Fire Fund for the year ended December 31, 2017, were \$421,476. The City's contributions were equal to the required contributions as set by state statute.

C. Pension Costs

(a) General Employees Fund Pension Costs

As of December 31, 2017, the City of Anoka reported a liability of \$5,802,996 for its proportionate share of the GERF's net pension liability. The City of Anoka's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$6 million to the fund in 2017. 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 the entity totaled \$72,989. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Anoka's proportion of the net pension liability was based on the City of Anoka's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the City of Anoka's proportionate share was 0.0909 %, which was an increase of 0.0043 % from its proportionate share measured as of June 30, 2016.

For the year ended December 31, 2017, the City of Anoka recognized pension expense of \$238,027 for its proportionate share of the General Employees Plan's pension expense.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS

C. Pension Costs

(a) General Employees Fund Pension Costs (continued)

As of December 31, 2017, the City of Anoka 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
Differences between expected and actual economic experience	\$ 191,249	\$ 357,491
Changes in actuarial assumptions	917,848	581,751
Difference between projected and actual investment earnings	-	5,752
Changes in proportion	261,854	155,414
Contributions paid to PERA subsequent to the measurement date	226,806	-
Total	\$ 1,597,757	\$ 1,100,408

\$226,806 reported as deferred outflows of resources related to pensions resulting from City of Anoka contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. This amount, as well as other amounts reported as deferred outflows and inflows of resources related to pensions, will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2018	\$ 331,618
2019	283,060
2020	(117,329)
Thereafter	-

(b) Police and Fire Fund Pension Costs

As of December 31, 2017, the City of Anoka reported a liability of \$3,334,794 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The City of Anoka's proportion of the net pension liability was based on the City of Anoka's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the City of Anoka's proportionate share was 0.247%, which was a decrease of 0.007% from its proportionate share measured as of June 30, 2016.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS

C. Pension Costs

(b) Police and Fire Fund Pension Costs (continued)

The City of Anoka also recognized \$22,860 for the year ended December 31, 2017, 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. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the Police and Fire Fund each year, starting in fiscal year 2014.

For the year ended December 31, 2017, the City of Anoka recognized negative pension expense of \$428,683 for its proportionate share of the Police and Fire Fund's pension expense.

As of December 31, 2017, the City of Anoka 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
Differences between expected and actual economic experience	\$ 76,760	\$ 907,942
Changes in actuarial assumptions	4,487,926	4,734,580
Difference between projected and actual investment earnings	69,168	-
Changes in proportion	60,599	369,106
Contributions paid to PERA subsequent to the measurement date	220,121	-
Total	\$ 4,914,574	\$ 6,011,628

\$220,121 reported as deferred outflows of resources related to pensions resulting from the City of Anoka's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. This amount, as well as other amounts reported as deferred outflows and inflows of resources related to pensions, will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2018	\$ 288,949
2019	68,826
2020	(52,921)
2021	(211,886)
2022	(1,190,022)
Thereafter	-

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS (continued)

D. Actuarial Assumptions

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on RP-2014 tables for all plans for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases for retirees are assumed to be: 1% per year for the General Employees Plan through 2044, and the Police and Fire Plan through 2064, and then 2.5% thereafter for both plans.

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

The following changes in actuarial assumptions occurred in 2017:

General Employees Fund:

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

Police and Fire Fund:

- 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 CSA load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS

D. Actuarial Assumptions (continued)

- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65 percent to 60 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.

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 Stocks	39%	5.10%
International Stocks	19%	5.30%
Bonds	20%	0.75%
Alternative Assets	20%	5.90%
Unallocated Cash	2%	0.00%
Total	100%	

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

12. DEFINED BENEFIT PENSION PLANS (continued)

E. Discount Rate

The discount rate used to measure the total pension liability in 2017 was 7.50%. 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 positions of the General Employees Fund and the Police and Fire 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.

F. Pension Liability Sensitivity

The following presents the City of Anoka’s 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 City of Anoka’s 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.

Sensitivity of Net Pension Liability at Current Single Discount Rate				
	General Employees Fund		Police & Fire Fund	
1% Higher	6.50%	\$ 9,000,878	6.50%	\$ 6,280,390
Current Discount Rate	7.50%	5,802,996	7.50%	3,334,794
1% Lower	8.50%	3,184,949	8.50%	903,042

G. 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.

13. PUBLIC EMPLOYEES DEFINED CONTRIBUTION PLAN

Three council members of the City of Anoka are covered by the Public Employees Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Public Employees 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.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

13. PUBLIC EMPLOYEES DEFINED CONTRIBUTION PLAN (continued)

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 5% 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, they 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 2% of employer contributions and twenty-five hundredths of one percent (0.0025) of the assets in each member's account annually.

Total contributions made by the City of Anoka for the fiscal year 2017 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
Employee	Employer	Employee	Employer	
\$ 1,112	\$ 1,112	5%	5%	5%

14. JOINTLY GOVERNED ORGANIZATION

The City of Anoka, in conjunction with 10 other governmental entities that provide distribution of electric services, is a member of the Minnesota Municipal Power Agency (MMPA). The MMPA finances and constructs generation and transmission facilities and acquires power for resale to the 11 governmental entities that operate distribution systems. The MMPA board is composed of one member from each participating entity. All members of MMPA have exclusive agreements to purchase power only from the agency for distribution. The City of Anoka is under contract to purchase power from the agency until October 31, 2040.

CITY OF ANOKA, MINNESOTA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2017

15. CONTINGENT LIABILITIES

There are several lawsuits pending in which the City is involved. The City Attorney has indicated that existing and pending lawsuit claims and other actions in which the City is a defendant are either covered by insurance or fully reserved for by the City, or the cases are in the early stages of discovery and, accordingly, the ultimate outcome cannot presently be determined. It is the opinion of City management that in each case the possibility of material loss, net of amounts reserved, is remote.

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

16. TAX ABATEMENTS

The City of Anoka negotiates property tax abatement agreements on an individual basis under Minnesota statute 469.1813. Under that statute, governing bodies may grant current or prospective abatement of the taxes imposed by the political subdivision on a parcel of property for the purpose of increasing or preserving tax base, providing employment opportunities, redeveloping or renewing blighted areas, or providing access to services for residents therefore being in the public interest.

For the fiscal year ended December 31, 2017, the City abated property taxes totaling \$5,349.

- Abatement of \$2,498 to a development company for purchase and construction on empty commercial property. This abatement agreement began with taxes payable in 2005 and ends in 2019.
- Abatement of \$2,851 to a manufacturer for purchase and redevelopment of existing commercial property. This abatement agreement began with taxes payable in 2014 and ends in 2023.

CITY OF ANOKA, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017

**OTHER POST-EMPLOYMENT BENEFITS
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Assets Less Than AAL	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
1/1/2017	-	\$ 431,374	\$ 431,374	0.0%	\$ 8,479,297	5.1%
1/1/2014	-	\$ 302,881	\$ 302,881	0.0%	\$ 7,764,484	3.9%
1/1/2011	-	\$ 457,869	\$ 457,869	0.0%	\$ 8,334,393	5.5%

CITY OF ANOKA, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017

**PUBLIC EMPLOYEES GENERAL RETIREMENT FUND
Schedule of Contributions**

Fiscal Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll** (d)	Contributions as a Percentage of Covered Payroll (b/d)
December 31, 2015	\$ 390,382	\$ 390,382	\$ -	\$ 5,205,096	7.50%
December 31, 2016	\$ 423,692	\$ 423,692	\$ -	\$ 5,649,231	7.50%
December 31, 2017	\$ 447,978	\$ 447,978	\$ -	\$ 5,973,037	7.50%
December 31, 2018					
December 31, 2019					
December 31, 2020					
December 31, 2021					
December 31, 2022					
December 31, 2023					

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2015.

CITY OF ANOKA, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017

**PUBLIC EMPLOYEES GENERAL RETIREMENT FUND
Schedule of Proportionate Share of Net Pension Liability**

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered Payroll** (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.0887%	\$ 4,570,667	\$5,222,169	87.52%	78.19%
June 30, 2016	0.0866%	\$ 7,031,490	\$5,772,439	121.81%	68.91%
June 30, 2017	0.0909%	\$ 5,802,996	\$5,857,640	99.07%	75.90%
June 30, 2018					
June 30, 2019					
June 30, 2020					
June 30, 2021					
June 30, 2022					
June 30, 2023					
June 30, 2024					

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

CITY OF ANOKA, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017

**PUBLIC EMPLOYEES POLICE AND FIRE FUND
Schedule of Contributions**

Fiscal Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll** (d)	Contributions as a Percentage of Covered Payroll (b/d)
December 31, 2015	\$ 380,161	\$ 380,161	\$ -	\$ 2,346,673	16.20%
December 31, 2016	\$ 403,245	\$ 403,245	\$ -	\$ 2,489,167	16.20%
December 31, 2017	\$ 421,476	\$ 421,476	\$ -	\$ 2,601,703	16.20%
December 31, 2018					
December 31, 2019					
December 31, 2020					
December 31, 2021					
December 31, 2022					
December 31, 2023					

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2015.

CITY OF ANOKA, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017

**PUBLIC EMPLOYEES POLICE AND FIRE FUND
Schedule of Proportionate Share of Net Pension Liability**

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered Payroll** (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.2460%	\$ 2,795,136	\$2,254,918	123.96%	86.61%
June 30, 2016	0.2540%	\$ 10,193,462	\$2,448,383	416.33%	63.88%
June 30, 2017	0.2470%	\$ 3,334,792	\$2,537,175	131.44%	85.43%
June 30, 2018					
June 30, 2019					
June 30, 2020					
June 30, 2021					
June 30, 2022					
June 30, 2023					
June 30, 2024					

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

CITY OF ANOKA, MINNESOTA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual	Variance From
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 6,647,230	\$ 6,647,000	\$ 6,654,637	\$ 7,637
Licenses and permits	403,550	403,550	438,588	35,038
Fines and forfeitures	70,750	70,750	63,351	(7,399)
Intergovernmental	2,178,445	2,178,445	2,215,682	37,237
Charges for current services	1,035,900	1,035,900	1,120,379	84,479
Franchise fees	976,000	976,000	946,078	(29,922)
Investment earnings	45,000	45,000	28,670	(16,330)
Net increase in fair value of investments	-	-	443	443
Miscellaneous	390,800	201,480	215,706	14,226
Total revenues	11,747,675	11,558,125	11,683,534	125,409
Expenditures:				
General government	1,977,835	1,974,835	1,880,431	94,404
Public safety	5,779,000	5,779,000	5,739,591	39,409
Public works	1,547,080	1,547,080	1,519,116	27,964
Parks and recreation	2,263,760	2,231,760	2,198,556	33,204
Total expenditures	11,567,675	11,532,675	11,337,694	194,981
Excess (deficiency) of revenues over (under) expenditures	180,000	25,450	345,840	320,390
Other financing sources (uses):				
Transfer in	400,000	400,000	400,000	-
Transfer out	(580,000)	(580,000)	(580,000)	-
Total other financing sources (uses)	(180,000)	(180,000)	(180,000)	-
Net changes in fund balance	\$ -	\$ (154,550)	165,840	\$ 320,390
Fund balance at beginning of year			4,570,838	
Fund balance at end of year			\$ 4,736,678	

See Independent Auditor's Report.
See accompanying notes to required supplementary information.

CITY OF ANOKA, MINNESOTA

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017

A. Budgetary accounting

The City legally adopts annual budgets for the General and Special Revenue Funds (excluding the Police Forfeiture Fund). They are prepared on the same basis of accounting as the fund financial statements. The budgets adopted for the Special Revenue Funds indicate the amount that can be adopted based on detailed budget estimates for individual expenditure accounts. The General Fund budget is by department. Budgets are also approved as needed to calculate user charges for the Enterprise and Internal Service Funds and to determine debt service levies. All unencumbered appropriations for the City's operating budget lapse at year-end.

On or before mid-July of each year, all departments and agencies of the City submit requests for appropriations to the City Manager, so a budget may be prepared. At the first council meeting in August, the proposed budget is presented to the City Council for review and approval. By September 15, the proposed budget and tax levy must be submitted to the county auditor. The Council holds public hearings, and a final budget and tax levy must be prepared, adopted, and submitted to the county auditor no later than December 28.

The appropriated budget is prepared by fund, function, and department. Transfers of appropriations between department and funds require the approval of the Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the department level.



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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The City of Anoka has the following non major special revenue funds:

Parking - This fund accounts for operations of the City's two parking ramps and numerous parking lots. Funding is primarily generated from parking permits and parking fines.

Lodging - This fund records the collection of lodging taxes from hotels and motels in the City and uses a majority the revenue to pay membership dues to the North Metro Minneapolis Visitor and Convention Bureau.

Cemetery - This fund was established to account for the maintenance of the City's two cemeteries.

Police Forfeiture - This fund was established to account for funds collected from settled drug forfeiture cases. State statute requires these funds be used for specific purposes such as police capital or training.

Round Up - This fund was established to account for voluntary "round up" contributions from utility customers used to provide financial assistance to worthwhile activities, organizations, and community projects that improve the lives of families, children, and seniors in the community. The City must spend the funds in accordance with these guidelines and in compliance with laws governing public purpose expenditures of municipal governments.

Urban Redevelopment - This fund manages the Metropolitan Council sewer credits. Funds are used to promote redevelopment in the City.

Capital Project Funds

Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. The City of Anoka has the following non major capital project funds:

State Aid Construction Fund - This fund is used to account for the City's allocation of the state-collected highway user tax. The allocation is based on population and need for construction of designated state aid streets in the City.

Parks Capital Fund - The Parks Capital Project Fund is used to account for money received from state and federal grants, contributions from developers, amounts committed by the City, etc., which is expended for the acquisition, improvement, and development of park land.

Historic Rum River District Tax Increment (HRRD) - This fund was established to account for the redevelopment of the City's downtown business district.

Enterprise Park Tax Increment - The Enterprise Park Tax Increment Fund is now used to account for the financial resources and expenditures related to internal lending for projects within the City's Tax Increment plan area.

Building Improvement - This fund is used to account for money received from state and federal grants and contributions from developers, etc., which is expended for the acquisition and development of park land.

CITY OF ANOKA, MINNESOTA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2017**

Assets	Special Revenue						Total Nonmajor Special Revenue Funds
	Parking	Lodging	Cemetery	Police Forefeiture	Round Up	Urban Redevel- opment	
Cash and investments	\$ 538,587	\$ 17,710	\$ 416,777	\$ 16,494	\$ 3,905	\$ 1,124,321	\$ 2,117,794
Receivables, net:							
Accounts receivable	3,674	-	4,630	-	2,693	45,680	56,677
Due from other funds	15	-	246	-	-	-	261
Accrued interest	2,036	69	1,635	64	15	4,356	8,175
Due from other governments	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-	-
Total assets	\$ 544,312	\$ 17,779	\$ 423,288	\$ 16,558	\$ 6,613	\$ 1,174,357	\$ 2,182,907
Liabilities and Fund balance							
Liabilities:							
Accounts payable	\$ 2,854	\$ 1,887	\$ 27	\$ 102	\$ -	\$ -	\$ 4,870
Accrued wages payable	1,589	-	1,440	-	-	-	3,029
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	3,122	-	-	-	-	-	3,122
Total liabilities	7,565	1,887	1,467	102	-	-	11,021
Fund balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	536,747	15,892	421,821	16,456	6,613	1,174,357	2,171,886
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance (deficit)	536,747	15,892	421,821	16,456	6,613	1,174,357	2,171,886
Total liabilities and fund balance	\$ 544,312	\$ 17,779	\$ 423,288	\$ 16,558	\$ 6,613	\$ 1,174,357	\$ 2,182,907

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

**COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2017**

Assets	Capital Projects					Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
	State Aid Construction	Parks	HRRD Tax Increment	Enterprise Park Tax Increment	Building Improvement		
Cash and investments	\$ 4,763	\$ 534,921	\$ 79,788	\$ 370,645	\$ 37,964	\$ 1,028,081	\$ 3,145,875
Receivables, net:							
Accounts receivable	-	-	-	6,736	-	6,736	63,413
Due from other funds	-	-	-	-	-	-	261
Accrued interest	925	1,843	309	1,131	75	4,283	12,458
Due from other governments	-	-	-	-	-	-	-
Advance to other funds	-	-	-	970,000	-	970,000	970,000
Land held for resale	2,331,233	-	233,825	1,531,688	241,921	4,338,667	4,338,667
Total assets	\$ 2,336,921	\$ 536,764	\$ 313,922	\$ 2,880,200	\$ 279,960	\$ 6,347,767	\$ 8,530,674
Liabilities and Fund balance							
Liabilities:							
Accounts payable	\$ 87,126	\$ -	\$ -	\$ 736	\$ -	\$ 87,862	\$ 92,732
Accrued wages payable	-	-	-	-	-	-	3,029
Due to other funds	125,000	-	-	-	376,068	501,068	501,068
Unearned revenue	-	-	-	-	-	-	3,122
Total liabilities	212,126	-	-	736	376,068	588,930	599,951
Fund balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted	2,331,233	-	313,922	2,879,464	-	5,524,619	5,524,619
Committed	-	-	-	-	-	-	2,171,886
Assigned	-	536,764	-	-	241,921	778,685	778,685
Unassigned	(206,438)	-	-	-	(338,029)	(544,467)	(544,467)
Total fund balance (deficit)	2,124,795	536,764	313,922	2,879,464	(96,108)	5,758,837	7,930,723
Total liabilities and fund balance	\$ 2,336,921	\$ 536,764	\$ 313,922	\$ 2,880,200	\$ 279,960	\$ 6,347,767	\$ 8,530,674

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	Special Revenue						Total Nonmajor Special Revenue Funds
	Parking	Lodging	Cemetery	Police Forfeiture	Round Up	Urban Redevel- opment	
Revenues:							
Taxes	\$ -	\$ 13,894	\$ -	\$ -	\$ -	\$ -	\$ 13,894
Licenses and permits	59,160	-	-	-	-	-	59,160
Fines and forfeitures	35,037	-	-	6,833	-	-	41,870
Intergovernmental	-	-	-	-	-	-	-
Charges for current services	1,079	-	73,867	-	-	146,615	221,561
Investment income	6,008	180	4,462	149	57	10,958	21,814
Net increase (loss) in fair value of investments	1,382	(3)	58	(84)	99	(2,877)	(1,425)
Miscellaneous	-	3,000	330	-	35,841	2,809	41,980
Total revenues	102,666	17,071	78,717	6,898	35,997	157,505	398,854
Expenditures:							
Current:							
General government	-	15,267	-	-	-	880	16,147
Public safety	39,386	-	-	619	34,442	-	74,447
Public works	81,107	-	-	-	-	-	81,107
Parks	-	-	107,488	-	-	-	107,488
Capital outlay	105,088	-	9,074	-	-	-	114,162
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	225,581	15,267	116,562	619	34,442	880	393,351
Excess (deficiency) of revenues over (under) expenditures	(122,915)	1,804	(37,845)	6,279	1,555	156,625	5,503
Other financing sources (uses):							
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-
Proceeds from sale of asset	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net changes in fund balances	(122,915)	1,804	(37,845)	6,279	1,555	156,625	5,503
Fund balances (deficits) at beginning of year	659,662	14,088	459,666	10,177	5,058	1,017,732	2,166,383
Fund balances (deficits) at end of year	\$ 536,747	\$ 15,892	\$ 421,821	\$ 16,456	\$ 6,613	\$ 1,174,357	\$ 2,171,886

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	Capital Projects					Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
	State Aid Construction	Parks	HRRD Tax Increment	Enterprise Park Tax Increment	Building Improvement		
Revenues:							
Taxes	\$ -	\$ -	\$ 104,189	\$ -	\$ -	\$ 104,189	\$ 118,083
Licenses and permits	-	-	-	-	-	-	59,160
Fines and forfeitures	-	-	-	-	-	-	41,870
Intergovernmental	341,133	-	-	-	-	341,133	341,133
Charges for current services	-	-	-	-	-	-	221,561
Investment income	2,432	5,095	547	3,600	(1,787)	9,887	31,701
Net increase (loss) in fair value of investments	(208)	521	84	2,094	2,216	4,707	3,282
Miscellaneous	-	72,887	-	101,615	20,000	194,502	236,482
Total revenues	343,357	78,503	104,820	107,309	20,429	654,418	1,053,272
Expenditures:							
Current:							
General government	-	-	4,755	7,740	-	12,495	28,642
Public safety	-	-	-	-	-	-	74,447
Public works	6,143	-	-	-	-	6,143	87,250
Parks	-	7,863	-	-	-	7,863	115,351
Capital outlay	781,284	248,719	-	370,000	313,622	1,713,625	1,827,787
Debt service:							
Principal retirement	194,323	-	-	-	-	194,323	194,323
Interest and fiscal charges	-	-	-	15,092	-	15,092	15,092
Total expenditures	981,750	256,582	4,755	392,832	313,622	1,949,541	2,342,892
Excess (deficiency) of revenues over (under) expenditures	(638,393)	(178,079)	100,065	(285,523)	(293,193)	(1,295,123)	(1,289,620)
Other financing sources (uses):							
Transfer in	-	75,000	270,000	-	425,000	770,000	770,000
Transfer out	-	-	(380,000)	(420,000)	-	(800,000)	(800,000)
Proceeds from sale of asset	-	83,715	-	287,572	-	371,287	371,287
Total other financing sources (uses)	-	158,715	(110,000)	(132,428)	425,000	341,287	341,287
Net changes in fund balances	(638,393)	(19,364)	(9,935)	(417,951)	131,807	(953,836)	(948,333)
Fund balances (deficits) at beginning of year	2,763,188	556,128	323,857	3,297,415	(227,915)	3,949,485	8,879,056
Fund balances (deficits) at end of year	\$ 2,124,795	\$ 536,764	\$ 313,922	\$ 2,879,464	\$ (96,108)	\$ 2,995,649	\$ 7,930,723

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS YEAR ENDED DECEMBER 31, 2017

	Original Budget	Actual	Variance From Original Budget Positive (Negative)
Parking fund:			
Revenues:			
Licenses and permits	\$ 57,000	\$ 59,160	\$ 2,160
Fines and forfeitures	39,000	35,037	(3,963)
Miscellaneous	-	1,079	1,079
Interest income	12,250	6,008	(6,242)
Net increase in fair value of investments	-	1,382	1,382
	<u>108,250</u>	<u>102,666</u>	<u>(5,584)</u>
Expenditures:			
Personal services	81,895	39,386	42,509
Supplies	900	-	900
Professional services	62,080	55,765	6,315
Contractual services	29,395	25,342	4,053
Capital outlay	60,000	105,088	(45,088)
	<u>234,270</u>	<u>225,581</u>	<u>8,689</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (126,020)</u>	<u>(122,915)</u>	<u>\$ 3,105</u>
Fund balance at beginning of year		<u>659,662</u>	
Fund balance at end of year		<u>\$ 536,747</u>	
Lodging fund:			
Revenues:			
Taxes	\$ 9,850	\$ 13,894	\$ 4,044
Miscellaneous	3,500	3,000	(500)
Interest income	150	180	30
Net (decrease) in fair value of investments	-	(3)	(3)
	<u>13,500</u>	<u>17,071</u>	<u>3,571</u>
Expenditures:			
Personal services	150	150	-
Professional services	12,725	15,117	(2,392)
	<u>12,875</u>	<u>15,267</u>	<u>(2,392)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 625</u>	<u>1,804</u>	<u>\$ (1,179)</u>
Fund balance at beginning of year		<u>14,088</u>	
Fund balance at end of year		<u>\$ 15,892</u>	

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS (CONTINUED) YEAR ENDED DECEMBER 31, 2017

	Original Budget	Actual	Variance From Original Budget Positive (Negative)
Cemetery fund:			
Revenues:			
Charges for services	\$ 76,000	\$ 73,867	\$ (2,133)
Miscellaneous	-	330	330
Interest income	6,500	4,462	(2,038)
Net increase in fair value of investments	-	58	58
	<u>82,500</u>	<u>78,717</u>	<u>(3,783)</u>
Total revenues			
Expenditures:			
Personal services	78,865	75,950	2,915
Supplies	2,700	5,853	(3,153)
Professional services	7,960	7,642	318
Contractual services	20,645	18,043	2,602
Capital outlay	25,000	9,074	15,926
	<u>135,170</u>	<u>116,562</u>	<u>18,608</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (52,670)</u>	<u>(37,845)</u>	<u>\$ 14,825</u>
Fund balance at beginning of year		<u>459,666</u>	
Fund balance at end of year		<u>\$ 421,821</u>	
Urban Redevelopment fund:			
Revenues:			
Charges for services	\$ 94,600	\$ 146,615	\$ 52,015
Interest income	14,000	10,958	(3,042)
Net (decrease) in fair value of investments	-	(2,877)	(2,877)
Miscellaneous	-	2,809	2,809
	<u>108,600</u>	<u>157,505</u>	<u>48,905</u>
Total revenues			
Expenditures:			
Personal services	10	10	-
Professional services	10	60	(50)
Contractual services	810	810	-
	<u>830</u>	<u>880</u>	<u>(50)</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 107,770</u>	<u>156,625</u>	<u>\$ 48,855</u>
Fund balance at beginning of year		<u>1,017,732</u>	
Fund balance at end of year		<u>\$ 1,174,357</u>	

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS (CONTINUED) YEAR ENDED DECEMBER 31, 2017

	Original Budget	Actual	Variance From Original Budget Positive (Negative)
Round Up:			
Revenues:			
Miscellaneous	\$ 41,000	\$ 35,841	\$ (5,159)
Interest income	-	57	57
Net increase in fair value of investments	-	99	99
	41,000	35,997	(5,003)
Expenditures:			
Professional services	41,000	34,403	6,597
Contractual services	-	39	(39)
	41,000	34,442	6,558
Excess (deficiency) of revenues over (under) expenditures	\$ -	1,555	\$ 1,555
Fund balance at beginning of year		5,058	
Fund balance at end of year		\$ 6,613	

See Independent Auditor's Report.

NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

Sewer - The Sewer Fund was established to account for operating revenues and expenses of maintaining a sewer system.

Golf - This fund was established to account for operating revenues and expenses of operating a golf course.

Refuse - The Refuse Fund was established to account for user fees charged for garbage collection.

Recycling - This fund was established to account for revenues and expenses of operating a recycling program in the city.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS DECEMBER 31, 2017

	Sewer	Golf	Refuse	Recycling	Total Nonmajor Proprietary Funds
Assets:					
Current assets:					
Cash and cash equivalents	\$ 296,752	\$ 86,596	\$ 116,772	\$ 119,291	\$ 619,411
Receivables, net:					
Accounts receivable	255,728	2,924	14,058	31,007	303,717
Accrued interest	2,697	405	452	474	4,028
Inventory	-	41,224	-	-	41,224
Total current assets	555,177	131,149	131,282	150,772	968,380
Noncurrent assets:					
Land and improvements	13,383	158,053	-	-	171,436
Buildings and structures	150,000	276,443	-	-	426,443
Furniture and equipment	-	169,564	-	-	169,564
Machinery and automotive equipment	1,015,006	950,798	-	-	1,965,804
Distribution system	8,204,573	-	-	-	8,204,573
Other improvements	-	2,704,961	-	-	2,704,961
Total property	9,382,962	4,259,819	-	-	13,642,781
Accumulated depreciation	(4,151,524)	(2,766,537)	-	-	(6,918,061)
Net noncurrent assets	5,231,438	1,493,282	-	-	6,724,720
Total assets	5,786,615	1,624,431	131,282	150,772	7,693,100
Deferred outflows of resources:					
Deferred pension resources	68,613	89,233	-	7,268	165,114
Total assets and deferred outflows of resources	\$ 5,855,228	\$ 1,713,664	\$ 131,282	\$ 158,040	\$ 7,858,214
Liabilities					
Current liabilities:					
Accounts payable	\$ 18,702	\$ 7,803	\$ 8,690	\$ 757	\$ 35,952
Accrued wages payable	7,886	12,625	-	21	20,532
Deposits	-	54,448	-	-	54,448
Total current liabilities	26,588	74,876	8,690	778	110,932
Compensated absences payable	21,272	50,575	-	4,937	76,784
Net pension liability	240,457	350,737	-	26,210	617,404
Total liabilities	288,317	476,188	8,690	31,925	805,120
Deferred inflows of resources:					
Deferred pension resources	44,694	69,056	-	4,994	118,744
Net position:					
Net investment in capital assets	5,231,438	1,493,282	-	-	6,724,720
Unrestricted	290,779	(324,862)	122,592	121,121	209,630
Total net position	5,522,217	1,168,420	122,592	121,121	6,934,350
Total liabilities, deferred inflows of resources, and net position	\$ 5,855,228	\$ 1,713,664	\$ 131,282	\$ 158,040	\$ 7,858,214

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION NONMAJOR PROPRIETARY FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	<u>Sewer</u>	<u>Golf</u>	<u>Refuse</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Operating revenues:					
Charges for sales and services:					
Sewer	\$ 2,249,203.00	\$ -	\$ -	\$ -	\$ 2,249,203.00
Golf	-	840,086	-	-	840,086
Refuge billings	-	-	106,540	-	106,540
Recycling billings	-	-	-	239,915	239,915
Other	-	73,522	-	61,796	135,318
Total operating revenues	<u>2,249,203</u>	<u>913,608</u>	<u>106,540</u>	<u>301,711</u>	<u>3,571,062</u>
Operating expenses:					
Personal services	346,715	588,420	8,184	49,424	992,743
Supplies	29,537	153,205	-	3,358	186,100
Professional services	97,282	116,988	7,325	28,684	250,279
Contractual services	59,407	56,605	-	2,199	118,211
Disposal charges	1,425,477	-	97,005	213,649	1,736,131
Cost of sales	-	65,890	-	-	65,890
Depreciation	295,263	125,731	-	-	420,994
Total operating expenses	<u>2,253,681</u>	<u>1,106,839</u>	<u>112,514</u>	<u>297,314</u>	<u>3,770,348</u>
Operating income (loss)	<u>(4,478)</u>	<u>(193,231)</u>	<u>(5,974)</u>	<u>4,397</u>	<u>(199,286)</u>
Nonoperating revenues:					
Interest income	5,922	1,043	1,199	1,244	9,408
Net increase (loss) in fair value of investments	(1,302)	1,117	(41)	(169)	(395)
Other income	2,900	-	-	-	2,900
Total nonoperating revenues	<u>7,520</u>	<u>2,160</u>	<u>1,158</u>	<u>1,075</u>	<u>11,913</u>
Change in net position	3,042	(191,071)	(4,816)	5,472	(187,373)
Net position - Beginning of year	<u>5,519,175</u>	<u>1,359,491</u>	<u>127,408</u>	<u>115,649</u>	<u>7,121,723</u>
Net position - Ending	<u>\$ 5,522,217</u>	<u>\$ 1,168,420</u>	<u>\$ 122,592</u>	<u>\$ 121,121</u>	<u>\$ 6,934,350</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	<u>Sewer</u>	<u>Golf</u>	<u>Refuse</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Cash flows from operating activities:					
Received from customers	\$ 2,251,931	\$ 911,848	\$ 107,541	\$ 301,737	\$ 3,573,057
Payments to suppliers for goods and services	(206,925)	(391,632)	(7,776)	(33,538)	(639,871)
Payments to employees for services	(332,659)	(553,701)	(8,184)	(47,755)	(942,299)
Disposal charges	(1,425,477)	-	(97,005)	(213,649)	(1,736,131)
Increase (decrease) in deposits	-	2,918	-	-	2,918
Net cash provided by (used in) operating activities	<u>286,870</u>	<u>(30,567)</u>	<u>(5,424)</u>	<u>6,795</u>	<u>257,674</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	<u>(421,688)</u>	<u>(96,122)</u>	<u>-</u>	<u>-</u>	<u>(517,810)</u>
Cash flows from investing activities:					
Investment earnings	<u>4,133</u>	<u>2,495</u>	<u>1,132</u>	<u>1,008</u>	<u>8,768</u>
Net increase (decrease) in cash and cash equivalents	(130,685)	(124,194)	(4,292)	7,803	(251,368)
Cash and cash equivalents at beginning of year	<u>427,437</u>	<u>210,790</u>	<u>121,064</u>	<u>111,488</u>	<u>870,779</u>
Cash and cash equivalents at end of year	<u>\$ 296,752</u>	<u>\$ 86,596</u>	<u>\$ 116,772</u>	<u>\$ 119,291</u>	<u>\$ 619,411</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	<u>\$ (4,478)</u>	<u>\$ (193,231)</u>	<u>\$ (5,974)</u>	<u>\$ 4,397</u>	<u>\$ (199,286)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	295,263	125,731	-	-	420,994
Other income	2,900	-	-	-	2,900
Change in assets and liabilities:					
Accounts receivable	(172)	(1,760)	1,001	26	(905)
Inventory	-	(86)	-	-	(86)
Net pension liability	(48,042)	(82,357)	-	(5,618)	(136,017)
Deferred outflows - pensions	14,076	24,130	-	1,646	39,852
Deferred inflows - pensions	47,768	81,887	-	5,586	135,241
Accounts payable	(20,699)	1,142	(451)	703	(19,305)
Accrued wages payable	5,134	9,602	-	(314)	14,422
Compensated absences payable	(4,880)	1,457	-	369	(3,054)
Deposits	-	2,918	-	-	2,918
Total adjustments	<u>291,348</u>	<u>162,664</u>	<u>550</u>	<u>2,398</u>	<u>456,960</u>
Net cash provided by (used in) operating activities	<u>\$ 286,870</u>	<u>\$ (30,567)</u>	<u>\$ (5,424)</u>	<u>\$ 6,795</u>	<u>\$ 257,674</u>

See Independent Auditor's Report.

INTERNAL SERVICE FUNDS

An Internal Service Fund is defined as a fund to account for the financing of goods or services by one department to other departments of the City, or to other governmental units, on a cost-reimbursement basis. The City of Anoka has the following Internal Service Funds:

Information Systems – This fund accounts for the maintenance, repairs, and operation of the City’s computer hardware and software. These operating expenses are used as a basis to charge departments for the use of the data processing system.

Insurance - This fund was established to account for all of the property and liability insurance premiums and claims.

Employee Benefits – This fund was established to account for all of the compensated absences benefits (except proprietary funds).

Central Garage - This fund was established to account for all of the operating expenses of all City vehicles and major pieces of equipment (except proprietary fund equipment). These operating expenses are used as a basis to establish rental rates that are charged to the departments using the vehicles.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS DECEMBER 31, 2017

Assets	Information Systems	Insurance	Employee Benefits	Central Garage	Total
Current assets:					
Cash and cash equivalents	\$ 302,832	\$ 686,401	\$ 744,446	\$ 166,771	\$ 1,900,450
Accounts receivable	-	494,271	-	-	494,271
Accrued interest	128	2,659	2,774	642	6,203
Inventory	-	-	-	36,443	36,443
Prepaid items	-	10,000	-	-	10,000
Total current assets	<u>302,960</u>	<u>1,193,331</u>	<u>747,220</u>	<u>203,856</u>	<u>2,447,367</u>
Noncurrent assets:					
Capital assets:					
Buildings and structures	50,000	-	-	-	50,000
Furniture and equipment	650,169	-	-	-	650,169
Machinery and automotive equipment	-	-	-	5,015,210	5,015,210
Total property	<u>700,169</u>	<u>-</u>	<u>-</u>	<u>5,015,210</u>	<u>5,715,379</u>
Accumulated depreciation	<u>(576,726)</u>	<u>-</u>	<u>-</u>	<u>(3,378,963)</u>	<u>(3,955,689)</u>
Net noncurrent assets	<u>123,443</u>	<u>-</u>	<u>-</u>	<u>1,636,247</u>	<u>1,759,690</u>
Total assets	<u>\$ 426,403</u>	<u>\$ 1,193,331</u>	<u>\$ 747,220</u>	<u>\$ 1,840,103</u>	<u>\$ 4,207,057</u>
Liabilities and Net Position					
Current liabilities:					
Accounts payable	\$ 20,057	\$ 96,113	\$ -	\$ 28,407	\$ 144,577
Accrued wages payable	-	-	1,663	5,244	6,907
Due to other funds	-	-	12,133	-	12,133
Current portion of compensated absences payable	-	-	18,000	-	18,000
Total current liabilities	<u>20,057</u>	<u>96,113</u>	<u>31,796</u>	<u>33,651</u>	<u>181,617</u>
Compensated absences payable	-	-	779,182	11,993	791,175
Total liabilities	<u>20,057</u>	<u>96,113</u>	<u>810,978</u>	<u>45,644</u>	<u>972,792</u>
Net position:					
Net investment in capital assets	123,443	-	-	1,636,247	1,759,690
Unrestricted	282,903	1,097,218	(63,758)	158,212	1,474,575
Total net position	<u>406,346</u>	<u>1,097,218</u>	<u>(63,758)</u>	<u>1,794,459</u>	<u>3,234,265</u>
Total liabilities and net position	<u>\$ 426,403</u>	<u>\$ 1,193,331</u>	<u>\$ 747,220</u>	<u>\$ 1,840,103</u>	<u>\$ 4,207,057</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	<u>Information Systems</u>	<u>Insurance</u>	<u>Employee Benefits</u>	<u>Central Garage</u>	<u>Total</u>
Operating revenues:					
Total operating revenues	\$ 384,870	\$ 412,320	\$ -	\$ 665,170	\$ 1,462,360
Operating expenses:					
Personal services	4,415	10,361	70,220	126,683	211,679
Supplies	38,221	-	-	232,961	271,182
Professional services	197,823	595,934	15	29,840	823,612
Contractual services	93,375	-	-	8,167	101,542
Depreciation	35,205	-	-	366,384	401,589
Total operating expenses	<u>369,039</u>	<u>606,295</u>	<u>70,235</u>	<u>764,035</u>	<u>1,809,604</u>
Operating income (loss)	<u>15,831</u>	<u>(193,975)</u>	<u>(70,235)</u>	<u>(98,865)</u>	<u>(347,244)</u>
Nonoperating revenues:					
Interest income	1,881	7,853	7,222	395	17,351
Net increase (loss) in fair value of investments	(494)	6,064	(748)	4,103	8,925
Gain on sale of fixed assets	-	-	-	42,316	42,316
Other income	-	20,247	-	-	20,247
Total nonoperating revenues	<u>1,387</u>	<u>34,164</u>	<u>6,474</u>	<u>46,814</u>	<u>88,839</u>
Change in net position	17,218	(159,811)	(63,761)	(52,051)	(258,405)
Net position - Beginning of year	<u>389,128</u>	<u>1,257,029</u>	<u>3</u>	<u>1,846,510</u>	<u>3,492,670</u>
Net position - End of year	<u>\$ 406,346</u>	<u>\$ 1,097,218</u>	<u>\$ (63,758)</u>	<u>\$ 1,794,459</u>	<u>\$ 3,234,265</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	<u>Information Systems</u>	<u>Insurance</u>	<u>Employee Benefits</u>	<u>Central Garage</u>	<u>Total</u>
Cash flows from operating activities:					
Received from interfund services provided	\$ 384,870	\$ 412,320	\$ -	\$ 665,170	\$ 1,462,360
Reimbursement from insurance carrier	-	(494,271)	-	-	(494,271)
Payments to suppliers for goods and services	(331,468)	(506,431)	(435)	(275,481)	(1,113,815)
Payments to employees for services	(4,415)	(10,361)	(52,222)	(124,360)	(191,358)
Net cash provided by (used in) operating activities	<u>48,987</u>	<u>(598,743)</u>	<u>(52,657)</u>	<u>265,329</u>	<u>(337,084)</u>
Cash flows from noncapital financing activities:					
(Increase)/decrease from other funds	<u>-</u>	<u>-</u>	<u>12,133</u>	<u>-</u>	<u>12,133</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(56,799)	-	-	(686,622)	(743,421)
Proceeds from sale of capital assets	-	-	-	42,316	42,316
Net cash used in capital and related financing activities	<u>(56,799)</u>	<u>-</u>	<u>-</u>	<u>(644,306)</u>	<u>(701,105)</u>
Cash flows from investing activities:					
Investment earnings	<u>2,343</u>	<u>15,722</u>	<u>6,156</u>	<u>5,755</u>	<u>29,976</u>
Net increase (decrease) in cash and cash equivalents	(5,469)	(583,021)	(34,368)	(373,222)	(996,080)
Cash and cash equivalents at beginning of year	<u>308,301</u>	<u>1,269,422</u>	<u>778,814</u>	<u>539,993</u>	<u>2,896,530</u>
Cash and cash equivalents end of year	<u>\$ 302,832</u>	<u>\$ 686,401</u>	<u>\$ 744,446</u>	<u>\$ 166,771</u>	<u>\$ 1,900,450</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	<u>\$ 15,831</u>	<u>\$ (193,975)</u>	<u>\$ (70,235)</u>	<u>\$ (98,865)</u>	<u>\$ (347,244)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	35,205	-	-	366,384	401,589
Other income	-	20,247	-	-	20,247
Change in assets and liabilities:					
Inventory	-	-	-	69	69
Prepaid expense	-	35,834	-	-	35,834
Accounts receivable	-	(494,271)	-	-	(494,271)
Accounts payable	(2,049)	33,422	(420)	(4,582)	26,371
Accrued wages payable	-	-	1,663	4,075	5,738
Compensated absences payable	-	-	16,335	(1,752)	14,583
Total adjustments	<u>33,156</u>	<u>(404,768)</u>	<u>17,578</u>	<u>364,194</u>	<u>10,160</u>
Net cash provided by (used in) operating activities	<u>\$ 48,987</u>	<u>\$ (598,743)</u>	<u>\$ (52,657)</u>	<u>\$ 265,329</u>	<u>\$ (337,084)</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES BUDGET AND ACTUAL - GENERAL FUND YEAR ENDED DECEMBER 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 6,641,000	\$ 6,640,858	\$ (142)
Penalties and interest	6,000	13,779	7,779
Total	6,647,000	6,654,637	7,637
Licenses and permits:			
Licenses	83,300	130,584	47,284
Permits	320,250	308,004	(12,246)
Total	403,550	438,588	35,038
Fines and forfeitures:			
Court fines	70,750	63,351	(7,399)
Intergovernmental:			
Local government aid	1,691,045	1,691,045	-
State aid maintenance	187,600	187,994	394
Police aid	271,300	277,309	6,009
PERA aid	28,500	28,509	9
Other	-	30,825	30,825
Total	2,178,445	2,215,682	37,237
Charges for current services:			
Swimming pool	258,450	280,117	21,667
Parks	45,350	60,323	14,973
Police services	623,500	658,366	34,866
Planning services	106,100	119,255	13,155
Public works	1,500	2,213	713
Other	1,000	105	(895)
Total	1,035,900	1,120,379	84,479
Franchise fees	976,000	946,078	(29,922)
Interest earnings	45,000	28,670	(16,330)
Miscellaneous:			
Other	201,480	215,706	14,226
Net increase in fair value of investments	-	443	443
Total	201,480	216,149	14,669
Total revenues	11,558,125	11,683,534	125,409

CITY OF ANOKA, MINNESOTA

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other financing sources:			
Electric transfer in	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ -</u>
Total	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Total revenues and other financing sources	<u>\$ 11,958,125</u>	<u>\$ 12,083,534</u>	<u>\$ 125,409</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - GENERAL FUND YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General government:			
Mayor and council:			
Personal services	\$ 40,450	\$ 39,994	\$ 456
Supplies	500	1,283	(783)
Professional services	65,875	53,350	12,525
Totals	<u>106,825</u>	<u>94,627</u>	<u>12,198</u>
City manager:			
Personal services	188,170	145,825	42,345
Supplies	3,000	1,571	1,429
Professional services	59,530	104,783	(45,253)
Contractual services	1,000	1,296	(296)
Totals	<u>251,700</u>	<u>253,475</u>	<u>(1,775)</u>
Elections:			
Supplies	200	-	200
Professional services	2,000	4,988	(2,988)
Contractual services	4,000	-	4,000
Totals	<u>6,200</u>	<u>4,988</u>	<u>1,212</u>
Finance:			
Personal services	280,610	283,622	(3,012)
Supplies	4,100	3,254	846
Professional services	51,100	47,992	3,108
Contractual services	2,700	1,374	1,326
Totals	<u>338,510</u>	<u>336,242</u>	<u>2,268</u>
Assessing:			
Personal services	129,425	131,615	(2,190)
Supplies	700	80	620
Professional services	13,860	11,352	2,508
Contractual services	5,375	5,176	199
Totals	<u>149,360</u>	<u>148,223</u>	<u>1,137</u>
Miscellaneous:			
Personal services	(65,000)	-	(65,000)
Professional services	80,000	67,408	12,592
Contractual services	62,000	-	62,000
Totals	<u>77,000</u>	<u>67,408</u>	<u>9,592</u>

CITY OF ANOKA, MINNESOTA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - GENERAL FUND (CONTINUED) YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General government (continued):			
Attorney:			
Supplies	\$ 500	\$ -	\$ 500
Professional services	205,000	185,691	19,309
Totals	<u>205,500</u>	<u>185,691</u>	<u>19,809</u>
Human resources:			
Personal services	142,785	136,399	6,386
Supplies	3,500	834	2,666
Professional services	15,725	12,868	2,857
Contractual services	1,000	475	525
Totals	<u>163,010</u>	<u>150,576</u>	<u>12,434</u>
Planning:			
Personal services	147,150	162,742	(15,592)
Supplies	3,500	781	2,719
Professional services	54,055	48,983	5,072
Contractual services	3,600	2,603	997
Totals	<u>208,305</u>	<u>215,109</u>	<u>(6,804)</u>
Community development:			
Personal services	122,250	100,148	22,102
Supplies	3,000	909	2,091
Professional services	21,030	41,505	(20,475)
Contractual services	500	-	500
Totals	<u>146,780</u>	<u>142,562</u>	<u>4,218</u>
General government buildings:			
Personal services	59,700	54,736	4,964
Supplies	3,200	3,270	(70)
Professional services	60,710	46,560	14,150
Contractual services	18,365	12,166	6,199
Capital outlay	-	20,973	(20,973)
Totals	<u>141,975</u>	<u>137,705</u>	<u>4,270</u>
Building maintenance:			
Personal services	89,250	81,957	7,293
Supplies	9,900	3,198	6,702
Professional services	18,865	13,485	5,380
Contractual services	61,655	45,185	16,470
Totals	<u>179,670</u>	<u>143,825</u>	<u>35,845</u>
Total general government	<u>1,974,835</u>	<u>1,880,431</u>	<u>94,404</u>

CITY OF ANOKA, MINNESOTA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - GENERAL FUND (CONTINUED) YEAR ENDED DECEMBER 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
Public safety:			
Police department:			
Personal services	\$ 3,312,800	\$ 3,235,863	\$ 76,937
Supplies	75,700	78,601	(2,901)
Professional services	340,090	357,611	(17,521)
Contractual services	287,055	283,777	3,278
Capital outlay	40,000	88,390	(48,390)
Totals	4,055,645	4,044,242	11,403
State hospital security:			
Personal services	296,300	296,906	(606)
Supplies	400	-	400
Professional services	6,385	3,385	3,000
Contractual services	22,940	21,052	1,888
Totals	326,025	321,343	4,682
High school security, liason, and security:			
Personal services	416,675	410,542	6,133
Supplies	800	-	800
Professional services	9,870	6,370	3,500
Contractual services	18,825	15,528	3,297
Totals	446,170	432,440	13,730
Fire protection:			
Contractual services	624,490	624,487	3
Emergency services:			
Personal services	500	-	500
Professional services	1,150	-	1,150
Contractual services	2,300	2,109	191
Totals	3,950	2,109	1,841

CITY OF ANOKA, MINNESOTA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - GENERAL FUND (CONTINUED) YEAR ENDED DECEMBER 31, 2017

	Final Budget	Actual	Variance Positive (Negative)
Public safety (continued):			
Inspections:			
Personal services	\$ 130,600	\$ 156,202	\$ (25,602)
Supplies	2,000	180	1,820
Professional services	44,830	15,240	29,590
Contractual services	10,355	10,353	2
Totals	<u>187,785</u>	<u>181,975</u>	<u>5,810</u>
Property maintenance:			
Personal services	124,550	125,326	(776)
Supplies	1,250	80	1,170
Professional services	8,935	7,589	1,346
Contractual services	200	-	200
Totals	<u>134,935</u>	<u>132,995</u>	<u>1,940</u>
Total public safety	<u>5,779,000</u>	<u>5,739,591</u>	<u>39,409</u>
Public works:			
Engineering:			
Personal services	87,700	112,462	(24,762)
Supplies	4,500	1,265	3,235
Professional services	55,985	28,931	27,054
Contractual services	10,855	10,823	32
Capital outlay	82,500	82,500	-
Totals	<u>241,540</u>	<u>235,981</u>	<u>5,559</u>
Streets:			
Personal services	509,500	604,514	(95,014)
Supplies	29,400	24,532	4,868
Professional services	55,540	55,352	188
Contractual services	651,100	454,242	196,858
Capital outlay	60,000	144,495	(84,495)
Totals	<u>1,305,540</u>	<u>1,283,135</u>	<u>22,405</u>
Total public works	<u>1,547,080</u>	<u>1,519,116</u>	<u>27,964</u>

CITY OF ANOKA, MINNESOTA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES BUDGET AND ACTUAL - GENERAL FUND (CONTINUED) YEAR ENDED DECEMBER 31, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Parks and recreation:			
Organized recreation:			
Personal services	\$ 36,050	\$ 52,485	\$ (16,435)
Supplies	10,000	4,526	5,474
Professional services	159,630	146,213	13,417
Contractual services	<u>45,000</u>	<u>40,557</u>	<u>4,443</u>
Totals	<u>250,680</u>	<u>243,781</u>	<u>6,899</u>
Playgrounds and playfields:			
Personal services	152,800	183,056	(30,256)
Supplies	24,000	7,891	16,109
Professional services	27,550	25,998	1,552
Contractual services	82,410	72,708	9,702
Capital outlay	<u>25,000</u>	<u>20,923</u>	<u>4,077</u>
Totals	<u>311,760</u>	<u>310,576</u>	<u>1,184</u>
Aquatic center:			
Personal services	201,550	195,551	5,999
Supplies	29,500	30,335	(835)
Professional services	54,740	68,890	(14,150)
Contractual services	<u>36,955</u>	<u>23,541</u>	<u>13,414</u>
Totals	<u>322,745</u>	<u>318,317</u>	<u>4,428</u>
Senior citizens:			
Personal services	115,500	115,697	(197)
Supplies	9,550	5,356	4,194
Professional services	49,325	55,878	(6,553)
Contractual services	<u>28,205</u>	<u>24,419</u>	<u>3,786</u>
Totals	<u>202,580</u>	<u>201,350</u>	<u>1,230</u>
Skating rinks/River recreation:			
Personal services	113,850	112,894	956
Supplies	4,200	2,877	1,323
Professional services	9,265	8,750	515
Contractual services	<u>9,000</u>	<u>2,425</u>	<u>6,575</u>
Totals	<u>136,315</u>	<u>126,946</u>	<u>9,369</u>
Municipal parks:			
Personal services	434,600	437,968	(3,368)
Supplies	58,200	37,361	20,839
Professional services	56,410	60,653	(4,243)
Contractual services	216,525	269,681	(53,156)
Capital outlay	<u>115,000</u>	<u>70,279</u>	<u>44,721</u>
Totals	<u>880,735</u>	<u>875,942</u>	<u>4,793</u>

CITY OF ANOKA, MINNESOTA

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Parks and recreation (continued):			
Shade tree beautification:			
Personal services	\$ 20,700	\$ 62,865	\$ (42,165)
Supplies	15,200	4,300	10,900
Professional services	11,545	5,341	6,204
Contractual services	<u>79,500</u>	<u>49,138</u>	<u>30,362</u>
Totals	<u>126,945</u>	<u>121,644</u>	<u>5,301</u>
Total parks and recreation	<u>2,231,760</u>	<u>2,198,556</u>	<u>33,204</u>
Total expenditures	<u>11,532,675</u>	<u>11,337,694</u>	<u>194,981</u>
Transfers out:			
Debt service	<u>580,000</u>	<u>580,000</u>	<u>-</u>
Total expenditures and transfers	<u><u>\$ 12,112,675</u></u>	<u><u>\$ 11,917,694</u></u>	<u><u>\$ 194,981</u></u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINED SCHEDULE OF INDEBTEDNESS DECEMBER 31, 2017

ACCOUNT NUMBER	Bonded Indebtedness	Issue Date	Maturity Date	Interest Rates	Authorized and Issued	Balance 12/31/2016
General obligation bonds:						
305-4771	2008A Public Facilities Bonds	3/13/2008	2/1/2028	3.30-4.10%	\$ 2,310,000	\$ 1,600,000
302-4770	Public Facility Refunding Bonds of 2010A	12/27/2010	2/1/2022	2.00-3.15%	3,740,000	2,135,000
379-4780	2014A TIF Crossover Refunding Bonds	8/14/2014	2/1/2033	3.00-4.00%	6,115,000	5,970,000
305-4771	2016A Public Facilities Crossover Refunding	4/27/2016	2/1/2028	2.00%	1,510,000	1,510,000
	Total general obligation bonds				<u>13,675,000</u>	<u>11,215,000</u>
Revenue bonds:						
601	Water Refunding Bonds, Series 2009A	3/18/2009	2/1/2017	2.5-3.00%	1,625,000	225,000
603	Utility Storm Water Bonds, Series 2016B	8/1/2016	2/1/2036	2.00-3.00%	1,795,000	1,795,000
	Total general obligation revenue bonds				<u>3,420,000</u>	<u>2,020,000</u>
	Total bonds payable				<u>\$ 17,095,000</u>	<u>\$ 13,235,000</u>
410	Loan Payable to Met Council				<u>\$ -</u>	<u>\$ 2,502,460</u>

CITY OF ANOKA, MINNESOTA

COMBINED SCHEDULE OF INDEBTEDNESS (Continued) DECEMBER 31, 2017

ACCOUNT NUMBER	Bonded Indebtedness	Additions	Retirements	Balance 12/31/2017
General obligation bonds:				
305-4771	2008A Public Facilities Bonds	\$ -	\$ 1,600,000	\$ -
302-4770	Public Facility Refunding Bonds of 2010A	-	330,000	1,805,000
379-4780	2014A TIF Crossover Refunding Bonds	-	175,000	5,795,000
305-4771	2016A Public Facilities Crossover Refunding	-	-	1,510,000
	Total general obligation bonds	-	2,105,000	9,110,000
Revenue bonds:				
601	Water Refunding Bonds, Series 2009A	-	225,000	-
603	Utility Storm Water Bonds, Series 2016B	-	85,000	1,710,000
	Total general obligation revenue bonds	-	310,000	1,710,000
	Total bonds payable	\$ -	\$ 2,415,000	\$ 10,820,000
410	Loan Payable to Met Council	\$ -	\$ 194,323	\$ 2,308,137

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

SCHEDULE OF BOND MATURITIES DECEMBER 31, 2017

	Issue Date	Interest Rate	Maturity Date	Principal
General obligation bonds:				
\$6,115,000 TIF Crossover Refunding Bonds of 2014A	8/14/2014	3.00%	2/1/2018	\$ 180,000
		3.00	2/1/2019	185,000
		3.00	2/1/2020	215,000
		3.00	2/1/2021	205,000
		4.00	2/1/2022	280,000
		4.00	2/1/2023	300,000
		4.00	2/1/2024	325,000
		4.00	2/1/2025	330,000
		3.00	2/1/2026	350,000
		3.00	2/1/2027	365,000
		3.00	2/1/2028	480,000
		3.25	2/1/2029	480,000
		3.38	2/1/2030	490,000
		3.40	2/1/2031	520,000
		3.40	2/1/2032	535,000
		3.40	2/1/2033	<u>555,000</u>
Total Tax Increment Bonds of 2006A				5,795,000
\$3,740,000 G.O. Public Facility Refunding Bonds, Series 2010A	12/27/2010	2.30%	2/1/2018	375,000
		2.60	2/1/2019	370,000
		3.00	2/1/2020	360,000
		3.05	2/1/2021	350,000
		3.15	2/1/2022	<u>350,000</u>
Total Public Facility Refunding Bonds of 2010A				1,805,000
\$1,510,000 Crossover Refunding Bonds of 2016A	4/27/2017	2.00%	2/1/2018	120,000
		2.00	2/1/2019	125,000
		2.00	2/1/2020	125,000
		2.00	2/1/2021	130,000
		2.00	2/1/2022	135,000
		2.00	2/1/2023	140,000
		2.00	2/1/2024	140,000
		2.00	2/1/2025	140,000
		2.00	2/1/2026	150,000
		2.00	2/1/2027	150,000
		2.00	2/1/2028	<u>155,000</u>
Total Public Facility Refunding Bonds of 2010A				<u>1,510,000</u>
Total General Obligation Bonds Payable				<u>9,110,000</u>

CITY OF ANOKA, MINNESOTA

SCHEDULE OF BOND MATURITIES (CONTINUED) DECEMBER 31, 2017

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal</u>
Revenue Bonds:				
\$1,795,000 Utility Revenue Bonds, 2016B	8/1/2016		2/1/2018	85,000
			2/1/2019	85,000
			2/1/2020	85,000
			2/1/2021	85,000
			2/1/2022	85,000
			2/1/2023	85,000
			2/1/2024	85,000
			2/1/2025	85,000
			2/1/2026	85,000
			2/1/2027	85,000
			2/1/2028	90,000
			2/1/2029	90,000
			2/1/2030	90,000
			2/1/2031	90,000
			2/1/2032	90,000
			2/1/2033	95,000
			2/1/2034	100,000
			2/1/2035	105,000
			2/1/2036	110,000
Total Utility Revenue Bonds of 2016B				<u>1,710,000</u>
Total Bonds Payable				<u><u>\$ 10,820,000</u></u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

SCHEDULE OF DEBT SERVICE REQUIREMENTS DECEMBER 31, 2017

Year	General Obligation Bonds		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 675,000	\$ 268,410	\$ 85,000	\$ 40,600	\$ 760,000	\$ 309,010
2019	680,000	251,363	85,000	38,900	765,000	290,263
2020	700,000	232,652	85,000	37,200	785,000	269,852
2021	685,000	213,065	85,000	35,500	770,000	248,565
2022	765,000	190,890	85,000	33,800	850,000	224,690
2023	440,000	171,028	85,000	32,100	525,000	203,128
2024	465,000	155,727	85,000	30,400	550,000	186,127
2025	470,000	139,828	85,000	28,700	555,000	168,528
2026	500,000	125,077	85,000	27,000	585,000	152,077
2027	515,000	111,353	85,000	25,300	600,000	136,653
2028	635,000	95,627	90,000	23,325	725,000	118,952
2029	480,000	79,077	90,000	21,075	570,000	100,152
2030	490,000	63,009	90,000	18,825	580,000	81,834
2031	520,000	45,900	90,000	16,350	610,000	62,250
2032	535,000	27,965	90,000	13,650	625,000	41,615
2033	555,000	9,435	95,000	10,875	650,000	20,310
2034			100,000	7,950	100,000	7,950
2035			105,000	4,875	105,000	4,875
2036			110,000	1,650	110,000	1,650
	<u>\$ 9,110,000</u>	<u>\$ 2,180,406</u>	<u>\$ 1,710,000</u>	<u>\$ 448,075</u>	<u>\$ 10,820,000</u>	<u>\$ 2,628,481</u>

See Independent Auditors Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF NET POSITION FIDUCIARY FUNDS DECEMBER 31, 2017

	Agency			
	Escrow Funds	Youth First	Downtown District	Agency Total
Assets				
Cash and investments	\$ 245,987	\$ 79,725	\$ 101,840	\$ 427,552
Accounts receivable	-	-	6,108	6,108
Accrued interest receivable	953	308	395	1,656
Total assets	\$ 246,940	\$ 80,033	\$ 108,343	\$ 435,316
Liabilities				
Liabilities:				
Deposits payable	\$ 246,940	\$ -	\$ -	\$ 246,940
Due to other organizations	-	80,033	108,343	188,376
Total liabilities	\$ 246,940	\$ 80,033	\$ 108,343	\$ 435,316

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FIDUCIARY FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

	Balance January 1 2017	Additions	Deductions	Balance December 31 2017
<u>Escrow Fund</u>				
Assets				
Cash and investments	\$ 217,299	\$ 689,070	\$ 660,382	\$ 245,987
Accrued interest receivable	736	17,859	17,642	953
Total assets	\$ 218,035	\$ 706,929	\$ 678,024	\$ 246,940
Liabilities				
Liabilities:				
Deposits payable	\$ 218,035	\$ 706,929	\$ 678,024	\$ 246,940
<u>Youth First</u>				
Assets				
Cash and investments	\$ 83,491	\$ 214,570	\$ 218,336	\$ 79,725
Accrued interest receivable	293	4,164	4,149	308
Total assets	\$ 83,784	\$ 218,734	\$ 222,485	\$ 80,033
Liabilities				
Liabilities:				
Due to other organizations	\$ 83,784	\$ 218,734	\$ 222,485	\$ 80,033
<u>Downtown District</u>				
Assets				
Cash and investments	\$ 118,652	\$ 89,983	\$ 106,795	\$ 101,840
Accounts receivable	6,468	86,591	86,951	6,108
Accrued interest receivable	413	5,325	5,343	395
Total assets	\$ 125,533	\$ 181,899	\$ 199,089	\$ 108,343
Liabilities				
Liabilities:				
Due to other organizations	\$ 125,533	\$ 181,899	\$ 199,089	\$ 108,343

CITY OF ANOKA, MINNESOTA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FIDUCIARY FUNDS FOR FISCAL YEAR ENDED DECEMBER 31, 2017

<u>Total Agency Fund</u>				
Assets				
Cash and investments	\$ 419,442	\$ 993,623	\$ 985,513	\$ 427,552
Accounts receivable	6,468	86,591	86,951	6,108
Accrued interest receivable	1,442	27,348	27,134	1,656
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 427,352</u>	<u>\$ 1,107,562</u>	<u>\$ 1,099,598</u>	<u>\$ 435,316</u>
Liabilities				
Liabilities:				
Deposits payable	\$ 218,035	\$ 706,929	\$ 678,024	\$ 246,940
Due to other organizations	209,317	400,633	421,574	188,376
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 427,352</u>	<u>\$ 1,107,562</u>	<u>\$ 1,099,598</u>	<u>\$ 435,316</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA, HOUSING AND REDEVELOPMENT AUTHORITY

**BALANCE SHEET - COMPONENT UNIT
DECEMBER 31, 2017**

	<u>HRA</u>	<u>Central Business Tax Increment</u>	<u>Business Core Tax Increment</u>	<u>South Business Tax Increment</u>	<u>Total HRA Funds</u>
ASSETS					
Cash and investments	\$ 708,803	\$ 163,569	\$ 1,273	\$ 131,016	\$ 1,004,661
Receivables, net:					
Taxes	4,228	4,302	24	-	8,554
Loans receivable	343,185	-	-	-	343,185
Due from other funds	300,000	1,168,000	-	-	1,468,000
Accrued interest	3,123	1,114	33	123	4,393
Land held for resale	315,377	579,755	-	530,368	1,425,500
Total assets	<u>\$ 1,674,716</u>	<u>\$ 1,916,740</u>	<u>\$ 1,330</u>	<u>\$ 661,507</u>	<u>\$ 4,254,293</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 4,246	\$ -	\$ -	\$ 250,194	\$ 254,440
Accrued wages payable and other benefits	3,884	-	-	-	3,884
Due to other funds	-	-	168,000	1,300,000	1,468,000
Total liabilities	<u>8,130</u>	<u>-</u>	<u>168,000</u>	<u>1,550,194</u>	<u>1,726,324</u>
Deferred inflows of resources:					
Unavailable revenue property taxes	2,950	3,120	-	-	6,070
Unavailable revenue loans	343,185	-	-	-	343,185
Total deferred inflows of resources	<u>346,135</u>	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>349,255</u>
Fund balances:					
Nonspendable	315,377	-	-	-	315,377
Restricted	-	1,913,620	-	530,368	2,443,988
Committed	-	-	-	-	-
Unassigned	1,005,074	-	(166,670)	(1,419,055)	(580,651)
Total fund balances	<u>1,320,451</u>	<u>1,913,620</u>	<u>(166,670)</u>	<u>(888,687)</u>	<u>2,178,714</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,674,716</u>	<u>\$ 1,916,740</u>	<u>\$ 1,330</u>	<u>\$ 661,507</u>	<u>\$ 4,254,293</u>
Total Component Unit fund balances					\$ 2,178,714
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in Component Unit (excluding internal service fund capital assets) are not financial resources and are not reported in the funds.					783,132
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources.					349,255
Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds.					(55,256)
Other long-term liabilities are not due and payable in the current period and, therefore, are deferred outflows of resources.					8,176
Net position of governmental activities					<u>\$ 3,264,021</u>

See Independent Auditor's Report.

CITY OF ANOKA, MINNESOTA, HOUSING AND REDEVELOPMENT AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES COMPONENT UNIT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017

	HRA	Central Business Tax Increment	Business Core Tax Increment	South Business Tax Increment	Total HRA Funds
Revenues:					
Taxes	\$ 229,889	\$ 294,069	\$ 6,650	\$ 15,419	\$ 546,027
Charges for current services	54,471	-	-	-	54,471
Investment income	15,585	1,590	114	307	17,596
Net increase in fair value of investments	(2,469)	(3,398)	(60)	39	(5,888)
Miscellaneous	-	55,895	-	-	55,895
Total revenues	297,476	348,156	6,704	15,765	668,101
Expenditures					
Current:					
Urban redevelopment and housing	146,217	5,430	7,279	49,005	207,931
Capital outlay	-	-	-	132,000	132,000
Total expenditures	146,217	5,430	7,279	181,005	339,931
Excess (deficiency) of revenues over (under) expenditures	151,259	342,726	(575)	(165,240)	328,170
Net changes in fund balances	151,259	342,726	(575)	(165,240)	328,170
Fund balances (deficits) at beginning of year	1,169,192	1,570,894	(166,095)	(723,447)	1,850,544
Fund balances (deficits) at end of year	\$ 1,320,451	\$ 1,913,620	\$ (166,670)	\$ (888,687)	\$ 2,178,714

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

Net change in fund balances above	\$ 328,170
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	123,311
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(49,845)
Net change in compensated absences reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds until actually due.	(76)
Net pension obligations reported in the statement of activities does not require the use of current financial resources and is not reported as expenditures in governmental funds until actually due.	(4,682)
Change in net position of governmental activities (page 27)	\$ 396,878

See Independent Auditor's Report.



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STATISTICAL SECTION

This part of the City of Anoka'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 City's overall financial health.

Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	2008	2009	2010	2011
Governmental activities:				
Net investment in capital assets	\$ 40,522,577	\$ 44,404,665	\$ 46,048,443	\$ 42,414,832
Restricted	605,492	896,059	502,574	1,012,029
Unrestricted	7,015,958	5,968,227	8,816,308	14,938,282
Total governmental activities net position	<u>48,144,027</u>	<u>51,268,951</u>	<u>55,367,325</u>	<u>58,365,143</u>
Business-type activities:				
Net investment in capital assets	32,164,969	32,588,231	32,376,427	31,799,293
Restricted	-	329,304	331,203	328,029
Unrestricted	14,695,152	17,540,338	19,738,257	22,785,758
Total business-type activities net position	<u>46,860,121</u>	<u>50,457,873</u>	<u>52,445,887</u>	<u>54,913,080</u>
Primary government:				
Net investment in capital assets	72,687,546	76,992,896	78,424,870	74,214,125
Restricted	605,492	1,225,363	833,777	1,340,058
Unrestricted	21,711,110	23,508,565	28,554,565	37,724,040
Total primary government net position	<u>\$ 95,004,148</u>	<u>\$ 101,726,824</u>	<u>\$ 107,813,212</u>	<u>\$ 113,278,223</u>

CITY OF ANOKA, MINNESOTA

(Unaudited)

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (CONTINUED)**

2012	2013	2014	2015	2016	2017
\$ 51,838,450	\$ 62,009,558	\$ 66,844,241	\$ 71,334,409	\$ 75,833,210	\$ 81,699,387
1,458,235	4,610,299	5,197,093	5,828,258	5,174,912	3,356,040
13,246,285	10,635,827	10,721,398	6,150,596	1,313,763	491,185
<u>66,542,970</u>	<u>77,255,684</u>	<u>82,762,732</u>	<u>83,313,263</u>	<u>82,321,885</u>	<u>85,546,612</u>
33,751,733	34,879,100	38,846,655	41,105,603	41,570,574	43,686,972
339,854	248,258	256,330	228,725	1,237,871	-
21,807,653	21,712,562	19,782,441	17,632,441	17,638,923	18,029,772
<u>55,899,240</u>	<u>56,839,920</u>	<u>58,885,426</u>	<u>58,966,769</u>	<u>60,447,368</u>	<u>61,716,744</u>
85,590,183	96,888,658	105,690,896	112,440,012	117,403,784	125,386,359
1,798,089	4,858,557	5,453,423	6,056,983	6,412,783	3,356,040
35,053,938	32,348,389	30,503,839	23,783,037	18,952,686	18,520,957
<u>\$ 122,442,210</u>	<u>\$ 134,095,604</u>	<u>\$ 141,648,158</u>	<u>\$ 142,280,032</u>	<u>\$ 142,769,253</u>	<u>\$ 147,263,356</u>

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	2008	2009	2010	2011
Expenses				
Governmental activities:				
General government	\$ 2,268,733	\$ 2,398,175	\$ 2,365,246	\$ 2,923,429
Public safety	4,784,040	5,004,364	5,320,857	4,964,088
Public works	2,209,291	2,033,195	1,396,491	2,184,103
Parks and recreation	2,191,387	2,100,057	1,840,678	1,927,287
Interest on long-term debt	801,839	766,471	701,054	572,753
Total governmental activities expenses	<u>12,255,290</u>	<u>12,302,262</u>	<u>11,624,326</u>	<u>12,571,660</u>
Business-type activities:				
Electric	24,593,408	19,729,760	21,291,347	22,350,480
Water	1,344,620	1,372,374	1,299,137	1,344,164
Sewer	1,777,959	1,946,558	2,004,164	1,940,882
Liquor Stores	3,589,815	3,669,135	3,481,544	3,653,495
Golf	1,340,659	1,372,763	1,356,041	1,393,724
Storm Drainage	162,856	135,671	150,370	162,570
Refuse	373,485	267,873	229,266	200,494
Recycling	308,969	299,333	304,284	264,232
Total business-type activities expenses	<u>33,491,771</u>	<u>28,793,467</u>	<u>30,116,153</u>	<u>31,310,041</u>
Total primary government expenses	<u>\$ 45,747,061</u>	<u>\$ 41,095,729</u>	<u>\$ 41,740,479</u>	<u>\$ 43,881,701</u>
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$ 643,379	\$ 95,124	\$ 73,135	\$ 87,718
Public safety	758,046	924,027	871,206	1,049,481
Public works	483,489	662,257	577,894	478,204
Parks and recreation	304,101	319,198	402,048	559,575
Operating grants and contributions	314,799	502,915	301,812	304,430
Capital grants and contributions	204,897	1,539,997	867,036	587,413
Total governmental activities program revenues	<u>2,708,711</u>	<u>4,043,518</u>	<u>3,093,131</u>	<u>3,066,821</u>
Business-type activities:				
Charges for services				
Electric	24,675,276	22,944,335	23,723,639	24,508,858
Water	1,503,120	1,615,116	1,607,863	1,834,611
Sewer	2,031,169	1,950,490	2,159,743	2,224,510
Liquor Stores	3,772,938	3,855,281	3,589,782	3,790,973
Golf	1,135,669	998,057	1,075,509	894,487
Storm Drainage	360,573	398,762	419,276	419,839
Refuse	429,477	255,741	217,991	191,181
Recycling	258,408	243,876	271,022	264,068
Operating grants and contributions	46,782	46,550	40,967	-
Total business-type activities revenues	<u>34,213,412</u>	<u>32,308,208</u>	<u>33,105,792</u>	<u>34,128,527</u>
Total primary government revenues	<u>\$ 36,922,123</u>	<u>\$ 36,351,726</u>	<u>\$ 36,198,923</u>	<u>\$ 37,195,348</u>

CITY OF ANOKA, MINNESOTA

(Unaudited)

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)**

2012	2013	2014	2015	2016	2017
\$ 1,973,890	\$ 2,352,739	\$ 2,575,107	\$ 2,354,218	\$ 2,581,670	\$ 2,606,360
5,200,008	5,280,686	5,303,656	5,630,639	7,296,891	6,434,580
2,097,304	2,446,436	2,580,990	2,505,957	2,778,563	2,927,491
1,928,896	2,109,080	2,582,244	2,462,522	2,455,616	2,963,585
526,864	490,008	514,894	549,923	557,369	508,276
<u>11,726,962</u>	<u>12,678,949</u>	<u>13,556,891</u>	<u>13,503,259</u>	<u>15,670,109</u>	<u>15,440,292</u>
22,862,034	24,533,255	24,728,393	25,074,193	26,193,102	26,685,242
1,291,808	1,430,439	1,423,583	1,362,189	1,408,208	1,329,635
1,842,496	1,967,585	2,113,023	2,018,953	2,202,166	2,260,974
3,758,217	3,857,645	4,007,571	3,977,014	4,038,791	4,267,203
1,319,486	1,088,903	939,188	1,019,747	1,073,673	1,107,911
166,886	198,447	184,749	209,167	268,033	188,734
177,847	161,493	135,444	124,159	116,745	112,193
253,912	271,358	271,444	284,608	293,927	297,525
<u>31,672,686</u>	<u>33,509,125</u>	<u>33,803,395</u>	<u>34,070,030</u>	<u>35,594,645</u>	<u>36,249,417</u>
<u>\$ 43,399,648</u>	<u>\$ 46,188,074</u>	<u>\$ 47,360,286</u>	<u>\$ 47,573,289</u>	<u>\$ 51,264,754</u>	<u>\$ 51,689,709</u>
\$ 113,277	\$ 110,399	\$ 132,467	\$ 295,002	\$ 269,319	\$ 251,317
1,203,307	1,075,581	1,306,662	1,389,495	1,198,722	1,206,524
738,468	591,786	1,208,335	1,482,100	1,113,023	1,627,532
361,437	490,059	446,436	512,643	533,668	563,717
289,662	472,961	268,999	264,399	295,741	310,718
2,886,426	7,932,979	2,584,266	393,326	187,695	2,412,774
<u>5,592,577</u>	<u>10,673,765</u>	<u>5,947,165</u>	<u>4,336,965</u>	<u>3,598,168</u>	<u>6,372,582</u>
24,506,822	25,757,858	27,406,129	27,968,233	27,804,476	27,649,947
1,726,207	1,614,435	1,489,934	1,606,698	1,774,756	1,887,801
2,045,200	2,056,585	2,052,380	2,097,836	2,157,690	2,249,203
3,970,832	4,067,548	4,179,462	4,174,041	4,117,403	4,428,648
1,009,109	848,183	913,354	931,322	974,193	913,608
420,954	471,251	471,678	472,283	491,314	559,706
169,868	154,338	133,959	111,711	114,016	106,540
238,314	301,530	236,453	236,021	239,079	239,915
-	-	21,049	50,739	56,042	61,796
<u>34,087,306</u>	<u>35,271,728</u>	<u>36,904,398</u>	<u>37,648,884</u>	<u>37,728,969</u>	<u>38,097,164</u>
<u>\$ 39,679,883</u>	<u>\$ 45,945,493</u>	<u>\$ 42,851,563</u>	<u>\$ 41,985,849</u>	<u>\$ 41,327,137</u>	<u>\$ 44,469,746</u>

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)**

	2008	2009	2010	2011
Net (expense) revenue:				
Governmental activities	\$ (9,546,579)	\$ (8,258,744)	\$ (8,531,195)	\$ (9,504,839)
Business-type activities	721,641	3,514,741	2,989,639	2,818,486
Total primary government net (expense)/revenue	<u>\$ (8,824,938)</u>	<u>\$ (4,744,003)</u>	<u>\$ (5,541,556)</u>	<u>\$ (6,686,353)</u>
General Revenues and Other Sources in Net Position				
Governmental activities:				
Property taxes levied for general purpose	\$ 5,462,827	\$ 5,390,456	\$ 5,397,013	\$ 5,220,518
Property taxes levied for debt service	-	294,295	400,560	393,745
Property taxes from tax increments	2,148,141	2,537,536	2,696,195	2,633,140
Franchise taxes	1,298,308	1,204,563	1,236,900	1,257,715
Grants, aid, and contributions not restricted to specific programs	1,002,926	1,405,552	1,006,620	1,036,760
Unrestricted investment income	483,402	231,174	324,389	278,584
Gain (loss) on disposal of capital assets	-	-	-	-
Other	6,225	10,096	47,829	223,246
Transfers	338,000	309,996	1,584,996	1,458,949
Transfer of operations	-	-	-	-
Contributed capital	-	-	-	-
Total governmental activities	<u>10,739,829</u>	<u>11,383,668</u>	<u>12,694,502</u>	<u>12,502,657</u>
Business-type activities				
Interest and investment earnings	532,528	392,268	508,386	468,237
Gain on sale of capital assets	32,818	(2,923)	6,316	411,364
Other	(33,637)	3,662	68,669	228,055
Transfers	(338,000)	(309,996)	(1,584,996)	(1,458,949)
Contributed capital	-	-	-	-
Total business-type activities	<u>193,709</u>	<u>83,011</u>	<u>(1,001,625)</u>	<u>(351,293)</u>
Total primary government	<u>\$ 10,933,538</u>	<u>\$ 11,466,679</u>	<u>\$ 11,692,877</u>	<u>\$ 12,151,364</u>
Change in Net Position				
Governmental activities	\$ 1,193,250	\$ 3,124,924	\$ 4,163,307	\$ 2,997,818
Business-type activities	915,350	3,597,752	1,988,014	2,467,193
Total primary government	<u>\$ 2,108,600</u>	<u>\$ 6,722,676</u>	<u>\$ 6,151,321</u>	<u>\$ 5,465,011</u>

CITY OF ANOKA, MINNESOTA

(Unaudited)

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)**

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ (6,134,385)	\$ (2,005,184)	\$ (7,609,726)	\$ (9,166,294)	\$ (12,071,941)	\$ (9,067,710)
<u>2,414,620</u>	<u>1,762,603</u>	<u>3,101,003</u>	<u>3,578,854</u>	<u>2,134,324</u>	<u>1,847,747</u>
<u>\$ (3,719,765)</u>	<u>\$ (242,581)</u>	<u>\$ (4,508,723)</u>	<u>\$ (5,587,440)</u>	<u>\$ (9,937,617)</u>	<u>\$ (7,219,963)</u>
\$ 5,455,000	\$ 5,442,963	\$ 5,313,111	\$ 5,328,549	\$ 6,298,054	\$ 6,635,017
406,164	393,566	386,417	387,269	154,800	(2,006)
2,577,022	2,558,472	2,557,981	2,660,321	410,817	544,134
1,298,606	1,340,379	1,331,955	1,344,354	1,334,186	1,315,417
931,996	929,604	1,575,982	1,678,395	1,712,178	1,719,554
89,102	(210,377)	383,830	122,552	62,064	104,574
1,407,516	-	(413,606)	343,103	(399,610)	371,287
71,810	835,177	285,953	614,075	84,074	104,460
2,074,996	150,000	2,285,000	2,808,000	1,424,000	1,500,000
-	-	(589,849)	-	-	-
-	949,670	-	(731,000)	-	-
<u>14,312,212</u>	<u>12,389,454</u>	<u>13,116,774</u>	<u>14,555,618</u>	<u>11,080,563</u>	<u>12,292,437</u>
257,696	(161,677)	588,632	268,561	290,001	327,960
31,342	6,495	60,505	21,999	8,562	32,465
357,498	432,929	580,366	563,698	451,212	561,204
(2,074,996)	(150,000)	(2,285,000)	(2,808,000)	(1,424,000)	(1,500,000)
-	(949,670)	-	731,000	-	-
<u>(1,428,460)</u>	<u>(821,923)</u>	<u>(1,055,497)</u>	<u>(1,222,742)</u>	<u>(674,225)</u>	<u>(578,371)</u>
<u>\$ 12,883,752</u>	<u>\$ 11,567,531</u>	<u>\$ 12,061,277</u>	<u>\$ 13,332,876</u>	<u>\$ 10,406,338</u>	<u>\$ 11,714,066</u>
\$ 8,177,827	\$ 10,384,270	\$ 5,507,048	\$ 5,389,324	\$ (991,378)	\$ 3,224,727
<u>986,160</u>	<u>940,680</u>	<u>2,045,506</u>	<u>2,356,112</u>	<u>1,460,099</u>	<u>1,269,376</u>
<u>\$ 9,163,987</u>	<u>\$ 11,324,950</u>	<u>\$ 7,552,554</u>	<u>\$ 7,745,436</u>	<u>\$ 468,721</u>	<u>\$ 4,494,103</u>

COMBINING FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2008	2009	2010	2011
General Fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ 18,361
Restricted	-	-	-	673,271
Committed	-	-	-	500,000
Unassigned	-	-	-	4,622,827
Reserved	25,206	24,194	18,489	-
Unreserved	5,123,628	4,469,350	4,845,779	-
Total general fund	<u>\$ 5,148,834</u>	<u>\$ 4,493,544</u>	<u>\$ 4,864,268</u>	<u>\$ 5,814,459</u>
All other governmental funds:				
Nonspendable:				
Commuter Rail Tax Increment	\$ -	\$ -	\$ -	\$ -
Nonmajor Capital Projects	-	-	-	2,707,879
Restricted:				
Debt Service	-	-	-	475,643
Commuter Rail Tax Increment	-	-	-	-
Greens of Anoka Tax Increment	-	-	-	-
South Ferry Tax Increment	-	-	-	10,365
Nonmajor Special Revenue	-	-	-	13,489
Nonmajor Capital Projects	-	-	-	669,181
Committed:				
Nonmajor Special Revenue	-	-	-	2,105,649
Nonmajor Capital Projects	-	-	-	-
Assigned:				
Street Renewal	-	-	-	2,930,355
Nonmajor Capital Projects	-	-	-	919,454
Unassigned:				
Street Renewal	-	-	-	-
Commuter Rail Tax Increment	-	-	-	-
Greens of Anoka Tax Increment	-	-	-	-
South Ferry Tax Increment	-	-	-	-
Nonmajor Special Revenue	-	-	-	-
Nonmajor Capital Projects	-	-	-	(3,146,940)
Reserved	1,099,047	896,059	4,438,862	-
Unreserved	(1,801,358)	(1,632,865)	(158,995)	-
Total all other governmental funds	<u>\$ (702,311)</u>	<u>\$ (736,806)</u>	<u>\$ 4,279,867</u>	<u>\$ 6,685,075</u>

Fund balance categories for years prior to 2011 have not been adjusted for GASB Statement No. 54.

CITY OF ANOKA, MINNESOTA

(Unaudited)

COMBINING FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)

2012	2013	2014	2015	2016	2017
\$ 18,361	\$ 18,059	\$ 66,191	\$ 22,103	\$ 43,921	\$ 55,026
736,344	562,438	-	-	-	-
750,000	1,100,000	-	-	-	-
4,668,774	4,191,499	4,814,642	5,647,410	4,526,917	4,681,652
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,173,479</u>	<u>\$ 5,871,996</u>	<u>\$ 4,880,833</u>	<u>\$ 5,669,513</u>	<u>\$ 4,570,838</u>	<u>\$ 4,736,678</u>
\$ -	\$ -	\$ 205,274	\$ 432,331	\$ -	\$ -
3,189,741	-	7,922,633	7,767,223	-	-
455,642	443,168	7,661,468	459,205	1,991,191	544,057
-	117,663	-	-	432,331	432,331
-	-	-	-	472,087	639,312
5,834	-	-	-	-	-
-	-	-	-	-	-
423,631	6,150,060	70,262	86,923	7,083,022	5,524,619
1,893,868	1,813,335	1,961,560	2,093,916	2,166,383	2,171,886
231,455	-	-	-	-	-
830,861	182,810	-	277,809	852,140	230,000
119,521	1,139,887	957,183	1,243,202	793,760	778,685
-	-	(791,125)	-	-	(194,181)
(14,155)	(363,419)	(1,371,901)	(2,449,485)	(3,506,643)	(3,417,107)
(1,128)	(783,294)	(812,290)	(1,097,010)	(1,642,691)	(2,141,161)
-	(25,803)	(20,032)	(7,093)	(1,359,318)	(1,426,787)
(426)	-	-	-	-	-
(2,281,983)	(384,261)	(1,115,561)	(653,314)	(1,164,109)	(544,467)
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,852,861</u>	<u>\$ 8,290,146</u>	<u>\$ 14,667,471</u>	<u>\$ 8,153,707</u>	<u>\$ 6,118,153</u>	<u>\$ 2,597,187</u>

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2008	2009	2010	2011
Revenues:				
Taxes	\$ 7,610,968	\$ 8,222,287	\$ 8,119,472	\$ 8,348,499
Special assessments	370,480	436,729	423,590	370,862
Licenses and permits	380,296	299,718	408,266	275,788
Fines and forfeitures	186,838	197,953	104,661	190,657
Intergovernmental	1,520,698	3,448,465	2,175,468	1,928,603
Charges for current services	931,975	938,238	913,205	1,252,731
Franchise fees	1,298,307	1,204,563	1,236,900	1,257,715
Investment income	483,401	231,174	324,389	278,585
Increase (decrease) in fair market value	-	-	-	-
Miscellaneous	385,873	115,191	130,726	471,935
Total revenues	<u>13,168,836</u>	<u>15,094,318</u>	<u>13,836,677</u>	<u>14,375,375</u>
Expenditures:				
General government	1,824,676	2,015,056	1,695,481	1,610,016
Public safety	4,432,326	4,572,761	4,488,511	4,598,698
Public works	1,473,842	1,231,499	1,323,429	1,300,262
Parks	1,820,055	1,720,539	1,582,465	1,524,582
Miscellaneous	135,131	79,619	39,062	40,714
Capital outlay	2,143,901	5,474,406	3,575,527	2,472,214
Debt service:				
Principal retirement	385,000	235,000	245,000	380,000
Interest and fiscal charges	801,325	765,219	698,816	604,348
Bond issuance charges	-	-	61,052	-
Total expenditures	<u>13,016,256</u>	<u>16,094,099</u>	<u>13,709,343</u>	<u>12,530,834</u>
Excess (deficiency) of revenues over expenditures	<u>152,580</u>	<u>(999,781)</u>	<u>127,334</u>	<u>1,844,541</u>
Other Financing Sources (Uses):				
Bond proceeds/refunding of bonds	-	-	3,740,000	(3,995,000)
Proceeds from the sale of asset	-	-	-	1,350,682
Transfers in	1,044,134	2,095,496	1,857,496	2,462,996
Transfers out	(706,134)	(1,785,500)	(272,500)	(1,004,047)
Total other financing sources (uses)	<u>338,000</u>	<u>309,996</u>	<u>5,324,996</u>	<u>(1,185,369)</u>
Special item - Transfer of operations	-	-	-	-
Net change in fund balances	<u>\$ 490,580</u>	<u>\$ (689,785)</u>	<u>\$ 5,452,330</u>	<u>\$ 659,172</u>
Debt service as a percentage of noncapital expenditures	10.9%	9.4%	9.3%	9.8%

CITY OF ANOKA, MINNESOTA

(Unaudited)

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)

2012	2013	2014	2015	2016	2017
\$ 8,383,973	\$ 8,528,515	\$ 8,252,307	\$ 8,371,829	\$ 6,870,080	\$ 7,222,789
459,562	485,145	406,265	779,143	728,197	937,857
505,153	379,864	467,613	670,749	516,502	510,866
147,445	139,553	143,307	124,199	108,694	105,221
4,099,693	9,335,544	4,429,247	2,313,979	2,160,485	4,386,815
1,141,668	1,260,863	1,692,328	1,760,765	1,235,983	1,341,940
1,298,606	1,340,379	1,331,956	1,344,354	1,334,187	1,315,417
89,102	185,743	93,821	92,413	109,948	64,793
-	(396,120)	290,008	29,601	(48,495)	39,780
173,090	465,632	544,037	653,297	369,586	576,183
<u>16,298,292</u>	<u>21,725,118</u>	<u>17,650,889</u>	<u>16,140,329</u>	<u>13,385,167</u>	<u>16,501,661</u>
1,603,520	1,739,386	1,950,610	1,815,586	1,866,244	1,970,551
4,914,552	4,902,711	5,142,440	5,292,015	5,778,198	5,725,648
1,086,922	1,343,447	1,318,375	1,206,679	1,293,682	1,383,635
1,545,826	1,716,943	1,781,546	1,836,474	1,856,402	2,222,705
41,709	48,623	-	-	-	-
11,071,968	13,294,921	10,106,587	6,529,280	6,542,355	7,561,788
470,000	450,000	499,150	7,709,150	540,000	2,299,323
519,502	492,654	432,349	627,332	532,886	564,423
-	-	75,089	-	47,830	-
<u>21,253,999</u>	<u>23,988,685</u>	<u>21,306,146</u>	<u>25,016,516</u>	<u>18,457,597</u>	<u>21,728,073</u>
<u>(4,955,707)</u>	<u>(2,263,567)</u>	<u>(3,655,257)</u>	<u>(8,876,187)</u>	<u>(5,072,430)</u>	<u>(5,226,412)</u>
-	-	6,383,638	-	1,563,811	-
1,407,517	440,000	365,539	343,103	(399,610)	371,287
3,664,996	1,840,000	5,701,000	4,150,553	5,075,816	2,880,000
(1,590,000)	(1,590,000)	(3,466,000)	(1,342,553)	(4,301,816)	(1,380,000)
<u>3,482,513</u>	<u>690,000</u>	<u>8,984,177</u>	<u>3,151,103</u>	<u>1,938,201</u>	<u>1,871,287</u>
-	-	(589,849)	-	-	-
<u>\$ (1,473,194)</u>	<u>\$ (1,573,567)</u>	<u>\$ 4,739,071</u>	<u>\$ (5,725,084)</u>	<u>\$ (3,134,229)</u>	<u>\$ (3,355,125)</u>
9.7%	8.8%	8.3%	45.1%	9.0%	20.2%

CITY OF ANOKA, MINNESOTA

(Unaudited)

**ESTIMATED ACTUAL AND TAXABLE VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Year Taxes Payable	TAX CAPACITY VALUE			Fiscal Disparities	Adjusted Tax Capacity Value	Tax Rate	Estimated Market Value (EMV) ¹	Tax Capacity as a % of EMV
	Real Property	Personal Property	Total					
2008	\$ 17,387,777	\$ 64,303	\$ 17,452,080	\$ 1,044,617	\$ 18,496,697	37.038%	\$ 1,427,785,600	1.30%
2009	17,653,197	66,127	17,719,324	1,266,687	18,986,011	37.685%	1,430,754,500	1.33%
2010	16,610,896	64,756	16,675,652	1,264,489	17,940,141	40.530%	1,343,513,500	1.34%
2011	15,180,773	76,666	15,257,439	1,324,044	16,581,483	43.020%	1,229,089,500	1.35%
2012	13,318,670	80,114	13,398,784	1,216,338	14,615,122	50.368%	1,154,467,900	1.27%
2013	11,956,088	81,521	12,037,609	1,230,432	13,268,041	54.010%	1,050,914,000	1.26%
2014	11,853,852	80,577	11,934,429	1,508,249	13,442,678	49.843%	1,036,711,300	1.30%
2015	13,614,589	94,882	13,709,471	1,334,023	15,043,494	45.014%	1,188,602,800	1.27%
2016	14,673,005	105,798	14,778,803	1,182,407	15,961,210	41.578%	1,265,845,300	1.26%
2017	15,814,341	135,900	15,950,241	1,101,097	17,051,338	40.912%	1,362,116,000	1.25%

Source of Data: Anoka County Department of Property Records and Taxation.

¹ Estimated Market Value (EMV) in 2011 payable in 2012 decreased significantly due to the Market Value Exclusion.

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Year Taxes Payable	Overlapping Rates					
	City		School Dist.	Anoka	Special	Total
	General Fund	Debt	#11	County	Districts ¹	
2008	37.038	-	16.983	31.078	6.554	91.653
2009	35.123	2.562	18.263	32.078	5.323	93.349
2010	37.658	2.872	19.939	35.189	5.711	101.369
2011	39.952	3.068	23.999	39.952	6.094	113.065
2012	46.895	3.473	23.325	41.146	6.074	120.913
2013	50.371	3.639	26.801	44.411	6.387	131.609
2014	46.433	3.410	28.265	43.239	6.213	127.560
2015	41.958	3.056	22.482	38.123	5.605	111.224
2016	41.062	0.516	20.885	34.358	5.762	102.583
2017	40.912	0.000	18.590	37.271	5.084	101.857

Note: Tax rates per \$100 of tax capacity.

¹Includes County Regional Rail, County/City Radio, Metropolitan Council (transit, mosquito control, miscellaneous), City HRA.

CITY OF ANOKA, MINNESOTA

(Unaudited)

**PRINCIPAL TAXPAYERS
DECEMBER 31, 2017**

Taxpayer	Type of Business	Rank	2017		Rank	2008	
			Individual Tax Capacity	Percent of Total Tax Capacity		Individual Tax Capacity	Percent of Total Tax Capacity
Federal Cartridge	Ammunition manufacturing	1	\$ 307,714	1.93%	2	\$ 237,046	1.43%
Hoffman Enclosures	Electrical enclosures	2	302,359	1.89%	1	295,157	1.78%
Cutters Grove Limited	Apartment Cutter's Grove	3	273,949	1.72%	3	234,561	1.42%
Anoka Industrial LLC	Decopac	4	248,758	1.56%	4	210,534	1.27%
Healthpartners	Healthcare	5	224,516	1.41%			
Paul & Eleanor Sade Trust	Sheet steel fabrication	6	196,382	1.23%	7	159,250	0.96%
CRV Anoka	Furniture warehousing	7	196,248	1.23%	5	188,556	1.14%
Homestead at Anoka	Apartment Senior Living & Care	8	194,036	1.21%			
Sundquist Properties II LLC	Precision machining	9	193,102	1.21%	8	143,474	0.87%
Ad Center LLC	Ammunition warehousing	10	186,992	1.17%			
Graco	Fluid handling				9	126,356	0.76%
Rural Community Ins	Insurance				6	164,096	0.99%
Programmed Land	Apartment Lincoln				10	118,657	0.72%
			<u>\$ 2,324,056</u>	<u>14.55%</u>		<u>\$ 1,877,687</u>	<u>11.35%</u>

Source of Data: Anoka County Department of Property Records and Taxation.

CITY OF ANOKA, MINNESOTA

(Unaudited)

**BUILDING PERMIT VALUES AND REAL PROPERTY VALUES
LAST TEN FISCAL YEARS**

Year	Number of Permits	Residential Value	Commercial Value	Total	PROPERTY VALUE ¹			
					Commercial	Residential	Nontaxable	Total
2008	523	\$ 2,687,076	\$ 16,362,171	\$ 19,049,247	\$ 559,715,700	\$ 867,388,400	\$ 343,134,900	\$ 1,770,239,000
2009	567	3,341,421	6,197,521	9,538,943	588,315,500	841,864,700	357,134,100	1,787,314,300
2010	478	5,623,342	5,091,596	10,714,938	567,125,300	774,574,900	346,511,700	1,688,211,900
2011	517	3,509,792	7,826,385	11,336,177	528,504,800	700,584,700	323,132,000	1,552,221,500
2012	443	2,714,375	36,089,774	38,804,149	501,849,800	652,618,100	311,383,600	1,465,851,500
2013	434	5,592,716	18,079,728	23,672,444	471,210,600	579,703,400	277,467,400	1,328,381,400
2014	462	11,669,749	20,064,521	31,734,270	477,624,300	559,087,000	282,512,900	1,319,224,200
2015	579	10,796,847	36,177,558	46,974,405	522,304,800	666,298,000	295,650,700	1,484,253,500
2016	474	10,982,261	23,454,646	34,436,907	568,280,250	697,565,050	301,345,400	1,567,190,700
2017	406	16,526,545	6,655,396	23,181,941	615,325,200	746,790,800	325,108,300	1,687,224,300

¹ Source of Data: Anoka County Department of Property Records and Taxation.

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal year	Collected Within the Fiscal Year of Levy			Delinquent Tax Collections in Subsequent Fiscal Years	Total Collections to Date	
	Total Tax Levy	Current Tax Collections	% of Current Tax Levy		Total Tax Collections	% of Total Tax Levy
2008	\$ 5,807,545	\$ 5,675,366	97.7%	\$ 132,179	\$ 5,807,545	100.0%
2009	5,982,990	5,858,918	97.9%	122,864	5,981,781	100.0%
2010	5,982,990	5,840,310	97.6%	141,943	5,982,254	100.0%
2011	5,576,597	5,478,335	98.2%	95,612	5,573,947	100.0%
2012	5,899,105	5,805,144	98.4%	90,898	5,896,042	99.9%
2013	5,856,105	5,789,071	98.9%	62,834	5,851,905	99.9%
2014	5,712,265	5,648,027	98.9%	59,503	5,707,530	99.9%
2015	5,707,246	5,649,416	99.0%	48,474	5,697,890	99.8%
2016	6,453,475	6,390,569	99.0%	50,316	6,440,885	99.8%
2017	6,641,230	6,593,821	99.3%	-	6,593,821	99.3%

Note: Includes Market Value and Homestead Credit.

**OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	G.O. Tax Increment Bonds	G.O. Revenue Bonds	Premium on Bonds	Met Council Loan	Revenue Bonds	Premium on Bonds			
2008	\$ 4,730,000	\$ 7,835,000	-	-	\$ 815,528	\$ 4,080,000	-	\$ 17,460,528	2.15	918
2009	4,495,000	7,835,000	-	-	2,125,528	3,855,000	-	18,310,528	2.30	1,019
2010	7,990,000	7,835,000	-	-	2,183,813	3,585,000	-	21,593,813	2.61	1,260
2011	3,740,000	7,710,000	-	-	2,183,813	3,310,000	-	16,943,813	2.08	988
2012	3,395,000	7,585,000	-	-	2,502,460	3,035,000	-	16,517,460	1.96	958
2013	3,070,000	7,460,000	1,077,300	-	2,502,460	1,667,700	-	15,777,460	1.81	915
2014	2,750,000	13,450,000	1,023,150	-	2,502,460	1,421,850	-	21,147,460	2.43	1,224
2015	2,430,000	6,115,000	1,700,000	249,189	2,502,460	440,000	-	13,436,649	1.51	775
2016	2,135,000	5,970,000	3,110,000	285,305	2,502,460	2,020,000	60,774	16,083,539	1.74	894
2017	1,805,000	5,795,000	1,510,000	266,144	2,308,137	1,710,000	57,589	13,451,870	1.42	748

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ Population and personal income data can be found in the schedule of Demographic and Economic Statistics on page 140.

**RATIOS OF NET GENERAL OBLIGATION
BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds ¹	Premium On Bonds	Amounts		Percentage of Estimated Actual Value of Property ²	Per Capita ³
			Available in Debt Service Fund	Net Bonded Debt		
2008	\$ 4,730,000	-	\$ 1,099,047	\$ 3,630,953	0.25	203
2009	4,495,000	-	896,059	3,598,941	0.25	200
2010	7,990,000	-	4,438,862	3,551,138	0.26	207
2011	3,740,000	-	475,643	3,264,357	0.27	188
2012	3,395,000	-	455,642	2,939,358	0.25	169
2013	4,147,300	-	443,168	3,704,132	0.35	215
2014	3,773,150	-	359,292	3,413,858	0.33	198
2015	4,130,000	249,189	459,205	3,919,984	0.33	226
2016	5,245,000	285,305	1,991,191	3,539,114	0.28	197
2017	3,315,000	266,145	544,057	3,037,088	0.22	169

¹ Amount does not include debt to be paid from special assessments, tax increment, or other revenues.

² Property value data can be found in the schedule of Building Permit Values and Real Property Values schedule on page 133.

³ Population data can be found in the schedule of Demographic and Economic Statistics on page 141.

DIRECT AND OVERLAPPING
GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2017

<u>Governmental Unit</u>	<u>Gross General Obligation Debt Outstanding</u>	<u>Percent Applicable to City¹</u>	<u>Net Amount Applicable to City</u>
Direct:			
City of Anoka	\$ 10,820,000	100%	<u>\$ 10,820,000</u>
Overlapping:			
Anoka County	110,265,000	4.86%	5,357,653
Anoka-Hennepin School District #11	61,870,000	7.27%	4,497,067
Met Council/RR Auth Special Dist	1,508,348,432	0.41%	<u>6,194,066</u>
Total Overlapping Debt			<u>16,048,786</u>
Total Direct and Overlapping Debt			<u><u>\$ 26,868,786</u></u>

Source of Data: Anoka County Department of Property Records and Taxation.

¹ Determined by the portion of the long-term debt that is secured by taxable real estate located within the City of Anoka.

CITY OF ANOKA, MINNESOTA (Unaudited)

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Market value of taxable property	\$ 1,423,696,800	\$ 1,425,440,200	\$ 1,338,735,500	\$ 1,224,073,500
Statutory debt limit (3% of market value) ¹	<u>28,473,936</u>	<u>42,763,206</u>	<u>40,162,065</u>	<u>36,722,205</u>
Amount of debt applicable to debt limit:				
Total bonds and notes payable	17,460,528	18,310,528	21,593,813	16,943,813
Less:				
Amount available in debt service fund	1,099,047	896,059	4,438,862	475,643
Met Council loan	815,528	2,125,528	2,183,813	2,183,813
Revenue bonds	4,080,000	3,855,000	3,585,000	3,310,000
Improvement bonds	<u>7,835,000</u>	<u>7,835,000</u>	<u>7,835,000</u>	<u>7,710,000</u>
	<u>3,630,953</u>	<u>3,598,941</u>	<u>3,551,138</u>	<u>3,264,357</u>
Legal debt margin	<u>\$ 24,842,983</u>	<u>\$ 39,164,265</u>	<u>\$ 36,610,927</u>	<u>\$ 33,457,848</u>
Total debt applicable to the limit as a percentage of debt limit	13%	8%	9%	9%

¹Statutory debt limit prior to 2009 was 2%.

CITY OF ANOKA, MINNESOTA

(Unaudited)

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (CONTINUED)**

2012	2013	2014	2015	2016	2017
<u>\$ 1,153,576,994</u>	<u>\$ 1,050,914,000</u>	<u>\$ 1,036,711,300</u>	<u>\$ 1,188,602,800</u>	<u>\$ 1,265,845,300</u>	<u>\$ 1,362,116,000</u>
<u>34,607,310</u>	<u>31,527,420</u>	<u>31,101,339</u>	<u>35,658,084</u>	<u>37,975,359</u>	<u>40,863,480</u>
16,517,460	15,777,460	21,147,460	13,436,649	15,737,460	13,128,137
455,642	443,168	359,292	459,205	1,991,191	544,057
2,502,460	2,502,460	2,502,460	2,502,460	2,502,460	2,308,137
3,035,000	1,667,700	1,421,850	440,000	2,020,000	1,710,000
<u>7,585,000</u>	<u>7,460,000</u>	<u>13,450,000</u>	<u>6,115,000</u>	<u>5,970,000</u>	<u>5,795,000</u>
<u>2,939,358</u>	<u>3,704,132</u>	<u>3,413,858</u>	<u>3,919,984</u>	<u>3,253,809</u>	<u>2,770,943</u>
<u>\$ 31,667,952</u>	<u>\$ 27,823,288</u>	<u>\$ 27,687,481</u>	<u>\$ 31,738,100</u>	<u>\$ 34,721,550</u>	<u>\$ 38,092,537</u>
8%	12%	11%	11%	9%	7%

PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Operating Revenue	Less	Net	Debt Service		Coverage
		Operating Expense	Available Revenue	Principal	Interest	
2008	\$ 1,503,120	\$ 951,839	\$ 551,281	\$ 155,000	\$ 122,894	1.98
2009	2,613,173	2,045,373	567,800	240,000	136,827	1.51
2010	2,683,372	1,917,076	766,296	270,000	115,508	1.99
2011	2,729,098	1,896,740	832,358	275,000	102,883	2.20
2012	2,735,316	1,785,344	949,972	275,000	101,049	2.53
2013	2,462,618	1,876,173	586,445	290,000	96,358	1.52
2014	2,403,288	1,790,048	613,240	245,850	31,984	2.21
2015	2,538,020	1,807,995	730,025	250,850	30,498	2.59
2016	2,266,070	1,090,550	1,175,520	215,000	34,442	4.71
2017	2,447,507	891,704	1,555,803	310,000	41,974	4.42

CITY OF ANOKA, MINNESOTA

(Unaudited)

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Year	Population ¹	Median Age ¹	Personal Income (Amounts in Thousands) ³	City of Anoka Per Capita Income ²	County Per Capita Income ²	7-County Metro Area Per Capita Income ²	County Unemployment Rate ²	7-County Metro Area Unemployment Rate ²
2008	17,849		773,921	44,512	42,120	52,364	6.7	6.2
2009	17,966		795,031	44,252	42,172	51,376	8.0	7.4
2010	17,142	37.2	826,313	48,204	43,108	52,988	7.4	6.8
2011	17,155		813,559	47,424	44,200	54,201	5.9	5.5
2012	17,233		844,141	48,984	45,656	55,952	5.5	5.0
2013	17,248		873,577	50,648	45,604	59,852	4.4	4.2
2014	17,276		869,605	50,336	47,736	57,772	3.6	3.4
2015	17,345		888,110	51,203	48,603	59,557	3.4	3.2
2016	17,995		925,135	51,411	50,024	60,753	3.9	3.6
2017	17,995 est		947,593	52,659	51,047	62,556	3.1	2.7

Sources:

¹ Met Council.

² Minnesota Department of Employment and Economic Development.

³ City per capita times population.

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2017**

Employer	2017			2008		
	Rank	Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment
Anoka County Government Center	1	2,206	14.44%	3	1,217	9.33%
Hoffman Enclosures/Pentair Tech	2	1,500	9.82%	2	1,264	9.69%
Federal Cartridge	3	1,453	9.51%	4	1,100	8.43%
Anoka-Hennepin ISD #11	4	1,400	9.16%	1	1,265	9.70%
Anoka-Metro Treatment Center	5	423	2.77%	5	550	4.22%
Rural Insurance Group	6	405	2.65%	7	350	2.68%
Mate Precision Tool	7	308	2.02%	6	360	2.76%
DecoPac	8	285	1.87%	9	240	1.84%
Health Partners	9	145	0.95%			
Copper Sales/Firestone Metals	10	130	0.85%	8	243	1.86%
Anoka Technical College				10	223	1.71%
		<u>8,255</u>	<u>54.03%</u>		<u>6,812</u>	<u>52.24%</u>
Total City-wide employment ¹		15,279			13,041	

¹ Minnesota Department of Employment and Economic Development.

**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

	2008	2009	2010	2011
City manager	2.50	2.80	2.80	2.63
Assessing	1.67	1.00	1.50	1.00
Human resources	2.00	2.00	2.00	2.00
Finance	5.14	5.15	5.00	5.00
Community development	1.50	1.30	1.30	1.49
Total general government	12.81	12.25	12.60	12.12
Building maintenance	1.67	1.68	0.85	0.95
Municipal buildings	0.40	0.48	0.25	0.48
Engineering	1.11	1.50	1.30	1.80
Streets	6.43	6.63	6.53	5.68
Total public works	9.61	10.29	8.93	8.91
Planning and inspections	5.00	4.95	4.95	4.50
Police	31.80	31.80	31.80	31.80
Security	0.50	0.50	0.50	0.50
Total Police	32.30	32.30	32.30	32.30
Fire	4.60	4.60	4.60	4.60
Total public safety	41.90	41.85	41.85	41.40
Senior center	0.25	0.40	0.40	0.33
Playgrounds and playfields	1.15	1.15	0.90	1.38
Swimming pool	0.30	0.35	0.35	0.28
Skating rinks	0.33	0.66	0.66	0.38
Municipal parks	5.58	5.49	4.87	4.03
Shade tree beautification	0.75	0.75	0.50	0.28
Community Programs	-	-	-	-
Total parks and recreation	8.36	8.80	7.68	6.68
Total general fund	72.68	73.19	71.06	69.11
HRA	1.05	1.05	1.05	1.11
MHRA	1.05	1.05	1.05	1.40
Parking ramps/lots	0.85	0.85	0.85	2.15
Walker ramp	0.85	1.30	1.30	-
Cemetery	1.20	0.90	0.65	1.03
Central equipment (garage)	2.20	2.15	2.05	2.05
Data processing	1.00	1.05	1.05	0.60
Electric	21.80	19.80	19.85	17.90
Water	3.86	3.86	3.76	3.76
Sewer	5.00	3.86	3.76	3.76
Liquor store	5.00	4.00	4.00	4.00
Golf course	3.42	3.67	3.17	3.17
Recycling	0.40	0.40	0.40	0.51
Total other funds	47.68	43.94	42.94	41.44
Total all funds	120.36	117.13	114.00	110.55

CITY OF ANOKA, MINNESOTA

(Unaudited)

**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS (CONTINUED)**

2012	2013	2014	2015	2016	2017
2.63	2.32	2.63	3.13	3.15	3.45
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	-
5.00	4.58	4.60	4.60	4.65	4.70
1.50	1.32	1.00	1.00	1.00	1.00
12.13	11.22	11.23	11.73	11.80	10.15
0.95	0.88	0.95	0.75	1.75	1.60
0.48	0.55	0.48	0.35	0.33	0.45
1.75	1.75	1.75	1.50	1.33	1.30
5.68	5.68	6.68	7.18	7.18	6.70
8.86	8.86	9.86	9.78	10.58	10.05
4.50	5.25	5.00	4.75	4.75	4.25
31.80	31.80	31.80	33.50	34.55	37.35
0.50	0.50	0.50	2.40	2.35	3.55
32.30	32.30	32.48	35.90	36.90	40.90
4.60	4.60	-	-	-	-
41.40	42.15	37.48	40.65	41.65	45.15
0.33	0.33	0.33	0.33	0.55	0.60
1.38	1.38	1.38	1.38	1.38	1.85
0.28	0.28	0.28	0.28	0.28	0.55
0.20	0.20	0.25	0.20	0.20	0.40
4.08	4.08	4.08	4.73	4.73	4.50
0.28	0.28	0.18	0.18	0.18	0.20
-	-	-	0.50	0.50	0.40
6.55	6.55	6.50	7.58	7.80	8.50
68.94	68.78	65.07	69.74	71.83	73.85
1.50	1.50	1.00	0.75	0.75	1.00
-	-	-	-	-	-
1.15	1.15	0.85	0.85	0.85	0.85
-	-	-	-	-	-
0.93	0.93	0.88	1.03	1.00	0.65
2.05	2.05	1.05	1.55	1.55	1.55
0.48	-	-	-	-	-
17.90	18.00	18.40	17.40	18.35	18.30
3.26	3.26	3.26	3.56	3.56	3.55
3.26	3.26	3.26	2.96	2.96	2.95
4.00	4.00	4.00	4.00	4.00	4.00
3.17	3.17	3.12	2.55	2.55	2.95
0.38	0.38	0.38	0.37	0.35	0.35
38.08	37.70	36.20	35.02	35.92	36.15
107.02	106.48	101.27	104.75	107.75	110.00

CITY OF ANOKA, MINNESOTA

(Unaudited)

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Elections										
Number of registered voters	11,634		10,049		11,727		10,185		11,385	
% participation in general election	77%		65%		76%		54%		77%	
Building inspections										
No. of permits issued	523	567	478	517	443	434	462	579	474	406
Total permit valuation (in thousands)	\$ 19,049	\$ 9,539	\$ 10,715	\$ 11,336	\$ 38,804	\$ 23,672	\$ 31,734	\$ 46,974	\$ 34,437	\$ 23,182
Public safety										
Police										
Police activity	18,688	19,580	18,451	20,148	21,299	20,087	20,260	20,127	20,947	21,092
Part 1 crime	854	770	782	869	766	619	604	610	679	572
Traffic accidents	766	716	762	698	648	727	920	732	786	833
Public works										
Sidewalk repair costs	55,713	54,949	72,422	65,019	70,731	46,963	8,341	48,405	23,102	48,249
Parks and recreation										
Senior Center passengers	3,000	3,525	3,000	2,900	4,268	5,700	4,651	4,943	4,873	4,795
Picnic shelter reservations	135	143	150	190	212	158	178	183	148	162
Swim lesson participants	758	850	978	1,028	1,103	1,072	1,106	1,083	1,236	1,021
Open swim attendance	39,193	31,266	42,567	44,000	47,000	39,407	34,804	42,140	36,366	29,937
Parking										
Parking permits issued	71	91	75	66	71	113	168	186	299	345
Parking ramp permits issued	46	41	41	58	91	61	69	86	-	-
Electric										
Avg KWHRs consumption daily	741,132	688,041	726,330	727,926	738,266	760,714	750,133	760,161	754,067	736,580
Water										
Avg daily consumption in cubic feet	287,443	277,528	259,548	249,198	262,148	227,385	230,685	235,813	233,602	231,588
Golf										
Rounds of golf purchased	33,288	33,054	33,344	29,614	33,776	28,486	32,745	32,764	33,958	32,089

CITY OF ANOKA, MINNESOTA

(Unaudited)

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	23	23	23	23	23	26	24	25	23	27
Public works										
Street miles	67 2/7	67 2/7	67 2/7	67 2/7	67 2/7	67 2/7	67 2/3	68 1/2	68 1/2	69
Parks and recreation										
City park acres - maintained	595	595	595	595	595	595	595	595	597	597
Cemetery acres	29	29	29	29	29	29	29	29	29	29
Libraries	-	-	-	-	-	-	-	-	-	-
Trail miles	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2
Outdoor pools	1	1	1	1	1	1	1	1	1	1
Outdoor skate parks	1	1	1	1	1	1	1	1	1	1
Picnic shelters	12	12	12	12	12	12	12	12	12	12
Boat launches	1	1	1	1	1	1	2	2	2	2
Portable docks	5	5	5	5	6	6	4	5	5	5
Parking										
Ramps	2	2	2	2	2	2	2	2	2	2
Lots	6	6	6	6	6	6	6	4	4	4
Electric										
Overhead wire miles	162 5/6	162 5/6	163	159	159	154	147	148	140	134
Underground wire miles	155 5/7	155 5/7	162	162	162	182	191	192	199	208
Substations	3	3	3	3	3	3	3	4	4	4
Street lights	1,792	1,795	1,795	1,795	1,795	1,795	1,805	1,874	1,874	1,851
Water										
Water main miles	82 1/2	82 1/2	82 1/2	82 1/2	82 1/2	83 4/9	83 1/2	86 1/6	86 1/3	87 4/9
Wells	8	8	8	8	8	8	8	8	8	8
Sewer/storm sewer										
Sanitary sewer miles	65	65	65	65	65	65 2/3	65 2/3	67 1/7	67 2/7	67 2/3
Storm sewer miles	29	29	29	29	29	30	31	34	34 6/7	35
Liquor										
Stores	2	2	2	2	2	2	2	2	2	2
Golf										
Golf course acres	126	126	126	126	126	126	126	126	126	126