



City of Anoka, Minnesota

2021 Annual Comprehensive Financial Report



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CITY OF ANOKA, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



For the Year Ended December 31, 2021

Prepared by the Finance Department

Brenda Springer, Director

TABLE OF CONTENTS

| PART I - INTRODUCTORY SECTION | Page |
|---|-------------|
| Letter of Transmittal | 8 |
| Certificate of Achievement for Excellence in Financial Reporting | 12 |
| Award for Outstanding Achievement in Popular Annual Financial Reporting | 13 |
| Distinguished Budget Presentation Award | 14 |
| Elected and Appointed Officials | 15 |
| Organizational Charts | 16 |
| Geographical Location | 18 |
| PART II - FINANCIAL SECTION | |
| Independent Auditor's Report | 19 |
| Management's Discussion and Analysis | 22 |
| BASIC FINANCIAL STATEMENTS | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 33 |
| Statement of Activities | 34 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 35 |
| Reconciliation of the Balance Sheet of the Governmental Funds to the Government-wide Statement of Net Position | 36 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | 37 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 38 |
| Statement of Net Position - Proprietary Funds | 39 |
| Reconciliation of the Balance Sheet of Proprietary Funds to the Statement of Net Position | 41 |
| Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds | 42 |
| Reconciliation of the Statement of Revenues, Expenses, and Changes in Net Position of Proprietary Funds to the Statement of Activities | 44 |
| Statement of Cash Flows Proprietary Funds | 45 |
| Statement of Net Position Fiduciary Funds – Custodial Funds | 47 |
| Statement of Changes in Fiduciary Net Position – Custodial Funds | 47 |
| Notes to Financial Statements | 48 |

TABLE OF CONTENTS

| PART II – FINANCIAL SECTION (CONTINUED) | Page |
|--|-------------|
| REQUIRED SUPPLEMENTARY INFORMATION | |
| Schedule of Contributions - OPEB | 86 |
| Schedule of Changes in Net OPEB Liability and Related Ratios | 87 |
| Schedule of Contributions, Net Pension Liability | 88 |
| Schedule of Proportionate Share of Net Pension Liability | 90 |
| Budgetary Comparison Schedule - General Fund | 92 |
| Note to Required Supplementary Information | 93 |
| COMBINING NONMAJOR FUND STATEMENTS | |
| Description of Nonmajor Governmental Funds | 95 |
| Combining Balance Sheet - Nonmajor Governmental Funds | 97 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds | 99 |
| Budgetary Comparison Schedule - Special Revenue Funds | 101 |
| Description of Nonmajor Proprietary Funds | 104 |
| Combining Statement of Net Position - Nonmajor Proprietary Funds | 105 |
| Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Proprietary Funds | 106 |
| Combining Statement of Cash Flows - Nonmajor Proprietary Funds | 107 |
| COMBINING INTERNAL SERVICE FUND STATEMENTS | |
| Description of Internal Service Funds | 108 |
| Combining Statement of Net Position - Internal Service Funds | 109 |
| Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds | 110 |
| Combining Statement of Cash Flows - Internal Service Funds | 111 |
| SUPPLEMENTAL FINANCIAL SCHEDULES | |
| Schedule of Revenues and Other Financing Sources Budget and Actual - General Fund | 112 |
| Schedule of Expenditures and Other Financing Uses Budget and Actual - General Fund | 114 |
| Combined Schedule of Indebtedness | 118 |
| Schedule of Bond Maturities | 120 |
| Schedule of Debt Service Requirements | 122 |
| Combining Statement of Fiduciary Net Position – Custodial Funds | 123 |
| Combining Statement of Changes in Fiduciary Net Position – Custodial Funds | 123 |
| Balance Sheet - Component Unit | 124 |

TABLE OF CONTENTS

| PART II – FINANCIAL SECTION (CONTINUED) | Page |
|--|-------------|
| SUPPLEMENTAL FINANCIAL SCHEDULES (CONTINUED) | |
| Reconciliation of the Balance Sheet of the Component Unit to the Government-wide Statement of Net Position | 125 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Component Unit | 126 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Component Unit funds to the Statement of Activities | 127 |
| Combined Schedule of Indebtedness Component Unit | 128 |
| Schedule of Bond Maturities Component Unit | 130 |
| Schedule of Debt Service Requirements Component Unit | 131 |
| PART III – STATISTICAL SECTION (UNAUDITED) | |
| Net Position by Component Last Ten Fiscal Years | 134 |
| Changes in Net Position Last Ten Fiscal Years | 136 |
| Combining Fund Balances of Governmental Funds Last Ten Fiscal Years | 140 |
| Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years | 142 |
| Estimated Actual and Taxable Value of Taxable Property Last Ten Fiscal Years | 144 |
| Property Tax Rates, Direct and Overlapping Governments Last Ten Fiscal Years | 145 |
| Principal Taxpayers December 31, 2021 | 146 |
| Building Permit Values and Real Property Values Last Ten Fiscal Years | 147 |
| Property Tax Levies and Collections Last Ten Fiscal Years | 148 |
| Outstanding Debt by Type Last Ten Fiscal Years | 149 |
| Ratios of Net General Obligation Bonded Debt Outstanding Last Ten Fiscal Years | 150 |
| Direct and Overlapping General Obligation Bonded Debt December 31, 2021 | 151 |
| Legal Debt Margin Information Last Ten Fiscal Years | 152 |
| Pledged Revenue Coverage Last Ten Fiscal Years | 154 |
| Demographic and Economic Statistics Last Ten Fiscal Years | 155 |
| Principal Employers December 31, 2021 | 156 |
| Full-Time Equivalent Employees by Function Last Ten Fiscal Years | 157 |
| Operating Indicators by Function Last Ten Fiscal Years | 159 |
| Capital Asset Statistics by Function Last Ten Fiscal Years | 160 |



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CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

June 6, 2022

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 Annual Comprehensive Financial Report of the City of Anoka for the fiscal year ended December 31, 2021.

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 in the United States (GAAP). 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, 2021, are free from 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, 2021, 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 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.

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 comprises an area of 7.13 square miles and serves an estimated population of 18,700. 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 92](#), and detailed in supplemental financial schedules starting on [page 112](#). Special revenue fund budgetary comparisons start on [page 101](#).

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 worldwide Covid-19 pandemic continued in 2021, but impacts were lessened compared to 2020. The City made refunded partial business license fees, and waived late fees on utility accounts for all customer classes again in 2021 as well as continued to protect consumers from disconnection of electric and water service for non-payment. The City decided to make the outdoor seating a regular summertime feature, with explorations of an entertainment district in the works. Anoka County had a peak unemployment rate of 9.8% in May 2020. The rate in December of 2021 was 2.6%, which is even lower than the pre-pandemic rates.

The City of Anoka area had an employed labor force at the end of 2021 of approximately 13,964 which is 2.15% higher than year-end 2020, yet still 5.14% lower than prepandemic 2019. This trend of a smaller workforce emerging from the pandemic is likely largely the result of people entering retirement earlier than anticipated. The employed labor force still compares favorably to the 7,646 housing units located

within the corporate boundaries. The City's current tax base consists of 47% residential homesteaded property, 36% commercial/industrial and residential non-homesteaded properties, and 17% 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 townhome and condominium developments under construction or in development 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.

Long-term financial planning. The City is currently in redevelopment stages in two areas of the City. One area is west of downtown, this area is next to the industrial park, but is also located next to the golf course. In preparation for new housing, the City completed road construction and improvements, and is marketing the area to developers. The other area surrounds the Commuter Rail Transit Station that was completed as part of the Northwest Commuter Rail line. Some development has begun in the area, with more projects in the works.

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 continues to work on local street improvement projects with the goal of a full reconstruction of approximately one mile of city streets every year. The City was able to capitalize on lower construction and debt costs for several years, and will re-assess the plan and funding in 2022 and beyond now higher construction and debt costs.

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. This allowed flexibility among general fund departments to move budget to cover additional expenditures in various departments.

Major initiatives. In 2021 the City began development of the Law Enforcement Training Center, which includes animal containment. The developer will break ground in 2022. This project will be paid for with bond issue, with major donations for equipment from local businesses. In September 2021 the City awarded Shafer Contracting Co, Inc. the contract for the long planned TH 10/169 Improvements Project. This project is primarily funded with Federal, State, and County grant funding.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Anoka for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2020. This was the 41st consecutive year the City has received this prestigious award. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized annual comprehensive report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual report 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 GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Anoka for its report for the fiscal year ended December 31, 2020. This is a prestigious national award recognizing conformance with the highest standard for preparation of state and local government

reports. This was the 6th year the City submitted the report and received the award from the GFOA. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government entity must publish a report whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

The GFOA has also awarded the Distinguished Budget Presentation Award to the City of Anoka for its Annual Budget for the fiscal year beginning January 1, 2021. In order to receive this award a government unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This was the 15th consecutive year that the City has received this prestigious award.

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 with and contributed to the preparation of this report. Credit also must be given to the mayor and the city council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Anoka's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brenda Springer". The signature is fluid and cursive, with the first name "Brenda" and last name "Springer" clearly distinguishable.

Brenda Springer
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Anoka
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

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, 2020

Christopher P. Morrill

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Anoka
Minnesota**

For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morill

Executive Director

CITY OF ANOKA

Elected and Appointed Officials

December 31, 2021



Brian Wesp, Councilmember
Term Expires 12/31/2024

Jeff Weaver, Councilmember
Term Expires 12/31/2024

Erik Skogquist, Councilmember
Term Expires 12/31/2022

Elizabeth Barnett, Councilmember
Term Expires 12/31/2022

Phil Rice, Mayor
Term Expires 12/31/2022

City Managerial Staff

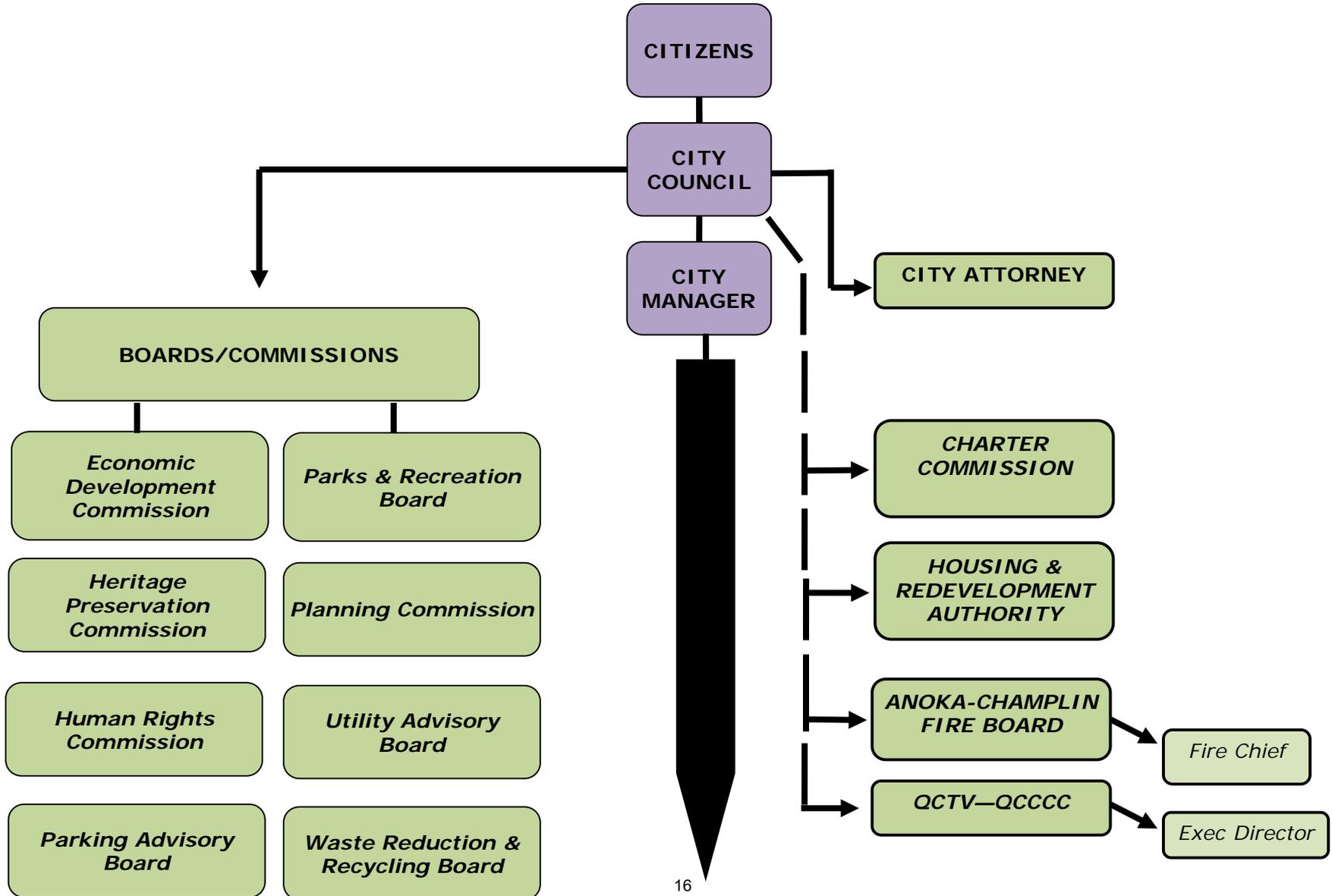
Employee

Greg Lee
Scott Baumgartner
Doug Borglund
Greg Geiger
Brenda Springer
Ted Massicotte
Larry Norland
Kevin Morelli
Eric Peterson
Mark Anderson

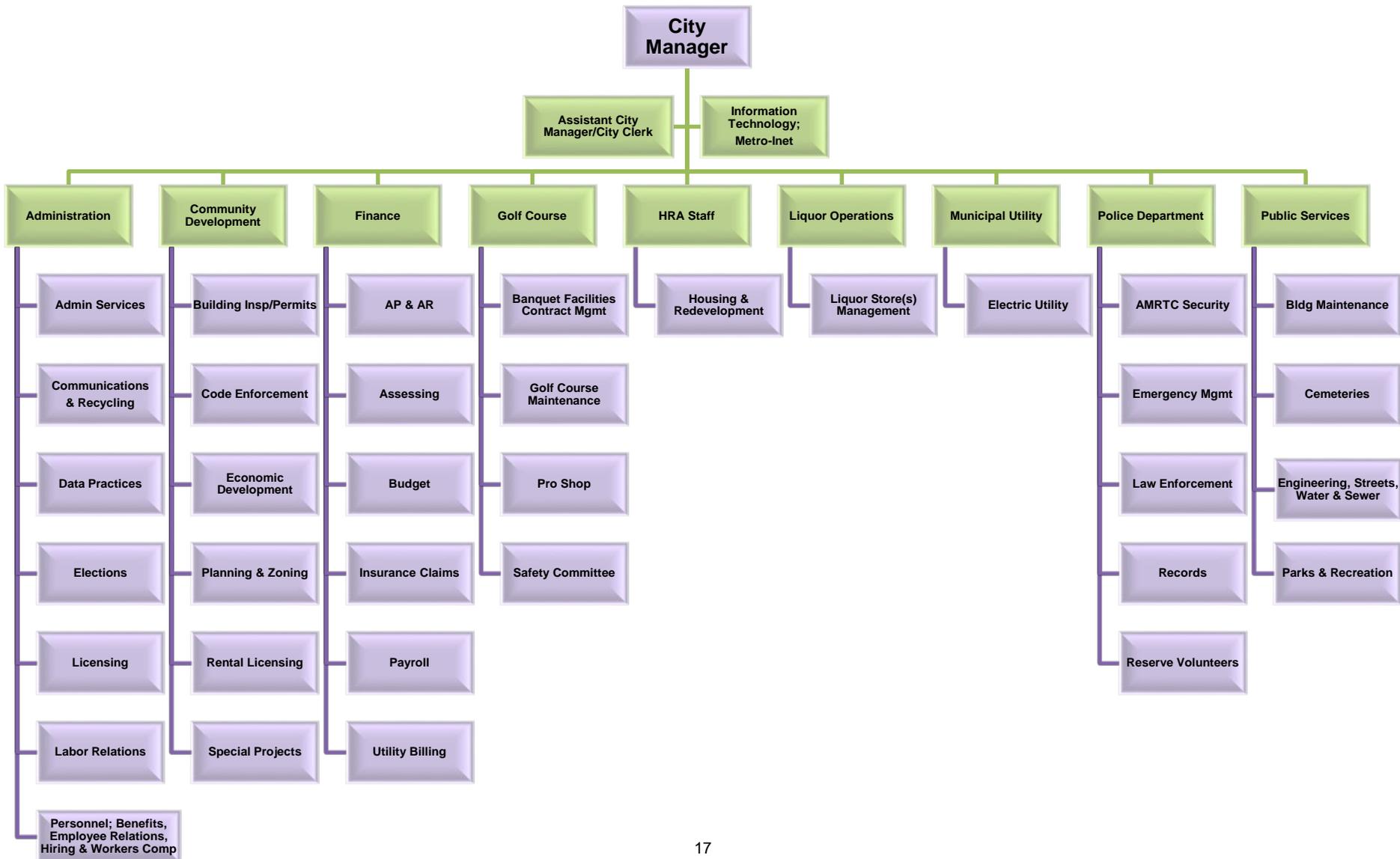
Position

City Manager
City Attorney
Community Development Director
Electric Utility Director
Finance Director
Fire Chief
Golf Operations
Liquor Operations
Police Chief
Public Services Director

City of Anoka Organizational Chart



City of Anoka Organizational Chart

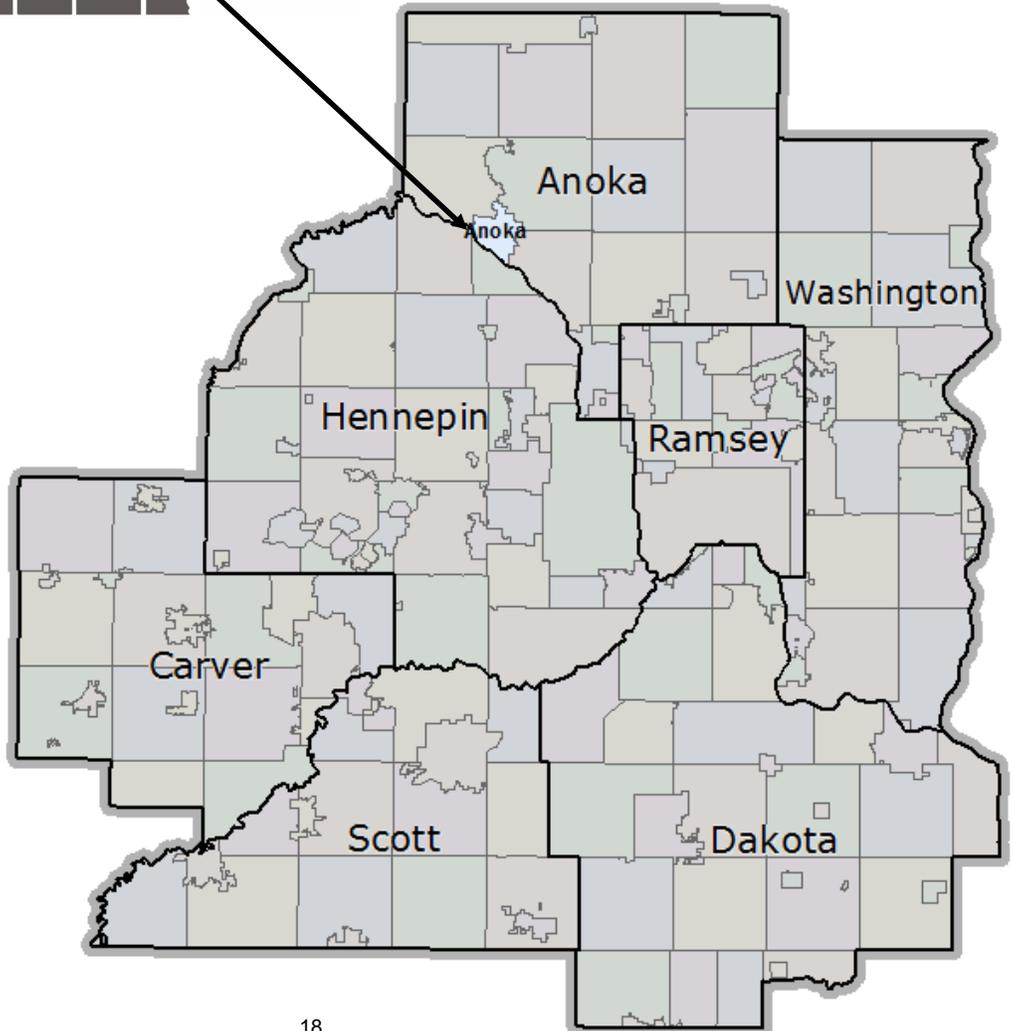




City of Anoka geographical location

The City of Anoka is the County Seat of Anoka County.

Anoka County is part of the 7-county Minneapolis-St Paul metropolitan region.



Independent Auditor's Report

City Council
City of Anoka
Anoka, Minnesota

Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2021, 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.

Basis for Opinions

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

Responsibilities of Management 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Anoka, Minnesota's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Anoka, Minnesota's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States require that management's discussion and analysis on pages 22-32, information about the City's net pension liability and other post-employment benefits on pages 86-91, and budgetary comparison information on pages 92-93, 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 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 accompanying combining nonmajor fund statements, the combining internal service fund statements, and supplemental financial schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the combining nonmajor fund 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.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2022, 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 the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Wipfli LLP

June 3, 2022
Minneapolis, Minnesota

MANAGEMENTS 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, 2021. 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 8-11](#) of this report.

Financial Highlights

- At the close of 2021, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$176,481,059 (net position). Of this amount, \$16,785,349 (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 \$9,282,865 or 5.6 percent.
- As of the close of the current fiscal year, the City of Anoka's governmental funds reported combined ending fund balances of \$3,084,897, which is an increase of \$674,090 from 2020.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,973,420, or 47.5 percent of total general fund expenditures.
- The City of Anoka's total bonded debt increased by \$5,175,000 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, and recycling. The government-wide financial statements can be found on [pages 33 and 34](#) of this report.

MANAGEMENTS DISCUSSION AND ANALYSIS

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 custodial 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, Building Improvement Fund, State Aid Constriction Fund, Street Renewal Fund, Commuter Rail Transit Village Tax Increment Fund, and Greens of Anoka 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. 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 35-38](#) 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 governmental-wide financial statements. The City of Anoka uses enterprise funds to account for its electric, water, sewer, liquor, golf, storm drainage, 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, sewer, storm drainage, and liquor operations, which are considered to be major funds of the City of Anoka. Golf and recycling operations 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 is provided in the form of combining statements elsewhere in this report.

MANAGEMENTS DISCUSSION AND ANALYSIS

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 39-46](#) of this report.

Custodial funds. Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial 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 basic custodial fund financial statement can be found on [page 47](#) 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 48](#) 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 95](#) 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 2021 assets plus deferred outflows exceeded liabilities plus deferred inflows by \$176,481,059.

The largest portion of the City of Anoka's net position (85.7 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.

The net position of the City of Anoka increased by \$9,282,865. The primary elements for the increase in net position are investment to capital assets through infrastructure projects finished in 2021, and the 2021 bond issue. A small portion of the City of Anoka's net position, 4.8 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$16,785,349 may be used to meet the City's ongoing obligations to citizens and creditors. Net investment in capital assets increased by \$8,332,352, or 5.8 percent, due to continued capital outlay to city infrastructure. The City used a combination of grants, bonding, and available funds for investment in capital assets, and also approved reimbursement for some projects from 2022 bonding. Net position restricted for debt increased by \$35,498, net position restricted for tax increments decreased by \$98,085 and net position restricted for forfeiture funds increased \$75,306 for a net increase in restricted net position of \$12,719.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
MANAGEMENTS DISCUSSION AND ANALYSIS

City of Anoka Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------------|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Current and other assets | \$ 10,618,755 | \$ 9,821,678 | \$ 31,603,808 | \$ 30,603,962 | \$ 42,222,563 | \$ 40,425,640 |
| Capital assets | 124,757,116 | 115,550,351 | 51,963,513 | 48,841,467 | 176,720,629 | 164,391,818 |
| Total assets | <u>135,375,871</u> | <u>125,372,029</u> | <u>83,567,321</u> | <u>79,445,429</u> | <u>218,943,192</u> | <u>204,817,458</u> |
| Deferred outflows of resources | 5,044,579 | 2,068,105 | 1,620,386 | 449,102 | 6,664,965 | 2,517,207 |
| Current and other liabilities | 3,710,270 | 3,354,360 | 4,382,528 | 3,952,469 | 8,092,798 | 7,306,829 |
| Long-term liabilities | 24,949,300 | 21,967,482 | 7,168,320 | 8,173,046 | 32,117,620 | 30,140,528 |
| Total liabilities | <u>28,659,570</u> | <u>25,321,842</u> | <u>11,550,848</u> | <u>12,125,515</u> | <u>40,210,418</u> | <u>37,447,357</u> |
| Deferred inflows of resources | 6,908,979 | 2,545,976 | 2,007,701 | 143,138 | 8,916,680 | 2,689,114 |
| Net position | <u>\$ 104,851,901</u> | <u>\$ 99,572,316</u> | <u>\$ 71,629,158</u> | <u>\$ 67,625,878</u> | <u>\$ 176,481,059</u> | <u>\$ 167,198,194</u> |
| Net investment in capital assets | \$ 105,521,466 | \$ 100,463,238 | \$ 47,083,928 | \$ 43,809,804 | \$ 152,605,394 | \$ 144,273,042 |
| Restricted: | | | | | | |
| Debt | 590,325 | 554,827 | - | - | 590,325 | 554,827 |
| Tax increment | 6,424,685 | 6,522,770 | - | - | 6,424,685 | 6,522,770 |
| Other | 75,306 | - | - | - | 75,306 | - |
| Unrestricted | <u>(7,759,881)</u> | <u>(7,968,519)</u> | <u>24,545,230</u> | <u>23,816,074</u> | <u>16,785,349</u> | <u>15,847,555</u> |
| Total net position | <u>\$ 104,851,901</u> | <u>\$ 99,572,316</u> | <u>\$ 71,629,158</u> | <u>\$ 67,625,878</u> | <u>\$ 176,481,059</u> | <u>\$ 167,198,194</u> |

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. Governmental funds report a negative unrestricted balance due to spending by the TIF Districts and capital project accounts that will be reimbursed through grant money and future bonding. Business-type activities also report positive balances in all three categories.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

MANAGEMENTS DISCUSSION AND ANALYSIS

Key elements of the increase in net position are as follows.

City of Anoka's Changes in Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|---------------|--------------------------|---------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 3,008,095 | \$ 2,888,359 | \$ 42,795,787 | \$ 41,098,927 | \$ 45,803,882 | \$ 43,987,286 |
| Operating grants and contributions | 267,281 | 5,348,931 | 5,363 | 206,482 | 272,644 | 5,555,413 |
| Capital grants and contributions | 6,336,679 | 3,564,068 | - | - | 6,336,679 | 3,564,068 |
| General revenues: | | | | | | |
| Property taxes | 8,064,668 | 7,947,349 | - | - | 8,064,668 | 7,947,349 |
| Franchise taxes | 1,403,673 | 1,353,488 | - | - | 1,403,673 | 1,353,488 |
| Grants and contributions not restricted to specific programs | 2,039,715 | 1,976,993 | - | - | 2,039,715 | 1,976,993 |
| Investment income, net | 18,090 | 37,510 | 232,854 | 491,638 | 250,944 | 529,148 |
| Other | 401,694 | 303,439 | 626,632 | 451,066 | 1,028,326 | 754,505 |
| Total revenues | 21,539,895 | 23,420,137 | 43,660,636 | 42,248,113 | 65,200,531 | 65,668,250 |
| Expenses: | | | | | | |
| General government | 2,753,083 | 2,882,766 | - | - | 2,753,083 | 2,882,766 |
| Public safety | 6,620,998 | 7,059,355 | - | - | 6,620,998 | 7,059,355 |
| Public works | 3,615,589 | 3,499,233 | - | - | 3,615,589 | 3,499,233 |
| Park and recreation | 3,918,949 | 2,816,971 | - | - | 3,918,949 | 2,816,971 |
| Interest on debt | 678,737 | 660,070 | - | - | 678,737 | 660,070 |
| Electric | - | - | 29,048,446 | 27,503,734 | 29,048,446 | 27,503,734 |
| Water | - | - | 1,522,326 | 1,536,990 | 1,522,326 | 1,536,990 |
| Sewer | - | - | 2,313,551 | 2,372,326 | 2,313,551 | 2,372,326 |
| Liquor | - | - | 4,391,013 | 4,613,761 | 4,391,013 | 4,613,761 |
| Storm drainage | - | - | 344,677 | 283,450 | 344,677 | 283,450 |
| Golf | - | - | 1,392,531 | 1,228,152 | 1,392,531 | 1,228,152 |
| Recycling | - | - | 435,717 | 387,069 | 435,717 | 387,069 |
| Total expenses | 17,587,356 | 16,918,395 | 39,448,261 | 37,925,482 | 57,035,617 | 54,843,877 |
| Gain on disposal of capital assets | 14,722 | 998,780 | 1,103,229 | 23,555 | 1,117,951 | 1,022,335 |
| Increase in net position before transfers and contributed capital | 3,967,261 | 7,500,522 | 5,315,604 | 4,346,186 | 9,282,865 | 11,846,708 |
| Transfers | 1,312,324 | 1,393,470 | (1,312,324) | (1,393,470) | - | - |
| Change in net position | 5,279,585 | 8,893,992 | 4,003,280 | 2,952,716 | 9,282,865 | 11,846,708 |
| Net position on Jan. 1 | 99,572,316 | 90,678,324 | 67,625,878 | 64,673,162 | 167,198,194 | 155,351,486 |
| Net position on Dec. 31 | \$ 104,851,901 | \$ 99,572,316 | \$ 71,629,158 | \$ 67,625,878 | \$ 176,481,059 | \$ 167,198,194 |

Governmental Activities

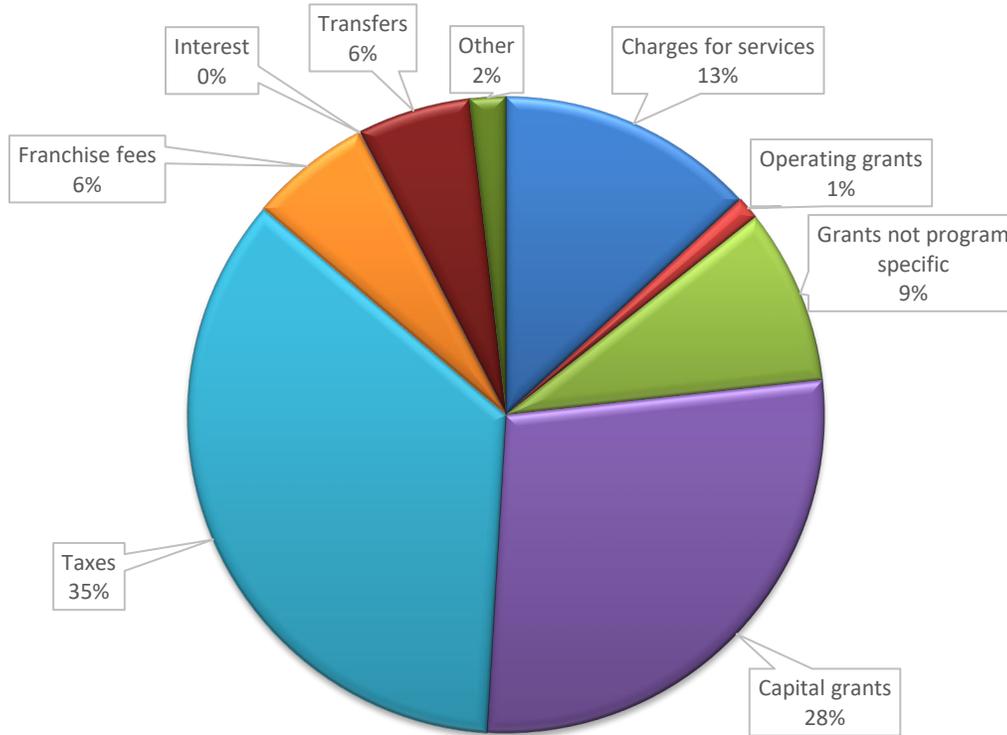
Governmental activities account for 59.4 percent of the City of Anoka's net position. For the year ended December 31 2021, there is an increase in net position for governmental activities of \$5,279,585. Total general revenues for governmental activities amounted to \$13,254,886; transfers in were \$1,312,324; gain on disposal of capital assets was \$14,722. Total expenses were \$17,587,356.

- Total property tax collection increased by \$117,319 during the year, which is due to the tax levy increase of 1.96% in 2021.
- Charges for service increased by \$119,736. Charges for services vary every year because they are based on projects occurring throughout the city. The largest portions of increase this year were in public safety as a result of renewed security services offered to the school district after Covid-19 restrictions were lifted.

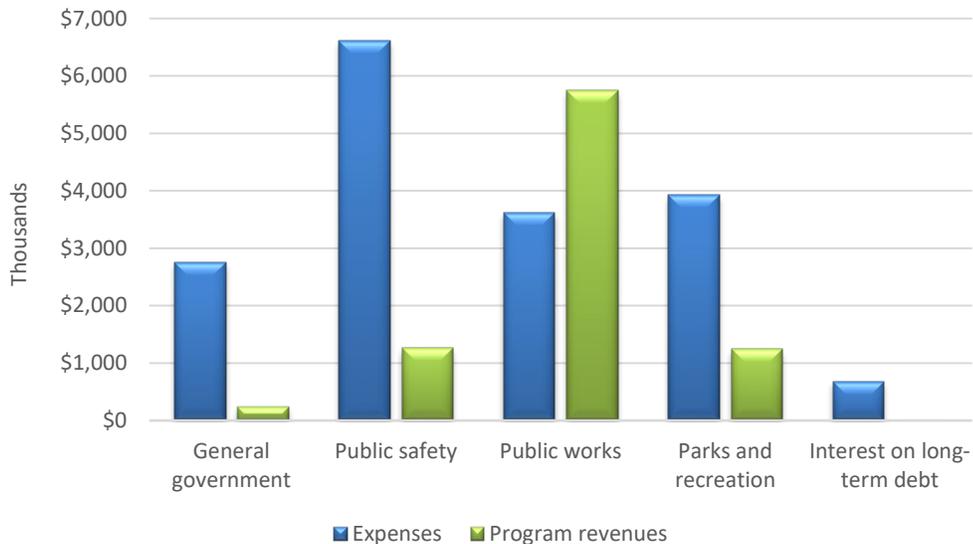
MANAGEMENTS DISCUSSION AND ANALYSIS

- Operating and capital grants and contributions decreased by \$2,309,039 in 2021. American Recovery Plan Act funds received in 2021 are unspent and will be recognized when allowable expenses occur in 2022. The City will see large future increases in grants due to Highway 10 funding. The project breaks ground in 2022 and is expected to reach completion in 2024.
- Investment income decreased \$19,420 in 2021 due to continued lower rates of return on investments.
- All governmental expenses, except interest on long-term debt, are supported with general revenues to a varying extent.

Revenue Sources - Governmental Activities



Expenses and Program Revenues - Governmental Activities



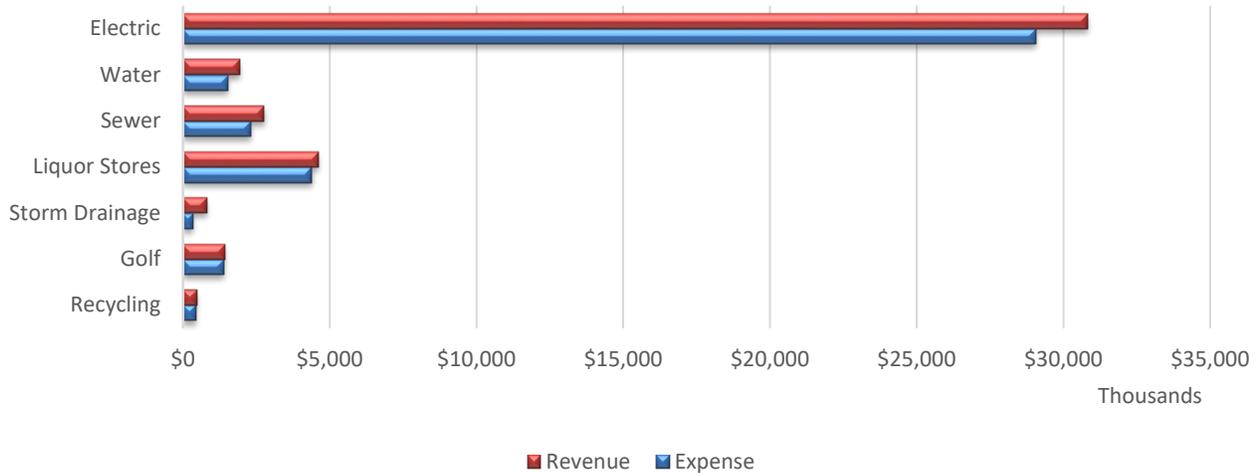
MANAGEMENTS DISCUSSION AND ANALYSIS

Business-type activities.

Business-type net position increased by \$4,003,280 or 5.9 percent. Total operating revenues for business-type activities amounted to 42,795,787, transfers out were \$1,312,234, and gain on disposal of capital assets was \$1,103,229. Total business-type activity expenses totaled \$39,448,261.

- Charges for services for business-type activities totaled \$42,795,787. The electric public utility accounts for 72.0 percent of the total. Overall business-type charges for services increased by \$1,675,171 when compared with 2020.
- Golf operations increased another 10% over 2020 due to increased rounds of golf, as well as the golf simulators which operate year round.
- Electric charges to customers were held stable most of the year, but significant cost increases occurred in the final quarter of 2021. Until the volatility of the current costs stabilize, the City will pass on increases through a power adjustment fee rather than change electric utility rates.
- Investment income in business-type activities decreased in 2021 by \$258,784 as a result of current market conditions.
- Operating expenses increased by \$1,522,779 when compared to 2020. The largest change is the increased costs of purchased power in the electric utility, which increased \$3,213,102 or 15.9 percent.

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



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 \$3,084,897 an increase of \$674,090. The increase is primarily the result bond issue in Building Capital, and capital spending in the State Aid and Greens of Anoka funds.

MANAGEMENTS DISCUSSION AND ANALYSIS

Of the total governmental fund balance, \$49,177 is nonspendable to indicate that it is not available for new spending, because it has already been spent on inventory and prepaid maintenance contracts. The restricted fund balance also indicates that it is not available for new spending, because it has outside restrictions for bond spending, 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 \$5,973,420, while total fund balance was \$6,021,397. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance with total fund expenditures. Unassigned fund balance represents 47.5 percent of total General Fund expenditures.

The fund balance of the City's General Fund increased by \$427,506 during the current year. Operating expenses exceeded revenues by \$674,194. Actual expenditures were under final budget by \$247,224. The majority of the expenditures under budget occurred as a result of lower than budgeted personal services in Public Safety due to staffing shortages during the year. Key factors are as follows:

- The General Fund tax levy for 2021 decreased by \$606,905 from the tax levy in 2020. A separate debt levy was added in 2021, rather than debt payments being transferred from the general fund as they had been since 2017. Current year tax collections were 99.2 percent.
- The Electric utility fund and Liquor operations fund supported City programs and projects with transfers in totaling \$1,100,000.
- General government expenses in the General Fund decreased from 2020 by \$315,605. There were one-time spending items in 2020 for CARES Act allowable expenses. Intergovernmental revenues in the General Fund were reduced by \$1,105,596 compared to 2020 representing CARES Act grant funds from the federal government. ARPA grant funds have not been spent, and will be recognized as revenue when allowable expenses occur.

The Building Improvement Fund has a fund balance of \$1,570,281 which is an increase of \$5,245,596 from 2020. This increase is the result of bond issuance for the Park Maintenance building constructed in 2020. The fund will bond again in 2022 for construction of the Law Enforcement Training Center and Animal Containment Center expansion to the Public Safety Facility.

The State Aid Construction Fund has a fund deficit of \$275,909 which is a decrease of \$1,010,340 from 2020. The deficit is due to spending on the large Highway 10 Anoka Solution project that has not yet been reimbursed through federal and local grants. This project breaks ground in 2022 and will reach substantial completion in 2024.

The Street Renewal Fund balance has fund deficit of \$185,889, which is an decrease of \$715,187 from 2020. This deficit will be eliminated with future bond issuance

The Commuter Rail Transit Village Tax Increment Fund has a deficit fund balance of \$2,770,845. 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 \$6,522,899. Greens of Anoka TIF completed new road construction in 2021 and has received development plans. Future tax revenue generated will pay for internal loans.

MANAGEMENTS DISCUSSION AND ANALYSIS

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 - \$17,022,884
- Water - \$3,753,341
- Sewer - \$1,796,943
- Liquor - \$900,738
- Storm Drainage - \$987,036

All proprietary funds had increases in net position in 2021 with the exception of the Liquor fund which supported Parks programs and projects throughout the City.

Budgetary Highlights

General Fund

Budgeted expense of \$3,000 from 2020 was carried forward to 2021 to account for costs associated with annual employee event that had to be postponed at the end of 2021 due to the Covid-19 pandemic. 2021 budgeted expenses were decreased by \$29,000 for a net decrease of \$26,000. Actual expenditures were under the final budget amount by \$247,224 and actual revenues were over the final budget by \$152,582. Highlights of expenditure variances from the 2021 budget are summarized as follows:

- General government activities under budget by \$87,766
- Public safety activities under budget by \$49,004
- Public works activities under budget by \$53,074
- Parks and recreation under budget by \$57,380

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, 2021, amounts to \$176,720,629 (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 7.5 percent, or \$12,328,811. There is a 8.0 percent increase in governmental activities investment in capital assets and a 6.4 percent increase for business-type activities investment in capital assets.

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

- \$6.8 million for land acquisition and design costs for the Highway 10 project
- \$3.0 million for street construction and final relocations and demo in the Greens of Anoka
- \$1.7 million in street reconstruction and improvement projects through the City

The capital assets note (see Note 7) to the financial statements, which begins on [page 64](#) of this report, provides more detailed information on capital asset activity.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
MANAGEMENTS DISCUSSION AND ANALYSIS

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

| | Governmental Activities | | Business-Type Activities | | Total | |
|-----------------------------|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Land | \$ 9,014,410 | \$ 9,026,510 | \$ 1,322,349 | \$ 1,322,349 | \$ 10,336,759 | \$ 10,348,859 |
| Construction in progress | 8,024,396 | 12,265,222 | 1,418,453 | 182,608 | 9,442,849 | 12,447,830 |
| Infrastructure | 83,127,396 | 68,436,469 | 44,997,294 | 42,990,411 | 128,124,690 | 111,426,880 |
| Buildings and structures | 22,071,843 | 22,780,184 | 1,419,485 | 1,499,724 | 23,491,328 | 24,279,908 |
| Machinery and equipment | 2,400,493 | 2,900,645 | 2,116,363 | 2,086,029 | 4,516,856 | 4,986,674 |
| Furniture and equipment | 118,578 | 141,321 | 3,375 | 6,277 | 121,953 | 147,598 |
| Other improvements | - | - | 686,194 | 754,069 | 686,194 | 754,069 |
| Total capital assets | \$ 124,757,116 | \$ 115,550,351 | \$ 51,963,513 | \$ 48,841,467 | \$ 176,720,629 | \$ 164,391,818 |

Long-term debt. At the end of the current fiscal year, the City of Anoka had total long-term debt outstanding of \$22,230,000. The City has \$20,860,000 of long-term debt for tax increment, public safety buildings, public facilities, and public improvements. In addition, \$2,308,137 due to the Met Council for purchasing property for the Highway Ten improvement project is included as governmental activity debt. The City has business-type activity long-term debt in the amount of \$1,370,000 in the Storm Drainage Fund for utility improvements.

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| General obligation bonds | \$ 17,565,000 | \$ 12,250,000 | \$ 3,295,000 | \$ 3,350,000 | \$ 20,860,000 | \$ 15,600,000 |
| Revenue bonds | - | - | 1,370,000 | 1,455,000 | 1,370,000 | 1,455,000 |
| Met Council loan | 2,308,137 | 2,308,137 | - | - | 2,308,137 | 2,308,137 |
| Total outstanding debt | \$ 19,873,137 | \$ 14,558,137 | \$ 4,665,000 | \$ 4,805,000 | \$ 24,538,137 | \$ 19,363,137 |

The City of Anoka's total bonded debt increased by \$5,175,000 during the current year. The City has a long-term debt payable to the Met Council for funds used to purchase property for the Highway 10 improvement project. The project breaks ground in 2022 but repayment is not yet scheduled. The City of Anoka maintains a bond rating of AA+ from Standard & 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 percent of total estimated market value. The current debt limitation for the City of Anoka is \$53,417,007 based on 2021 estimated market value of \$1,780,566,900. The City's current outstanding debt that applies to the limitation is \$24,538,137, while \$5,894,150 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 65](#) of this report.

MANAGEMENTS DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in Anoka County in December 2021 was 2.6 percent, compared with 4.8 percent a year ago. Overall, unemployment in the state of Minnesota was at 2.6 percent and for the United States at 3.7 percent. Anoka County saw unemployment rates return to more normal numbers faster than the national average during the pandemic recovery, and unemployment rates are now lower than the December 2019 pre-pandemic numbers for the County and the State of Minnesota.
- Total estimated market value increased approximately 4.9 percent in 2021, and net tax capacity increased approximately 5.6 percent.
- The occupancy rate for industrial properties city-wide is 97.8 percent. The City's industrial park district is maintaining about a 95.0 percent occupancy rate.

These factors and other factors were considered when the City of Anoka prepared its 2022 budget. The City did not budget for American Recovery Plan Act funds in 2022, and will adjust the budget to reflect any funds received as they are expended.

At the end of 2021, total unassigned fund balance in the General Fund was \$5,973,420. The nonspendable fund balance of \$47,977 is for inventories and prepaid items. The City's 2022 total tax levy increased by \$290,553, or 3.90 percent over last year.

The General Fund budgeted revenues (excluding uses of fund balance) are increasing by a total of 8.6 percent in 2022. Total general fund budgeted expenditures also increased by 9.8 percent in 2022. The General Fund will not transfer funds out for debt service or capital projects in 2021 and utilized a debt service levy to cover debt not financed by other sources. General Fund expenditures which had remained within a 2-3 percent variance from year to year over the past few years, are budgeted to be 9.7 percent over that time frames average, which is driven by increased personnel services, the projected inflationary increases to supply costs, and higher than average capital projects budgeted in the General Fund.

In 2022 the electric utility will review rates. Beginning in the middle of 2021, the cost of purchased power started to rise. While the future costs are unpredictable, the City will utilize an adjustment to purchased power to pass on the cost increases. Once the costs stabilize and rate study will be done and public hearings held regarding increases. Rates for water, sewer, and storm sewer will be reviewed to ensure that the rates are covering the utility's need for infrastructure upgrades. An expansion of the water treatment facility that services wells 6 and 8, and repairs and upgrades to a major sewer lift station, are planned in 2022.

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
ANNUAL COMPREHENSIVE FINANCIAL REPORT

STATEMENT OF NET POSITION
DECEMBER 31, 2021

| | Primary Government | | | Component Unit |
|---|--------------------------------|---------------------------------|-----------------------|-----------------------|
| | Governmental Activities | Business-Type Activities | Total | HRA |
| Assets and Deferred Outflows of Resources | | | | |
| Current assets: | | | | |
| Cash and investments | \$ 14,879,262 | \$ 5,103,963 | \$ 19,983,225 | \$ 1,059,545 |
| Taxes receivable | 218,282 | - | 218,282 | 9,473 |
| Accounts receivable | 3,795,238 | 4,362,351 | 8,157,589 | 446,754 |
| Special assessments receivable | - | 104,104 | 104,104 | - |
| Internal balances | (19,415,724) | 19,415,724 | - | - |
| Inventories | 42,889 | 2,467,216 | 2,510,105 | - |
| Prepaid items | 162,926 | 150,450 | 313,376 | - |
| Land held for resale | 8,709,588 | - | 8,709,588 | 1,767,412 |
| Total current assets | <u>8,392,461</u> | <u>31,603,808</u> | <u>39,996,269</u> | <u>3,283,184</u> |
| Noncurrent assets: | | | | |
| Special assessments receivable | 2,226,294 | - | 2,226,294 | - |
| Nondepreciable capital assets | 17,038,806 | 2,740,802 | 19,779,608 | 237,058 |
| Capital assets - Net of depreciation: | | | | |
| Infrastructure | 83,127,395 | 44,997,295 | 128,124,690 | 762,316 |
| Buildings and structures | 22,071,843 | 1,419,485 | 23,491,328 | - |
| Machinery, vehicles, and equipment | 2,400,495 | 2,116,362 | 4,516,857 | - |
| Furniture and equipment | 118,577 | 3,375 | 121,952 | - |
| Other improvements | - | 686,194 | 686,194 | - |
| Total noncurrent assets | <u>126,983,410</u> | <u>51,963,513</u> | <u>178,946,923</u> | <u>999,374</u> |
| Total assets | <u>135,375,871</u> | <u>83,567,321</u> | <u>218,943,192</u> | <u>4,282,558</u> |
| Deferred outflows of resources: | | | | |
| Deferred other postemployment resources | 81,823 | - | 81,823 | - |
| Deferred pension resources | 4,962,756 | 1,620,386 | 6,583,142 | 40,728 |
| Total deferred outflows of resources | <u>5,044,579</u> | <u>1,620,386</u> | <u>6,664,965</u> | <u>40,728</u> |
| Total assets and deferred outflows of resources | <u>\$ 140,420,450</u> | <u>\$ 85,187,707</u> | <u>\$ 225,608,157</u> | <u>\$ 4,323,286</u> |
| Liabilities, Deferred Inflows of Resources, and Net Position | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 595,536 | \$ 2,507,095 | \$ 3,102,631 | \$ 18,380 |
| Accrued wages payable | 265,415 | 94,005 | 359,420 | 2,605 |
| Due to other governments and units | 2,490 | - | 2,490 | - |
| Accrued interest payable | 184,652 | 55,300 | 239,952 | 18,482 |
| Deposits | 249,708 | 1,166,513 | 1,416,221 | - |
| Unearned revenue | 1,287,469 | 271,537 | 1,559,006 | - |
| Current portion of compensated absences payable | 20,000 | 61,000 | 81,000 | - |
| Current portion of long-term liabilities | 1,105,000 | 227,078 | 1,332,078 | - |
| Total current liabilities | <u>3,710,270</u> | <u>4,382,528</u> | <u>8,092,798</u> | <u>39,467</u> |
| Noncurrent liabilities: | | | | |
| Compensated absences payable | 987,495 | 338,767 | 1,326,262 | 2,514 |
| Net other postemployment benefit liability | 701,746 | - | 701,746 | - |
| Noncurrent portion of long-term liabilities | 19,459,010 | 4,652,507 | 24,111,517 | 1,696,942 |
| Net pension liability | 3,801,049 | 2,177,046 | 5,978,095 | 54,719 |
| Total noncurrent liabilities | <u>24,949,300</u> | <u>7,168,320</u> | <u>32,117,620</u> | <u>1,754,175</u> |
| Total liabilities | <u>28,659,570</u> | <u>11,550,848</u> | <u>40,210,418</u> | <u>1,793,642</u> |
| Deferred inflows of resources: | | | | |
| Deferred other postemployment resources | 100,929 | - | 100,929 | - |
| Deferred pension resources | 6,808,050 | 2,007,701 | 8,815,751 | 50,462 |
| Total deferred inflows of resources | <u>6,908,979</u> | <u>2,007,701</u> | <u>8,916,680</u> | <u>50,462</u> |
| Net position: | | | | |
| Net investment in capital assets | 105,521,466 | 47,083,928 | 152,605,394 | 999,374 |
| Restricted for - debt service | 590,325 | - | 590,325 | 5,836 |
| Restricted for - tax increment | 6,424,685 | - | 6,424,685 | 1,436,839 |
| Restricted for - other | 75,306 | - | 75,306 | - |
| Unrestricted | (7,759,881) | 24,545,230 | 16,785,349 | 37,133 |
| Total net position | <u>104,851,901</u> | <u>71,629,158</u> | <u>176,481,059</u> | <u>2,479,182</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 140,420,450</u> | <u>\$ 85,187,707</u> | <u>\$ 225,608,157</u> | <u>\$ 4,323,286</u> |

See accompanying notes to financial statements.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | | Component Unit |
|--|----------------------|----------------------|------------------------------------|----------------------------------|---|----------------------------|-----------------------|---------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | | |
| | | | | | Governmental Activities | Business - Type Activities | Total | HRA |
| Primary government: | | | | | | | | |
| Governmental activities: | | | | | | | | |
| General government | \$ 2,753,083 | \$ 238,499 | \$ 2,021 | \$ - | \$ (2,512,563) | \$ - | \$ (2,512,563) | |
| Public safety | 6,620,998 | 1,223,724 | 38,454 | - | (5,358,820) | - | (5,358,820) | |
| Public works | 3,615,589 | 896,859 | 214,900 | 5,759,322 | 3,255,492 | - | 3,255,492 | |
| Parks and recreation | 3,918,949 | 649,013 | 11,906 | 577,357 | (2,680,673) | - | (2,680,673) | |
| Interest on long-term debt | 678,737 | - | - | - | (678,737) | - | (678,737) | |
| Total governmental activities | <u>17,587,356</u> | <u>3,008,095</u> | <u>267,281</u> | <u>6,336,679</u> | <u>(7,975,301)</u> | <u>-</u> | <u>(7,975,301)</u> | |
| Business-type activities: | | | | | | | | |
| Electric | 29,048,446 | 30,831,936 | 3,050 | - | - | 1,786,540 | 1,786,540 | |
| Water | 1,522,326 | 1,909,921 | 459 | - | - | 388,054 | 388,054 | |
| Sewer | 2,313,551 | 2,755,045 | 454 | - | - | 441,948 | 441,948 | |
| Liquor Stores | 4,391,013 | 4,607,366 | 741 | - | - | 217,094 | 217,094 | |
| Storm Drainage | 344,677 | 797,425 | - | - | - | 452,748 | 452,748 | |
| Golf | 1,392,531 | 1,422,446 | 610 | - | - | 30,525 | 30,525 | |
| Recycling | 435,717 | 471,648 | 49 | - | - | 35,980 | 35,980 | |
| Total business-type activities | <u>39,448,261</u> | <u>42,795,787</u> | <u>5,363</u> | <u>-</u> | <u>-</u> | <u>3,352,889</u> | <u>3,352,889</u> | |
| Total primary government | <u>\$ 57,035,617</u> | <u>\$ 45,803,882</u> | <u>\$ 272,644</u> | <u>\$ 6,336,679</u> | <u>(7,975,301)</u> | <u>3,352,889</u> | <u>(4,622,412)</u> | |
| Component unit: | | | | | | | | |
| HRA | <u>\$ 875,377</u> | <u>\$ 42,466</u> | <u>\$ 135</u> | <u>\$ -</u> | | | | <u>\$ (832,776)</u> |
| General revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| Property taxes, levied for general purposes | | | | | 6,703,278 | - | 6,703,278 | 313,437 |
| Property taxes, levied for debt service | | | | | 750,000 | - | 750,000 | - |
| Property taxes, levied for tax increment | | | | | 611,390 | - | 611,390 | 167,809 |
| Franchise taxes | | | | | 1,403,673 | - | 1,403,673 | - |
| Grants, aid, and contributions not restricted to specific programs | | | | | 2,039,715 | - | 2,039,715 | - |
| Investment income, net | | | | | 18,090 | 232,854 | 250,944 | (3,815) |
| Gain on disposal of capital assets | | | | | 14,722 | 1,103,229 | 1,117,951 | - |
| Other | | | | | 401,694 | 626,632 | 1,028,326 | 52,560 |
| Transfers | | | | | 1,312,324 | (1,312,324) | - | - |
| Total general revenues and transfers | | | | | <u>13,254,886</u> | <u>650,391</u> | <u>13,905,277</u> | <u>529,991</u> |
| Change in net position | | | | | <u>5,279,585</u> | <u>4,003,280</u> | <u>9,282,865</u> | <u>(302,785)</u> |
| Net position - Beginning of year | | | | | <u>99,572,316</u> | <u>67,625,878</u> | <u>167,198,194</u> | <u>2,781,967</u> |
| Net position - End of year | | | | | <u>\$ 104,851,901</u> | <u>\$ 71,629,158</u> | <u>\$ 176,481,059</u> | <u>\$ 2,479,182</u> |

See accompanying notes to financial statements.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2021

| | General | Building Improvement | State Aid Construction | Street Renewal | Commuter Rail Transit Village Tax Increment | Greens of Anoka Tax Increment | Total Nonmajor Funds | Total Governmental Funds |
|--|---------------------|----------------------|------------------------|---------------------|---|-------------------------------|----------------------|--------------------------|
| ASSETS | | | | | | | | |
| Cash and investments | \$ 7,511,983 | \$ 1,210,790 | \$ 33,003 | \$ 32,457 | \$ 13,620 | \$ 42,533 | \$ 3,215,514 | \$ 12,059,900 |
| Receivables, net: | | | | | | | | |
| Taxes | 187,946 | - | - | - | - | 5,318 | 25,018 | 218,282 |
| Special assessments | 37,383 | - | - | 1,381,239 | - | - | 807,672 | 2,226,294 |
| Accounts receivable | 45,681 | 40,000 | 3,397,483 | 102,588 | - | 145,603 | 63,883 | 3,795,238 |
| Due from other funds | - | 500,000 | - | - | - | - | 915,000 | 1,415,000 |
| Advance to other funds | - | - | - | - | - | - | 750,000 | 750,000 |
| Inventories | 16,542 | - | - | - | - | - | - | 16,542 |
| Prepaid items | 31,435 | - | - | - | - | - | 1,200 | 32,635 |
| Land held for resale | - | 241,921 | 2,331,233 | 230,000 | 580,627 | 3,297,363 | 2,028,444 | 8,709,588 |
| Total assets | <u>\$ 7,830,970</u> | <u>\$ 1,992,711</u> | <u>\$ 5,761,719</u> | <u>\$ 1,746,284</u> | <u>\$ 594,247</u> | <u>\$ 3,490,817</u> | <u>\$ 7,806,731</u> | <u>\$ 29,223,479</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable | \$ 97,875 | \$ 46,362 | \$ 37,628 | \$ 78,388 | \$ 92 | \$ 233,105 | \$ 78,063 | \$ 571,513 |
| Accrued wages payable and other benefits | 260,574 | - | - | - | - | - | 1,409 | 261,983 |
| Due to other funds | - | 376,068 | 6,000,000 | 500,000 | 150,000 | 5,200,000 | 265,000 | 12,491,068 |
| Due to other governments | - | - | - | 1,330 | - | - | 1,160 | 2,490 |
| Due to other organizations - Escrow | 249,708 | - | - | - | - | - | - | 249,708 |
| Unearned revenue | 1,086,375 | - | - | - | - | 145,603 | 55,491 | 1,287,469 |
| Advance from other funds | - | - | - | - | 3,215,000 | 4,435,000 | 1,345,000 | 8,995,000 |
| Total liabilities | <u>1,694,532</u> | <u>422,430</u> | <u>6,037,628</u> | <u>579,718</u> | <u>3,365,092</u> | <u>10,013,708</u> | <u>1,746,123</u> | <u>23,859,231</u> |
| Deferred inflows of resources: | | | | | | | | |
| Unavailable revenue-Property taxes | 77,658 | - | - | - | - | 8 | 7,108 | 84,774 |
| Unavailable revenue-Special assessments | 37,383 | - | - | 1,352,455 | - | - | 804,739 | 2,194,577 |
| Total deferred inflows of resources | <u>115,041</u> | <u>-</u> | <u>-</u> | <u>1,352,455</u> | <u>-</u> | <u>8</u> | <u>811,847</u> | <u>2,279,351</u> |
| Fund balances: | | | | | | | | |
| Nonspendable | 47,977 | - | - | - | - | - | 1,200 | 49,177 |
| Restricted | - | 1,328,360 | - | - | 580,627 | 3,297,363 | 4,087,851 | 9,294,201 |
| Committed | - | - | - | - | - | - | 2,436,386 | 2,436,386 |
| Assigned | - | 241,921 | - | - | - | - | 48,864 | 290,785 |
| Unassigned | 5,973,420 | - | (275,909) | (185,889) | (3,351,472) | (9,820,262) | (1,325,540) | (8,985,652) |
| Total fund balances | <u>6,021,397</u> | <u>1,570,281</u> | <u>(275,909)</u> | <u>(185,889)</u> | <u>(2,770,845)</u> | <u>(6,522,899)</u> | <u>5,248,761</u> | <u>3,084,897</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 7,830,970</u> | <u>\$ 1,992,711</u> | <u>\$ 5,761,719</u> | <u>\$ 1,746,284</u> | <u>\$ 594,247</u> | <u>\$ 3,490,817</u> | <u>\$ 7,806,731</u> | <u>\$ 29,223,479</u> |

See accompanying notes to financial statements

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

| | |
|---|----------------|
| Total governmental fund balances (page 35) | \$ 3,084,897 |
| Amounts reported for governmental activities in the statement of net position (page 33) 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. | 123,634,359 |
| 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. | 2,969,151 |
| The liability recorded for other postemployment benefits and related deferred inflows and deferred outflows are not due and payable in the current period and therefore are not recorded in the governmental funds. | (720,852) |
| 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. | (20,564,010) |
| Governmental funds do not report a liability for accrued interest until due and payable. | (184,652) |
| The net pension liability and related deferred inflows and deferred outflows are recorded only in the government-wide statement of net position. | (5,646,343) |
| Deferred inflows are not available to pay for current-period expenditures and therefore are deferred in the funds. | 2,279,351 |
| Net position of the governmental activities | \$ 104,851,901 |

See accompanying notes to financial statements

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021

| | General | Building Improvement | State Aid Construction | Street Renewal | Commuter Rail Transit Village Tax Increment | Greens of Anoka Tax Increment | Total Nonmajor Funds | Total Governmental Funds |
|--|---------------------|-------------------------|---------------------------|---------------------|---|-------------------------------------|----------------------------|--------------------------------|
| Revenues: | | | | | | | | |
| Taxes | \$ 6,722,149 | \$ - | \$ - | \$ - | \$ 173,946 | \$ 291,948 | \$ 890,050 | \$ 8,078,093 |
| Special assessments | - | - | - | 546,983 | - | - | 150,743 | 697,726 |
| Licenses and permits | 516,180 | - | - | 18,307 | - | - | 44,701 | 579,188 |
| Fines and forfeitures | 66,761 | - | - | - | - | - | 59,715 | 126,476 |
| Intergovernmental | 2,580,585 | - | 5,759,322 | 6,629 | - | - | 577,357 | 8,923,893 |
| Charges for current services | 885,181 | - | - | - | - | - | 390,124 | 1,275,305 |
| Franchise fees | 992,054 | - | - | 411,619 | - | - | - | 1,403,673 |
| Investment income | 14,209 | (6,121) | (17,957) | 2,714 | - | 8,033 | 18,033 | 18,911 |
| Net increase (decrease) in fair value of investments | (52,856) | (4,347) | 35,609 | 9,297 | - | - | 11,476 | (821) |
| Miscellaneous | 180,999 | 90,000 | 15,306 | - | - | 21,018 | 270,689 | 578,012 |
| Total revenues | <u>11,905,262</u> | <u>79,532</u> | <u>5,792,280</u> | <u>995,549</u> | <u>173,946</u> | <u>320,999</u> | <u>2,412,888</u> | <u>21,680,456</u> |
| Expenditures: | | | | | | | | |
| Current: | | | | | | | | |
| General government | 1,715,704 | - | - | - | 10,856 | 19,004 | 284,556 | 2,030,120 |
| Public safety | 6,866,946 | - | - | - | - | - | 84,687 | 6,951,633 |
| Public works | 1,632,586 | 2,000 | - | 11,200 | - | - | 98,679 | 1,744,465 |
| Parks and recreation | 2,292,761 | - | - | - | - | - | 69,662 | 2,362,423 |
| Capital outlay | 71,459 | 1,019,842 | 6,802,620 | 1,566,860 | - | 3,039,609 | 1,442,820 | 13,943,210 |
| Debt service: | | | | | | | | |
| Principal retirement | - | - | - | - | - | - | 685,000 | 685,000 |
| Interest and fiscal charges | - | - | - | - | 114,756 | 158,113 | 416,076 | 688,945 |
| Bond issuance costs | - | 127,114 | - | - | - | - | - | 127,114 |
| Total expenditures | <u>12,579,456</u> | <u>1,148,956</u> | <u>6,802,620</u> | <u>1,578,060</u> | <u>125,612</u> | <u>3,216,726</u> | <u>3,081,480</u> | <u>28,532,910</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(674,194)</u> | <u>(1,069,424)</u> | <u>(1,010,340)</u> | <u>(582,511)</u> | <u>48,334</u> | <u>(2,895,727)</u> | <u>(668,592)</u> | <u>(6,852,454)</u> |
| Other financing sources (uses) including transfers: | | | | | | | | |
| Bond offering | - | 6,000,000 | - | - | - | - | - | 6,000,000 |
| Bond premium | - | 199,498 | - | - | - | - | - | 199,498 |
| Transfer in | 1,100,000 | 105,000 | - | 27,324 | - | - | 530,000 | 1,762,324 |
| Transfer out | - | - | - | (160,000) | - | - | (290,000) | (450,000) |
| Proceeds from sale of asset | 1,700 | 10,522 | - | - | - | - | 2,500 | 14,722 |
| Total other financing sources (uses) | <u>1,101,700</u> | <u>6,315,020</u> | <u>-</u> | <u>(132,676)</u> | <u>-</u> | <u>-</u> | <u>242,500</u> | <u>7,526,544</u> |
| Net changes in fund balances | 427,506 | 5,245,596 | (1,010,340) | (715,187) | 48,334 | (2,895,727) | (426,092) | 674,090 |
| Fund balances (deficits) at beginning of year | <u>5,593,891</u> | <u>(3,675,315)</u> | <u>734,431</u> | <u>529,298</u> | <u>(2,819,179)</u> | <u>(3,627,172)</u> | <u>5,674,853</u> | <u>2,410,807</u> |
| Fund balances (deficits) at end of year | <u>\$ 6,021,397</u> | <u>\$ 1,570,281</u> | <u>\$ (275,909)</u> | <u>\$ (185,889)</u> | <u>\$ (2,770,845)</u> | <u>\$ (6,522,899)</u> | <u>\$ 5,248,761</u> | <u>\$ 3,084,897</u> |

See accompanying notes to financial statements

CITY OF ANOKA
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE
 STATEMENT OF ACTIVITIES
 FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | | |
|--|-----------|------------------|
| Net change in fund balances - Total governmental funds (page 37) | \$ | 674,090 |
| Amounts reported for government activities in the statement of activities (page 34) 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. | | 10,277,875 |
| 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. | | 37,664 |
| Net other postemployment benefit liability 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. | | (57,012) |
| 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. This amount is the net effect of these differences in the treatment of long-term debt-related items. | | (5,315,000) |
| 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. 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. | | (189,290) |
| 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. | | 741,752 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | (183,605) |
| The loss from disposal of fixed assets that is reported in the statement of activities is not reported as an expenditure in governmental funds. | | (706,889) |
| Change in net position of governmental activities | <u>\$</u> | <u>5,279,585</u> |

See accompanying notes to financial statements

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
DECEMBER 31, 2021

| | Business-Type Activities - Enterprise Funds | | | | | | | Governmental Activities - Internal Service Funds |
|--|---|----------------------|---------------------|---------------------|---------------------|------------------------------|------------------------------|---|
| | Electric | Water | Sewer | Liquor | Storm Drainage | Other Enterprise Funds | Total Enterprise Funds | |
| Assets: | | | | | | | | |
| Current assets: | | | | | | | | |
| Cash and cash equivalents | \$ 2,258,379 | \$ 928,452 | \$ 621,565 | \$ 323,577 | \$ 513,193 | \$ 458,797 | \$ 5,103,963 | \$ 2,819,362 |
| Receivables, net: | | | | | | | | |
| Special assessments | 104,104 | - | - | - | - | - | 104,104 | - |
| Accounts receivable | 3,527,332 | 194,998 | 297,048 | - | 99,530 | 243,443 | 4,362,351 | - |
| Due from other funds | 6,376,068 | 3,000,000 | 1,000,000 | 300,000 | 414,848 | - | 11,090,916 | - |
| Inventory | 1,570,852 | - | - | 870,297 | - | 26,067 | 2,467,216 | 26,347 |
| Prepaid items | 11,225 | - | 135,925 | 3,300 | - | - | 150,450 | 130,291 |
| Advance to other funds | 8,411,659 | - | - | - | - | - | 8,411,659 | - |
| Total current assets | <u>22,259,619</u> | <u>4,123,450</u> | <u>2,054,538</u> | <u>1,497,174</u> | <u>1,027,571</u> | <u>728,307</u> | <u>31,690,659</u> | <u>2,976,000</u> |
| Noncurrent assets: | | | | | | | | |
| Land and improvements | 806,267 | - | 13,383 | 311,392 | - | 191,307 | 1,322,349 | - |
| Construction in progress | 442,095 | 122,230 | - | - | - | 854,128 | 1,418,453 | - |
| Buildings and structures | 2,415,647 | 1,124,314 | 150,000 | 1,365,989 | - | 409,638 | 5,465,588 | 50,000 |
| Furniture and equipment | 656,396 | - | - | 213,056 | - | 169,564 | 1,039,016 | 544,755 |
| Machinery and automotive equipment | 4,536,766 | 1,006,686 | 1,098,405 | 14,806 | - | 1,053,698 | 7,710,361 | 4,749,939 |
| Distribution system | 48,563,986 | 18,768,976 | 9,721,185 | - | 8,816,640 | - | 85,870,787 | - |
| Other improvements | - | - | - | - | - | 2,726,073 | 2,726,073 | - |
| Total property | <u>57,421,157</u> | <u>21,022,206</u> | <u>10,982,973</u> | <u>1,905,243</u> | <u>8,816,640</u> | <u>5,404,408</u> | <u>105,552,627</u> | <u>5,344,694</u> |
| Accumulated depreciation | <u>(31,423,137)</u> | <u>(11,036,371)</u> | <u>(5,292,627)</u> | <u>(1,356,050)</u> | <u>(1,355,030)</u> | <u>(3,125,899)</u> | <u>(53,589,114)</u> | <u>(4,221,937)</u> |
| Total noncurrent assets | <u>25,998,020</u> | <u>9,985,835</u> | <u>5,690,346</u> | <u>549,193</u> | <u>7,461,610</u> | <u>2,278,509</u> | <u>51,963,513</u> | <u>1,122,757</u> |
| Total assets | <u>48,257,639</u> | <u>14,109,285</u> | <u>7,744,884</u> | <u>2,046,367</u> | <u>8,489,181</u> | <u>3,006,816</u> | <u>83,654,172</u> | <u>4,098,757</u> |
| Deferred outflows of resources: | | | | | | | | |
| Deferred pension resources | 921,698 | 138,570 | 137,100 | 223,790 | - | 199,228 | 1,620,386 | - |
| Total assets and deferred outflows of resources | <u>\$ 49,179,337</u> | <u>\$ 14,247,855</u> | <u>\$ 7,881,984</u> | <u>\$ 2,270,157</u> | <u>\$ 8,489,181</u> | <u>\$ 3,206,044</u> | <u>\$ 85,274,558</u> | <u>\$ 4,098,757</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS (Continued)
DECEMBER 31, 2021

| | Business-Type Activities - Enterprise Funds | | | | | | | Governmental Activities - Internal Service Funds |
|---|--|----------------------|---------------------|---------------------|---------------------------|---------------------------------------|---------------------------------------|---|
| Liabilities: | Electric | Water | Sewer | Liquor | Storm Drainage | Other Enterprise Funds | Total Enterprise Funds | |
| Current liabilities: | | | | | | | | |
| Accounts payable | \$ 2,284,826 | \$ 47,399 | \$ 6,104 | \$ 144,820 | \$ 3,411 | \$ 20,535 | \$ 2,507,095 | \$ 5,104 |
| Accrued wages payable | 52,591 | 9,259 | 7,323 | 13,343 | - | 11,489 | 94,005 | 3,432 |
| Accrued interest payable | - | 6,695 | 11,481 | - | 37,124 | - | 55,300 | - |
| Claims payable | - | - | - | - | - | - | - | 18,919 |
| Due to other funds | - | 14,848 | - | - | - | - | 14,848 | - |
| Advance from other funds | - | - | - | - | - | 166,659 | 166,659 | - |
| Current portion of compensated absences payable | 61,000 | - | - | - | - | - | 61,000 | 20,000 |
| Current portion of bonds payable | - | 24,664 | 42,791 | - | 159,623 | - | 227,078 | - |
| Deposits | 1,087,053 | - | - | 5,901 | - | 73,559 | 1,166,513 | - |
| Unearned revenue | 160,395 | 20,148 | - | - | - | 90,994 | 271,537 | - |
| Total current liabilities | <u>3,645,865</u> | <u>123,013</u> | <u>67,699</u> | <u>164,064</u> | <u>200,158</u> | <u>363,236</u> | <u>4,564,035</u> | <u>47,455</u> |
| Noncurrent liabilities: | | | | | | | | |
| Compensated absences payable | 132,227 | 52,464 | 15,716 | 78,210 | - | 60,150 | 338,767 | 987,495 |
| Bonds payable | - | 581,489 | 1,000,479 | - | 3,070,539 | - | 4,652,507 | - |
| Net pension liability | 1,238,333 | 186,174 | 184,200 | 300,670 | - | 267,669 | 2,177,046 | - |
| Total noncurrent liabilities | <u>1,370,560</u> | <u>820,127</u> | <u>1,200,395</u> | <u>378,880</u> | <u>3,070,539</u> | <u>327,819</u> | <u>7,168,320</u> | <u>987,495</u> |
| Total liabilities | <u>5,016,425</u> | <u>943,140</u> | <u>1,268,094</u> | <u>542,944</u> | <u>3,270,697</u> | <u>691,055</u> | <u>11,732,355</u> | <u>1,034,950</u> |
| Deferred inflows of resources: | | | | | | | | |
| Deferred pension resources | 1,142,008 | 171,692 | 169,871 | 277,282 | - | 246,848 | 2,007,701 | - |
| Net position: | | | | | | | | |
| Net investment in capital assets | 25,998,020 | 9,379,682 | 4,647,076 | 549,193 | 4,231,448 | 2,278,509 | 47,083,928 | 1,122,757 |
| Unrestricted | 17,022,884 | 3,753,341 | 1,796,943 | 900,738 | 987,036 | (10,368) | 24,450,574 | 1,941,050 |
| Total net position | <u>43,020,904</u> | <u>13,133,023</u> | <u>6,444,019</u> | <u>1,449,931</u> | <u>5,218,484</u> | <u>2,268,141</u> | <u>71,534,502</u> | <u>3,063,807</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 49,179,337</u> | <u>\$ 14,247,855</u> | <u>\$ 7,881,984</u> | <u>\$ 2,270,157</u> | <u>\$ 8,489,181</u> | <u>\$ 3,206,044</u> | <u>\$ 85,274,558</u> | <u>\$ 4,098,757</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**RECONCILIATION OF THE BALANCE SHEET OF THE PROPRIETARY FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

Net position - Total enterprise funds (page 40) \$ 71,534,502

Amounts reported for proprietary activities in the statement of net position (page 33) 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.

94,656

Net position of the business-type activities

\$ 71,629,158

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities - Internal Service Funds |
|---------------------------------|--|------------------|------------------|------------------|---------------------------|---------------------------------------|---|
| | Electric | Water | Sewer | Liquor | Storm Drainage | Other Enterprise Funds | Total Enterprise Funds |
| Operating revenues: | | | | | | | |
| Charges for sales and services: | | | | | | | |
| Electric utility sales | \$ 30,773,798 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 30,773,798 |
| Water utility sales | - | 1,903,861 | - | - | - | - | 1,903,861 |
| Sewer | - | - | 2,755,045 | - | - | - | 2,755,045 |
| Liquor sales | - | - | - | 4,607,366 | - | - | 4,607,366 |
| Golf | - | - | - | - | - | 1,422,446 | 1,422,446 |
| Storm water | - | - | - | - | 797,425 | - | 797,425 |
| Recycling | - | - | - | - | - | 401,629 | 401,629 |
| Other | 58,138 | 6,060 | - | - | - | 70,019 | 134,217 |
| Total operating revenues | <u>30,831,936</u> | <u>1,909,921</u> | <u>2,755,045</u> | <u>4,607,366</u> | <u>797,425</u> | <u>1,894,094</u> | <u>42,795,787</u> |
| Operating expenses: | | | | | | | |
| Personal services | 1,405,678 | 481,319 | 469,987 | 627,589 | 46,450 | 711,199 | 3,742,222 |
| Supplies | 122,434 | 106,787 | 11,782 | 5,534 | - | 172,229 | 418,766 |
| Professional services | 1,066,810 | 267,106 | 71,648 | 244,630 | 26,082 | 166,191 | 1,842,467 |
| Contractual services | 387,454 | 98,867 | 34,285 | 19,624 | 67,967 | 154,846 | 763,043 |
| Purchased power | 23,448,002 | - | - | - | - | - | 23,448,002 |
| Disposal | - | - | 1,439,544 | - | - | 340,194 | 1,779,738 |
| Franchise fee | 973,475 | - | - | - | - | - | 973,475 |
| Cost of goods sold | - | - | - | 3,480,000 | - | 114,527 | 3,594,527 |
| Depreciation | 1,634,410 | 565,143 | 279,343 | 13,940 | 197,994 | 171,893 | 2,862,723 |
| Total operating expenses | <u>29,038,263</u> | <u>1,519,222</u> | <u>2,306,589</u> | <u>4,391,317</u> | <u>338,493</u> | <u>1,831,079</u> | <u>39,424,963</u> |
| Operating income (loss) | <u>1,793,673</u> | <u>390,699</u> | <u>448,456</u> | <u>216,049</u> | <u>458,932</u> | <u>63,015</u> | <u>3,370,824</u> |
| | | | | | | | <u>(52,377)</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS (Continued)
FOR FISCAL YEAR ENDED DECEMBER 31, 2021

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities - Internal Service Funds | |
|--|--|----------------------|---------------------|---------------------|---------------------------|---------------------------------------|---|---------------------------------------|
| | Electric | Water | Sewer | Liquor | Storm Drainage | Other Enterprise Funds | | Total Enterprise Funds |
| Nonoperating revenues (expenses): | | | | | | | | |
| Interest income | 32,166 | 12,031 | 4,413 | 3,104 | 1,734 | 2,231 | 55,679 | 10,509 |
| Internal interest income | 298,070 | - | - | - | - | - | 298,070 | - |
| Net decrease in fair value of investments | (58,292) | (31,076) | (13,636) | (5,181) | (8,612) | (4,098) | (120,895) | (20,584) |
| Interest expense | (15,444) | (14,992) | (24,881) | - | (74,733) | (5,284) | (135,334) | - |
| Pension revenue | 3,050 | 459 | 454 | 741 | - | 659 | 5,363 | - |
| Gain on sale of capital assets | - | 7,435 | - | - | 297,455 | 798,339 | 1,103,229 | 8,055 |
| Other income | 293,403 | 346,762 | 117,700 | 4,101 | - | - | 761,966 | 87,384 |
| Total nonoperating revenues (expenses) | <u>552,953</u> | <u>320,619</u> | <u>84,050</u> | <u>2,765</u> | <u>215,844</u> | <u>791,847</u> | <u>1,968,078</u> | <u>85,364</u> |
| Income before transfers | <u>2,346,626</u> | <u>711,318</u> | <u>532,506</u> | <u>218,814</u> | <u>674,776</u> | <u>854,862</u> | <u>5,338,902</u> | <u>32,987</u> |
| Transfers: | | | | | | | | |
| Transfer out | (802,324) | (40,000) | (30,000) | (440,000) | - | - | (1,312,324) | - |
| Change in net position | 1,544,302 | 671,318 | 502,506 | (221,186) | 674,776 | 854,862 | 4,026,578 | 32,987 |
| Net position - Beginning of year | <u>41,476,602</u> | <u>12,461,705</u> | <u>5,941,513</u> | <u>1,671,117</u> | <u>4,543,708</u> | <u>1,413,279</u> | <u>67,507,924</u> | <u>3,030,820</u> |
| Net position - Ending of year | <u>\$ 43,020,904</u> | <u>\$ 13,133,023</u> | <u>\$ 6,444,019</u> | <u>\$ 1,449,931</u> | <u>\$ 5,218,484</u> | <u>\$ 2,268,141</u> | <u>\$ 71,534,502</u> | <u>\$ 3,063,807</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION OF PROPRIETARY FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

Change in net position - Total enterprise funds ([page 43](#)) \$ 4,026,578

Amounts reported for proprietary activities in the statement of activities ([page 34](#)) 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.

(23,298)

Change in net position of business-type activities:

\$ 4,003,280

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental | |
|--|--|------------------|------------------|------------------|---------------------------|---------------------------------------|--|-----------------|
| | Electric | Water | Sewer | Liquor | Storm Drainage | Other Enterprise Funds | Enterprise Funds Internal Service Funds | |
| Cash flows from operating activities: | | | | | | | | |
| Received from customers | \$ 30,962,106 | \$ 2,268,948 | \$ 2,890,431 | \$ 4,612,208 | \$ 804,159 | \$ 1,804,388 | \$ 43,342,240 | \$ - |
| Received from interfund services provided | 298,070 | - | - | - | - | - | 298,070 | 2,003,970 |
| Reimbursement from insurance | - | - | - | - | - | - | - | 67,384 |
| Payments to suppliers for goods and services | (25,336,915) | (506,020) | (133,254) | (3,884,952) | (92,706) | (571,852) | (30,525,699) | (1,535,380) |
| Payments to employees for services | (1,402,118) | (495,599) | (474,527) | (651,104) | (46,450) | (716,882) | (3,786,680) | (258,300) |
| Payments to other funds for franchise fee | (973,475) | - | - | - | - | - | (973,475) | - |
| Disposal charges | - | - | (1,439,544) | - | - | (340,194) | (1,779,738) | - |
| Deposits returned | (77,195) | - | - | 1,450 | - | (28,778) | (104,523) | - |
| Net cash provided by operating activities | <u>3,470,473</u> | <u>1,267,329</u> | <u>843,106</u> | <u>77,602</u> | <u>665,003</u> | <u>146,682</u> | <u>6,470,195</u> | <u>277,674</u> |
| Cash flows from noncapital financing activities: | | | | | | | | |
| (Increase)/decrease from other funds | 2,253,716 | (793,352) | (793,500) | (300,000) | (414,848) | (83,716) | (131,700) | - |
| Transfer to other funds | (802,324) | (40,000) | (30,000) | (440,000) | - | - | (1,312,324) | - |
| Net cash provided by (used in) noncapital financing activities | <u>1,451,392</u> | <u>(833,352)</u> | <u>(823,500)</u> | <u>(740,000)</u> | <u>(414,848)</u> | <u>(83,716)</u> | <u>(1,444,024)</u> | <u>-</u> |
| Cash flows from capital and related financing activities: | | | | | | | | |
| Acquisition of capital assets | (4,106,226) | (407,446) | (225,880) | - | (327,645) | (917,570) | (5,984,767) | (5,866) |
| Principal paid on bonds and leases | - | (21,632) | (37,791) | - | (92,655) | - | (152,078) | - |
| Interest paid | (15,444) | (15,286) | (25,465) | - | (75,481) | (5,284) | (136,960) | - |
| Proceeds from sale of capital assets | - | 7,435 | - | - | 297,455 | 798,339 | 1,103,229 | 95,724 |
| Net cash used in capital and related financing activities | <u>(4,121,670)</u> | <u>(436,929)</u> | <u>(289,136)</u> | <u>-</u> | <u>(198,326)</u> | <u>(124,515)</u> | <u>(5,170,576)</u> | <u>89,858</u> |
| Cash flows from investing activities: | | | | | | | | |
| Investment earnings | <u>(26,126)</u> | <u>(19,045)</u> | <u>(9,223)</u> | <u>(2,077)</u> | <u>(6,878)</u> | <u>(1,867)</u> | <u>(65,216)</u> | <u>(10,075)</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS (Continued)
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | Business-Type Activities - Enterprise Funds | | | | | | | Governmental Activities - Internal Service Funds |
|---|--|---------------------|-------------------|-------------------|---------------------------|---------------------------------------|---------------------------------------|---|
| | Electric | Water | Sewer | Liquor | Storm Drainage | Other Enterprise Funds | Total Enterprise Funds | |
| Net (decrease) increase in cash and cash equivalents | 774,069 | (21,997) | (278,753) | (664,475) | 44,951 | (63,416) | (209,621) | 357,457 |
| Cash and cash equivalents at beginning of year | 1,484,310 | 950,449 | 900,318 | 988,052 | 468,242 | 522,213 | 5,313,584 | 2,461,905 |
| Cash and cash equivalents year end | <u>\$ 2,258,379</u> | <u>\$ 928,452</u> | <u>\$ 621,565</u> | <u>\$ 323,577</u> | <u>\$ 513,193</u> | <u>\$ 458,797</u> | <u>\$ 5,103,963</u> | <u>\$ 2,819,362</u> |
| Reconciliation of operating income (loss) to net cash provided by operating activities | | | | | | | | |
| Operating income (loss) | <u>\$ 1,793,673</u> | <u>\$ 390,699</u> | <u>\$ 448,456</u> | <u>\$ 216,049</u> | <u>\$ 458,932</u> | <u>\$ 63,015</u> | <u>\$ 3,370,824</u> | <u>\$ (52,377)</u> |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities | | | | | | | | |
| Depreciation | 1,634,410 | 565,143 | 279,343 | 13,940 | 197,994 | 171,893 | 2,862,723 | 282,418 |
| Pension Revenue | 3,050 | 459 | 454 | 741 | - | 659 | 5,363 | - |
| Other income | 591,473 | 346,762 | 117,700 | 4,101 | - | - | 1,060,036 | 87,384 |
| Changes in assets and liabilities: | | | | | | | | |
| Accounts receivable | (248,110) | (8,342) | 17,232 | - | 6,734 | (181,359) | (413,845) | - |
| Inventory | (542,460) | - | - | (153,928) | - | 20,337 | (676,051) | (8,985) |
| Prepaid items | 7,947 | - | (16,292) | (3,010) | - | 185 | (11,170) | (15,801) |
| Claims payable | - | - | - | - | - | - | - | 297 |
| Net pension liability | (424,623) | (68,233) | (67,728) | (126,876) | - | (91,342) | (778,802) | - |
| Deferred outflows - Pensions | (669,034) | (99,916) | (98,823) | (158,830) | - | (144,681) | (1,171,284) | - |
| Deferred inflows - Pensions | 1,061,479 | 159,372 | 157,671 | 256,578 | - | 229,463 | 1,864,563 | - |
| Accounts payable | 222,298 | (33,260) | 753 | 21,774 | 1,343 | 15,419 | 228,327 | (12,210) |
| Accrued wages payable | 17,602 | 3,381 | 2,245 | 2,290 | - | 2,315 | 27,833 | 758 |
| Compensated absences payable | 18,136 | (8,884) | 2,095 | 3,323 | - | (1,438) | 13,232 | (3,810) |
| Deposits | (77,195) | - | - | 1,450 | - | (28,778) | (104,523) | - |
| Unearned revenues | 81,827 | 20,148 | - | - | - | 90,994 | 192,969 | - |
| Total adjustments | <u>1,676,800</u> | <u>876,630</u> | <u>394,650</u> | <u>(138,447)</u> | <u>206,071</u> | <u>83,667</u> | <u>3,099,371</u> | <u>330,051</u> |
| Net cash provided by (used in) operating activities | <u>\$ 3,470,473</u> | <u>\$ 1,267,329</u> | <u>\$ 843,106</u> | <u>\$ 77,602</u> | <u>\$ 665,003</u> | <u>\$ 146,682</u> | <u>\$ 6,470,195</u> | <u>\$ 277,674</u> |

**CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUND
DECEMBER 31, 2021**

Assets

| | | |
|----------------------|----|--------|
| Cash and investments | \$ | 54,335 |
| Accounts receivable | | 5,674 |
| | | 5,674 |
| Total assets | \$ | 60,009 |

Liabilities

| | | |
|------------------|----|---|
| Liabilities: | | |
| Accounts payable | \$ | - |
| | | - |

Net Position

| | | |
|------------------------------------|----|--------|
| Restricted for: | | |
| Downtown District | | 60,009 |
| | | 60,009 |
| Total net position | | 60,009 |
| Total liabilities and net position | \$ | 60,009 |

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
CUSTODIAL FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

Additions

| | | |
|---------------------------------------|----|--------|
| Donations and contributions | \$ | 77,244 |
| Investment income | | 191 |
| Increase in fair value of investments | | (388) |
| | | (388) |
| Total additions | | 77,047 |

Deductions

| | | |
|--|----|--------|
| Professional services | | 68,839 |
| Contractual services | | 3 |
| | | 3 |
| Total deductions | | 68,842 |
| Net decrease in fiduciary net position | | 8,205 |
| Net position - beginning of year | | 51,804 |
| Net position - ending of year | \$ | 60,009 |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

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 include 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.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

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 which 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 custodial 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.

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. Fiduciary funds are organized by fund type. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City, or meets the following criteria:

- Total assets and deferred outflows of resources, liabilities, and deferred inflow of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type
AND
- Total assets and deferred outflows of resources, liabilities, and deferred inflow of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 5% of the corresponding total for all funds combined
- In addition, any other governmental or proprietary fund that the City believes is particularly important to the financial statement users may be reported as a major fund.

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 custodial fund financial statements use the economic resources measurement focus.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

“Measurable” means the amount of the transaction can be determined. 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.
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.

Building Improvements - The Building Improvement fund was designed for long-term funding of construction and improvements to city buildings and equipment.

State Aid Construction - The State Aid Construction Fund is used to account for road improvement projects where part or all of the project is funded with state or other aid.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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.

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.

Sewer Fund - The Sewer Fund is used to account for operating revenues and expenses of maintaining a sanitary sewer system.

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

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

In addition, 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.

Debt Service Funds - The Debt Service funds are 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.

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).

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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.

Custodial Funds – Custodial Funds account for funds held by the City as agent for private individuals, organizations, or other governments in a custodial nature and use the economic resources measurement focus. The City reports fiduciary activity for Anoka’s Downtown District.

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.

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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating 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 nonoperating 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.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

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

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.

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 and Special Assessments

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 any 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 \$2,444,576. Of this receivable, \$2,279,351 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, as 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 cost (determined on the first-in, first-out basis), except for the Liquor Fund, which is valued on the lower of cost (average-cost basis) or market value. Inventory in the General Fund is for fuel supplies and is equally offset by non-spendable fund balance. Proprietary fund inventories are generally used for construction, and for operation and maintenance work.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflow of Resources, and Net Position/Fund Balances

Inventories and Prepaid Items (Continued)

The cost of inventory is recorded as an expense when consumed (i.e., consumption method) in the General Fund and Proprietary Fund types.

Inventory of materials and supplies has been valued at cost (determined on the first-in, first-out basis), except for the Liquor Fund, which is valued on the lower of cost (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 (consumption method) and are recorded as prepaid items in both the government-wide and fund accounting statements and will be expensed in the period the items are consumed or used.

Interfund transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Interfund transactions within the respective categories of governmental activities and proprietary activities in the government-wide statement of net position represents interfund receivables or payables between the two types of activities: governmental and proprietary.

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 extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflow of Resources, and Net Position/Fund Balances

Capital Assets (Continued)

All proprietary fund noncurrent capital assets, with the exception of the Electric Utility Fund assets before 2014, are depreciated on an item basis. Noncurrent capital assets prior to 2014 in the Electric Utility Fund are grouped into common or like-kind assets and depreciated on a composite basis using straight-line depreciation. When those 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 structures | 5-30 |
| Furniture and equipment | 3-30 |
| Infrastructure | 10-50 |
| Machinery and equipment | 5-10 |
| Other Improvements | 10-50 |

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 two items that qualify for reporting in this category. Accordingly the items, deferred pension and other postemployment resources, are reported only in the statement of net position. These items result from actuarial calculations and current-year pension contributions made subsequent to the measurement date.

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 that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *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 two additional items which qualify for reporting in this category. The items, deferred pension and other postemployment resources, are reported only in the statements of net position and result from actuarial calculations.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflow of Resources, and Net Position/Fund Balances (Continued)

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.

Pensions and other post-employment benefits (OPEB)

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

The measurement of the net OPEB liability, deferred outflows/inflows of resources, and OPEB expense are determined through actuarial valuation on a look back basis, where the assets and liabilities are measured as of the prior fiscal year-end but applied to the current fiscal year.

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.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflow of Resources, and Net Position/Fund Balances (Continued)

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.

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:

- Nonspendable* – 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 percent of budgeted operating expenditures.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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.

| | |
|---|----------------------|
| Non-depreciable | \$ 17,038,806 |
| Infrastructure | 83,127,395 |
| Buildings and structures | 22,071,843 |
| Machinery, vehicles, and equipment | 1,371,784 |
| Furniture and equipment | <u>24,531</u> |
| Net adjustments to increase fund balance – total Governmental funds to arrive at net position – governmental activities | <u>\$123,634,359</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 | \$ 13,943,210 |
| Depreciation expense (not including internal service) | <u>(3,665,335)</u> |
| Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities | <u>\$ 10,277,875</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” The details of this difference are as follows:

| | |
|--|----------------------|
| Retirement of general obligation bonds | \$ 685,000 |
| Issuance of general obligation bonds | <u>(6,000,000)</u> |
| Net adjustment to decrease net changes in fund balances-Total governmental funds to arrive at changes in net position of governmental activities | <u>\$(5,315,000)</u> |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Equity

The following funds have a negative fund balance at December 31, 2021:

1. The State Aid Construction fund has a negative fund balance of \$275,909. The negative fund balance will be eliminated in 2022 with reimbursement from grant revenue and sales of land held for resale.
2. The Street Renewal fund has a negative fund balance of \$185,889. The negative fund balance will be eliminated with sales of land held for resale.
3. The Commuter Rail Transit Village Tax Increment Fund has a negative fund balance of \$2,770,845. The negative fund balance will be eliminated with future tax increment revenue collections and sales of land held for resale.
4. The Greens of Anoka Tax Increment Fund has a negative fund balance of \$6,522,889. The negative fund balance will be eliminated with future tax increment revenue collections and sales of land held for resale.
5. The South Ferry Tax Increment Fund has a negative fund balance of \$1,325,540. The negative fund balance will be eliminated with future tax increment revenue collections.

4. CASH AND INVESTMENTS

A. 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, obligations of state and local governments, commercial paper, certificates of deposit, banker's acceptance, and repurchase agreements.

In addition to limitations described in 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 custodial funds of \$54,313 and exclude petty cash of \$4,875. The tables also exclude accrued interest of \$8,470 which is included in cash and investments in the net position and balance sheets in the basic financial statements.

(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, 2021, the City had the following investments and maturities (in years):

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

4. CASH AND INVESTMENTS

A. City of Anoka

(a) Interest Rate Risk Continued)

| | Fair Value | Investment Maturities (in Years) | | |
|--|----------------------|----------------------------------|----------------------|-------------|
| | | Less than one | 1-5 | 6-10 |
| Federal Home Loan Bank (FHLB) | \$ 1,980,390 | \$ - | \$ 1,980,390 | \$ - |
| Federal Nat'l. Mtg. Assn. (FNMA) | 420,992 | - | 420,992 | - |
| Federal Farm Credit Bank (FFCB) | 1,615,589 | 506,280 | 1,109,309 | - |
| Federal Home Loan Mtg. Corp. (Freddie Mac) | 3,956,850 | - | 3,956,850 | - |
| Federal Agri Mortgage | 201,712 | - | 201,712 | - |
| Treasury Notes | 3,935,820 | - | 3,935,820 | - |
| Certificates of deposit | 492,913 | 492,913 | - | - |
| Money market accounts | 7,420,374 | 7,420,374 | - | - |
| | <u>\$ 20,024,640</u> | <u>\$ 8,419,567</u> | <u>\$ 11,605,073</u> | <u>\$ -</u> |

(b) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statute limits allows investment in U.S. Securities and the general obligations of state and local governments rated “A” or better by a nationally recognized statistical rating organization (NRSRO) and state and local government revenue securities rated “AA” or better by a NRSRO. As of December 31, 2021, the City’s investments in U.S. Government Agencies and U.S. Government Sponsored Enterprises are rated AA+ by Standard and Poor’s and Aaa by Moody’s Investment Service. The City’s investment in Municipal Bonds were not rated by Standard & Poor’s and Aa by Moody’s investment service. U.S. Treasury Notes, Certificates of Deposit, and Money Market Accounts are exempt from rating.

(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 of Anoka will eliminate investment custodial credit risk by permitting banks to hold security investments only to the extent they are transferred to the bank’s trust department. Security investments not held in the bank’s trust department will be held by City of Anoka’s custodian. At December 31, 2021, 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, 2021.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

4. CASH AND INVESTMENTS

B. 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 U.S. 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, 2021, the HRA had the following investments and maturities:

Money market accounts - Less than one year - \$1,059,545

(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.

(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, 2021:

Money market accounts - \$1,059,545 – 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, 2021, all of the HRA's investments are insured and registered and are held by the counterparty's agent in the City's name.

(d) Restricted Cash

Anoka Housing and Redevelopment Authority does not have cash restricted as of December 31, 2021.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

5. FAIR VALUE MEASUREMENT

A. City of Anoka

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The categorization of investments within the hierarchy is based on 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, 2021:

| 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 | \$ 7,420,374 | \$ - | \$ 7,420,374 | \$ - |
| Negotiable certificates of deposit | 492,913 | - | 492,913 | - |
| US governmental agency obligations | 12,111,353 | - | 12,111,353 | - |
| | <u>\$ 20,024,640</u> | <u>\$ -</u> | <u>\$ 20,024,640</u> | <u>\$ -</u> |

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.

U.S. 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.

B. Component Unit - Housing and Redevelopment Authority (HRA)

Investments by Fair Value Level

Money market accounts – Significant other observable inputs (Level 2) \$1,059,545

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

6. INTERFUND ACTIVITY

The City had the following interfund receivable and payable balances as of December 31, 2021:

| Fund | Due From Other Funds | Due To Other Funds | Advance To Other Funds | Advance From Other Funds |
|-------------------------------|-------------------------|-----------------------|---------------------------|-----------------------------|
| Building Capital Fund | \$ 500,000 | \$ 376,068 | \$ - | \$ - |
| State Aid Construction | - | 6,000,000 | - | - |
| Street Renewal Fund | - | 500,000 | - | - |
| CRTV Tax Increment | - | 150,000 | - | 3,215,000 |
| Greens of Anoka Tax Increment | - | 5,200,000 | - | 4,435,000 |
| Non-major governmental funds | 915,000 | 265,000 | 750,000 | 1,345,000 |
| Electric Utility | 6,376,068 | - | 8,411,659 | - |
| Water Utility | 3,000,000 | 14,848 | - | - |
| Sewer Utility | 1,000,000 | - | - | - |
| Storm Sewer Utility | 414,848 | - | - | - |
| Liquor Stores | 300,000 | - | - | - |
| Non-major business-type funds | - | - | - | 166,659 |
| Totals | \$ 12,505,916 | \$ 12,505,916 | \$ 9,161,659 | \$ 9,161,659 |

The interfund receivables and payables are used to borrow funds internally for special projects and year-end adjustments. Advances to and from other funds are longer-term commitments. The City utilizes this internal lending fund special capital projects throughout the City, especially redevelopment in TIF funds. The funds advancing receive interest at a rate that currently exceeds what could be achieved through investment of the same money.

Interfund transfers for the year were as follows:

| | General Fund | Building Capital | Street Renewal | Nonmajor Gov | Total Out |
|-----------------|---------------------|---------------------|-------------------|-------------------|---------------------|
| Street Renewal | \$ - | \$ - | \$ - | \$ 160,000 | \$ 160,000 |
| Non-major Gov | - | - | - | 290,000 | 290,000 |
| Electric | 700,000 | 75,000 | 27,324 | - | 802,324 |
| Water | - | - | - | 40,000 | 40,000 |
| Sewer | - | 30,000 | - | - | 30,000 |
| Liquor | 400,000 | - | - | 40,000 | 440,000 |
| Total In | \$ 1,100,000 | \$ 105,000 | \$ 27,324 | \$ 530,000 | \$ 1,762,324 |

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 projects accounted for in other funds in accordance with budgetary authorizations. Any transfers within the governmental funds or proprietary funds have been eliminated in the government-wide statement of activities.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

7. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|--|-----------------------|----------------------|-------------------|---------------------|-----------------------|
| Governmental activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 9,026,510 | \$ - | \$ 12,100 | \$ - | \$ 9,014,410 |
| Construction in progress | 12,265,222 | 8,359,995 | - | (12,600,821) | 8,024,396 |
| Total capital assets not being depreciated | <u>21,291,732</u> | <u>8,359,995</u> | <u>12,100</u> | <u>(12,600,821)</u> | <u>17,038,806</u> |
| Capital assets being depreciated: | | | | | |
| Infrastructure | 89,554,156 | 4,733,483 | 7,374 | 12,383,153 | 106,663,418 |
| Building and structures | 40,377,671 | 745,617 | 1,877,777 | 217,668 | 39,463,179 |
| Machinery and equipment | 10,184,756 | 95,515 | 307,267 | - | 9,973,004 |
| Furniture and equipment | 1,148,569 | 14,466 | - | - | 1,163,035 |
| Total capital assets being depreciated | <u>141,265,152</u> | <u>5,589,081</u> | <u>2,192,418</u> | <u>12,600,821</u> | <u>157,262,636</u> |
| Less accumulated depreciation for: | | | | | |
| Infrastructure | 21,117,686 | 2,424,321 | 5,985 | - | 23,536,022 |
| Building and structures | 17,597,488 | 978,226 | 1,184,378 | - | 17,391,336 |
| Machinery and equipment | 7,284,112 | 507,996 | 219,597 | - | 7,572,511 |
| Furniture and equipment | 1,007,247 | 37,210 | - | - | 1,044,457 |
| Total accumulated depreciation | <u>47,006,533</u> | <u>3,947,753</u> | <u>1,409,960</u> | <u>-</u> | <u>49,544,326</u> |
| Total capital assets being depreciated, net | <u>94,258,619</u> | <u>1,641,328</u> | <u>782,458</u> | <u>12,600,821</u> | <u>107,718,310</u> |
| Governmental activities capital assets, net | <u>\$ 115,550,351</u> | <u>\$ 10,001,323</u> | <u>\$ 794,558</u> | <u>\$ -</u> | <u>\$ 124,757,116</u> |
| Business-type activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land and improvements | \$ 1,322,349 | \$ - | \$ - | \$ - | \$ 1,322,349 |
| Construction in progress | 182,608 | 1,335,042 | - | (99,197) | 1,418,453 |
| Total capital assets not being depreciated | <u>1,504,957</u> | <u>1,335,042</u> | <u>-</u> | <u>(99,197)</u> | <u>2,740,802</u> |
| Capital assets being depreciated: | | | | | |
| Infrastructure | 81,552,645 | 4,289,394 | 70,449 | 99,197 | 85,870,787 |
| Building and structures | 5,465,588 | - | - | - | 5,465,588 |
| Machinery and equipment | 7,434,422 | 360,333 | 84,394 | - | 7,710,361 |
| Furniture and equipment | 1,039,016 | - | - | - | 1,039,016 |
| Other improvements | 2,726,073 | - | - | - | 2,726,073 |
| Total capital assets being depreciated | <u>98,217,744</u> | <u>4,649,727</u> | <u>154,843</u> | <u>99,197</u> | <u>102,811,825</u> |
| Less accumulated depreciation for: | | | | | |
| Infrastructure | 38,562,234 | 2,381,708 | 70,449 | - | 40,873,493 |
| Building and structures | 3,965,864 | 80,239 | - | - | 4,046,103 |
| Machinery and equipment | 5,348,393 | 329,999 | 84,394 | - | 5,593,998 |
| Furniture and equipment | 1,032,739 | 2,902 | - | - | 1,035,641 |
| Other improvements | 1,972,004 | 67,875 | - | - | 2,039,879 |
| Total accumulated depreciation | <u>50,881,234</u> | <u>2,862,723</u> | <u>154,843</u> | <u>-</u> | <u>53,589,114</u> |
| Total capital assets being depreciated, net | <u>47,336,510</u> | <u>1,787,004</u> | <u>-</u> | <u>99,197</u> | <u>49,222,711</u> |
| Business-type activities capital assets, net | <u>\$ 48,841,467</u> | <u>\$ 3,122,046</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 51,963,513</u> |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

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 | \$ 903,357 |
| Public Safety | 228,940 |
| Streets and Highways (including depreciation of infrastructure) | 1,925,062 |
| Parks and Recreation | 890,394 |
| Total depreciation of expense - Governmental activities | \$ 3,947,753 |
| Business-type activities: | |
| Electric | \$ 1,634,410 |
| Water | 565,143 |
| Sewer | 279,343 |
| Storm Drainage | 197,994 |
| Liquor | 13,940 |
| Golf | 171,893 |
| Total depreciation of expense - Business-type activities | \$ 2,862,723 |

8. LONG-TERM DEBT

A. City of Anoka

Bonds payable at December 31, 2021, are summarized as follows:

| | Maturities | Rate | Balance |
|--|------------|------------|---------------|
| Governmental activities: | | | |
| General obligation bonds: | | | |
| G.O. Public facilities refunding | 2022 | 3.05-3.15% | \$ 350,000 |
| G.O. Public facilities crossover refunding | 2028 | 2.00-2.00% | 1,010,000 |
| G.O. Tax increment crossover refunding | 2033 | 3.00-3.40% | 5,010,000 |
| G.O. Road Improvement bonds | 2041 | 2.00-4.00% | 5,195,000 |
| G.O. Capital Improvement bonds | 2042 | 1.00-2.00% | 6,000,000 |
| Business-type activities: | | | |
| General Obligation Bonds: | | | |
| Utility storm water bonds | 2041 | 2.00-4.00% | 1,730,000 |
| Utility water bonds | 2041 | 2.00-4.00% | 575,000 |
| Utility sewer bonds | 2041 | 2.00-4.00% | 990,000 |
| General Obligation Revenue Bonds: | | | |
| Utility storm water revenue bonds | 2036 | 2.00-3.00% | 1,370,000 |
| | | | \$ 22,230,000 |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

8. LONG-TERM DEBT

A. 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. A portion of the 2020 issue of general obligation bonds is paid from utility revenues and is reported in business type activities.

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. The balance is \$2,308,137 and there is no scheduled payback and there is no interest charged.

Changes in long-term liabilities during 2021 are summarized as follows:

| | 1/01/2021 | Issued | Retired | 12/31/2021 | Due in One Year |
|--------------------------------|----------------------|----------------------|---------------------|----------------------|---------------------|
| Governmental activities: | | | | | |
| General obligation bonds | \$ 12,250,000 | \$ 6,000,000 | \$ 685,000 | \$ 17,565,000 | \$ 1,105,000 |
| Premium on bonds | 528,976 | 199,498 | 37,601 | 690,873 | - |
| Other liabilities | | | | | |
| GERF pension liability | 2,553,922 | 999,049 | 1,689,374 | 1,863,597 | - |
| PEPFF pension liability | 3,340,083 | 1,927,991 | 3,330,620 | 1,937,454 | - |
| Compensated absences | 1,011,305 | 639,155 | 642,965 | 1,007,495 | 20,000 |
| OPEB | 680,059 | 58,778 | 37,091 | 701,746 | - |
| Met Council loan | 2,308,137 | - | - | 2,308,137 | - |
| Total governmental activities | <u>22,672,482</u> | <u>9,824,471</u> | <u>6,422,651</u> | <u>26,074,302</u> | <u>1,125,000</u> |
| Business-type activities: | | | | | |
| Revenue bonds | 1,455,000 | - | 85,000 | 1,370,000 | 85,000 |
| General obligation bonds | 3,350,000 | - | 55,000 | 3,295,000 | 130,000 |
| Premium on bonds | 226,663 | - | 12,078 | 214,585 | - |
| Other liabilities: | | | | | |
| GERF pension liability | 2,955,848 | 1,181,465 | 1,960,268 | 2,177,045 | - |
| Compensated absences | 386,535 | 275,852 | 262,620 | 399,767 | 61,000 |
| Total business-type activities | <u>8,374,046</u> | <u>1,457,317</u> | <u>2,374,966</u> | <u>7,456,397</u> | <u>276,000</u> |
| Total long-term debt | <u>\$ 31,046,528</u> | <u>\$ 11,281,788</u> | <u>\$ 8,797,617</u> | <u>\$ 33,530,699</u> | <u>\$ 1,401,000</u> |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

8. LONG-TERM DEBT

A. 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. OPEB and pension expense and liability are recognized in entity-wide statements, but are not part of fund balances. The General Fund has been the primary governmental fund for liquidation of pension and OPEB expenses and liabilities. The proprietary funds liquidate pension expense and liabilities relative to the amount of PERA contributions incurred during the year. 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, 2021, are the following:

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total</u> |
|-----------|--------------------------------|---------------------|---------------------------------|---------------------|----------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | |
| 2022 | 1,105,000 | 435,297 | 215,000 | 122,460 | 1,877,757 |
| 2023 | 1,045,000 | 410,430 | 215,000 | 115,560 | 1,785,990 |
| 2024 | 1,090,000 | 375,580 | 220,000 | 108,560 | 1,794,140 |
| 2025 | 1,115,000 | 339,430 | 225,000 | 101,360 | 1,780,790 |
| 2026 | 1,090,000 | 305,230 | 230,000 | 93,960 | 1,719,190 |
| 2027-2031 | 5,075,000 | 1,091,654 | 1,245,000 | 354,025 | 7,765,679 |
| 2032-2036 | 3,765,000 | 501,396 | 1,410,000 | 187,866 | 5,864,262 |
| 2037-2041 | 2,925,000 | 193,763 | 905,000 | 47,669 | 4,071,432 |
| 2042 | 355,000 | 3,550 | - | - | 358,550 |
| | <u>\$ 17,565,000</u> | <u>\$ 3,656,330</u> | <u>\$ 4,665,000</u> | <u>\$ 1,131,460</u> | <u>\$ 27,017,790</u> |

The City has pledged future water, sewer, and storm water customer revenues, net of specified operating expense, to repay general obligation revenue bonds issue 2016B and portions of 2020A public improvement bonds. Proceeds from the bonds provided for financing for the construction of capital assets used in collection and treatment, activities which are accounted for in the enterprise funds of the City. These bonds are payable through 2041. Total principal and interest remaining to be paid on these bonds is \$5,796,460. Total principal and interest paid and total revenues pledged for the repayment of these bonds for the current year are \$267,860 and \$2,334,507 respectively.

Principal and interest payments on governmental general obligation bonds are financed by the Debt Service Funds, which received tax levy revenue, special assessment revenue, and transfers from the Enterprise Park Tax Increment Fund, HRRD Tax Increment Fund, and the Street Renewal 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 percent of the market value of taxable property.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

8. LONG-TERM DEBT

B. Component Unit – HRA (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 tax increment revenues.

Changes in long-term liabilities during 2021 are summarized as follows:

| | 1/01/2021 | Issued | Retired | 12/31/2021 | Due in One Year |
|-----------------------------|---------------------|------------------|------------------|---------------------|-----------------|
| General obligation bonds | \$ 1,690,000 | \$ - | \$ - | \$ 1,690,000 | \$ - |
| Premium on bonds | 7,326 | - | 384 | 6,942 | - |
| Compensated absences | 3,852 | 12,334 | 13,672 | 2,514 | - |
| GERF pension liability | 72,001 | 32,100 | 49,382 | 54,719 | - |
| Total long-term debt | \$ 1,773,179 | \$ 44,434 | \$ 63,438 | \$ 1,754,175 | \$ - |

Compensated absences are liquidated through the HRA fund. OPEB and pension liabilities are unfunded.

The scheduled annual principal and interest payments on the HRA’s indebtedness as of December 31, 2021, are the following:

| | Principal | Interest |
|-----------|---------------------|-------------------|
| 2022 | 25,000 | 43,983 |
| 2023 | 25,000 | 43,233 |
| 2024 | 60,000 | 41,958 |
| 2025 | 60,000 | 40,158 |
| 2026 | 60,000 | 38,658 |
| 2027-2031 | 345,000 | 172,244 |
| 2032-2036 | 405,000 | 126,940 |
| 2037-2041 | 485,000 | 67,192 |
| 2042-2043 | 225,000 | 6,484 |
| | \$ 1,690,000 | \$ 580,850 |

Principal and interest payments on general obligation bonds will be financed by the HRA Debt Service Fund, which will receive revenue from transfers from the South Business Tax Increment Fund.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

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 2020 and 2021 were as follows:

| | 2020 | 2021 |
|------------------------------------|-----------|-----------|
| Unpaid claims at beginning of year | \$ - | \$ 18,622 |
| Current-year claims | 110,408 | 194,315 |
| Claim payments | (91,786) | (194,018) |
| Balance at end of year | \$ 18,622 | \$ 18,919 |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

10. FUND BALANCE

Classifications

At December 31, 2021, a summary of the governmental fund balance classifications is as follows:

| | Nonspendable | Restricted | Committed | Assigned | Unassigned | Total |
|--|------------------|---------------------|---------------------|-------------------|-----------------------|---------------------|
| General Fund: | | | | | | |
| Unassigned | \$ - | \$ - | \$ - | \$ - | \$ 5,973,420 | \$ 5,973,420 |
| Inventories | 16,542 | - | - | - | - | 16,542 |
| Prepaid items | 31,435 | - | - | - | - | 31,435 |
| Total General Fund | 47,977 | - | - | - | 5,973,420 | 6,021,397 |
| Building Improvements | - | 1,328,360 | - | 241,921 | - | 1,570,281 |
| State Aid Construction | - | - | - | - | (275,909) | (275,909) |
| Street Renewal | - | - | - | - | (185,889) | (185,889) |
| Commuter Rail Tax Increment: | | | | | | |
| Redevelopment in district | - | - | - | - | (3,351,472) | (3,351,472) |
| Land held for resale | - | 580,627 | - | - | - | 580,627 |
| Total Commuter Rail Tax Increment | - | 580,627 | - | - | (3,351,472) | (2,770,845) |
| Greens of Anoka Tax Increment: | | | | | | |
| Redevelopment in district | - | - | - | - | (9,820,262) | (9,820,262) |
| Land held for resale | - | 3,297,363 | - | - | - | 3,297,363 |
| Total Greens of Anoka Tax Increment | - | 3,297,363 | - | - | (9,820,262) | (6,522,899) |
| Non-major Governmental Funds: | | | | | | |
| Urban redevelopment | - | - | 1,521,749 | - | - | 1,521,749 |
| Food shelves | - | - | 3,869 | - | - | 3,869 |
| Police supplies | - | 75,306 | - | - | - | 75,306 |
| Cemetery operations | 1,200 | - | 426,718 | - | - | 427,918 |
| Parking operations | - | - | 76,687 | - | - | 76,687 |
| Lodging and tourism | - | - | 19,851 | - | - | 19,851 |
| Debt service | - | 1,465,850 | - | - | - | 1,465,850 |
| Parks | - | - | 387,512 | 48,864 | - | 436,376 |
| Tax increment | - | 2,546,695 | - | - | (1,325,540) | 1,221,155 |
| Total Nonmajor Funds | 1,200 | 4,087,851 | 2,436,386 | 48,864 | (1,325,540) | 5,248,761 |
| Total Governmental fund balances | \$ 49,177 | \$ 9,294,201 | \$ 2,436,386 | \$ 290,785 | \$ (8,985,652) | \$ 3,084,897 |

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. The City has used the actuarial valuation method set forth in GASB Statement No. 75 to determine the materiality of other postemployment benefits (OPEB).

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

A. Plan Description

The City provides postemployment health care benefits as required by Minnesota Statute 471.61 subdivision 2b. 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 retiree health plan does not issue a publicly available financial report. The health care plan is single-employer.

B. Benefits Provided

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 similar coverage 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 percent of the total group rate.

At the valuation date (census) of December 31, 2020 for reporting date December 31, 2021, the following employees were covered by the benefit terms:

| | |
|---------------------------------------|-------------------|
| 1. Active employees electing coverage | 72 |
| 2. Active employees waiving coverage | 38 |
| 3. Retirees electing coverage | <u>6</u> |
| Total | <u><u>116</u></u> |

C. Funding Policy

The funding policy is pay-as-you-go method under which any required contributions to the plan are generally made at the same time and in the same amount as retiree benefits and expenses come become due. The benefit to City of Anoka retirees is implicit and there is no actual contribution made.

D. OPEB Liability

The City's total OPEB liability as of December 31, 2021, was \$701,746. The total liability was measured as of December 31, 2020, and was determined by an actuarial valuation as of December 31, 2021.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Actuarial Assumptions

The total OPEB liability was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

| | |
|-----------------------------|---|
| Discount rate | 2.00% |
| Inflation Rate | 2.25% |
| Mortality Rate | From the July 1, 2020 PERA actuarial valuation, mortality rates were based on the Pub-2010 mortality tables with projected mortality improvements based on scale MP-2019 and other adjustments for General members, and RP-2014 mortality tables with projected improvements based on scale MP-2019 for Police and Fire members |
| Health care cost trend rate | 6.3% for FY2021, gradually decreasing over several decades to an ultimate rate of 3.8% in FY2075 and later years. |

Current retirees are assumed to continue coverage until Medicare eligible (age 65), at their current plan, and then discontinue coverage. Future retirees are assumed to elect coverage at retirement at a rate of 35%, except for disabled retirees, which are assumed at 100%. 10% of future retirees electing coverage are assumed to cover a spouse at retirement. 100% of current and future retirees under age 65 are assumed to become Medicare eligible at the later of age 65 or retirement.

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the Fidelity 20-year Municipal GO AA Index. The bond index rate was updated to reflect rates as of the December 31, 2020 measurement date.

F. Sensitivity of the Total OPEB Liability to Changes in Discount Rate and the Healthcare Cost Trends Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using discount rate or trend rate one percent higher or one percent lower than current rate.

| <u>Sensitivity of OPEB Liability at Current Single Discount Rate</u> | | |
|--|-------|------------|
| 1% decrease in Discount Rate | 1.00% | \$ 737,368 |
| Current Discount Rate | 2.00% | 701,746 |
| 1% increase in Discount Rate | 3.00% | 664,145 |
| <u>Sensitivity of OPEB Liability at Current Trend Rate</u> | | |
| 1% decrease in Trend Rates | 5.30% | \$ 621,465 |
| Current Trend Rates | 6.30% | 701,746 |
| 1% increase in Trend Rates | 7.30% | 796,589 |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

11. OTHER POSTEMPLOYMENT BENEFITS

G. Changes in Total OPEB liability

Changes in the total OPEB liability for the year ended December 31, 2021, are as follows:

| | | |
|---|----|----------|
| Balance at December 31, 2020 | \$ | 680,059 |
| Changes for the year | | |
| Service cost | | 75,746 |
| Interest | | 20,275 |
| Difference between expected and actual experience | | (99,436) |
| Changes of assumption | | 62,193 |
| Benefit payments (implicit subsidy) | | (37,091) |
| | | (37,091) |
| Balance at December 31, 2021 | \$ | 701,746 |

H. OPEB Cost

For the year ended December 31, 2021, the City recognized an actuarially determined OPEB expense of \$94,103.

As of December 31, 2021 the City of Anoka reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

| <u>Summary of Deferred Outflows/Inflows</u> | <u>Outflows</u> | <u>Inflows</u> |
|--|-----------------|----------------|
| A. Difference between expected and actual liability | \$ - | \$100,929 |
| B. Change of assumptions | 81,823 | - |
| C. Net difference between projected and actual investment earnings | - | - |
| D. Contributions between measurement date and reporting date | - | - |
| E. Total | \$81,823 | \$100,929 |

The City does not recognize any deferred amount for contributions after the measurement date for the OPEB plan, as the contributions are actuarially calculated implicit subsidies and not benefit payments. Amounts reported as deferred (inflows) outflows of resources related to OPEBs will be recognized in OPEB expense as follows:

| <u>Year Ended December 31:</u> | <u>Pension Expense</u> |
|--------------------------------|------------------------|
| 2022 | \$ (1,918) |
| 2023 | (1,918) |
| 2024 | (1,918) |
| 2025 | (2,327) |
| 2026 | (3,775) |
| Thereafter | (7,250) |
| | \$(19,106) |

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

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

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

(b) Public Employees Police and Fire Plan

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

B. Benefits Provided

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

(a) General Employees Plan Benefits

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

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

B. Benefits Provided

(a) General Employees Plan Benefits (Continued)

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

(b) Police and Fire Plan Benefits

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

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

C. 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 percent of their annual covered salary in fiscal year 2021 and the City of Anoka was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2021, were \$534,578. The City's contributions were equal to the required contributions as set by state statute.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

C. Contributions (Continued)

(b) Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2021 and the City of Anoka was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2021, were \$544,869. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

(a) General Employees Fund Pension Costs

At December 31, 2021, the City of Anoka reported a liability of \$4,095,360 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka totaled \$125,028. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City of Anoka contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0959 percent at the end of the measurement period and .0931 percent for the beginning of the period.

| | |
|---|-------------|
| City of Anoka proportionate share of the net pension liability | \$4,095,360 |
| State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka | 125,028 |
| Total | \$4,220,388 |

There were no provision changes during the measurement period. If changes expected to have a significant effect on the measurement of the net pension liability had occurred between the measurement date and the reporting date, the City would include a brief description of the nature of those changes.

For the year ended December 31, 2021, the City of Anoka recognized pension expense of \$344,060 for its proportionate share of the General Employees Plan's pension expense. In addition, the City of Anoka recognized an additional \$10,088 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

(a) General Employees Fund Pension Costs (Continued)

At December 31, 2021, 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 In- flows of Re- sources |
|--|---|--|
| Differences between expected and actual economic experience | \$ 23,246 | \$ 124,906 |
| Changes in actuarial assumptions | 2,500,542 | 86,594 |
| Net collective difference between projected and actual investment earnings | | 3,552,813 |
| Changes in proportion | 250,302 | 12,482 |
| Contributions paid to PERA subsequent to the measurement date | 274,107 | |
| Total | \$ 3,048,197 | \$ 3,776,795 |

The \$274,107 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, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31: | Pension Expense Amount |
|--------------------------------|-------------------------------|
| 2022 | \$ (80,406) |
| 2022 | 39,075 |
| 2024 | 6,010 |
| 2025 | (967,384) |

(b) Police and Fire Fund Pension Costs

At December 31, 2021 the City of Anoka reported a liability of \$1,937,454 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .2510 percent at the end of the measurement period and .2534 percent for the beginning of the period.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

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

The State of Minnesota also contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended June 30, 2021, the City of Anoka recognized pension expense of \$96,419 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$15,864 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in fire state aid. The City of Anoka also recognized \$22,590 for the year ended December 31, 2021 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

There were no provision changes during the measurement period. If changes expected to have a significant effect on the measurement of the net pension liability had occurred between the measurement date and the reporting date, the City would include a brief description of the nature of those changes.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

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

At December 31, 2021, 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 | \$ 373,188 | \$ - |
| Changes in actuarial assumptions | 2,847,550 | 1,050,783 |
| Net collective difference between projected and actual investment earnings | | 3,909,382 |
| Changes in proportion | 71,816 | 129,253 |
| Contributions paid to PERA subsequent to the measurement date | 283,118 | |
| Total | \$ 3,575,672 | \$ 5,089,418 |

The \$283,118 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, 2022. 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 |
|--------------------------------|-------------------------------|
| 2022 | \$ (1,537,341) |
| 2023 | (231,629) |
| 2024 | (243,866) |
| 2025 | (402,136) |
| 2026 | 618,108 |

E. Long-Term Expected Return on Investment

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

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

E. Long-Term Expected Return on Investment (Continued)

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

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan, and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and the Police and Fire Plan benefit increase is fixed at 1 percent per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan was completed in 2020 were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

F. Actuarial Methods and Assumptions (Continued)

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

G. Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.5 percent. 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 were 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.

H. Pension Liability Sensitivity

The following presents the City of Anoka 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'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 Analysis | | | | |
|--|------------------------|-------------|----------------------|-------------|
| <i>Net Pension Liability (Asset) at Different Discount Rates</i> | | | | |
| | General Employees Fund | | Police and Fire Fund | |
| 1% Lower | 5.50% | \$8,352,443 | 5.50% | \$6,151,089 |
| Current Discount Rate | 6.50% | 4,095,360 | 6.50% | 1,937,454 |
| 1% Higher | 7.50% | 602,163 | 7.50% | (1,516,683) |

I. Pension Plan Fiduciary Net Position

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

J. Public Employees Defined Contribution Plan (Defined Contribution Plan)

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

12. DEFINED BENEFIT PENSION PLANS

J. Public Employees Defined Contribution Plan (Defined Contribution Plan) (Continued)

An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City of Anoka during fiscal year 2021 were:

| Contribution Amount | | Percentage of Covered Payroll | | Required |
|---------------------|----------|-------------------------------|----------|----------|
| Employee | Employer | Employee | Employer | Rate |
| \$1195 | \$1195 | 5% | 5% | 5% |

13. JOINTLY GOVERNED ORGANIZATION

The City of Anoka, in conjunction with 11 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 12 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.

14. 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 that would have a material effect on the financial statements.

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

15. 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, 2021, the City abated property taxes totaling \$1,061 to a manufacturer for purchase and redevelopment of existing commercial property. This abatement agreement began with taxes payable in 2014 and ends in 2023.

16. SUBSEQUENT EVENTS

- On February 7, 2022 the City Council approved bids and awarded a construction contract for expansion of Anoka Water Treatment Plant 6/8.
- On April 18, 2022 The City Council approved bids and awarded a construction contract for the 2022 Street Surface Improvement Project and the Street Renewal Project.
- On April 18, 2022 The City Council approved the ordinance and resolution for issuing \$6,000,000 in General Obligation Water Revenue Bonds, Series 2022B for the expansion of Anoka Water Treatment Plant 6/8. Bond payments will be made with revenue from the water fund.
- On April 18, 2022 the City Council approved the resolution for issuing \$4,000,000 in General Obligation Capital Improvement Bonds, Series 2022A, for the Law Enforcement Training Center/Animal Containment Facility. The public hearing for these bonds was on May 3, 2021. Bond Payments will be made with a special debt levy.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF CONTRIBUTIONS (LAST TEN YEARS*)

| Fiscal Year Ending | Contributions in Relation to the | | | Contribution Deficiency (Excess) | Covered-employee Payroll | Contributions as a Percentage of Covered Payroll |
|--------------------|--|--|--|-------------------------------------|-----------------------------|--|
| | Contributions required by contracts | Contributions required by contracts | Contributions required by contracts | | | |
| December 31, 2018 | \$ 21,162 | \$ 21,162 | \$ - | \$ 7,830,401 | 0.27% | |
| December 31, 2019 | 23,996 | 23,996 | - | 8,226,470 | 0.29% | |
| December 31, 2020 | 34,112 | 34,112 | - | 8,372,710 | 0.41% | |
| December 31, 2021 | 37,091 | 37,091 | - | 9,058,286 | 0.41% | |
| December 31, 2022 | - | - | - | - | - | |
| December 31, 2023 | - | - | - | - | - | |
| December 31, 2024 | - | - | - | - | - | |
| December 31, 2025 | - | - | - | - | - | |
| December 31, 2026 | - | - | - | - | - | |
| December 31, 2027 | - | - | - | - | - | |

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2018.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS**

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS (LAST TEN YEARS*)

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|-------------------|-------------------|-------------------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Service cost | \$ 57,928 | \$ 66,040 | \$ 64,363 | \$ 75,746 | | | | | | |
| Interest | 20,309 | 20,233 | 24,150 | 20,275 | | | | | | |
| Difference between expected and actual experience | - | (21,360) | - | (99,436) | | | | | | |
| Changes in assumptions | 14,447 | 5,504 | 22,023 | 62,193 | | | | | | |
| Benefit payments | (21,162) | (23,996) | (34,112) | (37,091) | | | | | | |
| Net change | <u>71,522</u> | <u>46,421</u> | <u>76,424</u> | <u>21,687</u> | | | | | | |
| Total - beginning | 485,692 | 557,214 | 603,635 | 680,059 | | | | | | |
| Total - ending | <u>\$ 557,214</u> | <u>\$ 603,635</u> | <u>\$ 680,059</u> | <u>\$ 701,746</u> | | | | | | |
| OPEB-eligible payroll for the measurement period | \$ 8,300,130 | \$ 8,020,865 | \$ 8,851,743 | \$ 9,002,190 | | | | | | |
| Total OPEB liability as a percentage of covered- employee payroll | 6.7% | 7.5% | 7.7% | 7.8% | | | | | | |

* This schedule is presented prospectively beginning with the fiscal year ended December 31, 2018.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND
SCHEDULE OF CONTRIBUTIONS (LAST TEN YEARS*)

| Fiscal Year Ending | Statutorily Required Contributions | Contributions in Relation to the Statutorily Required Contributions | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---------------------------|---|--|---|------------------------|---|
| 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 | 456,350 | 456,350 | - | 6,084,667 | 7.50% |
| December 31, 2019 | 482,720 | 482,720 | - | 6,436,267 | 7.50% |
| December 31, 2020 | 509,790 | 509,790 | - | 6,797,200 | 7.50% |
| December 31, 2021 | 534,579 | 534,579 | - | 7,127,720 | 7.50% |
| December 31, 2022 | - | - | - | - | |
| December 31, 2023 | - | - | - | - | |

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

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES POLICE AND FIRE RETIREMENT FUND
SCHEDULE OF CONTRIBUTIONS (LAST TEN YEARS*)

| Fiscal Year Ending | Statutorily Required Contributions | Contributions in Relation to the Statutorily Required Contributions | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---------------------------|---|--|---|------------------------|---|
| 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 | 437,636 | 437,636 | - | 2,701,457 | 16.20% |
| December 31, 2019 | 479,925 | 479,925 | - | 2,831,416 | 16.95% |
| December 31, 2020 | 508,902 | 508,902 | - | 2,875,153 | 17.70% |
| December 31, 2021 | 544,869 | 544,869 | - | 3,078,356 | 17.70% |
| December 31, 2022 | - | - | - | - | |
| December 31, 2023 | - | - | - | - | |
| December 31, 2024 | - | - | - | - | |

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

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (LAST TEN YEARS*)

| Fiscal Year Ending | Employer's Proportion (Percentage) of the Net Pension Liability | Employer's Proportionate Share (Amount) of the Net Pension Liability | Employer's Covered Payroll** | Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---------------------------|--|---|---|---|---|
| December 31, 2015 | 0.0887% | \$ 4,596,894 | \$ 5,222,169 | 88.03% | 78.19% |
| December 31, 2016 | 0.0866% | 7,031,490 | 5,772,439 | 121.81% | 68.91% |
| December 31, 2017 | 0.0909% | 5,802,996 | 5,857,640 | 99.07% | 75.90% |
| December 31, 2018 | 0.0895% | 4,965,093 | 6,015,560 | 82.54% | 79.53% |
| December 31, 2019 | 0.0886% | 4,898,496 | 6,270,733 | 78.12% | 80.23% |
| December 31, 2020 | 0.0931% | 5,581,770 | 6,626,893 | 84.23% | 79.06% |
| December 31, 2021 | 0.0959% | 4,095,360 | 6,901,987 | 59.34% | 87.00% |
| December 31, 2022 | | - | - | | |
| December 31, 2023 | | - | - | | |
| December 31, 2024 | | - | - | | |

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

** The year reported for this schedule coincides with the measurement date used for the NPL.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEES GENERAL EMPLOYEES POLICE AND FIRE RETIREMENT FUND
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (LAST TEN YEARS*)

| Fiscal Year Ending | Employer's Proportion (Percentage) of the Net Pension Liability | Employer's Proportionate Share (Amount) of the Net Pension Liability | Employer's Covered Payroll** | Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---------------------------|--|---|---|---|---|
| December 31, 2015 | 0.246% | \$ 2,795,136 | \$ 2,254,918 | 124% | 86.61% |
| December 31, 2016 | 0.254% | 10,193,462 | 2,448,383 | 416% | 63.88% |
| December 31, 2017 | 0.247% | 3,334,792 | 2,537,175 | 131% | 85.43% |
| December 31, 2018 | 0.2523% | 2,689,256 | 2,659,346 | 101% | 88.84% |
| December 31, 2019 | 0.2613% | 2,781,802 | 2,757,290 | 101% | 89.26% |
| December 31, 2020 | 0.2534% | 3,340,083 | 2,862,094 | 117% | 87.19% |
| December 31, 2021 | 0.2510% | 1,937,454 | 2,966,887 | 65% | 93.66% |
| December 31, 2022 | | - | - | | |
| December 31, 2023 | | - | - | | |
| December 31, 2024 | | - | - | | |

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

** The year reported for this schedule coincides with the measurement date used for the NPL.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED DECEMBER 31, 2021

| | <u>Budgeted Amounts</u> | | | Variance From |
|--|-------------------------|--------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | Final Budget Positive (Negative) |
| Revenues: | | | | |
| Taxes | \$ 6,699,100 | \$ 6,699,100 | \$ 6,722,149 | \$ 23,049 |
| Licenses and permits | 439,500 | 439,500 | 516,180 | 76,680 |
| Fines and forfeitures | 63,300 | 63,300 | 66,761 | 3,461 |
| Intergovernmental | 2,563,250 | 2,563,250 | 2,580,585 | 17,335 |
| Charges for current services | 830,700 | 830,700 | 885,181 | 54,481 |
| Franchise fees | 940,000 | 940,000 | 992,054 | 52,054 |
| Investment earnings | 50,000 | 50,000 | 14,209 | (35,791) |
| Net increase in fair value of investments | - | - | (52,856) | (52,856) |
| Miscellaneous | 166,830 | 166,830 | 180,999 | 14,169 |
| Total revenues | <u>11,752,680</u> | <u>11,752,680</u> | <u>11,905,262</u> | <u>152,582</u> |
| Expenditures: | | | | |
| General government | 1,835,970 | 1,803,470 | 1,715,704 | 87,766 |
| Public safety | 6,652,950 | 6,915,950 | 6,866,946 | 49,004 |
| Public works | 2,035,370 | 1,734,370 | 1,681,296 | 53,074 |
| Parks and recreation | 2,328,390 | 2,372,890 | 2,315,510 | 57,380 |
| Total expenditures | <u>12,852,680</u> | <u>12,826,680</u> | <u>12,579,456</u> | <u>247,224</u> |
| Excess of revenues over(under) expenditures | <u>(1,100,000)</u> | <u>(1,074,000)</u> | <u>(674,194)</u> | <u>399,806</u> |
| Other financing sources (uses): | | | | |
| Transfer in | 1,100,000 | 1,100,000 | 1,100,000 | - |
| Proceeds from sale of asset | - | - | 1,700 | 1,700 |
| Total other financing sources | <u>1,100,000</u> | <u>1,100,000</u> | <u>1,101,700</u> | <u>1,700</u> |
| Net changes in fund balance | <u>\$ -</u> | <u>\$ 26,000</u> | 427,506 | <u>\$ 401,506</u> |
| Fund balance at beginning of year | | | <u>5,593,891</u> | |
| Fund balance at end of year | | | <u>\$ 6,021,397</u> | |

See Independent Auditor's Report.

See accompanying note to required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

A. Budgetary accounting

The City legally adopts annual budgets for the General and Special Revenue Funds. 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 City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the department level.

B. Schedule of Changes in Net Pension Liabilities and Related Ratios

General Employees Fund

2021 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provision

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

Police and Fire Fund

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

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

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Changes in Plan Provision

- There have been no changes since the prior valuation.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are committed 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.

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources that are restricted for expenditures of principal and interest on general and tax increment long-term debt.

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:

Park Funds - The Park Funds are comprised of Park Capital, Aquatic Center Capital, and Park Dedication. Park Funds are 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.

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.

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

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

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

| | Special Revenue | | | | | | Total Nonmajor Special Revenue Funds |
|---|------------------------|------------------|-------------------|-------------------------------|---------------------|--------------------------------|---|
| | Parking | Lodging | Cemetery | Police Forefeiture | Round Up | Urban Redevelopment | |
| Assets | | | | | | | |
| Cash and investments | \$ 84,489 | \$ 24,208 | \$ 422,049 | \$ 75,521 | \$ 13,925 | \$ 608,696 | \$ 1,228,888 |
| Receivables, net: | | | | | | | |
| Accounts receivable | 1,818 | 3,474 | 5,297 | - | 2,516 | 50,778 | 63,883 |
| Due from other funds | - | - | - | - | - | 915,000 | 915,000 |
| Prepaid items | - | - | 1,200 | - | - | - | 1,200 |
| Total assets | \$ 86,307 | \$ 27,682 | \$ 428,546 | \$ 75,521 | \$ 16,441 | \$ 1,574,474 | \$ 2,208,971 |
| Liabilities and Fund Balance | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | \$ 3,310 | \$ 6,671 | \$ 301 | \$ 215 | \$ 12,572 | \$ 2,462 | \$ 25,531 |
| Accrued wages payable | 1,082 | - | 327 | - | - | - | 1,409 |
| Due to other governments | - | 1,160 | - | - | - | - | 1,160 |
| Unearned revenue | 5,228 | - | - | - | - | 50,263 | 55,491 |
| Total liabilities | 9,620 | 7,831 | 628 | 215 | 12,572 | 52,725 | 83,591 |
| Fund balance: | | | | | | | |
| Nonspendable | - | - | 1,200 | - | - | - | 1,200 |
| Restricted | - | - | - | 75,306 | - | - | 75,306 |
| Committed | 76,687 | 19,851 | 426,718 | - | 3,869 | 1,521,749 | 2,048,874 |
| Total fund balance | 76,687 | 19,851 | 427,918 | 75,306 | 3,869 | 1,521,749 | 2,125,380 |
| Total liabilities and fund balance | \$ 86,307 | \$ 27,682 | \$ 428,546 | \$ 75,521 | \$ 16,441 | \$ 1,574,474 | \$ 2,208,971 |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2021

| | Capital Projects | | | | | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|--|---------------------|-------------------|-------------------------------------|--------------------------|---------------------------------|---|--|
| | Debt Service | Parks | Enterprise Park Tax Increment | HRRD Tax Increment | South Ferry Tax Increment | | |
| Assets | | | | | | | |
| Cash and investments | \$ 1,450,822 | \$ 488,175 | \$ 13,920 | \$ 14,215 | \$ 19,494 | \$ 535,804 | \$ 3,215,514 |
| Receivables, net: | | | | | | | |
| Taxes | 22,136 | - | - | 2,882 | - | 2,882 | 25,018 |
| Special Assessments | 804,739 | - | 2,933 | - | - | 2,933 | 807,672 |
| Accounts receivable | - | - | - | - | - | - | 63,883 |
| Due from other funds | - | - | - | - | - | - | 915,000 |
| Advance to other funds | - | - | 750,000 | - | - | 750,000 | 750,000 |
| Prepaid items | - | - | - | - | - | - | 1,200 |
| Land held for resale | - | - | 1,531,688 | 496,756 | - | 2,028,444 | 2,028,444 |
| | <u>-</u> | <u>-</u> | <u>1,531,688</u> | <u>496,756</u> | <u>-</u> | <u>2,028,444</u> | <u>2,028,444</u> |
| Total assets | <u>\$ 2,277,697</u> | <u>\$ 488,175</u> | <u>\$ 2,298,541</u> | <u>\$ 513,853</u> | <u>\$ 19,494</u> | <u>\$ 3,320,063</u> | <u>\$ 7,806,731</u> |
| Liabilities and Fund Balance | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | \$ - | \$ 51,799 | \$ 661 | \$ 38 | \$ 34 | \$ 52,532 | \$ 78,063 |
| Accrued wages payable | - | - | - | - | - | - | 1,409 |
| Due to other funds | - | - | 215,000 | 50,000 | - | 265,000 | 265,000 |
| Due to other governments | - | - | - | - | - | - | 1,160 |
| Unearned revenue | - | - | - | - | - | - | 55,491 |
| Advance from other funds | - | - | - | - | 1,345,000 | 1,345,000 | 1,345,000 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,345,000</u> | <u>1,345,000</u> | <u>1,345,000</u> |
| Total liabilities | <u>-</u> | <u>51,799</u> | <u>215,661</u> | <u>50,038</u> | <u>1,345,034</u> | <u>1,662,532</u> | <u>1,746,123</u> |
| Deferred inflows of resources: | | | | | | | |
| Unavailable revenue-Property tax | 7,108 | - | - | - | - | - | 7,108 |
| Unavailable revenue-Special assessment | 804,739 | - | - | - | - | - | 804,739 |
| Total deferred inflows of resources | 811,847 | - | - | - | - | - | 811,847 |
| | <u>811,847</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>811,847</u> |
| Fund balance: | | | | | | | |
| Nonspendable | - | - | - | - | - | - | 1,200 |
| Restricted | 1,465,850 | - | 2,082,880 | 463,815 | - | 2,546,695 | 4,087,851 |
| Committed | - | 387,512 | - | - | - | 387,512 | 2,436,386 |
| Assigned | - | 48,864 | - | - | - | 48,864 | 48,864 |
| Unassigned | - | - | - | - | (1,325,540) | (1,325,540) | (1,325,540) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,325,540)</u> | <u>(1,325,540)</u> | <u>(1,325,540)</u> |
| Total fund balance (deficit) | <u>1,465,850</u> | <u>436,376</u> | <u>2,082,880</u> | <u>463,815</u> | <u>(1,325,540)</u> | <u>1,657,531</u> | <u>5,248,761</u> |
| Total liabilities and fund balance | <u>\$ 2,277,697</u> | <u>\$ 488,175</u> | <u>\$ 2,298,541</u> | <u>\$ 513,853</u> | <u>\$ 19,494</u> | <u>\$ 3,320,063</u> | <u>\$ 7,806,731</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | Special Revenue | | | | | | Total Nonmajor Special Revenue Funds |
|--|------------------------|------------------|-------------------|------------------------------|---------------------|--------------------------------|---|
| | Parking | Lodging | Cemetery | Police Forfeiture | Round Up | Urban Redevelopment | |
| Revenues: | | | | | | | |
| Taxes | \$ - | \$ 893 | \$ - | \$ - | \$ - | \$ - | \$ 893 |
| Licenses and permits | 44,701 | - | - | - | - | - | 44,701 |
| Fines and forfeitures | 22,340 | - | - | 37,053 | - | - | 59,393 |
| Charges for current services | 2,136 | - | 76,321 | - | - | 275,667 | 354,124 |
| Investment income | 913 | 85 | 1,656 | 212 | 54 | 7,007 | 9,927 |
| Net decrease in fair value of investments | (1,037) | (172) | (3,155) | (505) | (85) | (11,186) | (16,140) |
| Miscellaneous | - | 3,500 | 215 | - | 29,436 | - | 33,151 |
| Total revenues | <u>69,053</u> | <u>4,306</u> | <u>75,037</u> | <u>36,760</u> | <u>29,405</u> | <u>271,488</u> | <u>486,049</u> |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General government | - | 3,940 | - | - | - | 263,508 | 267,448 |
| Public safety | 54,244 | - | - | 830 | 29,613 | - | 84,687 |
| Public works | 98,679 | - | - | - | - | - | 98,679 |
| Parks and recreation | - | - | 69,662 | - | - | - | 69,662 |
| Capital outlay | 211,053 | - | 40,219 | - | - | - | 251,272 |
| Total expenditures | <u>363,976</u> | <u>3,940</u> | <u>109,881</u> | <u>830</u> | <u>29,613</u> | <u>263,508</u> | <u>771,748</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(294,923)</u> | <u>366</u> | <u>(34,844)</u> | <u>35,930</u> | <u>(208)</u> | <u>7,980</u> | <u>(285,699)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds from sale of asset | - | - | 2,500 | - | - | - | 2,500 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>2,500</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,500</u> |
| Net changes in fund balances | (294,923) | 366 | (32,344) | 35,930 | (208) | 7,980 | (283,199) |
| Fund balances at beginning of year | <u>371,610</u> | <u>19,485</u> | <u>460,262</u> | <u>39,376</u> | <u>4,077</u> | <u>1,513,769</u> | <u>2,408,579</u> |
| Fund balances at end of year | <u>\$ 76,687</u> | <u>\$ 19,851</u> | <u>\$ 427,918</u> | <u>\$ 75,306</u> | <u>\$ 3,869</u> | <u>\$ 1,521,749</u> | <u>\$ 2,125,380</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR FISCAL YEAR ENDED DECEMBER 31, 2021

| | Capital Projects | | | | | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|--|---------------------|-------------------|-------------------------------------|--------------------------|---------------------------------|---|--|
| | Debt Service | Parks | Enterprise Park Tax Increment | HRRD Tax Increment | South Ferry Tax Increment | | |
| Revenues: | | | | | | | |
| Taxes | \$ 743,661 | \$ - | \$ - | \$ 124,607 | \$ 20,889 | \$ 145,496 | \$ 890,050 |
| Special assessments | 150,743 | - | - | - | - | - | 150,743 |
| Licenses and permits | - | - | - | - | - | - | 44,701 |
| Fines and forfeitures | 322 | - | - | - | - | - | 59,715 |
| Intergovernmental | - | 577,357 | - | - | - | 577,357 | 577,357 |
| Charges for current services | - | - | 36,000 | - | - | 36,000 | 390,124 |
| Investment income | 3,753 | 2,100 | 2,950 | (735) | 38 | 4,353 | 18,033 |
| Net increase(decrease) in fair value of investments | (9,054) | (3,970) | 40,985 | (345) | - | 36,670 | 11,476 |
| Miscellaneous | - | 231,413 | 6,125 | - | - | 237,538 | 270,689 |
| Total revenues | 889,425 | 806,900 | 86,060 | 123,527 | 20,927 | 1,037,414 | 2,412,888 |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General government | 1,425 | - | 32 | 14,645 | 1,006 | 15,683 | 284,556 |
| Public safety | - | - | - | - | - | - | 84,687 |
| Public works | - | - | - | - | - | - | 98,679 |
| Parks and recreation | - | - | - | - | - | - | 69,662 |
| Capital outlay | - | 1,186,661 | 4,887 | - | - | 1,191,548 | 1,442,820 |
| Debt service: | | | | | | | |
| Principal retirement | 685,000 | - | - | - | - | - | 685,000 |
| Interest and fiscal charges | 368,213 | - | - | - | 47,863 | 47,863 | 416,076 |
| Total expenditures | 1,054,638 | 1,186,661 | 4,919 | 14,645 | 48,869 | 1,255,094 | 3,081,480 |
| Excess (deficiency) of revenues over (under) expenditures | (165,213) | (379,761) | 81,141 | 108,882 | (27,942) | (217,680) | (668,592) |
| Other financing sources (uses): | | | | | | | |
| Transfer in | 390,000 | 80,000 | - | - | 60,000 | 140,000 | 530,000 |
| Transfer out | - | - | (140,000) | (150,000) | - | (290,000) | (290,000) |
| Proceeds from sale of asset | - | - | - | - | - | - | 2,500 |
| Total other financing sources (uses) | 390,000 | 80,000 | (140,000) | (150,000) | 60,000 | (150,000) | 242,500 |
| Net changes in fund balances | 224,787 | (299,761) | (58,859) | (41,118) | 32,058 | (367,680) | (426,092) |
| Fund balances (deficits) at beginning of year | 1,241,063 | 736,137 | 2,141,739 | 504,933 | (1,357,598) | 2,025,211 | 5,674,853 |
| Fund balances (deficits) at end of year | \$ 1,465,850 | \$ 436,376 | \$ 2,082,880 | \$ 463,815 | \$ (1,325,540) | \$ 1,657,531 | \$ 5,248,761 |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2021

| | Original Budget | Final Budget | Actual | Variance From Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| Parking fund: | | | | |
| Revenues: | | | | |
| Licenses and permits | \$ 52,000 | \$ 52,000 | \$ 44,701 | \$ (7,299) |
| Fines and forfeitures | 32,000 | 32,000 | 22,340 | (9,660) |
| Miscellaneous | 7,000 | 7,000 | 2,136 | (4,864) |
| Interest income | 6,100 | 6,100 | 913 | (5,187) |
| Net decrease in fair value of investments | - | - | (1,037) | (1,037) |
| Total revenues | 97,100 | 97,100 | 69,053 | (28,047) |
| Expenditures: | | | | |
| Personal services | 54,470 | 54,470 | 54,244 | 226 |
| Professional services | 64,280 | 64,280 | 53,199 | 11,081 |
| Contractual services | 22,850 | 22,850 | 45,480 | (22,630) |
| Capital outlay | - | 320,000 | 211,053 | 108,947 |
| Total expenditures | 141,600 | 461,600 | 363,976 | 97,624 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (44,500) | \$ (364,500) | \$ (294,923) | \$ 69,577 |
| Fund balance at beginning of year | | | 371,610 | |
| Fund balance at end of year | | | \$ 76,687 | |
| Lodging fund: | | | | |
| Revenues: | | | | |
| Taxes | \$ 750 | \$ 750 | \$ 893 | \$ 143 |
| Miscellaneous | 4,000 | 4,000 | 3,500 | (500) |
| Interest income | 200 | 200 | 85 | (115) |
| Net decrease in fair value of investments | - | - | (172) | (172) |
| Total revenues | 4,950 | 4,950 | 4,306 | (644) |
| Expenditures: | | | | |
| Personal services | 410 | 410 | 410 | - |
| Professional services | 3,530 | 3,530 | 3,530 | - |
| Total expenditures | 3,940 | 3,940 | 3,940 | - |
| Excess (deficiency) of revenues over (under) expenditures | \$ 1,010 | \$ 1,010 | \$ 366 | \$ 644 |
| Fund balance at beginning of year | | | 19,485 | |
| Fund balance at end of year | | | \$ 19,851 | |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS (Continued)
YEAR ENDED DECEMBER 31, 2021

| | Original Budget | Final Budget | Actual | Variance From Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| Cemetery fund: | | | | |
| Revenues: | | | | |
| Charges for services | \$ 74,500 | \$ 74,500 | \$ 76,321 | \$ 1,821 |
| Miscellaneous | 250 | 250 | 215 | (35) |
| Interest income | 3,000 | 3,000 | 1,656 | (1,344) |
| Net decrease in fair value of investments | - | - | (3,155) | (3,155) |
| Sale of fixed asset | - | - | 2,500 | 2,500 |
| Total revenues | 77,750 | 77,750 | 77,537 | (213) |
| Expenditures: | | | | |
| Personal services | 51,930 | 51,930 | 43,267 | 8,663 |
| Supplies | 5,400 | 5,400 | 2,522 | 2,878 |
| Professional services | 10,940 | 10,940 | 9,713 | 1,227 |
| Contractual services | 12,750 | 12,750 | 14,160 | (1,410) |
| Capital outlay | 24,000 | 99,000 | 40,219 | 58,781 |
| Total expenditures | 105,020 | 180,020 | 109,881 | 70,139 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (27,270) | \$ (102,270) | \$ (32,344) | \$ 69,926 |
| Fund balance at beginning of year | | | 460,262 | |
| Fund balance at end of year | | | \$ 427,918 | |
| Urban Redevelopment fund: | | | | |
| Revenues: | | | | |
| Charges for services | \$ 150,000 | \$ 150,000 | \$ 275,667 | \$ 125,667 |
| Interest income | 16,500 | 16,500 | 7,007 | (9,493) |
| Net decrease in fair value of investments | - | - | (11,186) | (11,186) |
| Total revenues | 166,500 | 166,500 | 271,488 | 104,988 |
| Expenditures: | | | | |
| Personal services | 120 | 120 | 120 | - |
| Professional services | 10 | 180,010 | 263,388 | (83,378) |
| Total expenditures | 130 | 180,130 | 263,508 | (83,378) |
| Excess (deficiency) of revenues over (under) expenditures | \$ 166,370 | \$ (13,630) | \$ 7,980 | \$ 21,610 |
| Fund balance at beginning of year | | | 1,513,769 | |
| Fund balance at end of year | | | \$ 1,521,749 | |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS (Continued)
YEAR ENDED DECEMBER 31, 2021

| | Original Budget | Final Budget | Actual | Variance From Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|---------------|---|
| Round Up: | | | | |
| Revenues: | | | | |
| Miscellaneous | \$ 30,000 | \$ 30,000 | \$ 29,436 | \$ (564) |
| Interest income | 300 | 300 | 54 | (246) |
| Net decrease in fair value of investments | - | - | (85) | (85) |
| Total revenues | 30,300 | 30,300 | 29,405 | (895) |
| Expenditures: | | | | |
| Professional services | 30,300 | 30,300 | 29,572 | 728 |
| Contractual services | - | - | 41 | (41) |
| Total expenditures | 30,300 | 30,300 | 29,613 | 687 |
| Excess of revenues over expenditures | \$ - | \$ - | \$ (208) | \$ (208) |
| Fund balance at beginning of year | | | 4,077 | |
| Fund balance at end of year | | | \$ 3,869 | |
| Police Forfeiture | | | | |
| Revenues: | | | | |
| Fines and forfeitures | \$ 10,000 | \$ 10,000 | \$ 37,053 | \$ 27,053 |
| Interest income | 300 | 300 | 212 | (88) |
| Net decrease in fair value of investments | - | - | (505) | (505) |
| Total revenues | 10,300 | 10,300 | 36,760 | 26,460 |
| Expenditures: | | | | |
| Professional services | - | - | 830 | (830) |
| Total expenditures | - | - | 830 | (830) |
| Excess of revenues over expenditures | \$ 10,300 | \$ 10,300 | \$ 35,930 | \$ 25,630 |
| Fund balance at beginning of year | | | 39,376 | |
| Fund balance at end of year | | | \$ 75,306 | |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

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

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

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF NET POSITION -
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2021**

| Assets: | Golf | Recycling | Total Nonmajor Proprietary Funds |
|---|---------------------|-------------------|---|
| Current assets: | | | |
| Cash and cash equivalents | \$ 239,340 | \$ 219,457 | \$ 458,797 |
| Receivables, net: | | | |
| Accounts receivable | 183,703 | 59,740 | 243,443 |
| Inventory | 26,067 | - | 26,067 |
| Total current assets | <u>449,110</u> | <u>279,197</u> | <u>728,307</u> |
| Noncurrent assets: | | | |
| Land and improvements | 191,307 | - | 191,307 |
| Construction in progress | 854,128 | - | 854,128 |
| Buildings and structures | 409,638 | - | 409,638 |
| Furniture and equipment | 169,564 | - | 169,564 |
| Machinery and automotive equipment | 1,053,698 | - | 1,053,698 |
| Other improvements | 2,726,073 | - | 2,726,073 |
| Total property | 5,404,408 | - | 5,404,408 |
| Accumulated depreciation | (3,125,899) | - | (3,125,899) |
| Net noncurrent assets | <u>2,278,509</u> | <u>-</u> | <u>2,278,509</u> |
| Total assets | <u>2,727,619</u> | <u>279,197</u> | <u>3,006,816</u> |
| Deferred outflows of resources: | | | |
| Deferred pension resources | 184,345 | 14,883 | 199,228 |
| Total assets and deferred outflows of resources | <u>\$ 2,911,964</u> | <u>\$ 294,080</u> | <u>\$ 3,206,044</u> |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 20,417 | \$ 118 | \$ 20,535 |
| Accrued wages payable | 10,578 | 911 | 11,489 |
| Advance to other funds | 166,659 | - | 166,659 |
| Deposits | 73,559 | - | 73,559 |
| Unearned revenue | 90,994 | - | 90,994 |
| | <u>362,207</u> | <u>1,029</u> | <u>363,236</u> |
| Noncurrent liabilities: | | | |
| Compensated absences payable | 60,150 | - | 60,150 |
| Net pension liability | 247,673 | 19,996 | 267,669 |
| Total noncurrent liabilities | <u>307,823</u> | <u>19,996</u> | <u>327,819</u> |
| Total liabilities | <u>670,030</u> | <u>21,025</u> | <u>691,055</u> |
| Deferred inflows of resources: | | | |
| Deferred pension resources | 228,408 | 18,440 | 246,848 |
| Net position: | | | |
| Net investment in capital assets | 2,278,509 | - | 2,278,509 |
| Unrestricted | (264,983) | 254,615 | (10,368) |
| Total net position | <u>2,013,526</u> | <u>254,615</u> | <u>2,268,141</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 2,911,964</u> | <u>\$ 294,080</u> | <u>\$ 3,206,044</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
NONMAJOR PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | Golf | Recycling | Total Nonmajor Proprietary Funds |
|---|---------------------|-------------------|---|
| Operating revenues: | | | |
| Charges for sales and services: | | | |
| Golf | \$ 1,422,446 | \$ - | \$ 1,422,446 |
| Recycling billings | - | 401,629 | 401,629 |
| Intergovernmental | - | 70,019 | 70,019 |
| Total operating revenues | <u>1,422,446</u> | <u>471,648</u> | <u>1,894,094</u> |
| Operating expenses: | | | |
| Personal services | 655,317 | 55,882 | 711,199 |
| Supplies | 168,595 | 3,634 | 172,229 |
| Professional services | 135,796 | 30,395 | 166,191 |
| Contractual services | 149,211 | 5,635 | 154,846 |
| Disposal charges | - | 340,194 | 340,194 |
| Cost of goods sold | 114,527 | - | 114,527 |
| Depreciation | 171,893 | - | 171,893 |
| Total operating expenses | <u>1,395,339</u> | <u>435,740</u> | <u>1,831,079</u> |
| Operating income | <u>27,107</u> | <u>35,908</u> | <u>63,015</u> |
| Nonoperating revenues: | | | |
| Interest income | 1,419 | 812 | 2,231 |
| Interest expense | (5,284) | - | (5,284) |
| Net decrease in fair value of investments | (2,727) | (1,371) | (4,098) |
| Pension revenue | 610 | 49 | 659 |
| Gain on sale of fixed asset | 798,339 | - | 798,339 |
| Total nonoperating revenues (loss) | <u>792,357</u> | <u>(510)</u> | <u>791,847</u> |
| Change in net position | 819,464 | 35,398 | 854,862 |
| Net position - Beginning of year | <u>1,194,062</u> | <u>219,217</u> | <u>1,413,279</u> |
| Net position - End of year | <u>\$ 2,013,526</u> | <u>\$ 254,615</u> | <u>\$ 2,268,141</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF CASH FLOWS -
NONMAJOR PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | <u>Golf</u> | <u>Recycling</u> | <u>Total Nonmajor Proprietary Funds</u> |
|--|-------------------|-------------------|---|
| Cash flows from operating activities: | | | |
| Received from customers and services | \$ 1,333,703 | \$ 470,685 | \$ 1,804,388 |
| Payments to employees for services | (530,764) | (41,088) | (571,852) |
| Disposal charges | (661,984) | (54,898) | (716,882) |
| Increase in deposits | - | (340,194) | (340,194) |
| Net cash provided by operating activities | <u>(28,778)</u> | <u>-</u> | <u>(28,778)</u> |
| | <u>112,177</u> | <u>34,505</u> | <u>146,682</u> |
| Cash flows from noncapital financing activities: | | | |
| Cash flow from other funds | <u>(83,716)</u> | - | <u>(83,716)</u> |
| Net cash provided by noncapital financing | <u>(83,716)</u> | - | <u>(83,716)</u> |
| Cash flows from capital and related financing activities: | | | |
| Acquisition of capital assets | (917,570) | - | (917,570) |
| Interest paid | (5,284) | - | (5,284) |
| Proceeds from sale of capital assets | 798,339 | - | 798,339 |
| Net cash used for capital and related financing activities | <u>(124,515)</u> | <u>-</u> | <u>(124,515)</u> |
| Cash flows from investing activities: | | | |
| Investment earnings | <u>(1,308)</u> | <u>(559)</u> | <u>(1,867)</u> |
| Net increase (decrease) in cash and cash equivalents | (97,362) | 33,946 | (63,416) |
| Cash and cash equivalents at beginning of year | <u>336,702</u> | <u>185,511</u> | <u>522,213</u> |
| Cash and cash equivalents at end of year | <u>\$ 239,340</u> | <u>\$ 219,457</u> | <u>\$ 458,797</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities | | | |
| Operating income | <u>\$ 27,107</u> | <u>\$ 35,908</u> | <u>\$ 63,015</u> |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | | |
| Depreciation | 171,893 | - | 171,893 |
| Pension revenue | 610 | 49 | 659 |
| Change in assets and liabilities: | | | |
| Accounts receivable | (180,347) | (1,012) | (181,359) |
| Inventory | 20,337 | - | 20,337 |
| Prepaid items | 185 | - | 185 |
| Net pension liability | (85,786) | (5,556) | (91,342) |
| Deferred outflows | (133,680) | (11,001) | (144,681) |
| Deferred inflows | 212,260 | 17,203 | 229,463 |
| Accounts payable | 16,843 | (1,424) | 15,419 |
| Accrued wages payable | 1,977 | 338 | 2,315 |
| Compensated absences payable | (1,438) | - | (1,438) |
| Deposits | (28,778) | - | (28,778) |
| Deposits | 90,994 | - | 90,994 |
| Total adjustments | <u>85,070</u> | <u>(1,403)</u> | <u>83,667</u> |
| Net cash provided by (used in) operating activities | <u>\$ 112,177</u> | <u>\$ 34,505</u> | <u>\$ 146,682</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL 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
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021**

| Assets | Information Systems | Insurance | Employee Benefits | Central Garage | Total |
|--|--------------------------------|-------------------|------------------------------|---------------------------|---------------------|
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 364,116 | \$ 784,978 | \$ 960,818 | \$ 709,450 | \$ 2,819,362 |
| Inventory | - | - | - | 26,347 | 26,347 |
| Prepaid items | 1,163 | 129,128 | - | - | 130,291 |
| Total current assets | <u>365,279</u> | <u>914,106</u> | <u>960,818</u> | <u>735,797</u> | <u>2,976,000</u> |
| Noncurrent assets: | | | | | |
| Capital assets: | | | | | |
| Buildings and structures | 50,000 | - | - | - | 50,000 |
| Furniture and equipment | 544,755 | - | - | - | 544,755 |
| Machinery and automotive equipment | - | - | - | 4,749,939 | 4,749,939 |
| Total property | <u>594,755</u> | <u>-</u> | <u>-</u> | <u>4,749,939</u> | <u>5,344,694</u> |
| Accumulated depreciation | (500,709) | - | - | (3,721,228) | (4,221,937) |
| Net noncurrent assets | <u>94,046</u> | <u>-</u> | <u>-</u> | <u>1,028,711</u> | <u>1,122,757</u> |
| Total assets | <u>\$ 459,325</u> | <u>\$ 914,106</u> | <u>\$ 960,818</u> | <u>\$ 1,764,508</u> | <u>\$ 4,098,757</u> |
| Liabilities and Net Position | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | \$ 1,656 | \$ 45 | \$ - | \$ 3,403 | \$ 5,104 |
| Accrued wages payable | - | - | - | 3,432 | 3,432 |
| Claims payable | - | 18,919 | - | - | 18,919 |
| Due to other funds | - | - | - | - | - |
| Current portion of compen absences payable | - | - | 20,000 | - | 20,000 |
| Total current liabilities | <u>1,656</u> | <u>18,964</u> | <u>20,000</u> | <u>6,835</u> | <u>47,455</u> |
| Compensated absences payable | - | - | 959,254 | 28,241 | 987,495 |
| Total liabilities | <u>1,656</u> | <u>18,964</u> | <u>979,254</u> | <u>35,076</u> | <u>1,034,950</u> |
| Net position: | | | | | |
| Net investment in capital assets | 94,046 | - | - | 1,028,711 | 1,122,757 |
| Unrestricted | 363,623 | 895,142 | (18,436) | 700,721 | 1,941,050 |
| Total net position (deficit) | <u>457,669</u> | <u>895,142</u> | <u>(18,436)</u> | <u>1,729,432</u> | <u>3,063,807</u> |
| Total liabilities and net position | <u>\$ 459,325</u> | <u>\$ 914,106</u> | <u>\$ 960,818</u> | <u>\$ 1,764,508</u> | <u>\$ 4,098,757</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
INTERNAL SERVICE FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | <u>Information Systems</u> | <u>Insurance</u> | <u>Employee Benefits</u> | <u>Central Garage</u> | <u>Total</u> |
|---|--------------------------------|-------------------|------------------------------|---------------------------|---------------------|
| Operating revenues: | | | | | |
| Charges for services | \$ 552,700 | \$ 447,320 | \$ 60,150 | \$ 923,800 | \$ 1,983,970 |
| Operating expenses: | | | | | |
| Personal services | 22,340 | 10,690 | 47,279 | 174,939 | 255,248 |
| Supplies | 3,665 | - | - | 244,682 | 248,347 |
| Professional services | 333,520 | 675,864 | - | 39,256 | 1,048,640 |
| Contractual services | 143,330 | - | - | 58,364 | 201,694 |
| Depreciation | 28,825 | - | - | 253,593 | 282,418 |
| Total operating expenses | <u>531,680</u> | <u>686,554</u> | <u>47,279</u> | <u>770,834</u> | <u>2,036,347</u> |
| Operating income (loss) | <u>21,020</u> | <u>(239,234)</u> | <u>12,871</u> | <u>152,966</u> | <u>(52,377)</u> |
| Nonoperating revenues (expenses): | | | | | |
| Interest income | 1,368 | 3,334 | 3,885 | 1,922 | 10,509 |
| Net decrease in fair value of investments | (2,752) | (6,032) | (7,320) | (4,480) | (20,584) |
| Loss on sale of fixed assets | - | - | - | 8,055 | 8,055 |
| Other income | 20,000 | 67,384 | - | - | 87,384 |
| Total nonoperating revenues | <u>18,616</u> | <u>64,686</u> | <u>(3,435)</u> | <u>5,497</u> | <u>85,364</u> |
| Change in net position | 39,636 | (174,548) | 9,436 | 158,463 | 32,987 |
| Net position - Beginning of year | <u>418,033</u> | <u>1,069,690</u> | <u>(27,872)</u> | <u>1,570,969</u> | <u>3,030,820</u> |
| Net position (deficit) - End of year | <u>\$ 457,669</u> | <u>\$ 895,142</u> | <u>\$ (18,436)</u> | <u>\$ 1,729,432</u> | <u>\$ 3,063,807</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | <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 | \$ 572,700 | \$ 447,320 | \$ 60,150 | \$ 923,800 | \$ 2,003,970 |
| Reimbursement from insurance carrier | - | 67,384 | - | - | 67,384 |
| Payments to suppliers for goods and services | (481,714) | (692,449) | (3,450) | (357,767) | (1,535,380) |
| Payments to employees for services | (22,340) | (10,690) | (55,329) | (169,941) | (258,300) |
| Net cash provided by (used in) operating activities | <u>68,646</u> | <u>(188,435)</u> | <u>1,371</u> | <u>396,092</u> | <u>277,674</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Acquisition of capital assets | (5,866) | - | - | - | (5,866) |
| Proceeds from sale of capital assets | - | - | - | 95,724 | 95,724 |
| Net cash provided by (used in) capital and related financing activities | <u>(5,866)</u> | <u>-</u> | <u>-</u> | <u>95,724</u> | <u>89,858</u> |
| Cash flows from investing activities: | | | | | |
| Investment earnings | (1,384) | (2,698) | (3,435) | (2,558) | (10,075) |
| Net increase (decrease) in cash and cash equivalents | 61,396 | (191,133) | (2,064) | 489,258 | 357,457 |
| Cash and cash equivalents at beginning of year | <u>302,720</u> | <u>976,111</u> | <u>962,882</u> | <u>220,192</u> | <u>2,461,905</u> |
| Cash and cash equivalents end of year | <u>\$ 364,116</u> | <u>\$ 784,978</u> | <u>\$ 960,818</u> | <u>\$ 709,450</u> | <u>\$ 2,819,362</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Operating income (loss) | \$ 21,020 | \$ (239,234) | \$ 12,871 | \$ 152,966 | \$ (52,377) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Depreciation | 28,825 | - | - | 253,593 | 282,418 |
| Other income | 20,000 | 67,384 | - | - | 87,384 |
| Change in assets and liabilities: | | | | | |
| Inventory | - | - | - | (8,985) | (8,985) |
| Prepaid expense | 1,118 | (16,919) | - | - | (15,801) |
| Claims payable | - | 297 | - | - | 297 |
| Accounts payable | (2,317) | 37 | (3,450) | (6,480) | (12,210) |
| Accrued wages payable | - | - | - | 758 | 758 |
| Compensated absences payable | - | - | (8,050) | 4,240 | (3,810) |
| Total adjustments | <u>47,626</u> | <u>50,799</u> | <u>(11,500)</u> | <u>243,126</u> | <u>330,051</u> |
| Net cash provided by (used in) operating activities | <u>\$ 68,646</u> | <u>\$ (188,435)</u> | <u>\$ 1,371</u> | <u>\$ 396,092</u> | <u>\$ 277,674</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2021

| | Final Budget | Actual | Variance Positive (Negative) |
|--------------------------------------|-------------------------|-------------------|---|
| Taxes: | | | |
| Property | \$ 6,696,100 | \$ 6,715,864 | \$ 19,764 |
| Penalties and interest | 3,000 | 6,285 | 3,285 |
| Total taxes | <u>6,699,100</u> | <u>6,722,149</u> | <u>23,049</u> |
| Licenses and permits: | | | |
| Licenses | 131,500 | 128,350 | (3,150) |
| Permits | 308,000 | 387,830 | 79,830 |
| Total licenses and permits | <u>439,500</u> | <u>516,180</u> | <u>76,680</u> |
| Fines and forfeitures: | | | |
| Court fines | 56,000 | 48,091 | (7,909) |
| Code violations | 7,000 | 18,470 | 11,470 |
| Other | 300 | 200 | (100) |
| Total fines and forfeitures | <u>63,300</u> | <u>66,761</u> | <u>3,461</u> |
| Intergovernmental: | | | |
| Local government aid | 2,044,750 | 2,039,715 | (5,035) |
| State aid maintenance | 209,000 | 213,749 | 4,749 |
| Police aid | 281,000 | 316,634 | 35,634 |
| PERA aid | 28,500 | - | (28,500) |
| Other | - | 10,487 | 10,487 |
| Total intergovernmental | <u>2,563,250</u> | <u>2,580,585</u> | <u>17,335</u> |
| Charges for current services: | | | |
| Swimming pool | 318,200 | 381,067 | 62,867 |
| Parks | 58,500 | 63,497 | 4,997 |
| Police services | 339,100 | 293,678 | (45,422) |
| Planning services | 88,500 | 117,089 | 28,589 |
| Public works | 1,500 | 791 | (709) |
| Finance | 24,900 | 29,059 | 4,159 |
| Total charges for current services | <u>\$ 830,700</u> | <u>\$ 885,181</u> | <u>\$ 54,481</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|-------------------------|----------------------|---|
| Franchise fees | \$ 940,000 | \$ 992,054 | \$ 52,054 |
| Interest earnings | 50,000 | 14,209 | (35,791) |
| Miscellaneous: | | | |
| Other | 166,830 | 180,999 | 14,169 |
| Net decrease in fair value of investments | - | (52,856) | (52,856) |
| Total Miscellaneous | 166,830 | 128,143 | (38,687) |
| Total revenues | 11,752,680 | 11,905,262 | 152,582 |
| Other financing sources: | | | |
| Proceeds from sale of assets | - | 1,700 | 1,700 |
| Electric transfer in | 700,000 | 700,000 | - |
| Liquor transfer in | 400,000 | 400,000 | - |
| Total | 1,100,000 | 1,101,700 | 1,700 |
| Total revenues and other financing sources | <u>\$ 12,852,680</u> | <u>\$ 13,006,962</u> | <u>\$ 154,282</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2021

| | Final Budget | Actual | Variance Positive (Negative) |
|----------------------------|-------------------------|------------------|---|
| General government: | | | |
| Mayor and council: | | | |
| Personal services | \$ 44,100 | \$ 45,769 | \$ (1,669) |
| Supplies | 100 | - | 100 |
| Professional services | 80,500 | 68,639 | 11,861 |
| Totals | <u>124,700</u> | <u>114,408</u> | <u>10,292</u> |
| City administration | | | |
| Personal services | 306,590 | 299,890 | 6,700 |
| Supplies | 1,500 | 1,644 | (144) |
| Professional services | 104,750 | 89,437 | 15,313 |
| Contractual services | 4,500 | 6,868 | (2,368) |
| Totals | <u>417,340</u> | <u>397,839</u> | <u>19,501</u> |
| Elections: | | | |
| Contractual services | 5,500 | 3,576 | 1,924 |
| Totals | <u>5,500</u> | <u>3,576</u> | <u>1,924</u> |
| Finance: | | | |
| Personal services | 268,490 | 262,234 | 6,256 |
| Supplies | 2,500 | 1,343 | 1,157 |
| Professional services | 75,970 | 62,692 | 13,278 |
| Contractual services | 1,500 | 2,015 | (515) |
| Totals | <u>348,460</u> | <u>328,284</u> | <u>20,176</u> |
| Assessing: | | | |
| Personal services | 158,460 | 156,940 | 1,520 |
| Supplies | 100 | 96 | 4 |
| Professional services | 15,930 | 14,788 | 1,142 |
| Contractual services | 8,500 | 8,500 | - |
| Totals | <u>182,990</u> | <u>180,324</u> | <u>2,666</u> |
| Miscellaneous: | | | |
| Professional services | 39,700 | 35,721 | 3,979 |
| Contractual services | 21,500 | 15,752 | 5,748 |
| Totals | <u>\$ 61,200</u> | <u>\$ 51,473</u> | <u>\$ 9,727</u> |
| Attorney: | | | |
| Professional services | \$ 229,000 | \$ 227,488 | \$ 1,512 |
| Totals | <u>229,000</u> | <u>227,488</u> | <u>1,512</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|-------------------------|---------------------|---|
| General government (Continued): | | | |
| Planning, Community Development: | | | |
| Personal services | 367,820 | 359,950 | 7,870 |
| Supplies | 1,500 | 1,173 | 327 |
| Professional services | 60,960 | 51,189 | 9,771 |
| Contractual services | 4,000 | - | 4,000 |
| Totals | <u>434,280</u> | <u>412,312</u> | <u>21,968</u> |
| Total general government | <u>1,803,470</u> | <u>1,715,704</u> | <u>87,766</u> |
| Public safety: | | | |
| Police department: | | | |
| Personal services | 4,123,950 | 3,993,797 | 130,153 |
| Supplies | 97,400 | 137,872 | (40,472) |
| Professional services | 382,110 | 387,092 | (4,982) |
| Contractual services | 343,800 | 425,230 | (81,430) |
| Capital outlay | - | - | - |
| Totals | <u>\$ 4,947,260</u> | <u>\$ 4,943,991</u> | <u>\$ 3,269</u> |
| High school security, liason, and security: | | | |
| Personal services | \$ 936,750 | \$ 876,514 | \$ 60,236 |
| Supplies | 200 | - | 200 |
| Professional services | 40,840 | 44,764 | (3,924) |
| Contractual services | 4,000 | 19,277 | (15,277) |
| Totals | <u>981,790</u> | <u>940,555</u> | <u>41,235</u> |
| Fire protection: | | | |
| Contractual services | <u>739,200</u> | <u>739,200</u> | <u>-</u> |
| Emergency services: | | | |
| Supplies | 500 | - | 500 |
| Professional services | 950 | - | 950 |
| Contractual services | 2,500 | 2,214 | 286 |
| Totals | <u>3,950</u> | <u>2,214</u> | <u>1,736</u> |
| Building Inspections: | | | |
| Personal services | 190,200 | 178,675 | 11,525 |
| Supplies | 400 | 181 | 219 |
| Professional services | 40,450 | 58,119 | (17,669) |
| Contractual services | 12,700 | 4,011 | 8,689 |
| Totals | <u>243,750</u> | <u>240,986</u> | <u>2,764</u> |
| Total public safety | <u>6,915,950</u> | <u>6,866,946</u> | <u>49,004</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-------------------------------------|-------------------------|---------------------|---|
| Public works: | | | |
| General government buildings: | | | |
| Personal services | 32,940 | 33,914 | (974) |
| Supplies | 3,200 | 15,930 | (12,730) |
| Professional services | 55,340 | 52,244 | 3,096 |
| Contractual services | 60,300 | 47,411 | 12,889 |
| Totals | <u>151,780</u> | <u>149,499</u> | <u>2,281</u> |
| Building maintenance: | | | |
| Personal services | 104,660 | 101,742 | 2,918 |
| Supplies | 3,600 | 6,716 | (3,116) |
| Professional services | 8,910 | 10,323 | (1,413) |
| Contractual services | 51,000 | 47,694 | 3,306 |
| Totals | <u>168,170</u> | <u>166,475</u> | <u>1,695</u> |
| Engineering: | | | |
| Personal services | 56,190 | 54,020 | 2,170 |
| Supplies | 4,500 | 2,915 | 1,585 |
| Professional services | 40,420 | 44,961 | (4,541) |
| Contractual services | 5,000 | - | 5,000 |
| Totals | <u>106,110</u> | <u>101,896</u> | <u>4,214</u> |
| Streets: | | | |
| Personal services | 578,330 | 578,717 | (387) |
| Supplies | 17,900 | 4,206 | 13,694 |
| Professional services | 77,680 | 77,003 | 677 |
| Contractual services | 548,000 | 554,790 | (6,790) |
| Capital outlay | 86,400 | 48,710 | 37,690 |
| Totals | <u>1,308,310</u> | <u>1,263,426</u> | <u>44,884</u> |
| Total public works | <u>\$ 1,734,370</u> | <u>\$ 1,681,296</u> | <u>\$ 53,074</u> |
| Parks and recreation: | | | |
| Community programs and event center | | | |
| Personal services | \$ 71,710 | \$ 76,481 | \$ (4,771) |
| Supplies | 9,000 | 11,304 | (2,304) |
| Professional services | 173,760 | 158,667 | 15,093 |
| Contractual services | 54,000 | 45,174 | 8,826 |
| Totals | <u>308,470</u> | <u>291,626</u> | <u>16,844</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|-------------------------|---------------------|---|
| Parks and recreation (Continued): | | | |
| Recreation | | | |
| Personal services | 111,970 | 125,705 | (13,735) |
| Supplies | 29,200 | 5,673 | 23,527 |
| Professional services | 52,010 | 37,545 | 14,465 |
| Contractual services | 40,500 | 43,611 | (3,111) |
| Capital outlay | - | 22,749 | (22,749) |
| Totals | <u>233,680</u> | <u>235,283</u> | <u>(1,603)</u> |
| Aquatic center: | | | |
| Personal services | 280,710 | 288,285 | (7,575) |
| Supplies | 53,000 | 57,322 | (4,322) |
| Professional services | 43,580 | 35,346 | 8,234 |
| Contractual services | 18,000 | 12,899 | 5,101 |
| Totals | <u>395,290</u> | <u>393,852</u> | <u>1,438</u> |
| Senior citizens: | | | |
| Personal services | 133,390 | 127,263 | 6,127 |
| Supplies | 9,500 | 2,631 | 6,869 |
| Professional services | 54,920 | 47,581 | 7,339 |
| Contractual services | 43,100 | 28,614 | 14,486 |
| Totals | <u>240,910</u> | <u>206,089</u> | <u>34,821</u> |
| Municipal parks: | | | |
| Personal services | 706,460 | 721,341 | (14,881) |
| Supplies | 42,060 | 41,107 | 953 |
| Professional services | 79,920 | 103,515 | (23,595) |
| Contractual services | 310,800 | 270,296 | 40,504 |
| Totals | <u>\$ 1,139,240</u> | <u>\$ 1,136,259</u> | <u>\$ 2,981</u> |
| City beautification: | | | |
| Personal services | \$ 3,100 | \$ 3,100 | \$ - |
| Supplies | 21,700 | 16,727 | 4,973 |
| Professional services | 8,000 | 7,762 | 238 |
| Contractual services | 12,500 | 24,812 | (12,312) |
| Capital outlay | 10,000 | - | 10,000 |
| Totals | <u>55,300</u> | <u>52,401</u> | <u>2,899</u> |
| Total parks and recreation | <u>2,372,890</u> | <u>2,315,510</u> | <u>57,380</u> |
| Total expenditures | <u>12,826,680</u> | <u>12,579,456</u> | <u>247,224</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
COMBINED SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2021

| Bonded Indebtedness | Issue Date | Maturity Date | Interest Rates | Authorized and Issued | Balance 12/31/2020 |
|---|---------------|------------------|-------------------|--------------------------|-----------------------|
| General obligation bonds: | | | | | |
| 2010A Public Facility Refunding Bonds | 12/27/2010 | 02/01/2022 | 3.00-3.15% | \$ 3,740,000 | \$ 700,000 |
| 2014A TIF Crossover Refunding Bonds | 08/14/2014 | 02/01/2033 | 3.00-3.40 | 6,115,000 | 5,215,000 |
| 2016A Public Facilities Crossover Refunding | 04/27/2016 | 02/01/2028 | 2.00% | 1,510,000 | 1,140,000 |
| 2020A Public Road Improvement Bonds | 01/30/2020 | 02/01/2041 | 2.00-4.00% | 8,545,000 | 8,545,000 |
| 2021A Capital Improvement Plan Bonds | 09/09/2021 | 02/01/2030 | 1.00-2.00% | <u>6,000,000</u> | <u>-</u> |
| Total general obligation bonds | | | | <u>25,910,000</u> | <u>15,600,000</u> |
| Revenue bonds: | | | | | |
| 2016B Utility Storm Water Bonds | 08/01/2016 | 02/01/2036 | 2.00-3.00% | <u>1,795,000</u> | <u>1,455,000</u> |
| Total revenue bonds | | | | <u>1,795,000</u> | <u>1,455,000</u> |
| Total bonds payable | | | | <u>\$ 27,705,000</u> | <u>\$ 17,055,000</u> |
| Loan Payable to Met Council | | | | <u>\$ -</u> | <u>\$ 2,308,137</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
COMBINED SCHEDULE OF INDEBTEDNESS (CONTINUED)
DECEMBER 31, 2021

| Bonded Indebtedness | Additions | Retirements | Balance 12/31/2021 | INTEREST PAYMENTS |
|---|---------------------|-------------------|-----------------------|----------------------|
| General obligation bonds: | | | | |
| 2010A Public Facility Refunding Bonds | \$ - | \$ 350,000 | \$ 350,000 | \$ 16,363 |
| 2014A TIF Crossover Refunding Bonds | - | 205,000 | 5,010,000 | 175,203 |
| 2016A Public Facilities Crossover Refunding | - | 130,000 | 1,010,000 | 21,500 |
| 2020A Public Road Improvement Bonds | - | 55,000 | 8,490,000 | 247,008 |
| 2021A Capital Improvement Plan Bonds | <u>6,000,000</u> | <u>-</u> | <u>6,000,000</u> | <u>-</u> |
| Total general obligation bonds | <u>6,000,000</u> | <u>740,000</u> | <u>20,860,000</u> | <u>460,074</u> |
| Revenue bonds: | | | | |
| 2016B Utility Storm Water Bonds | <u>-</u> | <u>85,000</u> | <u>1,370,000</u> | <u>35,500</u> |
| Total revenue bonds | <u>-</u> | <u>85,000</u> | <u>1,370,000</u> | <u>35,500</u> |
| Total bonds payable | <u>\$ 6,000,000</u> | <u>\$ 825,000</u> | <u>\$ 22,230,000</u> | <u>\$ 495,574</u> |
| Loan Payable to Met Council | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,308,137</u> | <u>\$ -</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

**SCHEDULE OF BOND MATURITIES
DECEMBER 31, 2021**

| | Issue Date | Interest Rate | Maturity Date | Principal |
|--|---------------|------------------|------------------|------------------|
| General obligation bonds: | | | | |
| \$6,115,000 TIF Crossover Refunding Bonds, 2014A | 08/14/2014 | 4.00% | 02/01/2022 | 280,000 |
| | | 4.00 | 02/01/2023 | 300,000 |
| | | 4.00 | 02/01/2024 | 325,000 |
| | | 4.00 | 02/01/2025 | 330,000 |
| | | 3.00 | 02/01/2026 | 350,000 |
| | | 3.00 | 02/01/2027 | 365,000 |
| | | 3.00 | 02/01/2028 | 480,000 |
| | | 3.25 | 02/01/2029 | 480,000 |
| | | 3.38 | 02/01/2030 | 490,000 |
| | | 3.40 | 02/01/2031 | 520,000 |
| | | 3.40 | 02/01/2032 | 535,000 |
| | | 3.40 | 02/01/2033 | 555,000 |
| Total TIF Crossover Refunding Bonds, 2014A | | | | <u>5,010,000</u> |
| \$3,740,000 GO Pub Facility Refunding Bonds, 2010A | 12/27/2010 | 3.15 | 02/01/2022 | 350,000 |
| Total Public Facility Refunding Bonds, 2010A | | | | <u>350,000</u> |
| \$1,510,000 Crossover Refunding Bonds, 2016A | 04/27/2017 | 2.00 | 02/01/2022 | 135,000 |
| | | 2.00 | 02/01/2023 | 140,000 |
| | | 2.00 | 02/01/2024 | 140,000 |
| | | 2.00 | 02/01/2025 | 140,000 |
| | | 2.00 | 02/01/2026 | 150,000 |
| | | 2.00 | 02/01/2027 | 150,000 |
| | | 2.00 | 02/01/2028 | 155,000 |
| Total Public Facility Refunding Bonds, 2016A | | | | <u>1,010,000</u> |
| \$8,545,000 Road Improvement GO Bonds, 2020A | 01/30/2020 | | 02/01/2022 | 470,000 |
| | | | 02/01/2023 | 485,000 |
| | | | 02/01/2024 | 505,000 |
| | | | 02/01/2025 | 525,000 |
| | | | 02/01/2026 | 470,000 |
| | | | 02/01/2027 | 330,000 |
| | | | 02/01/2028 | 355,000 |
| | | | 02/01/2029 | 365,000 |
| | | | 02/01/2030 | 375,000 |
| | | | 02/01/2031 | 385,000 |
| | | | 02/01/2032 | 395,000 |
| | | | 02/01/2033 | 400,000 |
| | | | 02/01/2034 | 415,000 |
| | | | 02/01/2035 | 420,000 |
| | | | 02/01/2036 | 425,000 |
| | | | 02/01/2037 | 435,000 |
| | | | 02/01/2038 | 440,000 |
| | | | 02/01/2039 | 460,000 |
| | | | 02/01/2040 | 465,000 |
| | | | 02/01/2041 | 370,000 |
| Total Road Improvement GO Bonds, 2020A | | | | <u>8,490,000</u> |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF BOND MATURITIES (CONTINUED)
DECEMBER 31, 2021

| | Issue Date | Interest Rate | Maturity Date | Principal |
|---|---------------|------------------|------------------|-------------------|
| General obligation bonds (continued): | | | | |
| \$6,000,000 Capital Improvement Plan Bonds, 2021A | 09/09/2021 | 2.00% | 02/01/2023 | 250,000 |
| | | 2.00 | 02/01/2024 | 255,000 |
| | | 2.00 | 02/01/2025 | 260,000 |
| | | 2.00 | 02/01/2026 | 265,000 |
| | | 2.00 | 02/01/2027 | 275,000 |
| | | 2.00 | 02/01/2028 | 280,000 |
| | | 2.00 | 02/01/2029 | 285,000 |
| | | 2.00 | 02/01/2030 | 290,000 |
| | | 1.00 | 02/01/2031 | 295,000 |
| | | 1.10 | 02/01/2032 | 300,000 |
| | | 1.20 | 02/01/2033 | 300,000 |
| | | 1.30 | 02/01/2034 | 305,000 |
| | | 1.40 | 02/01/2035 | 310,000 |
| | | 2.00 | 02/01/2036 | 315,000 |
| | | 2.00 | 02/01/2037 | 320,000 |
| | | 2.00 | 02/01/2038 | 325,000 |
| | | 2.00 | 02/01/2039 | 330,000 |
| | | 2.00 | 02/01/2040 | 340,000 |
| | | 2.00 | 02/01/2041 | 345,000 |
| | | 2.00 | 02/01/2042 | 355,000 |
| Total Capital Improvement Plan Bonds, 2021A | | | | 6,000,000 |
| Total General Obligation Bonds Payable | | | | 20,860,000 |
| \$1,795,000 Utility Revenue Bonds, 2016B | 08/01/2016 | | 02/01/2022 | 85,000 |
| | | | 02/01/2023 | 85,000 |
| | | | 02/01/2024 | 85,000 |
| | | | 02/01/2025 | 85,000 |
| | | | 02/01/2026 | 85,000 |
| | | | 02/01/2027 | 85,000 |
| | | | 02/01/2028 | 90,000 |
| | | | 02/01/2029 | 90,000 |
| | | | 02/01/2030 | 90,000 |
| | | | 02/01/2031 | 90,000 |
| | | | 02/01/2032 | 90,000 |
| | | | 02/01/2033 | 95,000 |
| | | | 02/01/2034 | 100,000 |
| | | | 02/01/2035 | 105,000 |
| | | | 02/01/2036 | 110,000 |
| Total Utility Revenue Bonds, 2016B | | | | 1,370,000 |
| Total Bonds Payable | | | | 22,230,000 |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SCHEDULE OF DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2021

| Year | General Obligation Bonds | | Revenue Bonds | | Total | |
|------|--------------------------|---------------------|---------------------|-------------------|----------------------|---------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2022 | \$ 1,235,000 | \$ 523,957 | \$ 85,000 | \$ 33,800 | \$ 1,320,000 | \$ 557,757 |
| 2023 | 1,175,000 | 493,890 | 85,000 | 32,100 | 1,260,000 | 525,990 |
| 2024 | 1,225,000 | 453,740 | 85,000 | 30,400 | 1,310,000 | 484,140 |
| 2025 | 1,255,000 | 412,090 | 85,000 | 28,700 | 1,340,000 | 440,790 |
| 2026 | 1,235,000 | 372,190 | 85,000 | 27,000 | 1,320,000 | 399,190 |
| 2027 | 1,120,000 | 337,065 | 85,000 | 25,300 | 1,205,000 | 362,365 |
| 2028 | 1,270,000 | 302,090 | 90,000 | 23,325 | 1,360,000 | 325,415 |
| 2029 | 1,130,000 | 265,490 | 90,000 | 21,075 | 1,220,000 | 286,565 |
| 2030 | 1,155,000 | 232,621 | 90,000 | 18,825 | 1,245,000 | 251,446 |
| 2031 | 1,200,000 | 203,538 | 90,000 | 16,350 | 1,290,000 | 219,888 |
| 2032 | 1,230,000 | 174,678 | 90,000 | 13,650 | 1,320,000 | 188,328 |
| 2033 | 1,255,000 | 144,748 | 95,000 | 10,875 | 1,350,000 | 155,623 |
| 2034 | 720,000 | 123,381 | 100,000 | 7,950 | 820,000 | 131,331 |
| 2035 | 730,000 | 110,773 | 105,000 | 4,875 | 835,000 | 115,648 |
| 2036 | 740,000 | 96,685 | 110,000 | 1,650 | 850,000 | 98,335 |
| 2037 | 755,000 | 81,196 | - | - | 755,000 | 81,196 |
| 2038 | 765,000 | 65,230 | - | - | 765,000 | 65,230 |
| 2039 | 790,000 | 48,665 | - | - | 790,000 | 48,665 |
| 2040 | 805,000 | 31,443 | - | - | 805,000 | 31,443 |
| 2041 | 715,000 | 14,898 | - | - | 715,000 | 14,898 |
| 2042 | 355,000 | 3,550 | - | - | 355,000 | 3,550 |
| | <u>\$ 20,860,000</u> | <u>\$ 4,491,915</u> | <u>\$ 1,370,000</u> | <u>\$ 295,875</u> | <u>\$ 22,230,000</u> | <u>\$ 4,787,790</u> |

See Independent Auditors Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
**COMBINING STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUND
DECEMBER 31, 2021**

| | Downtown District |
|----------------------------------|------------------------------|
| Assets | |
| Cash and investments | \$ 54,335 |
| Accounts receivable | 5,674 |
| Total assets | \$ 60,009 |
| Liabilities | |
| Accounts payable | \$ - |
| Net Position | |
| Restricted for Downtown District | \$ 60,009 |
| Total net position | \$ 60,009 |

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
CUSTODIAL FUND
FOR FISCAL YEAR ENDED DECEMBER 31, 2021**

| | Downtown District |
|--|------------------------------|
| Additions | |
| Donations and contributions | \$ 77,244 |
| Investment income | 191 |
| Decrease in fair value of investments | (388) |
| Total additions | 77,047 |
| Deductions | |
| Professional services | 68,839 |
| Contractual services | 3 |
| Total deductions | 68,842 |
| Net increase in fiduciary net position | 8,205 |
| Net position - beginning of year | 51,804 |
| Net position - end of year | 60,009 |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOUSING AND REDEVELOPMENT AUTHORITY
BALANCE SHEET - COMPONENT UNIT
DECEMBER 31, 2021

| | <u>HRA</u> | <u>Debt Service</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 | \$ 970,252 | \$ 31,260 | \$ 25,276 | \$ 18,303 | \$ 14,454 | \$ 1,059,545 |
| Receivables, net: | - | | | | | |
| Taxes | 8,478 | - | - | - | 995 | 9,473 |
| Loans receivable | 446,754 | - | - | - | - | 446,754 |
| Due from other funds | 350,000 | - | 1,032,960 | - | - | 1,382,960 |
| Land held for resale | 133,954 | - | 246,308 | - | 1,387,150 | 1,767,412 |
| Total assets | <u>\$ 1,909,438</u> | <u>\$ 31,260</u> | <u>\$ 1,304,544</u> | <u>\$ 18,303</u> | <u>\$ 1,402,599</u> | <u>\$ 4,666,144</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ 17,074 | \$ - | \$ 37 | \$ 2 | \$ 1,267 | \$ 18,380 |
| Accrued wages payable and other benefits | 2,605 | - | - | - | - | 2,605 |
| Due to other funds | - | - | - | 113,960 | 1,269,000 | 1,382,960 |
| Total liabilities | <u>19,679</u> | <u>-</u> | <u>37</u> | <u>113,962</u> | <u>1,270,267</u> | <u>1,403,945</u> |
| Deferred inflows of resources: | | | | | | |
| Unavailable revenue property taxes | 3,300 | - | - | - | - | 3,300 |
| Unavailable revenue loans | 446,754 | - | - | - | - | 446,754 |
| Total deferred inflows of resources | <u>450,054</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>450,054</u> |
| Fund balances: | | | | | | |
| Nonspendable | 133,954 | - | - | - | - | 133,954 |
| Restricted | - | 31,260 | 1,304,507 | - | 132,332 | 1,468,099 |
| Committed | - | - | - | - | - | - |
| Unassigned | 1,305,751 | - | - | (95,659) | - | 1,210,092 |
| Total fund balances | <u>1,439,705</u> | <u>31,260</u> | <u>1,304,507</u> | <u>(95,659)</u> | <u>132,332</u> | <u>2,812,145</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 1,909,438</u> | <u>\$ 31,260</u> | <u>\$ 1,304,544</u> | <u>\$ 18,303</u> | <u>\$ 1,402,599</u> | <u>\$ 4,666,144</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOUSING AND REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF THE COMPONENT UNIT
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total Component Unit fund balances (page 124) \$ 2,812,145

Amounts reported for governmental activities in the statement of net position (page 33) 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. 999,374

Some receivables are reported as deferred inflows of resources in the fund financial statements, but are recongnized as revenue in the government-wide statements because they are unavailable 450,054

Long-term liabilities, including bonds payable and related premiums and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds (1,699,456)

Governmental funds do not report a liability for accrued interest until due and payable. (18,482)

The net pension liability and related deferred inflows and deferred outflows are recorded only in only in the government-wide statement of net position. (64,453)

Net position of governmental activities \$ 2,479,182

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOUSING AND REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

| | <u>HRA</u> | <u>Debt Service</u> | <u>Central Business Tax Increment</u> | <u>Business Core Tax Increment</u> | <u>South Business Tax Increment</u> | <u>Total HRA Funds</u> |
|--|---------------------|-------------------------|---|--|---|--------------------------------|
| Revenues: | | | | | | |
| Taxes | \$ 313,437 | \$ - | \$ 2,856 | \$ 36,544 | \$ 128,409 | \$ 481,246 |
| Intergovernmental | - | - | - | - | - | - |
| Charges for current services | 45,745 | - | - | - | - | 45,745 |
| Investment income | 3,233 | 109 | 377 | 57 | 9 | 3,785 |
| Net increase(decrease) in fair value of investments | (6,799) | (186) | 108 | (230) | (493) | (7,600) |
| Miscellaneous | 15,298 | - | 37,262 | - | - | 52,560 |
| Total revenues | <u>370,914</u> | <u>(77)</u> | <u>40,603</u> | <u>36,371</u> | <u>127,925</u> | <u>575,736</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| Urban redevelopment and housing | 187,281 | - | 289 | 1,459 | 7,301 | 196,330 |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | - | | | | | |
| Interest and fiscal charges | - | 44,358 | - | 4,362 | 44,406 | 93,126 |
| Total expenditures | <u>187,281</u> | <u>44,358</u> | <u>289</u> | <u>5,821</u> | <u>51,707</u> | <u>289,456</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>183,633</u> | <u>(44,435)</u> | <u>40,314</u> | <u>30,550</u> | <u>76,218</u> | <u>286,280</u> |
| Other financing (uses) including transfers: | | | | | | |
| Transfers in | - | 45,000 | - | - | - | 45,000 |
| Transfers out | - | - | - | - | (45,000) | (45,000) |
| (Loss) from sale of land held for resale | (352,078) | - | (219,095) | - | - | (571,173) |
| Total other financing sources | <u>(352,078)</u> | <u>45,000</u> | <u>(219,095)</u> | <u>-</u> | <u>(45,000)</u> | <u>(571,173)</u> |
| Net changes in fund balances | (168,445) | 565 | (178,781) | 30,550 | 31,218 | (284,893) |
| Fund balances (deficit) at beginning of year | <u>1,608,150</u> | <u>30,695</u> | <u>1,483,288</u> | <u>(126,209)</u> | <u>101,114</u> | <u>3,097,038</u> |
| Fund balances (deficit) at end of year | <u>\$ 1,439,705</u> | <u>\$ 31,260</u> | <u>\$ 1,304,507</u> | <u>\$ (95,659)</u> | <u>\$ 132,332</u> | <u>\$ 2,812,145</u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOUSING AND REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE COMPONENT UNIT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

Net change in fund balances (page 126) \$ (284,893)

Amounts reported for government activities in the statement of activities (page 34) 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. (16,429)

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements. (3,279)

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. 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. 384

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. 1,338

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. 94

Change in net position of governmental activities \$ (302,785)

See Independent Auditor's Report.

CITY OF ANOKA
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
HOUSING AND REHABILITATION AUTHORITY
COMBINED SCHEDULE OF INDEBTEDNESS - COMPONENT UNIT
DECEMBER 31, 2021

| <u>Bonded Indebtedness</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Interest Rates</u> | <u>Authorized and Issued</u> | <u>Balance 12/31/2020</u> |
|--------------------------------------|-----------------------|--------------------------|---------------------------|----------------------------------|-------------------------------|
| HRA General obligation bonds: | | | | | |
| 2019A HRA GO TIF Revenue Bonds | 09/05/2019 | 02/01/2043 | 2.10-3.00% | <u>\$ 1,690,000</u> | <u>\$ 1,690,000</u> |
| Total HRA bonds payable | | | | <u>\$ 1,690,000</u> | <u>\$ 1,690,000</u> |

CITY OF ANOKA
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
HOUSING AND REHABILITATION AUTHORITY
COMBINED SCHEDULE OF INDEBTEDNESS - COMPONENT UNIT (Continued)
DECEMBER 31, 2021

| <u>Bonded Indebtedness</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance 12/31/2021</u> | <u>INTEREST PAYMENTS</u> |
|--|------------------|--------------------|-------------------------------|------------------------------|
| HRA General obligation bonds: | | | | |
| 2019A HRA GO TIF Revenue Bonds | \$ - | \$ - | \$ 1,690,000 | \$ 44,358 |
| Total general obligation revenue bonds | <u>\$ -</u> | <u>-</u> | <u>\$ 1,690,000</u> | <u>\$ 44,358</u> |
| | | | <u>\$ 1,690,000</u> | |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOUSING AND REDEVELOPMENT AUTHORITY
SCHEDULE OF BOND MATURITIES - COMPONENT UNIT
DECEMBER 31, 2021

| | Issue Date | Interest Rate | Maturity Date | Principal |
|---|---------------|------------------|------------------|----------------------------|
| General obligation bonds: | | | | |
| \$1,690,000 HRA GO TIF Bonds of 2019A | 09/05/2019 | 3.00% | 02/01/2022 | \$ 25,000 |
| | | 3.00 | 02/01/2023 | 25,000 |
| | | 3.00 | 02/01/2024 | 60,000 |
| | | 3.00 | 02/01/2025 | 60,000 |
| | | 2.00 | 02/01/2026 | 60,000 |
| | | 2.05 | 02/01/2027 | 65,000 |
| | | 2.10 | 02/01/2028 | 65,000 |
| | | 2.20 | 02/01/2029 | 70,000 |
| | | 2.40 | 02/01/2030 | 70,000 |
| | | 2.40 | 02/01/2031 | 75,000 |
| | | 2.40 | 02/01/2032 | 75,000 |
| | | 2.55 | 02/01/2033 | 80,000 |
| | | 2.55 | 02/01/2034 | 80,000 |
| | | 2.55 | 02/01/2035 | 85,000 |
| | | 2.55 | 02/01/2036 | 85,000 |
| | | 2.75 | 02/01/2037 | 90,000 |
| | | 2.75 | 02/01/2038 | 95,000 |
| | | 2.75 | 02/01/2039 | 95,000 |
| | | 2.75 | 02/01/2040 | 100,000 |
| | | 2.85 | 02/01/2041 | 105,000 |
| | | 2.85 | 02/01/2042 | 110,000 |
| | | 2.85 | 02/01/2043 | 115,000 |
| Total HRA GO TIF Bonds of 2019A | | | | <u><u>1,690,000</u></u> |
| Total General Obligation Bonds Payable | | | | <u><u>\$ 1,690,000</u></u> |

See Independent Auditor's Report.

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOUSING AND REHABILITATION AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS - COMPONENT UNITS
DECEMBER 31, 2021

| Year | General Obligation Bonds | |
|------|--------------------------|------------|
| | Principal | Interest |
| 2022 | \$ 25,000 | \$ 43,983 |
| 2023 | 25,000 | 43,233 |
| 2024 | 60,000 | 41,958 |
| 2025 | 60,000 | 40,158 |
| 2026 | 60,000 | 38,658 |
| 2027 | 65,000 | 37,391 |
| 2028 | 65,000 | 36,043 |
| 2029 | 70,000 | 34,590 |
| 2030 | 70,000 | 32,980 |
| 2031 | 75,000 | 31,240 |
| 2032 | 75,000 | 29,440 |
| 2033 | 80,000 | 27,520 |
| 2034 | 80,000 | 25,480 |
| 2035 | 85,000 | 23,376 |
| 2036 | 85,000 | 21,124 |
| 2037 | 90,000 | 18,718 |
| 2038 | 95,000 | 16,174 |
| 2039 | 95,000 | 13,561 |
| 2040 | 100,000 | 10,830 |
| 2041 | 105,000 | 7,909 |
| 2042 | 110,000 | 4,845 |
| 2043 | 115,000 | 1,639 |
| | \$ 1,690,000 | \$ 580,850 |

See Independent Auditors Report.



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STATISTICAL SECTION

This part of the City of Anoka's annual comprehensive 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**

| | 2012 | 2013 | 2014 | 2015 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities: | | | | |
| Net investment in capital assets | \$ 51,838,450 | \$ 62,009,558 | \$ 66,844,241 | \$ 71,334,409 |
| Restricted | 1,458,235 | 4,610,299 | 5,197,093 | 5,828,258 |
| Unrestricted | 13,246,285 | 10,635,827 | 10,721,398 | 6,150,596 |
| Total governmental activities net position | \$ 66,542,970 | \$ 77,255,684 | \$ 82,762,732 | \$ 83,313,263 |
| Business-type activities: | | | | |
| Net investment in capital assets | \$ 33,751,733 | \$ 34,879,100 | \$ 38,846,655 | \$ 41,105,603 |
| Restricted | 339,854 | 248,258 | 256,330 | 228,725 |
| Unrestricted | 21,807,653 | 21,712,562 | 19,782,441 | 17,632,441 |
| Total business-type activities net position | \$ 55,899,240 | \$ 56,839,920 | \$ 58,885,426 | \$ 58,966,769 |
| Primary government: | | | | |
| Net investment in capital assets | \$ 85,590,183 | \$ 96,888,658 | \$ 105,690,896 | \$ 112,440,012 |
| Restricted | 1,798,089 | 4,858,557 | 5,453,423 | 6,056,983 |
| Unrestricted | 35,053,938 | 32,348,389 | 30,503,839 | 23,783,037 |
| Total primary government net position | \$ 122,442,210 | \$ 134,095,604 | \$ 141,648,158 | \$ 142,280,032 |

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

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 75,833,210 | \$ 81,699,387 | \$ 85,684,691 | \$ 91,561,788 | \$ 100,463,238 | \$ 104,193,106 |
| 5,174,912 | 3,356,040 | 6,382,800 | 6,649,391 | 7,077,597 | 8,418,676 |
| 1,313,763 | 491,185 | (4,594,994) | (7,532,855) | (7,968,519) | (7,759,881) |
| <u>\$ 82,321,885</u> | <u>\$ 85,546,612</u> | <u>\$ 87,472,497</u> | <u>\$ 90,678,324</u> | <u>\$ 99,572,316</u> | <u>\$ 104,851,901</u> |
| \$ 41,570,574 | \$ 43,686,972 | \$ 42,869,504 | \$ 44,782,151 | \$ 43,809,804 | \$ 47,083,928 |
| 1,237,871 | - | - | - | - | - |
| 17,638,923 | 18,029,772 | 19,759,309 | 19,891,011 | 23,816,074 | 24,545,230 |
| <u>\$ 60,447,368</u> | <u>\$ 61,716,744</u> | <u>\$ 62,628,813</u> | <u>\$ 64,673,162</u> | <u>\$ 67,625,878</u> | <u>\$ 71,629,158</u> |
| \$ 117,403,784 | \$ 125,386,359 | \$ 128,554,195 | \$ 136,343,939 | \$ 144,273,042 | \$ 151,277,034 |
| 6,412,783 | 3,356,040 | 6,382,800 | 6,649,391 | 7,077,597 | 8,418,676 |
| 18,952,686 | 18,520,957 | 15,164,315 | 12,358,156 | 15,847,555 | 16,785,349 |
| <u>\$ 142,769,253</u> | <u>\$ 147,263,356</u> | <u>\$ 150,101,310</u> | <u>\$ 155,351,486</u> | <u>\$ 167,198,194</u> | <u>\$ 176,481,059</u> |

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

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|--|----------------------|----------------------|----------------------|----------------------|
| Expenses | | | | |
| Governmental activities: | | | | |
| General government | \$ 1,973,890 | \$ 2,352,739 | \$ 2,575,107 | \$ 2,354,218 |
| Public safety | 5,200,008 | 5,280,686 | 5,303,656 | 5,630,639 |
| Public works | 2,097,304 | 2,446,436 | 2,580,990 | 2,505,957 |
| Parks and recreation | 1,928,896 | 2,109,080 | 2,582,244 | 2,462,522 |
| Interest on long-term debt | 526,864 | 490,008 | 514,894 | 549,923 |
| Total governmental activities expenses | <u>11,726,962</u> | <u>12,678,949</u> | <u>13,556,891</u> | <u>13,503,259</u> |
| Business-type activities: | | | | |
| Electric | 22,862,034 | 24,533,255 | 24,728,393 | 25,074,193 |
| Water | 1,291,808 | 1,430,439 | 1,423,583 | 1,362,189 |
| Sewer | 1,842,496 | 1,967,585 | 2,113,023 | 2,018,953 |
| Liquor stores | 3,758,217 | 3,857,645 | 4,007,571 | 3,977,014 |
| Storm drainage | 166,886 | 198,447 | 184,749 | 209,167 |
| Golf | 1,319,486 | 1,088,903 | 939,188 | 1,019,747 |
| Refuse | 177,847 | 161,493 | 135,444 | 124,159 |
| Recycling | 253,912 | 271,358 | 271,444 | 284,608 |
| Total business-type activities expenses | <u>31,672,686</u> | <u>33,509,125</u> | <u>33,803,395</u> | <u>34,070,030</u> |
| Total primary government expenses | <u>\$ 43,399,648</u> | <u>\$ 46,188,074</u> | <u>\$ 47,360,286</u> | <u>\$ 47,573,289</u> |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Charges for services | | | | |
| General government | \$ 113,277 | \$ 110,399 | \$ 132,467 | \$ 295,002 |
| Public safety | 1,203,307 | 1,075,581 | 1,306,662 | 1,389,495 |
| Public works | 738,468 | 591,786 | 1,208,335 | 1,482,100 |
| Parks and recreation | 361,437 | 490,059 | 446,436 | 512,643 |
| Operating grants and contributions | 289,662 | 472,961 | 268,999 | 264,399 |
| Capital grants and contributions | 2,886,426 | 7,932,979 | 2,584,266 | 393,326 |
| Total governmental activities program revenues | <u>5,592,577</u> | <u>10,673,765</u> | <u>5,947,165</u> | <u>4,336,965</u> |
| Business-type activities: | | | | |
| Charges for services | | | | |
| Electric | 24,506,822 | 25,757,858 | 27,406,129 | 27,968,233 |
| Water | 1,726,207 | 1,614,435 | 1,489,934 | 1,606,698 |
| Sewer | 2,045,200 | 2,056,585 | 2,052,380 | 2,097,836 |
| Liquor stores | 3,970,832 | 4,067,548 | 4,179,462 | 4,174,041 |
| Storm drainage | 420,954 | 471,251 | 471,678 | 472,283 |
| Golf | 1,009,109 | 848,183 | 913,354 | 931,322 |
| Refuse | 169,868 | 154,338 | 133,959 | 111,711 |
| Recycling | 238,314 | 301,530 | 236,453 | 236,021 |
| Operating grants and contributions | - | - | 21,049 | 50,739 |
| Total business-type activities revenues | <u>34,087,306</u> | <u>35,271,728</u> | <u>36,904,398</u> | <u>37,648,884</u> |
| Total primary government revenues | <u>\$ 39,679,883</u> | <u>\$ 45,945,493</u> | <u>\$ 42,851,563</u> | <u>\$ 41,985,849</u> |

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

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,581,670 | \$ 2,606,360 | \$ 2,583,277 | \$ 2,583,603 | \$ 2,882,766 | \$ 2,753,083 |
| 7,296,891 | 6,434,580 | 6,667,289 | 6,534,566 | 7,059,355 | 6,620,998 |
| 2,778,563 | 2,927,491 | 2,778,395 | 3,143,535 | 3,499,233 | 3,615,589 |
| 2,455,616 | 2,963,585 | 2,756,501 | 3,019,196 | 2,816,971 | 3,918,949 |
| 557,369 | 508,276 | 509,195 | 564,216 | 660,070 | 678,737 |
| <u>15,670,109</u> | <u>15,440,292</u> | <u>15,294,657</u> | <u>15,845,116</u> | <u>16,918,395</u> | <u>17,587,356</u> |
| 26,193,102 | 26,685,242 | 27,695,950 | 27,797,859 | 27,503,734 | 29,048,446 |
| 1,408,208 | 1,329,635 | 1,430,534 | 1,396,536 | 1,536,990 | 1,522,326 |
| 2,202,166 | 2,260,974 | 2,336,214 | 2,397,685 | 2,372,326 | 2,313,551 |
| 4,038,791 | 4,267,203 | 4,081,459 | 4,100,343 | 4,613,761 | 4,391,013 |
| 268,033 | 188,734 | 222,292 | 244,539 | 283,450 | 344,677 |
| 1,073,673 | 1,107,911 | 1,088,099 | 1,103,679 | 1,228,152 | 1,392,531 |
| 116,745 | 112,193 | 101,672 | - | - | - |
| 293,927 | 297,525 | 315,252 | 359,105 | 387,069 | 435,717 |
| <u>35,594,645</u> | <u>36,249,417</u> | <u>37,271,472</u> | <u>37,399,746</u> | <u>37,925,482</u> | <u>39,448,261</u> |
| <u>\$ 51,264,754</u> | <u>\$ 51,689,709</u> | <u>\$ 52,566,129</u> | <u>\$ 53,244,862</u> | <u>\$ 54,843,877</u> | <u>\$ 57,035,617</u> |
| \$ 269,319 | \$ 251,317 | \$ 208,264 | \$ 148,888 | \$ 227,542 | \$ 238,499 |
| 1,198,722 | 1,206,524 | 1,099,352 | 756,474 | 905,560 | 1,223,724 |
| 1,113,023 | 1,627,532 | 1,105,052 | 840,771 | 1,414,204 | 896,859 |
| 533,668 | 563,717 | 473,000 | 611,299 | 341,053 | 649,013 |
| 295,741 | 310,718 | 314,285 | 347,271 | 5,348,931 | 267,281 |
| 187,695 | 2,412,774 | 785,219 | 3,740,950 | 3,564,068 | 6,336,679 |
| <u>3,598,168</u> | <u>6,372,582</u> | <u>3,985,172</u> | <u>6,445,653</u> | <u>11,801,358</u> | <u>9,612,055</u> |
| 27,804,476 | 27,649,947 | 29,474,681 | 29,084,623 | 29,296,536 | 30,831,936 |
| 1,774,756 | 1,887,801 | 1,814,740 | 1,658,795 | 1,803,882 | 1,909,921 |
| 2,157,690 | 2,249,203 | 2,349,392 | 2,497,328 | 2,743,766 | 2,755,045 |
| 4,117,403 | 4,428,648 | 4,247,545 | 4,263,089 | 4,876,807 | 4,607,366 |
| 491,314 | 559,706 | 627,500 | 674,280 | 756,857 | 797,425 |
| 974,193 | 913,608 | 873,424 | 959,146 | 1,291,034 | 1,422,446 |
| 114,016 | 106,540 | 94,732 | 36 | - | - |
| 239,079 | 239,915 | 242,651 | 286,459 | 330,045 | 471,648 |
| 56,042 | 61,796 | 56,611 | 53,415 | 206,482 | 5,363 |
| <u>37,728,969</u> | <u>38,097,164</u> | <u>39,781,276</u> | <u>39,477,171</u> | <u>41,305,409</u> | <u>42,801,150</u> |
| <u>\$ 41,327,137</u> | <u>\$ 44,469,746</u> | <u>\$ 43,766,448</u> | <u>\$ 45,922,824</u> | <u>\$ 53,106,767</u> | <u>\$ 52,413,205</u> |

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

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|---|-----------------------|----------------------|-----------------------|-----------------------|
| Net (expense) revenue: | | | | |
| Governmental activities | \$ (6,134,385) | \$ (2,005,184) | \$ (7,609,726) | \$ (9,166,294) |
| Business-type activities | 2,414,620 | 1,762,603 | 3,101,003 | 3,578,854 |
| Total primary government net (expense)/revenue | <u>\$ (3,719,765)</u> | <u>\$ (242,581)</u> | <u>\$ (4,508,723)</u> | <u>\$ (5,587,440)</u> |
| General Revenues and Other Sources in Net Position | | | | |
| Governmental activities: | | | | |
| Property taxes levied for general purpose | \$ 5,455,000 | \$ 5,442,963 | \$ 5,313,111 | \$ 5,328,549 |
| Property taxes levied for debt service | 406,164 | 393,566 | 386,417 | 387,269 |
| Property taxes from tax increments | 2,577,022 | 2,558,472 | 2,557,981 | 2,660,321 |
| Franchise taxes | 1,298,606 | 1,340,379 | 1,331,955 | 1,344,354 |
| Unrestricted grants, aid, and contributions | 931,996 | 929,604 | 1,575,982 | 1,678,395 |
| Unrestricted investment income | 89,102 | (210,377) | 383,830 | 122,552 |
| Gain (loss) on disposal of capital assets | 1,407,516 | - | (413,606) | 343,103 |
| Other | 71,810 | 835,177 | 285,953 | 614,075 |
| Transfers | 2,074,996 | 150,000 | 2,285,000 | 2,808,000 |
| Transfer of operations | - | - | (589,849) | - |
| Contributed capital | - | 949,670 | - | (731,000) |
| Total governmental activities | <u>14,312,212</u> | <u>12,389,454</u> | <u>13,116,774</u> | <u>14,555,618</u> |
| Business-type activities | | | | |
| Interest and investment earnings | 257,696 | (161,677) | 588,632 | 268,561 |
| Gain on sale of capital assets | 31,342 | 6,495 | 60,505 | 21,999 |
| Other | 357,498 | 432,929 | 580,366 | 563,698 |
| Transfers | (2,074,996) | (150,000) | (2,285,000) | (2,808,000) |
| Contributed capital | - | (949,670) | - | 731,000 |
| Total business-type activities | <u>(1,428,460)</u> | <u>(821,923)</u> | <u>(1,055,497)</u> | <u>(1,222,742)</u> |
| Total primary government | <u>\$ 12,883,752</u> | <u>\$ 11,567,531</u> | <u>\$ 12,061,277</u> | <u>\$ 13,332,876</u> |
| Change in Net Position | | | | |
| Governmental activities | \$ 8,177,827 | \$ 10,384,270 | \$ 5,507,048 | \$ 5,389,324 |
| Business-type activities | 986,160 | 940,680 | 2,045,506 | 2,356,112 |
| Total primary government | <u>\$ 9,163,987</u> | <u>\$ 11,324,950</u> | <u>\$ 7,552,554</u> | <u>\$ 7,745,436</u> |

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

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ (12,071,941) | \$ (9,067,710) | \$ (11,309,485) | \$ (9,399,463) | \$ (5,117,037) | \$ (7,975,301) |
| 2,134,324 | 1,847,747 | 2,509,804 | 2,077,425 | 3,379,927 | 3,352,889 |
| <u>\$ (9,937,617)</u> | <u>\$ (7,219,963)</u> | <u>\$ (8,799,681)</u> | <u>\$ (7,322,038)</u> | <u>\$ (1,737,110)</u> | <u>\$ (4,622,412)</u> |
| | | | | | |
| \$ 6,298,054 | \$ 6,633,011 | \$ 6,830,816 | \$ 7,023,911 | \$ 7,293,631 | \$ 6,703,278 |
| 154,800 | (2,006) | (324) | - | 39 | 750,000 |
| 410,817 | 544,134 | 573,642 | 620,090 | 653,679 | 611,390 |
| 1,334,186 | 1,315,417 | 1,355,374 | 1,315,467 | 1,353,488 | 1,403,673 |
| 1,712,178 | 1,719,554 | 1,822,734 | 1,829,333 | 1,976,993 | 2,039,715 |
| 62,064 | 104,574 | 122,509 | 250,681 | 37,510 | 18,090 |
| (399,610) | 371,287 | 5,515 | 452,706 | 998,780 | 14,722 |
| 84,074 | 104,460 | 423,977 | 80,902 | 303,439 | 401,694 |
| 1,424,000 | 1,500,000 | 2,380,000 | 1,032,200 | 1,393,470 | 1,312,324 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>11,080,563</u> | <u>12,290,431</u> | <u>13,514,243</u> | <u>12,605,290</u> | <u>14,011,029</u> | <u>13,254,886</u> |
| | | | | | |
| 290,001 | 327,960 | 480,225 | 645,719 | 491,638 | 232,854 |
| 8,562 | 32,465 | 1,501 | 16,380 | 23,555 | 1,103,229 |
| 451,212 | 561,204 | 300,539 | 337,025 | 451,066 | 626,632 |
| (1,424,000) | (1,500,000) | (2,380,000) | (1,032,200) | (1,393,470) | (1,312,324) |
| - | - | - | - | - | - |
| <u>(674,225)</u> | <u>(578,371)</u> | <u>(1,597,735)</u> | <u>(33,076)</u> | <u>(427,211)</u> | <u>650,391</u> |
| <u>\$ 10,406,338</u> | <u>\$ 11,712,060</u> | <u>\$ 11,916,508</u> | <u>\$ 12,572,214</u> | <u>\$ 13,583,818</u> | <u>\$ 13,905,277</u> |
| | | | | | |
| \$ (991,378) | \$ 3,222,721 | \$ 2,204,758 | \$ 3,205,827 | \$ 8,893,992 | \$ 5,279,585 |
| 1,460,099 | 1,269,376 | 912,069 | 2,044,349 | 2,952,716 | 4,003,280 |
| <u>\$ 468,721</u> | <u>\$ 4,492,097</u> | <u>\$ 3,116,827</u> | <u>\$ 5,250,176</u> | <u>\$ 11,846,708</u> | <u>\$ 9,282,865</u> |

**COMBINING FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

| | 2012 | 2013 | 2014 | 2015 |
|---|---------------------|---------------------|----------------------|---------------------|
| General Fund: | | | | |
| Nonspendable | \$ 18,361 | \$ 18,059 | \$ 66,191 | \$ 22,103 |
| Restricted | 736,344 | 562,438 | - | - |
| Committed | 750,000 | 1,100,000 | - | - |
| Unassigned | 4,668,774 | 4,191,499 | 4,814,642 | 5,647,410 |
| Total general fund | \$ 6,173,479 | \$ 5,871,996 | \$ 4,880,833 | \$ 5,669,513 |
| All other governmental funds: | | | | |
| Nonspendable: | | | | |
| Building Improvement | \$ 770,099 | \$ - | \$ 966,564 | \$ 241,921 |
| State Aid | - | - | 2,525,556 | 2,525,556 |
| Commuter Rail Tax Increment | - | - | 205,274 | 432,331 |
| Nonmajor Governmental Funds | 2,419,642 | - | 4,430,513 | 4,999,746 |
| Restricted: | | | | |
| Building Improvement | - | - | - | - |
| State Aid | - | 2,502,460 | - | - |
| Commuter Rail Tax Increment | - | 117,663 | - | - |
| Greens of Anoka Tax Increment | - | - | - | - |
| Nonmajor Governmental Funds | 885,107 | 4,090,768 | 7,731,730 | 546,128 |
| Committed: | | | | |
| Nonmajor Governmental Funds | 2,125,323 | 1,813,335 | 1,961,560 | 2,093,916 |
| Assigned: | | | | |
| Building Improvement | - | 770,099 | - | - |
| State Aid | - | 303,216 | 651,471 | 233,851 |
| Street Renewal | 830,861 | 182,810 | - | 277,809 |
| Nonmajor Governmental Funds | 119,521 | 66,572 | 305,712 | 1,009,351 |
| Unassigned: | | | | |
| Building Improvement | (45,475) | (96,440) | (702,076) | (653,314) |
| State Aid | - | - | - | - |
| Street Renewal | - | - | (791,125) | - |
| Commuter Rail Tax Increment | (14,155) | (363,419) | (1,371,901) | (2,449,485) |
| Greens of Anoka Tax Increment | (1,128) | (783,294) | (812,290) | (1,097,010) |
| Nonmajor Governmental Funds | (2,236,934) | (313,624) | (433,517) | (7,093) |
| Total all other governmental funds | \$ 4,852,861 | \$ 8,290,146 | \$ 14,667,471 | \$ 8,153,707 |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

(Unaudited)

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

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|
| \$ 43,921 | \$ 55,026 | \$ 97,755 | \$ 25,233 | \$ 60,756 | \$ 47,977 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 4,526,917 | 4,681,652 | 4,865,938 | 5,042,915 | 5,533,135 | 5,973,420 |
| <u>\$ 4,570,838</u> | <u>\$ 4,736,678</u> | <u>\$ 4,963,693</u> | <u>\$ 5,068,148</u> | <u>\$ 5,593,891</u> | <u>\$ 6,021,397</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 5,325 | - | 1,200 |
| 241,921 | - | - | - | - | 1,328,360 |
| 2,525,556 | 2,331,233 | 2,331,233 | - | - | - |
| 432,331 | 432,331 | 432,331 | 580,627 | 580,627 | 580,627 |
| 472,087 | 639,312 | 2,837,536 | 3,185,170 | 3,295,471 | 3,297,363 |
| 6,306,736 | 3,737,443 | 3,468,334 | 3,214,971 | 3,887,735 | 4,087,851 |
| 2,166,383 | 2,171,886 | 2,287,781 | 2,390,007 | 2,517,248 | 2,436,386 |
| - | 241,921 | - | 81,951 | - | 241,921 |
| 237,632 | - | 123,339 | 860,641 | 734,431 | - |
| 852,140 | 230,000 | - | - | 529,298 | - |
| 556,128 | 536,764 | 462,073 | 440,968 | 627,468 | 48,864 |
| (469,836) | - | (279,044) | - | (3,675,315) | - |
| - | (206,438) | (1,147,191) | - | - | (275,909) |
| - | (194,181) | - | (1,675,941) | - | (185,889) |
| (3,506,643) | (3,417,107) | (3,452,520) | (3,489,819) | (3,399,806) | (3,351,472) |
| (1,642,691) | (2,141,161) | (4,797,651) | (6,238,527) | (6,922,643) | (9,820,262) |
| (2,053,591) | (1,764,816) | (1,418,483) | (1,384,995) | (1,357,598) | (1,325,540) |
| <u>\$ 6,118,153</u> | <u>\$ 2,597,187</u> | <u>\$ 847,738</u> | <u>\$ (2,029,622)</u> | <u>\$ (3,183,084)</u> | <u>\$ (2,936,500)</u> |

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

| | 2011 | 2012 | 2013 | 2014 |
|--|--------------------|-----------------------|-----------------------|---------------------|
| Revenues: | | | | |
| Taxes | \$ 8,348,499 | \$ 8,383,973 | \$ 8,528,515 | \$ 8,252,307 |
| Special assessments | 370,862 | 459,562 | 485,145 | 406,265 |
| Licenses and permits | 275,788 | 505,153 | 379,864 | 467,613 |
| Fines and forfeitures | 190,657 | 147,445 | 139,553 | 143,307 |
| Intergovernmental | 1,928,603 | 4,099,693 | 9,335,544 | 4,429,247 |
| Charges for current services | 1,252,731 | 1,141,668 | 1,260,863 | 1,692,328 |
| Franchise fees | 1,257,715 | 1,298,606 | 1,340,379 | 1,331,956 |
| Investment income | 278,585 | 89,102 | 185,743 | 93,821 |
| Increase (decrease) in fair market value | - | - | (396,120) | 290,008 |
| Miscellaneous | 471,935 | 173,090 | 465,632 | 544,037 |
| Total revenues | 14,375,375 | 16,298,292 | 21,725,118 | 17,650,889 |
| Expenditures: | | | | |
| General government | 1,610,016 | 1,603,520 | 1,739,386 | 1,950,610 |
| Public safety | 4,598,698 | 4,914,552 | 4,902,711 | 5,142,440 |
| Public works | 1,300,262 | 1,086,922 | 1,343,447 | 1,318,375 |
| Parks | 1,524,582 | 1,545,826 | 1,716,943 | 1,781,546 |
| Miscellaneous | 40,714 | 41,709 | 48,623 | - |
| Capital outlay | 2,472,214 | 11,071,968 | 13,294,921 | 10,106,587 |
| Debt service: | | | | |
| Principal retirement | 380,000 | 470,000 | 450,000 | 499,150 |
| Interest and fiscal charges | 604,348 | 519,502 | 492,654 | 432,349 |
| Bond issuance charges | - | - | - | 75,089 |
| Total expenditures | 12,530,834 | 21,253,999 | 23,988,685 | 21,306,146 |
| Excess (deficiency) of revenues over expenditures | 1,844,541 | (4,955,707) | (2,263,567) | (3,655,257) |
| Other Financing Sources (Uses): | | | | |
| Bond proceeds/refunding of bonds | (3,995,000) | - | - | 6,383,638 |
| Proceeds from the sale of asset | 1,350,682 | 1,407,517 | 440,000 | 365,539 |
| Transfers in | 2,462,996 | 3,664,996 | 1,840,000 | 5,701,000 |
| Transfers out | (1,004,047) | (1,590,000) | (1,590,000) | (3,466,000) |
| Total other financing sources (uses) | (1,185,369) | 3,482,513 | 690,000 | 8,984,177 |
| Special item - Transfer of operations | - | - | - | (589,849) |
| Net change in fund balances | \$ 659,172 | \$ (1,473,194) | \$ (1,573,567) | \$ 4,739,071 |
| Debt service as a percentage of noncapital expenditures | 9.8% | 9.7% | 8.8% | 8.3% |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

(Unaudited)

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ | 8,371,829 | \$ 6,870,080 | \$ 7,222,789 | \$ 7,415,101 | \$ 7,622,277 | \$ 7,937,431 | \$ 8,078,093 |
| | 779,143 | 728,197 | 937,857 | 568,810 | 783,656 | 822,204 | 697,726 |
| | 670,749 | 516,502 | 510,866 | 460,828 | 392,030 | 614,320 | 579,188 |
| | 124,199 | 108,694 | 105,221 | 99,639 | 103,406 | 101,672 | 126,476 |
| | 2,313,979 | 2,160,485 | 4,386,815 | 2,899,531 | 5,882,279 | 10,879,367 | 8,923,893 |
| | 1,760,765 | 1,235,983 | 1,341,940 | 1,275,339 | 999,699 | 864,733 | 1,275,305 |
| | 1,344,354 | 1,334,187 | 1,315,417 | 1,355,374 | 1,315,467 | 1,353,488 | 1,403,673 |
| | 92,413 | 109,948 | 64,793 | 63,978 | 221,567 | 51,460 | 18,911 |
| | 29,601 | (48,495) | 39,780 | 58,531 | 61,469 | (4,602) | (821) |
| | 653,297 | 369,586 | 576,183 | 1,059,538 | 265,159 | 455,537 | 578,012 |
| | <u>16,140,329</u> | <u>13,385,167</u> | <u>16,501,661</u> | <u>15,256,669</u> | <u>17,647,009</u> | <u>23,075,610</u> | <u>21,680,456</u> |
| | 1,815,586 | 1,866,244 | 1,970,551 | 1,952,175 | 1,940,127 | 2,199,918 | 2,030,120 |
| | 5,292,015 | 5,778,198 | 5,725,648 | 6,328,450 | 6,334,835 | 6,816,278 | 6,951,633 |
| | 1,206,679 | 1,293,682 | 1,383,635 | 1,198,199 | 1,531,546 | 1,866,679 | 1,744,465 |
| | 1,836,474 | 1,856,402 | 2,222,705 | 2,148,193 | 2,305,075 | 2,200,479 | 2,362,423 |
| | - | - | - | - | - | - | - |
| | 6,529,280 | 6,542,355 | 7,561,788 | 6,321,888 | 8,532,730 | 17,122,150 | 13,943,210 |
| | 7,709,150 | 540,000 | 2,299,323 | 675,000 | 680,000 | 700,000 | 685,000 |
| | 627,332 | 532,886 | 564,423 | 535,198 | 588,238 | 640,911 | 688,945 |
| | - | 47,830 | - | - | - | 79,865 | 127,114 |
| | <u>25,016,516</u> | <u>18,457,597</u> | <u>21,728,073</u> | <u>19,159,103</u> | <u>21,912,551</u> | <u>31,626,280</u> | <u>28,532,910</u> |
| | <u>(8,876,187)</u> | <u>(5,072,430)</u> | <u>(5,226,412)</u> | <u>(3,902,434)</u> | <u>(4,265,542)</u> | <u>(8,550,670)</u> | <u>(6,852,454)</u> |
| | - | 1,563,811 | - | - | - | 5,530,701 | 6,199,498 |
| | 343,103 | (399,610) | 371,287 | - | 460,437 | 998,780 | 14,722 |
| | 4,150,553 | 5,075,816 | 2,880,000 | 3,374,500 | 2,199,200 | 2,329,470 | 1,762,324 |
| | <u>(1,342,553)</u> | <u>(4,301,816)</u> | <u>(1,380,000)</u> | <u>(994,500)</u> | <u>(1,167,000)</u> | <u>(936,000)</u> | <u>(450,000)</u> |
| | <u>3,151,103</u> | <u>1,938,201</u> | <u>1,871,287</u> | <u>2,380,000</u> | <u>1,492,637</u> | <u>7,922,951</u> | <u>7,526,544</u> |
| | - | - | - | - | - | - | - |
| \$ | <u>(5,725,084)</u> | <u>(3,134,229)</u> | <u>(3,355,125)</u> | <u>(1,522,434)</u> | <u>(2,772,905)</u> | <u>(627,719)</u> | <u>674,090</u> |
| | 45.1% | 9.0% | 20.2% | 9.4% | 9.5% | 9.2% | 9.4% |

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

(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) | Tax Capacity as a % of EMV |
|--------------------------|--------------------|----------------------|---------------|-----------------------|--------------------------------------|-------------|------------------------------------|-------------------------------------|
| | Real Property | Personal Property | Total | | | | | |
| 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% |
| 2018 | 17,123,945 | 161,906 | 17,285,851 | 1,236,092 | 18,521,943 | 37.791% | 1,477,729,000 | 1.25% |
| 2019 | 18,638,568 | 167,964 | 18,806,532 | 1,278,910 | 20,085,442 | 36.164% | 1,598,996,300 | 1.26% |
| 2020 | 19,866,712 | 174,838 | 20,041,550 | 1,364,760 | 21,406,310 | 35.619% | 1,701,607,100 | 1.26% |
| 2021 | 20,827,528 | 176,779 | 21,004,307 | 1,527,248 | 22,531,555 | 34.253% | 1,780,566,900 | 1.27% |

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

**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 | |
| 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 |
| 2018 | 37.791 | 0.000 | 18.391 | 35.820 | 4.801 | 96.803 |
| 2019 | 36.164 | 0.000 | 16.588 | 34.906 | 4.529 | 92.187 |
| 2020 | 35.619 | 0.000 | 17.192 | 33.077 | 2.939 | 88.827 |
| 2021 | 29.994 | 4.259 | 16.389 | 31.086 | 4.211 | 85.939 |

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

¹Includes City HRA, Met Council (Bonds, General, Livable Community and Trans Dist Bonds), Met Mosquito Control, and RR Authority (Bonds and General)

**PRINCIPAL TAXPAYERS
DECEMBER 31, 2021**

| Taxpayer | Type of Business | Rank | 2021 | | Rank | 2012 | |
|-----------------------------|---------------------------------|------|-------------------------|-------------------------------|------|-------------------------|-------------------------------|
| | | | Individual Tax Capacity | Percent of Total Tax Capacity | | Individual Tax Capacity | Percent of Total Tax Capacity |
| Cutters Grove LLC | Apartment Cutter's Grove | 1 | \$ 373,668 | 1.78% | 2 | \$ 212,268 | 1.58% |
| 3500 Thurston LLC | Cake decorations supplier | 2 | 316,342 | 1.50% | 6 | 159,250 | 1.19% |
| Hoffman Enclosures | Electrical enclosures | 3 | 308,829 | 1.47% | 1 | 231,243 | 1.73% |
| Walker Senior Housing | Apartments Senior Living & Care | 4 | 307,677 | 1.46% | | | |
| Healthpartners | Healthcare | 5 | 270,204 | 1.28% | | | |
| Ad Center LLC | Ammunition warehousing | 6 | 265,490 | 1.26% | 9 | 131,796 | 0.98% |
| Homestead at Anoka | Apartments Senior Living & Care | 7 | 264,285 | 1.26% | | | |
| Federal Cartridge | Ammunition warehousing | 8 | 259,250 | 1.23% | 3 | 188,854 | 1.41% |
| Paul & Eleanor Sade Trust | Sheet steel fabrication | 9 | 237,818 | 1.13% | 4 | 178,058 | 1.33% |
| Cretex Companies | Medical device manufacturing | 10 | 231,078 | 1.10% | | | |
| CRV Anoka | Furniture warehousing | | - | | 5 | 174,886 | 1.31% |
| Sundquist Properties II LLC | Precision machining | | - | | 8 | 148,386 | 1.11% |
| Rural Community Ins | Insurance | | | | 7 | 149,072 | 1.11% |
| T&M Scherr Holdings | Heath Products | | | | 10 | 122,500 | 0.91% |
| | | | <u>\$ 2,834,641</u> | <u>13.47%</u> | | <u>\$ 1,696,313</u> | <u>12.66%</u> |

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

CITY OF ANOKA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

(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 |
| 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 |
| 2018 | 445 | 13,259,187 | 6,069,161 | 19,328,348 | 654,270,050 | 823,458,950 | 336,067,600 | 1,813,796,600 |
| 2019 | 890 | 9,822,019 | 11,307,548 | 21,129,567 | 704,329,000 | 894,667,300 | 341,867,300 | 1,940,863,600 |
| 2020 | 865 | 11,437,908 | 44,066,972 | 55,504,880 | 746,737,650 | 954,869,450 | 364,296,500 | 2,065,903,600 |
| 2021 | 516 | 10,449,112 | 30,248,969 | 40,698,081 | 763,604,100 | 1,007,750,900 | 375,713,200 | 2,147,068,200 |

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 |
| 2012 | \$ 5,899,105 | \$ 5,805,144 | 98.4% | \$ 93,961 | \$ 5,899,105 | 100.0% |
| 2013 | 5,856,105 | 5,789,071 | 98.9% | 66,983 | 5,856,054 | 100.0% |
| 2014 | 5,712,265 | 5,648,027 | 98.9% | 62,987 | 5,711,013 | 100.0% |
| 2015 | 5,707,246 | 5,649,416 | 99.0% | 56,176 | 5,705,592 | 100.0% |
| 2016 | 6,453,475 | 6,390,569 | 99.0% | 60,896 | 6,451,465 | 100.0% |
| 2017 | 6,641,230 | 6,593,821 | 99.3% | 45,446 | 6,639,267 | 100.0% |
| 2018 | 6,838,335 | 6,797,121 | 99.4% | 39,153 | 6,836,274 | 100.0% |
| 2019 | 7,028,564 | 6,974,745 | 99.2% | 47,982 | 7,022,727 | 99.9% |
| 2020 | 7,303,005 | 7,234,024 | 99.1% | 8,500 | 7,242,524 | 99.2% |
| 2021 | 7,446,100 | 7,383,097 | 99.2% | - | 7,383,097 | 99.2% |

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 | Population |
|-------------|--------------------------|--------------------------|--------------------|------------------|------------------|--------------------------|---------------|------------------|--------------------------|--|-------------------------|------------|
| | General Obligation Bonds | G.O. Tax Increment Bonds | G.O. Revenue Bonds | Premium on Bonds | Met Council Loan | General Obligation Bonds | Revenue Bonds | Premium on Bonds | | | | |
| 2012 | \$3,395,000 | \$7,585,000 | \$ - | \$ - | \$2,502,460 | \$ - | \$3,035,000 | \$ - | \$16,517,460 | 1.96 | 958 | 17,233 |
| 2013 | 3,070,000 | 7,460,000 | 1,077,300 | - | 2,502,460 | - | 1,667,700 | - | 15,777,460 | 1.81 | 915 | 17,248 |
| 2014 | 2,750,000 | 13,450,000 | 1,023,150 | - | 2,502,460 | - | 1,421,850 | - | 21,147,460 | 2.43 | 1,224 | 17,276 |
| 2015 | 2,430,000 | 6,115,000 | 1,700,000 | 249,189 | 2,502,460 | - | 440,000 | - | 13,436,649 | 1.51 | 775 | 17,345 |
| 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 | 17,995 |
| 2017 | 1,805,000 | 5,795,000 | 1,510,000 | 266,144 | 2,308,137 | - | 1,710,000 | 57,589 | 13,451,870 | 1.40 | 739 | 18,205 |
| 2018 | 1,430,000 | 5,615,000 | 1,390,000 | 246,983 | 2,308,137 | - | 1,625,000 | 54,404 | 12,669,524 | 1.27 | 682 | 18,573 |
| 2019 | 1,060,000 | 5,430,000 | 1,265,000 | 227,822 | 2,308,137 | - | 1,540,000 | 51,219 | 11,882,178 | 1.15 | 634 | 18,728 |
| 2020 | 5,895,000 | 5,215,000 | 1,140,000 | 528,976 | 2,308,137 | 3,350,000 | 1,455,000 | 226,663 | 20,118,776 | 1.94 | 1,142 | 17,615 |
| 2021 | 11,545,000 | 5,010,000 | 1,010,000 | 690,873 | 2,308,137 | 3,295,000 | 1,370,000 | 214,585 | 25,443,595 | 2.31 | 1,444 | 17,615 |

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 155](#)

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

| Fiscal Year | General Obligation Bonds ¹ | Net Position Restricted for Debt Service | Net Bonded Debt | Percentage of Estimated Actual Value of Property ² | Per Capita ³ |
|----------------|---|--|-----------------------|---|----------------------------|
| 2012 | \$ 10,980,000 | \$ 303,121 | \$ 10,676,879 | 0.92 | \$ 616 |
| 2013 | 11,607,300 | 282,598 | 11,324,702 | 1.08 | 657 |
| 2014 | 17,223,150 | 1,109,803 | 16,113,347 | 1.55 | 933 |
| 2015 | 10,245,000 | 99,949 | 10,145,051 | 0.85 | 585 |
| 2016 | 11,215,000 | 1,553,640 | 9,661,360 | 0.76 | 537 |
| 2017 | 9,110,000 | 162,654 | 8,947,346 | 0.66 | 491 |
| 2018 | 8,435,000 | 191,993 | 8,243,007 | 0.56 | 444 |
| 2019 | 7,755,000 | 234,604 | 7,520,396 | 0.47 | 402 |
| 2020 | 15,600,000 | 554,827 | 15,045,173 | 0.89 | 854 |
| 2021 | 20,860,000 | 590,325 | 20,269,675 | 1.14 | 1,151 |

¹ General Obligation Bonds restated for 2020 to include general obligation debt in business-type activities

² Property value data can be found in the schedule of Building Permit Values and Real Property Values schedule on [page 147](#).

³ Population data can be found in the schedule of Demographic and Economic Statistics on [page 155](#).

**DIRECT AND OVERLAPPING
GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2021**

| <u>Governmental Unit</u> | <u>Net General Obligation Debt Outstanding</u> | <u>Percent Applicable to City¹</u> | <u>Net Amount Applicable to City</u> |
|------------------------------------|--|---|--|
| Direct: | | | |
| City of Anoka | \$ 20,269,675 | 100% | <u>\$ 20,269,675</u> |
| Overlapping: | | | |
| Anoka County | 50,555,000 | 4.73% | 2,393,196 |
| Anoka-Hennepin School District #11 | 251,620,000 | 7.05% | 17,732,972 |
| Met Council/RR Auth Special Dist | 1,916,553,968 | 0.41% | <u>7,838,024</u> |
| Total Overlapping Debt | | | <u>27,964,192</u> |
| Total Direct and Overlapping Debt | | | <u>\$ 48,233,867</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.

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

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|--|----------------------|----------------------|----------------------|----------------------|
| Market value of taxable property | \$ 1,153,576,994 | \$ 1,050,914,000 | \$ 1,036,711,300 | \$ 1,188,602,800 |
| Statutory debt limit (3% of market value) | 34,607,310 | 31,527,420 | 31,101,339 | 35,658,084 |
| Amount of debt applicable to debt limit: | | | | |
| Total bonds and notes payable | 16,517,460 | 15,777,460 | 21,147,460 | 13,436,649 |
| Less: | | | | |
| Debt service fund balance | 455,642 | 443,168 | 1,109,803 | 459,205 |
| Met Council loan | 2,502,460 | 2,502,460 | 2,502,460 | 2,502,460 |
| Revenue bonds | 3,035,000 | 1,667,700 | 1,421,850 | 440,000 |
| Improvement bonds | 7,585,000 | 7,460,000 | 13,450,000 | 6,115,000 |
| | <u>2,939,358</u> | <u>3,704,132</u> | <u>2,663,347</u> | <u>3,919,984</u> |
| Legal debt margin | <u>\$ 31,667,952</u> | <u>\$ 27,823,288</u> | <u>\$ 28,437,992</u> | <u>\$ 31,738,100</u> |
| Total debt applicable to the limit as a percentage of debt limit | 8% | 12% | 9% | 11% |

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

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 1,265,845,300 | \$ 1,362,116,000 | \$ 1,477,729,000 | \$ 1,598,996,300 | \$ 1,697,169,300 | \$ 1,780,566,900 |
| 37,975,359 | 40,863,480 | 44,331,870 | 47,969,889 | 50,915,079 | 53,417,007 |
| 15,737,460 | 13,128,137 | 12,368,137 | 11,603,137 | 19,363,137 | 24,538,137 |
| 1,991,191 | 544,057 | 547,394 | 565,981 | 1,241,063 | 1,465,850 |
| 2,502,460 | 2,308,137 | 2,308,137 | 2,308,137 | 2,308,137 | 2,308,137 |
| 2,020,000 | 1,710,000 | 1,625,000 | 1,540,000 | 1,455,000 | 1,370,000 |
| 5,970,000 | 5,795,000 | 5,615,000 | 5,430,000 | 13,760,000 | 13,500,000 |
| 3,253,809 | 2,770,943 | 2,272,606 | 1,759,019 | 598,937 | 5,894,150 |
| <u>\$ 34,721,550</u> | <u>\$ 38,092,537</u> | <u>\$ 42,059,264</u> | <u>\$ 46,210,870</u> | <u>\$ 50,316,142</u> | <u>\$ 47,522,857</u> |
| 9% | 7% | 5% | 4% | 1% | 11% |

**PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

| Fiscal Year | Operating Revenue | Less | Net | Debt Service | | Coverage |
|----------------|----------------------|----------------------|----------------------|--------------|------------|----------|
| | | Operating Expense | Available Revenue | Principal | Interest | |
| 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 |
| 2018 | 627,500 | 75,625 | 551,875 | 85,000 | 41,310 | 4.37 |
| 2019 | 674,280 | 89,586 | 584,694 | 85,000 | 39,608 | 4.69 |
| 2020 | 732,666 | 102,886 | 629,780 | 85,000 | 37,200 | 5.15 |
| 2021 | 5,456,331 | 3,121,824 | 2,334,507 | 140,000 | 127,860 | 8.72 |

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

| Year | Population 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 |
|------|-------------------------|--|---|---|---|---|---|
| 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 | 18,205 | 958,651 | 52,659 | 51,047 | 62,556 | 3.1 | 2.7 |
| 2018 | 18,573 | 995,736 | 53,612 | 53,300 | 65,468 | 3.0 | 2.6 |
| 2019 | 18,728 | 1,037,157 | 55,380 | 54,912 | 66,456 | 3.2 | 2.8 |
| 2020 | 17,615 | 1,039,637 | 59,020 | 57,980 | 71,500 | 4.8 | 4.4 |
| 2021 | 17,615 | 1,100,092 | 62,452 | 60,996 | 74,360 | 2.6 | 2.3 |

Sources:

¹ Met Council.

² Minnesota Department of Employment and Economic Development.

³ City per capita times population.

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2020**

| Employer | 2021 | | | 2012 | | |
|---|------|--------------|----------------------------------|------|--------------|----------------------------------|
| | Rank | Employees | Percent of Total City Employment | Rank | Employees | Percent of Total City Employment |
| Anoka Government Center | 1 | 2,000 | 14.50% | 4 | 1,120 | 8.67% |
| Federal Premium Ammunition | 2 | 950 | 6.89% | 1 | 1,793 | 13.89% |
| Anoka-Metro Treatment Center | 3 | 630 | 4.57% | 5 | 479 | 3.71% |
| Anoka-Hennepin ISD #11 | 4 | 450 | 3.26% | 3 | 1,210 | 9.37% |
| Hoffman Enclosures/Nvent Hoffman | 5 | 445 | 3.23% | 2 | 1,564 | 12.11% |
| Mate Precision Tool | 6 | 350 | 2.54% | 8 | 321 | 2.49% |
| Rural Insurance Group | 7 | 300 | 2.18% | 6 | 405 | 3.14% |
| Copper Sales/Firestone Metals | 8 | 300 | 2.18% | 10 | 200 | 1.55% |
| Anoka Rehab and Living Center | 9 | 260 | 1.89% | | | |
| Anoka Technical College | 10 | 200 | | 7 | 324 | 2.51% |
| DecoPac | | - | 0.00% | 9 | 222 | 1.72% |
| | | <u>5,885</u> | <u>42.67%</u> | | <u>7,638</u> | <u>59.16%</u> |
| Total City-wide employment ¹ | | 13,792 | | | 12,911 | |

¹ Minnesota Department of Employment and Economic Development.
Source: Reference Solutions US Business Search

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

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| City manager | 2.63 | 2.32 | 2.63 | 3.13 | 3.15 |
| Assessing | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Human resources | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Finance | 5.00 | 4.58 | 4.60 | 4.60 | 4.65 |
| Community development | 1.50 | 1.32 | 1.00 | 1.00 | 1.00 |
| Planning and property maint/insp | 2.65 | 2.65 | 3.40 | 3.15 | 3.25 |
| Total general government | 14.78 | 13.87 | 14.63 | 14.88 | 15.05 |
| Building inspections | 1.85 | 1.60 | 1.60 | 1.60 | 1.50 |
| Police | 30.08 | 30.08 | 30.08 | 30.28 | 34.55 |
| Security - Regional treatment ctr | 0.45 | 0.45 | 0.45 | 0.50 | 0.45 |
| Security - Technical college | 0.05 | 0.05 | 0.05 | 0.10 | - |
| Security - High school | 0.05 | 0.05 | 0.05 | 0.10 | 0.05 |
| Security - Liaison officer | 1.85 | 1.85 | 1.85 | 1.85 | 1.85 |
| Downtown/Crime free housing | - | - | - | - | - |
| Total police | 34.33 | 34.08 | 34.08 | 34.43 | 38.40 |
| Total fire | 4.60 | 4.60 | - | - | - |
| Total public safety | 38.93 | 38.68 | 34.08 | 34.43 | 38.40 |
| Building maintenance | 0.95 | 0.88 | 0.95 | 0.75 | 1.75 |
| Municipal buildings | 0.48 | 0.55 | 0.48 | 0.35 | 0.33 |
| Engineering | 1.75 | 1.75 | 1.75 | 1.50 | 1.33 |
| Streets | 5.68 | 5.68 | 6.68 | 7.18 | 7.18 |
| Total public works | 8.86 | 8.86 | 9.86 | 9.78 | 10.59 |
| Event center | - | - | - | 0.40 | 0.50 |
| Senior center | 0.33 | 0.33 | 0.33 | 0.33 | 0.55 |
| Aquatic center | 0.28 | 0.28 | 0.28 | 0.28 | 0.28 |
| Community programs & recreation | 1.58 | 1.58 | 1.63 | 1.63 | 1.58 |
| Municipal parks | 4.08 | 4.08 | 4.08 | 4.08 | 4.73 |
| City beautification | 0.28 | 0.28 | 0.18 | 0.18 | 0.18 |
| Total parks and recreation | 6.55 | 6.55 | 6.50 | 6.90 | 7.82 |
| Total general fund | 69.12 | 67.96 | 65.07 | 65.99 | 71.86 |
| HRA | 1.50 | 1.50 | 1.00 | 0.75 | 0.75 |
| Parking | 1.15 | 1.15 | 0.85 | 0.80 | 0.85 |
| Cemetery | 0.93 | 0.93 | 0.88 | 0.88 | 1.00 |
| Central equipment (garage) | 2.05 | 2.05 | 1.05 | 1.45 | 1.55 |
| Electric | 17.90 | 18.00 | 18.40 | 17.40 | 18.35 |
| Water | 3.26 | 3.26 | 3.26 | 3.56 | 3.56 |
| Sewer | 3.26 | 3.26 | 3.26 | 2.96 | 2.96 |
| Liquor stores | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Golf course | 3.17 | 3.17 | 3.12 | 3.25 | 2.55 |
| Recycling | 0.38 | 0.38 | 0.38 | 0.37 | 0.35 |
| Total other funds | 37.60 | 37.70 | 36.20 | 35.42 | 35.92 |
| Total all funds | 106.72 | 105.66 | 101.27 | 101.41 | 107.78 |

Source: City of Anoka departments

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| City manager | 3.45 | 3.45 | 3.45 | 3.45 | 3.45 |
| Assessing | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Human resources | - | - | - | - | - |
| Finance | 4.70 | 4.70 | 4.70 | 4.70 | 4.70 |
| Community development | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Planning and property maint/insp | 2.80 | 3.05 | 2.80 | 2.80 | 2.80 |
| Total general government | 12.95 | 13.20 | 12.95 | 12.95 | 12.95 |
| Building inspections | 1.45 | 1.20 | 1.20 | 1.20 | 1.20 |
| Police | 35.85 | 29.95 | 33.00 | 31.25 | 32.25 |
| Security - Regional treatment ctr | 1.60 | 1.60 | - | - | - |
| Security - Technical college | - | - | - | - | - |
| Security - High school | 0.10 | 0.10 | 0.15 | 0.15 | 0.15 |
| Security - Liaison officer | 1.85 | 1.85 | 1.85 | 1.85 | 1.85 |
| Downtown/Crime free housing | 1.50 | 3.50 | 5.00 | 6.00 | 6.00 |
| Total police | 42.35 | 38.20 | 41.20 | 40.45 | 41.45 |
| Total fire | - | - | - | - | - |
| Total public safety | 42.35 | 38.20 | 41.20 | 40.45 | 41.45 |
| Building maintenance | 1.60 | 1.48 | 1.50 | 1.50 | 1.50 |
| Municipal buildings | 0.45 | 0.43 | 0.45 | 0.45 | 0.45 |
| Engineering | 1.30 | 1.30 | 1.30 | 1.30 | 1.30 |
| Streets | 6.70 | 6.48 | 7.70 | 7.70 | 7.70 |
| Total public works | 10.05 | 9.69 | 10.95 | 10.95 | 10.95 |
| Event center | 0.40 | 0.38 | 0.40 | 0.40 | 0.40 |
| Senior center | 0.60 | 0.55 | 0.60 | 0.60 | 0.60 |
| Aquatic center | 0.55 | 0.40 | 0.60 | 0.60 | 0.60 |
| Community programs & recreation | 2.25 | 2.65 | 2.25 | 2.25 | 2.25 |
| Municipal parks | 4.50 | 4.50 | 6.45 | 5.45 | 5.45 |
| City beautification | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |
| Total parks and recreation | 8.50 | 8.68 | 10.50 | 9.50 | 9.50 |
| Total general fund | 73.85 | 69.77 | 75.60 | 73.85 | 74.85 |
| HRA | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Parking | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 |
| Cemetery | 0.65 | 0.60 | 0.65 | 0.65 | 0.65 |
| Central equipment (garage) | 1.55 | 1.55 | 1.55 | 1.55 | 1.55 |
| Electric | 18.30 | 18.30 | 18.30 | 18.30 | 18.30 |
| Water | 3.55 | 3.55 | 3.55 | 3.55 | 3.55 |
| Sewer | 2.95 | 2.95 | 2.95 | 2.95 | 2.95 |
| Liquor stores | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Golf course | 2.95 | 2.95 | 2.95 | 3.95 | 3.95 |
| Recycling | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Total other funds | 36.15 | 36.10 | 36.15 | 37.15 | 37.15 |
| Total all funds | 110.00 | 105.87 | 111.75 | 111.00 | 112.00 |

Source: City of Anoka departments

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

| Function | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Elections | | | | | | | | | | |
| Registered voters | 11,727 | | 10,185 | | 11,385 | | 10,836 | | 11,778 | |
| Number of voters | 8,962 | | 5,144 | | 8,744 | | 7,229 | | 9,621 | |
| Participation | 76% | | 51% | | 77% | | 67% | | 82% | |
| Building inspections | | | | | | | | | | |
| No. of permits issued | 443 | 434 | 462 | 579 | 474 | 406 | 445 | 890 | 865 | 516 |
| Total permit valuation (in thousands) | \$38,804 | \$23,672 | \$31,734 | \$46,974 | \$34,437 | \$23,182 | \$19,328 | \$21,129 | \$55,505 | \$40,698 |
| Public safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Police activity | 21,299 | 20,087 | 20,260 | 20,127 | 20,947 | 21,092 | 21,648 | 23,368 | 22,206 | 22,547 |
| Part A crime | 766 | 619 | 604 | 610 | 679 | 572 | 464 | 432 | 383 | 1,035 |
| Traffic accidents | 648 | 727 | 920 | 732 | 786 | 833 | 689 | 863 | 564 | 692 |
| Public works | | | | | | | | | | |
| Sidewalk repair costs | 70,731 | 46,963 | 8,341 | 48,405 | 23,102 | 48,249 | 35,423 | 20,834 | 60,610 | - |
| Parks and recreation | | | | | | | | | | |
| Senior Center passengers | 4,268 | 5,700 | 4,651 | 4,943 | 4,873 | 4,795 | 4,936 | 3,852 | 2,800 | 1,162 |
| Picnic shelter reservations | 212 | 158 | 178 | 183 | 148 | 162 | 178 | 245 | 165 | 210 |
| Swim lesson participants | 1,103 | 1,072 | 1,106 | 1,083 | 1,236 | 1,021 | 1,059 | 1,195 | 787 | 1,235 |
| Open swim attendance | 47,000 | 39,407 | 34,804 | 42,140 | 36,366 | 29,937 | 36,925 | 33,389 | 9,039 | 37,478 |
| Parking | | | | | | | | | | |
| Parking permits issued | 71 | 113 | 168 | 186 | 299 | 345 | 345 | 223 | 177 | 147 |
| Ramp permits issued | 91 | 61 | 69 | 86 | - | - | - | - | - | - |
| Electric | | | | | | | | | | |
| Average daily electric use in kWhrs | 738,266 | 760,714 | 750,133 | 760,161 | 754,067 | 736,580 | 758,189 | 731,524 | 739,738 | 777,102 |
| Water | | | | | | | | | | |
| Average daily water use in cubic feet | 262,148 | 227,385 | 230,685 | 235,813 | 233,602 | 231,588 | 240,584 | 212,476 | 238,015 | 253,711 |
| Golf | | | | | | | | | | |
| Rounds of golf purchased | 33,776 | 28,486 | 32,745 | 32,764 | 33,958 | 32,089 | 30,288 | 31,399 | 41,003 | 43,658 |

Source: City of Anoka departments

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

| Function | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Public safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 23 | 26 | 24 | 25 | 23 | 27 | 25 | 24 | 24 | 25 |
| Public works | | | | | | | | | | |
| Street miles | 67.28 | 67.28 | 67.68 | 68.54 | 68.54 | 69.02 | 69.20 | 69.20 | 69.02 | 69.06 |
| Parks and recreation | | | | | | | | | | |
| Park acres maintained | 595 | 595 | 595 | 595 | 597 | 597 | 597 | 597 | 597 | 597 |
| Cemetery acres | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 |
| Trail miles | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| 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 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Portable docks | 6 | 6 | 4 | 5 | 5 | 5 | 5 | 5 | 4 | 4 |
| Parking | | | | | | | | | | |
| Ramps | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Lots | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Electric | | | | | | | | | | |
| Overhead wire miles | 159 | 154 | 147 | 148 | 140 | 134 | 134 | 161 | 156 | 203 |
| Underground wire miles | 162 | 182 | 191 | 192 | 199 | 208 | 208 | 339 | 342 | 424 |
| Substations | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Street lights | 1,795 | 1,795 | 1,805 | 1,874 | 1,874 | 1,851 | 1,851 | 1,851 | 1,851 | 1,802 |
| Water | | | | | | | | | | |
| Water main miles | 82.53 | 83.44 | 83.46 | 86.17 | 86.33 | 87.44 | 87.44 | 87.44 | 89.31 | 89.66 |
| Wells | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Sewer/storm sewer | | | | | | | | | | |
| Sanitary sewer miles | 64.97 | 65.64 | 65.67 | 67.15 | 67.28 | 67.67 | 67.67 | 67.67 | 68.30 | 68.48 |
| Storm sewer miles | 29.04 | 30.00 | 31.00 | 34.03 | 34.85 | 34.95 | 34.95 | 35.86 | 39.65 | 40.20 |
| 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 |

Source: City of Anoka departments