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City of Anoka, Minnesota

2022 Annual Comprehensive Financial Report

For the year ended December 31, 2022



CITY OF ANOKA, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2022

Issued by the Finance Department

Brenda Springer, Director

Members of the Government Finance Officers
Association of the United States and Canada



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ANNUAL COMPREHENSIVE FINANCIAL REPORT
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2015 First Avenue, Anoka, MN 55303
Phone: (763) 576-2700 * Website: www.anokaminnesota.com

June 15, 2023

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, 2022.

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 Abdo, 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, 2022, 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, 2022, 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 18,041. 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 95](#), and detailed in supplemental financial schedules starting on [page 114](#). Special revenue fund budgetary comparisons start on [page 103](#).

Factors Affecting Financial Condition

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

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

The City of Anoka area had an employed labor force at the end of 2022 of about 14,247 which compares favorably to the 7,706 households located within corporate boundaries. The unemployment rate at the end of 2022 for Anoka County was 3.0%. This is an increase of .5% from 2021, but lower than prepandemic 2019 which was 3.3%. The City of Anoka had a median annual income of \$65,780 per employee at the end of 2022 which is 5.3% higher than 2021. This exceeds the average per capita income for Anoka County by \$4,212 or 6.8%. The city's current tax base consists of 69% residential homesteaded property, 22% commercial/industrial and residential non-homesteaded properties, and 9% 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 2023 and beyond due to 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 2022 the City broke ground for the Law Enforcement Training Center, which includes animal containment. This project is being paid for with bond proceeds, with major donations for equipment from local businesses. In April 2022, Shafer Contracting Co, Inc. began construction on the long awaited 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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. This was the 42nd 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, 2021. This is a prestigious national award recognizing conformance with the highest standard for preparation of state and local government reports. This was the 7th 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, 2022. 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 16th 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,



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, 2021

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, 2021

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, 2022

Christopher P. Morill

Executive Director



Elected and Appointed Officials
December 31, 2022
City Council



Brian Wesp, Councilmember
Term Expires 12/31/2024

Jeff Weaver, Councilmember
Term Expires 12/31/2024

Erik Skogquist, Councilmember
Term Expires 12/31/2026

Sam Scott, Councilmember
Term Expires 12/31/2026

Phil Rice, Mayor
Term Expires 12/31/2024

City Managerial Staff

Employee

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

Position

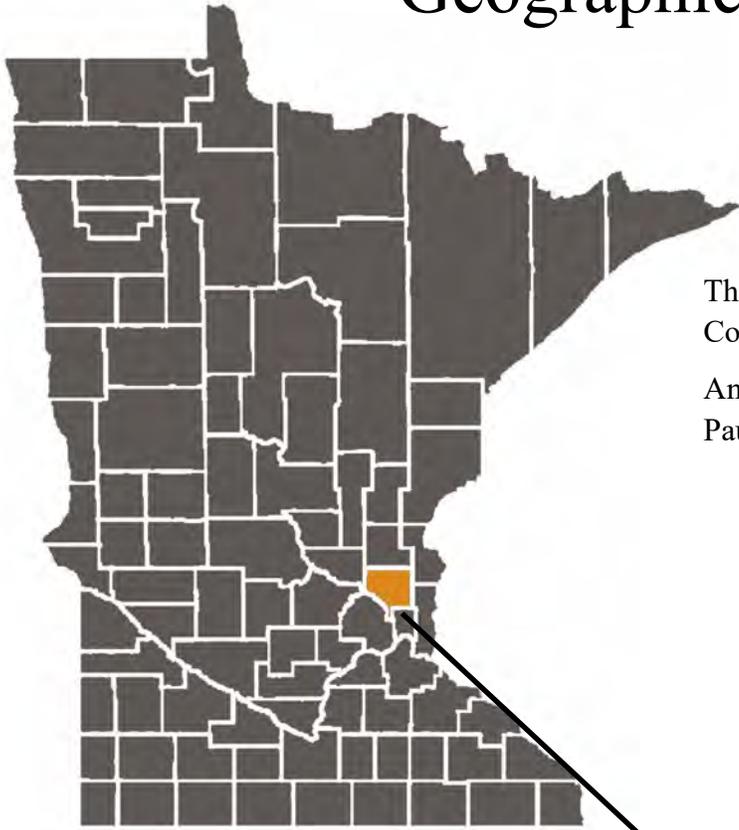
- City Manager
- City Attorney
- Community Development Director
- Electric Utility Director
- Finance Director
- Fire Chief
- Golf Operations
- Liquor Operations
- Police Chief
- Public Services Director

ORGANIZATIONAL CHART



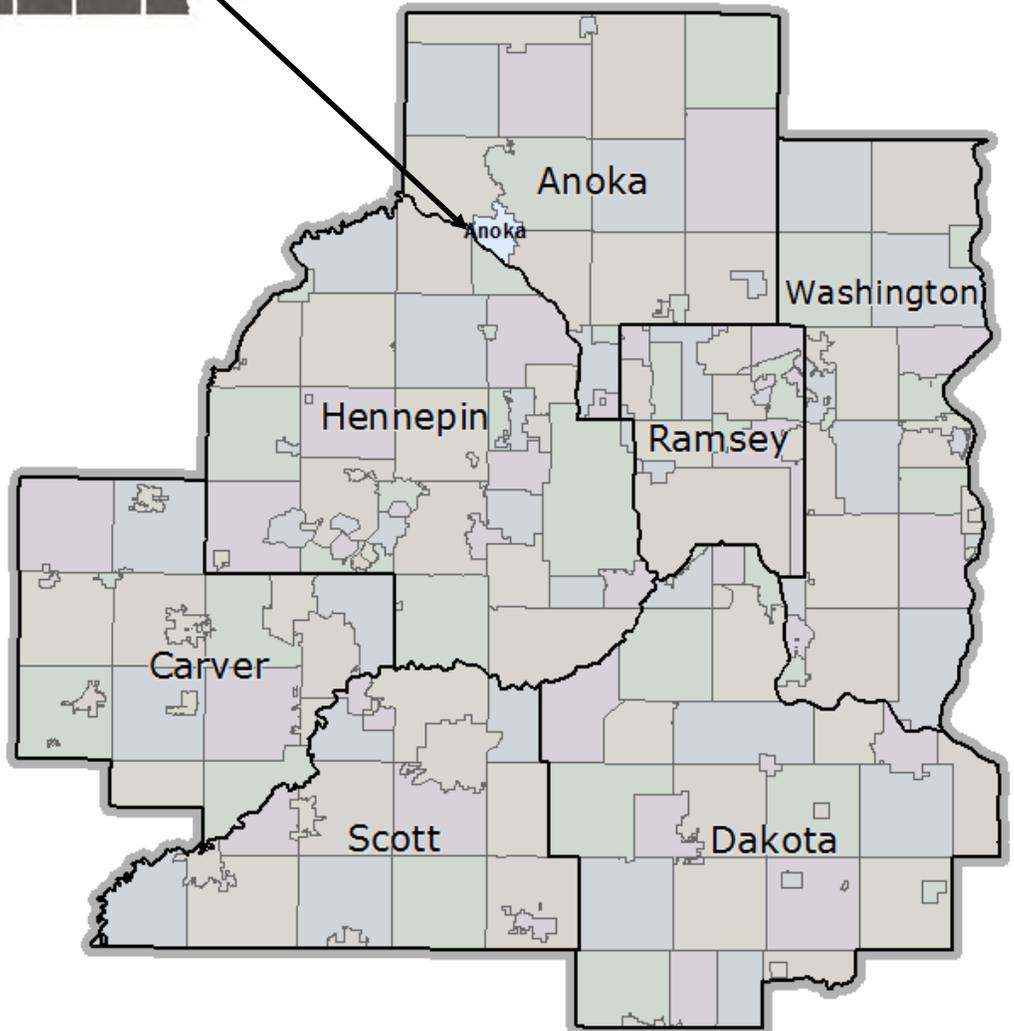
City of Anoka

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.





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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Anoka, Minnesota

Report on the Financial Statements

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, 2022, 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 as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 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 of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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'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'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'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.

Change in Accounting Principle

As described in Note 18 to the financial statements, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 87, Leases, for the year ended December 31, 2022. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements. Our opinion is not modified with respect to this matter.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 33, the Schedule of Contributions - OPEB, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Pension Contributions, the Schedule of Proportionate Share of Net Pension Liability, the Budgetary Comparison Schedule – General Fund and the Notes to the Required Supplementary Information starting on page 89, to be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 and individual fund financial statements and schedules 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 statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules 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 in the report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement 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 15, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Abdo

Abdo
Minneapolis, Minnesota
June 15, 2023



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, 2022. 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 6-8](#) of this report.

Financial Highlights

- At the close of 2022, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$181,301,468 (net position). Of this amount, \$15,011,584 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position increased by \$4,820,409 or 2.9 percent.
- As of the close of the current fiscal year, the City of Anoka's governmental funds reported combined ending fund balances of \$2,318,238, which is a decrease of \$766,659 from 2021.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,167,105, or 42.1 percent of total general fund expenditures.
- The City of Anoka’s total bonded debt increased by \$8,530,000 during the current fiscal year.
- The City implemented Government Accounting Standards Board (GASB) Statement No. 87. The City did not restate prior period balances as a result of this implementation.

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 30-32](#) of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Anoka, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Anoka can be divided into three categories: governmental funds, proprietary funds, and 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, Debt Service, State Aid Construction, Street Renewal, Commuter Rail Transit Village Tax Increment District, and Greens of Anoka Tax Increment District, 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. Budgetary comparison schedules have been provided for budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on [pages 33-36](#) of this report.

Proprietary funds. The City of Anoka maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Anoka uses enterprise funds to account for its electric, water, sewer, liquor, golf, storm drainage, 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.

CITY OF ANOKA, MINNESOTA
MANAGEMENTS DISCUSSION AND ANALYSIS

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, and storm drainage, which are considered to be major funds of the City of Anoka.

Liquor, 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. 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 37-44](#) 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 45](#) 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 46](#) 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 97](#) 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 2022 assets plus deferred outflows exceeded liabilities plus deferred inflows by \$181,301,468.

The largest portion of the City of Anoka's net position (87.1 percent) reflects its investment in capital assets (e.g., land, right of use leased assets, buildings, machinery, and equipment) less any related debt or leases 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 \$4,820,409 in 2022. The primary elements for the increase in net position are investment to capital assets through infrastructure projects finished in 2022, and the 2022 bond issue. A small portion of the City of Anoka's net position, 4.7 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$15,011,584 may be used to meet the City's ongoing obligations to citizens and creditors. Net investment in capital assets increased by \$5,219,791, or 3.6 percent, due to continued capital outlay to city infrastructure and as a result of the implementation of GASB Standard No 87. The

City used a combination of grants, bonding, and available funds for investment in capital assets. Net position restricted for debt increased by \$877,826, net position restricted for tax increments increased by \$7,534, and net position restricted for police forfeiture and park dedication funds increased \$489,023 for a net increase in restricted net position of \$1,374,383.

Significant increases to pension related deferred outflows, liability and deferred inflows are reported for 2022. The measurement focus of the current pension liability reporting is from July 1, 2021 to June 30, 2022. The measurement focus period ended prior to interest rates increasing, so much of the increased liability and changes to deferred amounts is expected to correct in the next period. The governmental funds are reporting higher current liabilities for unearned revenues. These revenues include the second portion of American Rescue Plan Act (ARPA) funds as well as contract for sale of property. The ARPA liability will be extinguished in 2023 as the funds are used on designated projects, and the contract will be reduced as payments are received.

City of Anoka Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current assets	\$ 10,949,366	\$ 8,392,461	\$ 36,566,652	\$ 31,603,808	\$ 47,516,018	\$ 39,996,269
Noncurrent assets	2,154,185	2,226,294	2,570,047	-	4,724,232	2,226,294
Capital assets	130,201,229	124,757,116	58,701,864	51,963,513	188,903,093	176,720,629
Total assets	143,304,780	135,375,871	97,838,563	83,567,321	241,143,343	218,943,192
Deferred outflows of resources	9,010,567	5,044,579	1,349,924	1,620,386	10,360,491	6,664,965
Current liabilities	7,052,187	3,710,270	5,732,792	4,382,528	12,784,979	8,092,798
Long-term liabilities	39,125,245	24,949,300	15,205,563	7,168,320	54,330,808	32,117,620
Total liabilities	46,177,432	28,659,570	20,938,355	11,550,848	67,115,787	40,210,418
Deferred inflows of resources	377,330	6,908,979	2,709,249	2,007,701	3,086,579	8,916,680
Net position	<u>\$ 105,760,585</u>	<u>\$ 104,851,901</u>	<u>\$ 75,540,883</u>	<u>\$ 71,629,158</u>	<u>\$ 181,301,468</u>	<u>\$ 176,481,059</u>
Net investment in capital assets	\$ 107,298,169	\$ 105,521,466	\$ 50,527,016	\$ 47,083,928	\$ 157,825,185	\$ 152,605,394
Restricted:						
Debt	1,468,151	590,325	-	-	1,468,151	590,325
Tax increment	6,432,219	6,424,685	-	-	6,432,219	6,424,685
Other	564,329	75,306	-	-	564,329	75,306
Unrestricted	(10,002,283)	(7,759,881)	25,013,867	24,545,230	15,011,584	16,785,349
Total net position	<u>\$ 105,760,585</u>	<u>\$ 104,851,901</u>	<u>\$ 75,540,883</u>	<u>\$ 71,629,158</u>	<u>\$ 181,301,468</u>	<u>\$ 176,481,059</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. There are no funds restricted for debt service in 2022. Total debt service fund balances less unamortized bond premiums and accrued interest came to a negative balance, and therefore were not restricted. Governmental funds continue to report a negative unrestricted balance due to previous spending for development in the TIF districts. Business-type activities report positive balances in all three categories.

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	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 2,884,406	\$ 3,008,095	\$ 47,297,896	\$ 42,795,787	\$ 50,182,302	\$ 45,803,882
Operating grants and contributions	606,917	267,281	34,299	5,363	641,216	272,644
Capital grants and contributions	27,663,547	6,336,679	-	-	27,663,547	6,336,679
General revenues:						
Property taxes	8,424,286	8,064,668	-	-	8,424,286	8,064,668
Franchise taxes	1,385,067	1,403,673	-	-	1,385,067	1,403,673
Grants and contributions not restricted to specific programs	2,555,322	2,039,715	-	-	2,555,322	2,039,715
Investment income (loss), net	(197,848)	18,090	(134,153)	232,854	(332,001)	250,944
Other	494,816	401,694	960,968	626,632	1,455,784	1,028,326
Gain on disposal of capital assets	245,173	14,722	114,362	1,103,229	359,535	1,117,951
Total revenues	44,061,686	21,554,617	48,273,372	44,763,865	92,335,058	66,318,482
Expenses:						
General government	2,979,676	2,753,083	-	-	2,979,676	2,753,083
Public safety	7,953,219	6,620,998	-	-	7,953,219	6,620,998
Public works	28,833,240	3,615,589	-	-	28,833,240	3,615,589
Park and recreation	3,833,994	3,918,949	-	-	3,833,994	3,918,949
Interest on debt	777,873	678,737	-	-	777,873	678,737
Electric	-	-	32,834,098	29,048,446	32,834,098	29,048,446
Water	-	-	1,765,283	1,522,326	1,765,283	1,522,326
Sewer	-	-	2,683,510	2,313,551	2,683,510	2,313,551
Storm drainage	-	-	280,670	344,677	280,670	344,677
Liquor	-	-	3,734,381	4,391,013	3,734,381	4,391,013
Golf	-	-	1,418,965	1,392,531	1,418,965	1,392,531
Recycling	-	-	419,740	435,717	419,740	435,717
Total expenses	44,378,002	17,587,356	43,136,647	39,448,261	87,514,649	57,035,617
Increase (decrease) in net position before transfers and contributed capital	(316,316)	3,967,261	5,136,725	5,315,604	4,820,409	9,282,865
Transfers	1,225,000	1,312,324	(1,225,000)	(1,312,324)	-	-
Change in net position	908,684	5,279,585	3,911,725	4,003,280	4,820,409	9,282,865
Net position on Jan. 1	104,851,901	99,572,316	71,629,158	67,625,878	176,481,059	167,198,194
Net position on Dec. 31	\$ 105,760,585	\$ 104,851,901	\$ 75,540,883	\$ 71,629,158	\$ 181,301,468	\$ 176,481,059

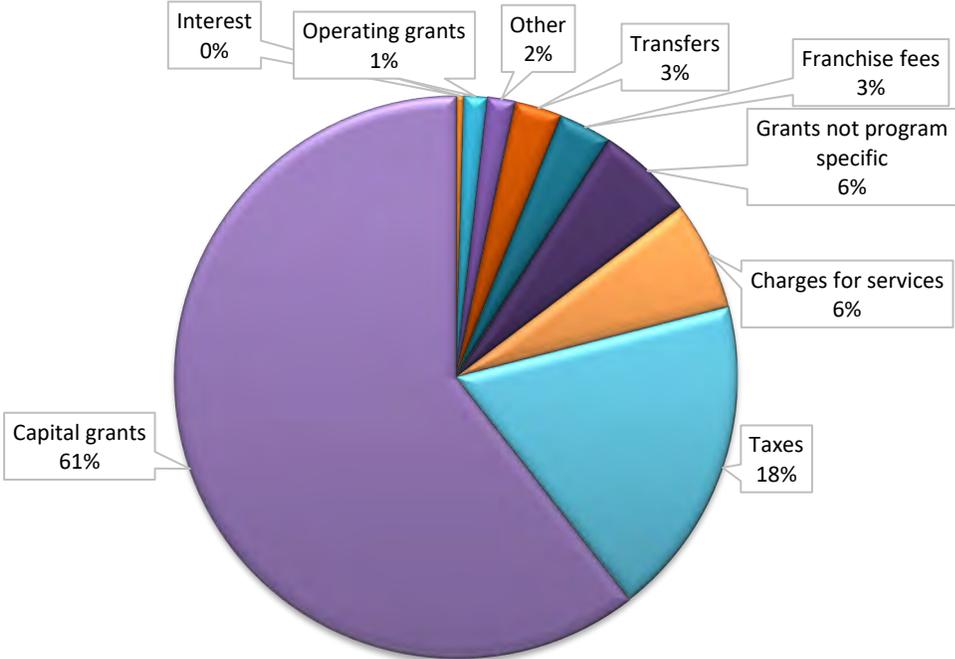
Governmental Activities

Governmental activities account for 58.3 percent of the City of Anoka's net position. For the year ended December 31 2022, there is an increase in net position for governmental activities of \$908,684. Total program and general revenues for governmental activities amounted to \$43,816,513; transfers in were \$1,225,000; gain on disposal of capital assets was \$245,173. Total expenses were \$44,378,002.

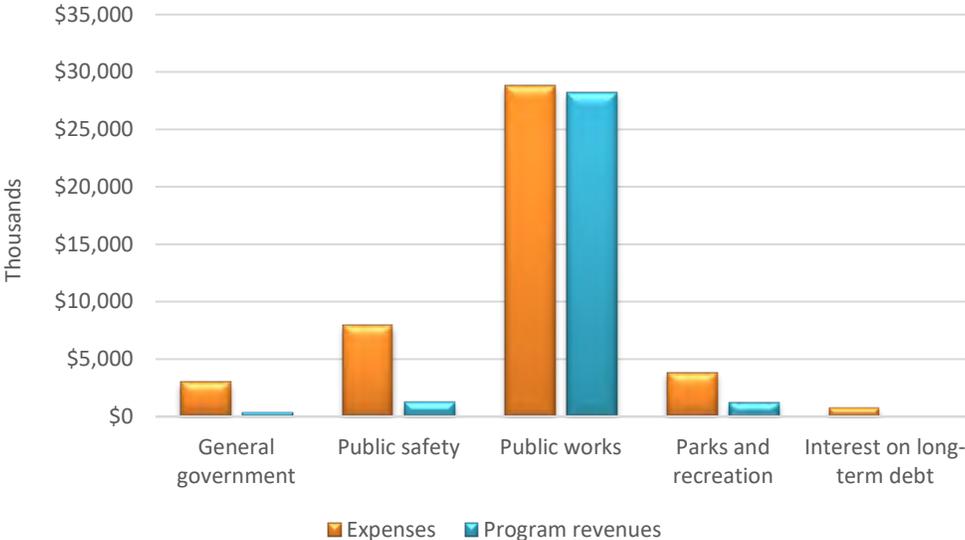
- Capital grants and contributions increased by \$21,326,808 which is the result of federal, state, and county grant revenue earned in 2022 for Highway 10 right of way acquisition and construction. This project was about 50% complete at the end of 2022.
- Property tax collection increased by \$359,619 which is due to the tax levy increase of 6.19% for 2022.

- Charges for service decreased by \$123,689. Charges for services vary every year because they are based on projects occurring throughout the city. The largest portions of decrease this year were in public safety as a result of fewer billable security services offered in 2022
- Operating grants and contributions increased by \$339,636 in 2022 as a result in changes to state aid funds received.
- Investment income decreased \$179,758 in 2022 due to continued lower rates of return on investments. The largest factor was the recognized market value adjustment of currently held investments. The City anticipates higher revenue in 2023 as a result of interest rate increases.
- 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

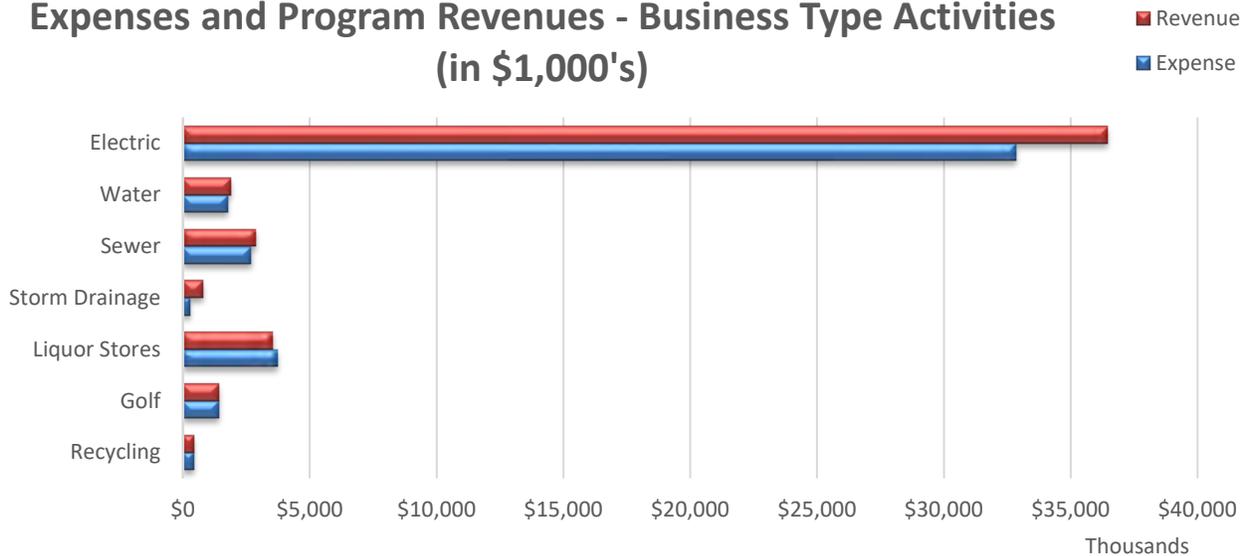


Business-type activities.

Business-type net position increased by \$3,911,725 or 5.5 percent. Total operating revenues for business-type activities amounted to \$47,297,896, transfers out were \$1,225,000, and gain on disposal of capital assets was \$114,362. Total business-type activity expenses totaled \$43,136,647.

- The electric public utility accounts for 77.1 percent of the total charges for business-type activities. Charges for electric service increased 18.2 percent, or \$5,610,921 compared to 2022 as a direct result of the increased cost to purchase power. A future rate study is planned once a determination and timeline are set for metering improvements.
- Liquor operations decreased \$1,075,739 or 23.4 percent compared to 2021 due to reduced access to the west store after Highway 10 roadway changes. This store will be closed in 2023 and development of a new location is underway.
- Recycling operations had reduced revenue of 15.2 percent, or \$71,872. County changes in operating grant eligibility account for this change, and staff have worked with County officials to reinstate this revenue going forward.
- Investment income in business-type activities decreased in 2022 by \$367,007 as a result of market conditions through much of 2022. This revenue source is expected to increase in 2023.
- Operating expenses increased by \$3,688,386 when compared to 2021. The largest changes are the increased costs of purchased power in the electric utility at \$2,751,946 or 11.7 percent, and increased cost of sewer treatment at \$193,630 or 13.5 percent.

Expenses and Program Revenues - Business Type Activities
(in \$1,000'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 \$2,318,238 a decrease of \$766,659. The decrease is primarily the result of spending on 2022 street capital projects.

Of the total governmental fund balance, \$52,459 is nonspendable to indicate that it is not available for new spending, this balance includes inventory and prepaid maintenance items, which reflect dollars already spent and also includes the portion of leases receivable that are not deferred. The restricted fund balance of \$8,907,053 also indicates that it is not available for new spending, because it has outside restrictions for bond spending, debt service, tax increment as well as statutes regarding park dedication fees and police forfeiture revenues.

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 \$6,114,646, while total fund balance was \$6,167,105. 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 42.1 percent of total General Fund expenditures.

The fund balance of the City's General Fund increased by \$145,708 during the current year. Operating expenses exceeded revenues by \$1,652,556. Actual expenditures were under final budget by \$67,763 when excluding the \$593,264 for lease recognition due to the new standard. The majority of the expenditures under budget, or 79.0 percent, occurred as a result of lower than budgeted personal services and professional services in General Government. Key factors are as follows:

- Capital spending in the General Fund was increased \$123,393 in 2022 to \$194,852. Some use of fund balance had been budgeted for capital expenditures.
- The Electric utility fund and Liquor operations fund supported City programs and projects with transfers in totaling \$1,070,000.
- General government expenditures in the General Fund increased compared to 2021 by \$1,335,770. Outside of the increased capital spending, supply costs in every department increased beyond budgeted amounts. Total supplies costs increased 21.9 percent, or \$534,328.
- Emerald Ash Borer mitigation cost the City more than \$150,000 in 2022. The City has applied for and been awarded some grant money to assist with this program, which will continue in 2023.
- Implementation of GASB Standard No. 87 resulted in additional expenditures in the General fund for the present value of leases totaling \$593,264. This expenditure was entirely offset by other financing sources revenue for lease liability issued and therefore had no effect on fund balance.

Debt Service funds have a fund balance of \$987,300. This balance is restricted to principal and interest payments for the general obligation bonds. The government-wide statements do not reflect an amount restricted for debt service, since the combined accrued interest and amortized bond premiums exceed the fund balance.

The State Aid Fund balance is \$1,337,432 which is an increase of \$1,613,341. This increase and therefore fund balance is entirely made up of federal, state and local grant money in use for the Highway 10 Solution project which is on schedule to be completed in 2023.

The Street Renewal Fund balance has fund deficit of \$3,135,621, which is a decrease of \$2,979,732 from 2021. This deficit will be eliminated with future bond issuance

The Commuter Rail Transit Village Tax Increment Fund has a deficit fund balance of \$2,679,967, and the Greens of Anoka Tax Increment Fund deficit is \$5,943,680. These fund balances increased \$90,878 and \$579,219 respectively in 2022. Both tax increment financing districts have completed acquisitions and will use land sales and future tax revenues to pay the internal loans.

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 - \$18,946,744
- Water - \$2,608,975
- Sewer - \$1,644,429
- Storm Drainage - \$1,100,016

All proprietary funds had increases in net position in 2022 with the exception of the Liquor fund which had reduced sales due to construction, and also supported Parks projects throughout the City.

Budgetary Highlights

General Fund

Budgeted expenditure of \$150,000 for 2022 street maintenance projects that could not be completed in 2022 due to staffing issues was rolled over to 2023. Budget expenditure of \$160,500 was added for a wheel chair lift, dock sections, and tree planting for a net change of \$10,500. Actual expenditures were under the final budget amount by \$67,763 and actual revenues were over the final budget by \$299,781 – both with the exclusion of \$593,264 for the present value of lease outlay and other financing sources that are the result of implementation of GASB Standard No.87. This implementation has no effect on fund balance as the recognized expense is entirely offset with other funding sources in the fund.

Highlights of expenditure variances, excluding \$132,751 from general government and \$460,513 from public safety for the implementation of GASB 87, from the 2022 budget are summarized as follows:

- General government activities under budget by \$53,535
- Public safety activities under budget by \$8,303
- Public works activities under budget by \$3,672
- Parks and recreation under budget by \$2,253

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, 2022, amounts to \$188,505,066 (net of accumulated depreciation/amortization). 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 6.7 percent, or \$11,784,437. There is a 4.0 percent increase in governmental activities investment in capital assets and a 13.0 percent increase for business-type activities investment in capital assets.

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

- \$4.5 million for street reconstruction and improvements
- \$3.7 million for construction of the Law Enforcement Training Center, to be completed in 2023
- \$3.2 million for construction of the Well 6/8 water treatment plant, to be completed in 2023

The capital assets note (see Note 8) to the financial statements, which begins on [page 63](#) of this report, provides more detailed information on capital asset activity.

	City of Anoka's Capital Assets (Net of Depreciation/Amortization)					
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 9,014,410	\$ 9,014,410	\$ 1,322,349	\$ 1,322,349	\$ 10,336,759	\$ 10,336,759
Construction in progress	12,373,744	8,024,396	4,690,765	1,418,453	17,064,509	9,442,849
Infrastructure	84,694,116	83,127,396	48,954,736	44,997,294	133,648,852	128,124,690
Buildings and structures	21,343,475	22,071,843	1,341,738	1,419,485	22,685,213	23,491,328
Machinery and equipment	2,285,941	2,400,493	1,771,070	2,116,363	4,057,011	4,516,856
Furniture and equipment	91,516	118,578	2,887	3,375	94,403	121,953
Other improvements	-	-	618,319	686,194	618,319	686,194
Intangible right of use	398,027	-	-	-	398,027	-
Total capital assets	<u>\$ 130,201,229</u>	<u>\$ 124,757,116</u>	<u>\$ 58,701,864</u>	<u>\$ 51,963,513</u>	<u>\$ 188,903,093</u>	<u>\$ 176,720,629</u>

Long-term debt. At the end of the current fiscal year, the City of Anoka had total long-term bonded debt outstanding of \$30,760,000. The City has \$23,475,000 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 \$7,285,000 in the Water and Storm Drainage Funds for utility improvements.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 20,310,000	\$ 17,565,000	\$ 3,165,000	\$ 3,295,000	\$ 23,475,000	\$ 20,860,000
Revenue bonds	-	-	7,285,000	1,370,000	7,285,000	1,370,000
Met Council loan	2,308,137	2,308,137	-	-	2,308,137	2,308,137
Total outstanding debt	<u>\$ 22,618,137</u>	<u>\$ 19,873,137</u>	<u>\$ 10,450,000</u>	<u>\$ 4,665,000</u>	<u>\$ 33,068,137</u>	<u>\$ 24,538,137</u>

The City of Anoka's total bonded debt increased by \$8,530,00 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 broke ground in 2022 and partial reimbursement from grant funds are expected in 2023. These funds will pay down the balance, and the remainder of the balance will be paid with land sales. 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 \$56,086,617 based on 2022 estimated market value of \$1,869,553,900. The City's current outstanding debt that applies to the limitation is \$33,068,137, while \$9,737,700 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 9 starting on [page 64](#) of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in Anoka County in December 2022 was 3.0 percent, compared with 2.5 percent a year ago and compared to 3.3 percent prepandemic. Overall, unemployment in the state of Minnesota was at 3.2 percent and for the United States at 3.3 percent.
- Both total estimated market value and net tax capacity increased approximately 5.0 percent in 2022.
- 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 2023 budget. The valuations of property for taxes payable in 2023 reflected higher increases than previous years. The average home in the City of Anoka increased 22.2 percent from \$254,100 to \$310,600.

At the end of 2022, total unassigned fund balance in the General Fund was \$6,114,646. The nonspendable fund balance of \$52,459 is for inventories, prepaid items, and current lease receivables. The City's 2022 total tax levy increased by \$483,852, or 6.20 percent over last year.

The General Fund budgeted revenues (excluding uses of fund balance) are increasing by a total of 5.6 percent in 2022. Total general fund budgeted expenditures increased by 9.7 percent in 2023. The General Fund will not transfer funds out for debt service or capital projects in 2022 and utilized a debt service levy to cover debt not financed by other sources. General Fund operating expenditures are budgeted at 5.7 percent higher than 2022 budget, and 20.7 percent higher than pre-pandemic 2019. The largest portion of increase is professional services. Services inflation has increased the cost of these expert services. Employee services has increased due to budgeted wage increases to retain talented employees as well as increased costs of insurance.

In 2023 the electric utility will continue to monitor purchased power costs. The utility will undergo a rate study and hold public hearings for electric utility rate increases once power costs stabilize and potential metering upgrades are completed. The utility has been using temporary power adjustments, which will be reduced or eliminated with new rates, so most customers will not see an actual change in account balances. 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 began in 2022, and repairs and upgrades to a major sewer lift station, are planned in 2024.

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

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	HRA
Assets and Deferred Outflows of Resources				
Current assets:				
Cash and investments	\$ 13,688,435	\$ 9,104,080	\$ 22,792,515	\$ 796,551
Taxes receivable	218,874	-	218,874	9,615
Accounts receivable	7,863,338	4,887,231	12,750,569	549,471
Lease receivable	32,875	122,146	155,021	-
Special assessments receivable	-	16,174	16,174	-
Accrued interest receivable	4,759	41,455	46,214	272
Internal balances	(19,078,230)	19,078,230	-	-
Inventories	81,851	3,146,149	3,228,000	-
Prepaid items	223,390	171,187	394,577	-
Land held for resale	7,914,074	-	7,914,074	2,120,517
Total current assets	<u>10,949,366</u>	<u>36,566,652</u>	<u>47,516,018</u>	<u>3,476,426</u>
Noncurrent assets:				
Special assessments receivable	2,072,879	-	2,072,879	-
Lease receivable - noncurrent	81,306	2,570,047	2,651,353	-
Right to use leased assets net of amortization	398,027	-	398,027	-
Nondepreciable capital assets	21,388,154	6,013,114	27,401,268	237,058
Capital assets - Net of depreciation:				
Infrastructure	84,694,116	48,954,736	133,648,852	745,887
Buildings and structures	21,343,475	1,341,738	22,685,213	-
Machinery, vehicles, and equipment	2,285,941	1,771,070	4,057,011	-
Furniture and equipment	91,516	2,887	94,403	-
Other improvements	-	618,319	618,319	-
Total noncurrent assets	<u>132,355,414</u>	<u>61,271,911</u>	<u>193,627,325</u>	<u>982,945</u>
Total assets	<u>143,304,780</u>	<u>97,838,563</u>	<u>241,143,343</u>	<u>4,459,371</u>
Deferred outflows of resources:				
Deferred other postemployment resources	75,057	-	75,057	-
Deferred pension resources	8,935,510	1,349,924	10,285,434	34,432
Total deferred outflows of resources	<u>9,010,567</u>	<u>1,349,924</u>	<u>10,360,491</u>	<u>34,432</u>
Total assets and deferred outflows of resources	<u>\$ 152,315,347</u>	<u>\$ 99,188,487</u>	<u>\$ 251,503,834</u>	<u>\$ 4,493,803</u>

See accompanying notes to the financial statements

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	HRA
Liabilities, Deferred Inflows of Resources, and Net Position				
Current liabilities:				
Accounts payable	\$ 2,235,094	\$ 3,886,244	\$ 6,121,338	\$ 18,502
Accrued wages payable	152,400	66,395	218,795	1,768
Due to other governments and units	1,657	-	1,657	-
Accrued interest payable	247,013	165,910	412,923	18,170
Deposits	458,823	1,218,160	1,676,983	-
Unearned revenue	2,704,186	95,515	2,799,701	-
Current portion of lease payable	188,014	-	188,014	-
Current portion of compensated absences	20,000	60,000	80,000	-
Current portion of long-term liabilities	1,045,000	240,568	1,285,568	25,000
Total current liabilities	<u>7,052,187</u>	<u>5,732,792</u>	<u>12,784,979</u>	<u>63,440</u>
Noncurrent liabilities:				
Compensated absences payable	1,054,737	352,025	1,406,762	1,231
Lease payable	214,941	-	214,941	-
Net other postemployment benefit liability	766,628	-	766,628	-
Noncurrent portion of long-term liabilities	22,378,310	10,682,900	33,061,210	1,646,558
Net pension liability	14,710,629	4,170,638	18,881,267	106,378
Total noncurrent liabilities	<u>39,125,245</u>	<u>15,205,563</u>	<u>54,330,808</u>	<u>1,754,167</u>
Total liabilities	<u>46,177,432</u>	<u>20,938,355</u>	<u>67,115,787</u>	<u>1,817,607</u>
Deferred inflows of resources:				
Deferred lease receivable	109,816	2,650,073	2,759,889	
Deferred other postemployment resources	87,410	-	87,410	-
Deferred pension resources	180,104	59,176	239,280	1,509
	<u>377,330</u>	<u>2,709,249</u>	<u>3,086,579</u>	<u>1,509</u>
Net position:				
Net investment in capital assets	107,298,169	50,527,016	157,825,185	982,945
Restricted for - debt service	1,468,151	-	1,468,151	7,294
Restricted for - tax increment	6,432,219	-	6,432,219	1,483,132
Restricted for - other	564,329	-	564,329	-
Unrestricted	(10,002,283)	25,013,867	15,011,584	201,316
Total net position	<u>105,760,585</u>	<u>75,540,883</u>	<u>181,301,468</u>	<u>2,674,687</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 152,315,347</u>	<u>\$ 99,188,487</u>	<u>\$ 251,503,834</u>	<u>\$ 4,493,803</u>

See accompanying notes to the financial statements

**CITY OF ANOKA, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

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		Total	
					Governmental Activities	Business - Type Activities		HRA
Primary government:								
Governmental activities:								
General government	\$ 2,979,676	\$ 333,671	\$ 16,000	\$ -	\$ (2,630,005)	\$ -	\$ (2,630,005)	
Public safety	7,953,219	945,074	340,374	-	(6,667,771)	-	(6,667,771)	
Public works	28,833,240	846,318	235,543	27,182,607	(568,772)	-	(568,772)	
Parks and recreation	3,833,994	759,343	15,000	480,940	(2,578,711)	-	(2,578,711)	
Interest on long-term debt	777,873	-	-	-	(777,873)	-	(777,873)	
Total governmental activities	<u>44,378,002</u>	<u>2,884,406</u>	<u>606,917</u>	<u>27,663,547</u>	<u>(13,223,132)</u>	<u>-</u>	<u>(13,223,132)</u>	
Business-type activities:								
Electric	32,834,098	36,442,857	-	-	-	3,608,759	3,608,759	
Water	1,765,283	1,873,192	-	-	-	107,909	107,909	
Sewer	2,683,510	2,867,567	-	-	-	184,057	184,057	
Storm Drainage	280,670	783,700	-	-	-	503,030	503,030	
Liquor Stores	3,734,381	3,531,627	-	-	-	(202,754)	(202,754)	
Golf	1,418,965	1,399,177	-	-	-	(19,788)	(19,788)	
Refuse	-	-	-	-	-	-	-	
Recycling	419,740	399,776	34,299	-	-	14,335	14,335	
Total business-type activities	<u>43,136,647</u>	<u>47,297,896</u>	<u>34,299</u>	<u>-</u>	<u>-</u>	<u>4,195,548</u>	<u>4,195,548</u>	
Total primary government	<u>\$ 87,514,649</u>	<u>\$ 50,182,302</u>	<u>\$ 641,216</u>	<u>\$ 27,663,547</u>	<u>(13,223,132)</u>	<u>4,195,548</u>	<u>(9,027,584)</u>	
Component unit:								
HRA	<u>\$ 487,377</u>	<u>\$ 146,458</u>	<u>\$ -</u>	<u>\$ -</u>				<u>\$ (340,919)</u>
General revenues:								
Taxes:								
Property taxes, levied for general purposes					7,436,193	-	7,436,193	328,333
Property taxes, levied for debt service					377,337	-	377,337	-
Property taxes, levied for tax increment					610,756	-	610,756	169,661
Franchise taxes					1,385,067	-	1,385,067	-
Grants, aid, and contributions not restricted to specific programs					2,555,322	-	2,555,322	-
Investment income (loss), net					(197,848)	(134,153)	(332,001)	38,380
Gain on disposal of capital assets					245,173	114,362	359,535	-
Other					494,816	960,968	1,455,784	50
Transfers					1,225,000	(1,225,000)	-	-
Total general revenues and transfers					<u>14,131,816</u>	<u>(283,823)</u>	<u>13,847,993</u>	<u>536,424</u>
Change in net position					<u>908,684</u>	<u>3,911,725</u>	<u>4,820,409</u>	<u>195,505</u>
Net position - Beginning of year					<u>104,851,901</u>	<u>71,629,158</u>	<u>176,481,059</u>	<u>2,479,182</u>
Net position - End of year					<u>\$ 105,760,585</u>	<u>\$ 75,540,883</u>	<u>\$ 181,301,468</u>	<u>\$ 2,674,687</u>

See accompanying notes to the financial statements

CITY OF ANOKA , MINNESOTA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	<u>General</u>	<u>Debt Service</u>	<u>State Aid Construction</u>	<u>Street Renewal</u>	<u>Commuter Rail Transit Village Tax Increment</u>	<u>Greens of Anoka Tax Increment</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS								
Cash and investments	\$ 5,844,310	\$ 978,992	\$ 157,307	\$ 63,044	\$ 59,411	\$ 84,028	\$ 3,649,613	\$ 10,836,705
Receivables, net:								
Taxes	203,510	14,054	-	-	-	8	1,302	218,874
Special assessments	16,650	722,118	-	1,334,111	-	-	-	2,072,879
Accounts receivable	109,928	-	6,694,274	77,589	-	124,265	857,282	7,863,338
Due from other funds	3,000,000	-	-	-	-	-	910,000	3,910,000
Accrued interest	2,379	-	-	-	-	-	1,716	4,095
Advance to other funds	-	-	-	-	-	-	830,000	830,000
Lease Receivable	114,181	-	-	-	-	-	-	114,181
Inventories	16,134	-	-	-	-	-	-	16,134
Prepaid items	31,960	-	-	-	-	-	-	31,960
Land held for resale	-	-	1,777,640	230,000	580,627	3,297,363	2,028,444	7,914,074
Total assets	<u>\$9,339,052</u>	<u>\$1,715,164</u>	<u>\$8,629,221</u>	<u>\$ 1,704,744</u>	<u>\$ 640,038</u>	<u>\$ 3,505,664</u>	<u>\$8,278,357</u>	<u>\$ 33,812,240</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 473,555	\$ -	\$ 1,291,789	\$ 32,284	\$ 5	\$ 71	\$ 326,847	\$ 2,124,551
Accrued wages payable and other benefits	148,826	-	-	-	-	-	1,135	149,961
Due to other funds	-	-	6,000,000	3,500,000	200,000	5,000,000	210,000	14,910,000
Due to other governments	-	-	-	1,657	-	-	-	1,657
Due to other organizations - Escrow	458,823	-	-	-	-	-	-	458,823
Unearned revenue	1,725,215	-	-	-	-	124,265	854,706	2,704,186
Advance from other funds	135,000	-	-	-	3,120,000	4,325,000	1,300,000	8,880,000
Total liabilities	<u>2,941,419</u>	<u>-</u>	<u>7,291,789</u>	<u>3,533,941</u>	<u>3,320,005</u>	<u>9,449,336</u>	<u>2,692,688</u>	<u>29,229,178</u>
Deferred inflows of resources:								
Unavailable revenue-Deferred lease revenues	109,816	-	-	-	-	-	-	109,816
Unavailable revenue-Property taxes	104,062	5,746	-	-	-	8	-	109,816
Unavailable revenue-Special assessments	16,650	722,118	-	1,306,424	-	-	-	2,045,192
Total deferred inflows of resources	<u>230,528</u>	<u>727,864</u>	<u>-</u>	<u>1,306,424</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>2,264,824</u>
Fund balances:								
Nonspendable	52,459	-	-	-	-	-	-	52,459
Restricted	-	987,300	-	-	580,627	3,297,363	4,041,763	8,907,053
Committed	-	-	-	-	-	-	1,812,632	1,812,632
Assigned	-	-	1,337,432	-	-	-	1,036,465	2,373,897
Unassigned	6,114,646	-	-	(3,135,621)	(3,260,594)	(9,241,043)	(1,305,191)	(10,827,803)
Total fund balances	<u>6,167,105</u>	<u>987,300</u>	<u>1,337,432</u>	<u>(3,135,621)</u>	<u>(2,679,967)</u>	<u>(5,943,680)</u>	<u>5,585,669</u>	<u>2,318,238</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$9,339,052</u>	<u>\$ 1,715,164</u>	<u>\$8,629,221</u>	<u>\$ 1,704,744</u>	<u>\$ 640,038</u>	<u>\$ 3,505,664</u>	<u>\$8,278,357</u>	<u>\$ 33,812,240</u>

See accompanying notes to financial statements

CITY OF ANOKA, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Total governmental fund balances (page 33)	\$ 2,318,238
Amounts reported for governmental activities in the statement of net position (page 31) are different because:	
Capital assets, including right to use leased assets, used in governmental activities (excluding internal service fund capital assets) are not financial resources and are not reported in the funds	129,216,759
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.	2,878,062
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.	(778,981)
Long-term liabilities, bonds payable and related premiums, are not due and payable in the current period and therefore are not reported in the funds	(23,423,310)
Long-term leases payable are not due and payable in the current period and therefore are not reported in the funds	(402,955)
Governmental funds do not report a liability for accrued interest until due and payable.	(247,013)
The net pension liability and related deferred inflows and deferred outflows are recorded only in the government-wide statement of net position.	(5,955,223)
Deferred inflows are not available to pay for current-period expenditures and therefore are deferred in the funds.	2,155,008
Net position of the governmental activities	\$ 105,760,585

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	<u>General</u>	<u>Debt Service</u>	<u>State Aid Construction</u>	<u>Street Renewal</u>	<u>Commuter Rail Transit Village Tax Increment</u>	<u>Greens of Anoka Tax Increment</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Revenues:								
Taxes	\$ 7,408,785	\$ 378,698	\$ -	\$ -	\$ 207,456	\$ 255,840	\$ 148,464	\$ 8,399,243
Special assessments	-	110,364	-	495,055	-	-	-	605,419
Licenses and permits	568,094	-	-	15,477	-	-	52,185	635,756
Fines and forfeitures	82,891	612	-	3,874	-	-	28,032	115,409
Intergovernmental	2,696,707	-	26,548,799	114,591	-	539,217	927,018	30,826,332
Charges for current services	978,166	-	-	-	-	-	457,261	1,435,427
Franchise fees	974,245	-	-	410,822	-	-	-	1,385,067
Investment income	30,923	(570)	1,975	426	-	-	25,285	58,039
Net increase(decrease) fair value of investments	(125,756)	8,393	(29,024)	(6,260)	-	-	(103,240)	(255,887)
Miscellaneous	241,879	-	-	-	-	28,342	442,725	712,946
Total revenues	<u>12,855,934</u>	<u>497,497</u>	<u>26,521,750</u>	<u>1,033,985</u>	<u>207,456</u>	<u>823,399</u>	<u>1,977,730</u>	<u>43,917,751</u>
Expenditures:								
Current:								
General government	1,832,257	1,000	-	-	4,884	5,128	287,827	2,131,096
Public safety	7,208,815	-	-	-	-	-	147,940	7,356,755
Public works	1,760,318	-	24,908,409	5,250	-	-	144,408	26,818,385
Parks and recreation	2,714,330	-	-	-	-	-	69,851	2,784,181
Capital outlay	194,852	-	-	3,978,467	-	85,008	4,673,989	8,932,316
Capital outlay, Present value of new lease	593,264	-	-	-	-	-	-	593,264
Debt service:								
Principal retirement	190,309	1,105,000	-	-	-	-	-	1,295,309
Interest and fiscal charges	14,345	437,747	-	-	111,694	154,044	46,681	764,511
Bond issuance costs	-	-	-	-	-	-	85,328	85,328
Total expenditures	<u>14,508,490</u>	<u>1,543,747</u>	<u>24,908,409</u>	<u>3,983,717</u>	<u>116,578</u>	<u>244,180</u>	<u>5,456,024</u>	<u>50,761,145</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,652,556)</u>	<u>(1,046,250)</u>	<u>1,613,341</u>	<u>(2,949,732)</u>	<u>90,878</u>	<u>579,219</u>	<u>(3,478,294)</u>	<u>(6,843,394)</u>
Other financing sources (uses) including transfers:								
Bond offering	-	-	-	-	-	-	3,850,000	3,850,000
Bond premium	-	-	-	-	-	-	163,298	163,298
Transfer in	1,205,000	567,700	-	-	-	-	225,000	1,997,700
Transfer out	-	-	-	-	-	-	(772,700)	(772,700)
Lease liability issued	593,264	-	-	-	-	-	-	593,264
Proceeds from sale of asset	-	-	-	-	-	-	245,173	245,173
Total other financing sources (uses)	<u>1,798,264</u>	<u>567,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,710,771</u>	<u>6,076,735</u>
Net changes in fund balances	145,708	(478,550)	1,613,341	(2,949,732)	90,878	579,219	232,477	(766,659)
Fund balances (deficits) at beginning of year	6,021,397	1,465,850	(275,909)	(185,889)	(2,770,845)	(6,522,899)	5,353,192	3,084,897
Fund balances (deficits) at end of year	<u>\$ 6,167,105</u>	<u>\$ 987,300</u>	<u>\$ 1,337,432</u>	<u>\$ (3,135,621)</u>	<u>\$ (2,679,967)</u>	<u>\$ (5,943,680)</u>	<u>\$ 5,585,669</u>	<u>\$ 2,318,238</u>

See accompanying notes to financial statements

CITY OF ANOKA, MINNESOTA
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, 2022

Net change in fund balances - Total governmental funds (page 35) \$ (766,659)

Amounts reported for government activities in the statement of activities (page 32) are different because:

Governmental funds report capital and lease outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation/amortization expense
This is the amount by which capital outlays and right to use leased asset outlays exceeded depreciation/amortization in the current period 5,584,589

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. (91,090)

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. (58,129)

The issuance of long-term debt and leases provide current financial resources to governmental funds, while the repayment of the principal of long-term debt and leases consume 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. (3,147,955)

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 (176,662)

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. (308,880)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (124,342)

The loss from disposal of fixed assets that is reported in the statement of activities is not reported as an expenditure in governmental funds. (2,188)

Change in net position of governmental activities \$ 908,684

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2022

Business-Type Activities - Enterprise Funds

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets:							
Current assets:							
Cash and cash equivalents	\$ 4,122,672	\$ 2,482,106	\$ 909,608	\$ 539,505	\$ 1,050,189	\$ 9,104,080	\$ 2,851,730
Receivables, net:							
Special assessments	16,174	-	-	-	-	16,174	-
Accounts receivable	4,162,211	182,696	381,999	102,075	58,250	4,887,231	-
Accrued interest	17,744	22,820	382	322	187	41,455	664
Due from other funds	6,000,000	4,000,000	500,000	500,000	-	11,000,000	-
Inventory	2,409,067	-	-	-	737,082	3,146,149	65,717
Lease receivable	1,400,451	1,291,742	-	-	-	2,692,193	-
Prepaid items	12,025	1,125	151,563	-	6,474	171,187	191,430
Current portion of advance to other funds	353,625	-	-	-	-	353,625	-
Total current assets	<u>18,493,969</u>	<u>7,980,489</u>	<u>1,943,552</u>	<u>1,141,902</u>	<u>1,852,182</u>	<u>31,412,094</u>	<u>3,109,541</u>
Noncurrent assets:							
Advance to other funds	7,819,409	-	-	-	-	7,819,409	-
Land and improvements	806,266	-	13,383	-	502,699	1,322,348	-
Construction in progress	442,095	3,352,938	-	-	895,733	4,690,766	-
Buildings and structures	2,415,647	1,124,314	150,000	-	1,775,627	5,465,588	50,000
Furniture and equipment	656,396	-	-	-	382,620	1,039,016	557,625
Machinery and automotive equipment	4,536,766	1,006,686	1,098,405	-	1,068,504	7,710,361	4,804,065
Distribution system	51,928,887	20,893,668	10,403,345	9,185,985	-	92,411,885	-
Other improvements	-	-	-	-	2,726,073	2,726,073	-
Total noncurrent assets	<u>68,605,466</u>	<u>26,377,606</u>	<u>11,665,133</u>	<u>9,185,985</u>	<u>7,351,256</u>	<u>123,185,446</u>	<u>5,411,690</u>
Accumulated depreciation	<u>(33,260,858)</u>	<u>(11,615,173)</u>	<u>(5,565,139)</u>	<u>(1,559,107)</u>	<u>(4,663,896)</u>	<u>(56,664,173)</u>	<u>(4,427,220)</u>
Total noncurrent assets	<u>35,344,608</u>	<u>14,762,433</u>	<u>6,099,994</u>	<u>7,626,878</u>	<u>2,687,360</u>	<u>66,521,273</u>	<u>984,470</u>
Total assets	<u>53,838,577</u>	<u>22,742,922</u>	<u>8,043,546</u>	<u>8,768,780</u>	<u>4,539,542</u>	<u>97,933,367</u>	<u>4,094,011</u>
Deferred outflows of resources:							
Deferred pension resources	779,628	104,354	115,400	-	350,542	1,349,924	-
Total assets and deferred outflows of resources	<u>\$ 54,618,205</u>	<u>\$ 22,847,276</u>	<u>\$ 8,158,946</u>	<u>\$ 8,768,780</u>	<u>\$ 4,890,084</u>	<u>\$ 99,283,291</u>	<u>\$ 4,094,011</u>

See accompanying notes to the financial statements

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2022

Business-Type Activities - Enterprise Funds

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
Liabilities:							
Current liabilities:							
Accounts payable	\$ 2,887,439	\$ 921,383	\$ 13,431	\$ 133	\$ 63,858	\$ 3,886,244	\$ 59,008
Accrued wages payable	35,907	6,596	6,157	-	17,735	66,395	2,439
Accrued interest payable	-	113,341	10,816	41,753	-	165,910	-
Claims payable	-	-	-	-	-	-	51,535
Current portion of compensated absences	60,000	-	-	-	-	60,000	20,000
Current portion of advance from other funds	-	-	-	-	43,625	43,625	-
Current portion of bonds payable	-	40,122	42,791	157,655	-	240,568	-
Deposits	1,123,862	-	-	-	94,298	1,218,160	-
Unearned revenue	74,763	20,752	-	-	-	95,515	-
Total current liabilities	<u>4,181,971</u>	<u>1,102,194</u>	<u>73,195</u>	<u>199,541</u>	<u>219,516</u>	<u>5,776,417</u>	<u>132,982</u>
Noncurrent liabilities:							
Compensated absences payable	147,989	61,563	22,526	-	119,947	352,025	1,054,737
Advance from other funds	-	-	-	-	79,409	79,409	-
Bonds payable	-	6,810,360	957,688	2,914,852	-	10,682,900	-
Net pension liability	2,408,687	322,404	356,534	-	1,083,013	4,170,638	-
Total noncurrent liabilities	<u>2,556,676</u>	<u>7,194,327</u>	<u>1,336,748</u>	<u>2,914,852</u>	<u>1,282,369</u>	<u>15,284,972</u>	<u>1,054,737</u>
Total liabilities	<u>6,738,647</u>	<u>8,296,521</u>	<u>1,409,943</u>	<u>3,114,393</u>	<u>1,501,885</u>	<u>21,061,389</u>	<u>1,187,719</u>
Deferred inflows of resources:							
Deferred lease revenue	1,373,439	1,276,634	-	-	-	2,650,073	-
Deferred pension resources	34,176	4,575	5,059	-	15,366	59,176	-
Total deferred inflows of resources	<u>1,407,615</u>	<u>1,281,209</u>	<u>5,059</u>	<u>-</u>	<u>15,366</u>	<u>2,709,249</u>	<u>-</u>
Net position:							
Net investment in capital assets	27,525,199	10,660,571	5,099,515	4,554,371	2,687,360	50,527,016	984,470
Unrestricted	18,946,744	2,608,975	1,644,429	1,100,016	685,473	24,985,637	1,921,822
Total net position	<u>46,471,943</u>	<u>13,269,546</u>	<u>6,743,944</u>	<u>5,654,387</u>	<u>3,372,833</u>	<u>75,512,653</u>	<u>2,906,292</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 54,618,205</u>	<u>\$ 22,847,276</u>	<u>\$ 8,158,946</u>	<u>\$ 8,768,780</u>	<u>\$ 4,890,084</u>	<u>\$ 99,283,291</u>	<u>\$ 4,094,011</u>

See accompanying notes to the financial statements

CITY OF ANOKA, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET OF THE PROPRIETARY FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Net position - Total enterprise funds (page 38) \$ 75,512,653

Amounts reported for proprietary activities in the statement of net position (page 31)
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.

28,230

Net position of the business-type activities

\$ 75,540,883

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

Business-Type Activities - Enterprise Funds

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
Operating revenues:							
Charges for sales and services:							
Electric utility sales	\$ 36,317,126	\$ -	\$ -	\$ -	\$ -	\$ 36,317,126	\$ -
Water utility sales	-	1,869,707	-	-	-	1,869,707	-
Sewer	-	-	2,867,567	-	-	2,867,567	-
Liquor sales	-	-	-	-	3,527,796	3,527,796	-
Golf	-	-	-	-	1,399,177	1,399,177	-
Storm water	-	-	-	783,700	-	783,700	-
Recycling	-	-	-	-	399,776	399,776	-
Other	125,731	3,485	-	-	38,130	167,346	2,029,410
Total operating revenues	<u>36,442,857</u>	<u>1,873,192</u>	<u>2,867,567</u>	<u>783,700</u>	<u>5,364,879</u>	<u>47,332,195</u>	<u>2,029,410</u>
Operating expenses:							
Personal services	1,840,088	515,940	550,355	49,900	1,603,085	4,559,368	325,582
Supplies	274,732	140,149	14,572	-	250,698	680,151	343,879
Professional services	1,286,639	431,053	76,719	25,202	430,099	2,249,712	1,122,502
Contractual services	342,081	92,012	126,684	1,460	155,197	717,434	205,849
Purchased power	26,199,948	-	-	-	-	26,199,948	-
Disposal	-	-	1,633,174	-	312,765	1,945,939	-
Franchise fee	955,255	-	-	-	-	955,255	-
Cost of goods sold	-	-	-	-	2,624,248	2,624,248	-
Depreciation	1,900,828	578,801	272,513	204,077	181,947	3,138,166	252,085
Total operating expenses	<u>32,799,571</u>	<u>1,757,955</u>	<u>2,674,017</u>	<u>280,639</u>	<u>5,558,039</u>	<u>43,070,221</u>	<u>2,249,897</u>
Operating income (loss)	<u>3,643,286</u>	<u>115,237</u>	<u>193,550</u>	<u>503,061</u>	<u>(193,160)</u>	<u>4,261,974</u>	<u>(220,487)</u>

See accompanying notes to the financial statements

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS (CONTINUED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

Business-Type Activities - Enterprise Funds

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
Nonoperating revenues (expenses):							
Interest income	35,590	33,099	6,561	5,663	4,085	84,998	12,314
Internal interest income	290,744	-	-	-	-	290,744	-
Net decrease fair value of investments	(139,996)	(102,795)	(20,089)	(19,465)	(7,677)	(290,022)	(36,737)
Interest expense	(1,137)	(113,634)	(23,297)	(77,611)	(4,194)	(219,873)	-
Gain on sale of capital assets	3,368	-	20,000	-	90,994	114,362	8,450
Other income	394,184	414,616	123,200	24,255	4,713	960,968	78,945
Total nonoperating revenues (expenses)	<u>582,753</u>	<u>231,286</u>	<u>106,375</u>	<u>(67,158)</u>	<u>87,921</u>	<u>941,177</u>	<u>62,972</u>
Income (loss) before transfers	<u>4,226,039</u>	<u>346,523</u>	<u>299,925</u>	<u>435,903</u>	<u>(105,239)</u>	<u>5,203,151</u>	<u>(157,515)</u>
Transfers:							
Transfer out	(775,000)	(210,000)	-	-	(240,000)	(1,225,000)	-
Total transfers	<u>(775,000)</u>	<u>(210,000)</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>	<u>(1,225,000)</u>	<u>-</u>
Change in net position	3,451,039	136,523	299,925	435,903	(345,239)	3,978,151	(157,515)
Net position - Beginning of year	<u>43,020,904</u>	<u>13,133,023</u>	<u>6,444,019</u>	<u>5,218,484</u>	<u>2,268,141</u>	<u>71,534,502</u>	<u>3,063,807</u>
Net position - Ending of year	<u><u>\$ 46,471,943</u></u>	<u><u>\$ 13,269,546</u></u>	<u><u>\$ 6,743,944</u></u>	<u><u>\$ 5,654,387</u></u>	<u><u>\$ 1,922,902</u></u>	<u><u>\$ 75,512,653</u></u>	<u><u>\$ 2,906,292</u></u>

CITY OF ANOKA, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OF THE PROPRIETARY FUNDS TO THE STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

Change in net position - Total enterprise funds (page 41) \$ 3,978,151

Amounts reported for proprietary activities in the statement of activities (page 32) 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.

(66,426)

Change in net position of business-type activities:

\$ 3,911,725

CITY OF ANOKA, MINNESOTA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

Business-Type Activities - Enterprise Funds

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
Cash flows from operating activities:							
Received from customers	\$ 36,204,460	\$ 2,300,714	\$ 2,905,816	\$ 805,410	\$ 5,463,791	\$ 47,680,191	\$ -
Received from interfund services provided	290,744	-	-	-	-	290,744	2,064,410
Reimbursement from insurance	-	-	-	-	-	-	43,945
Payments to suppliers for goods and service	(28,339,802)	(691,710)	(226,286)	(29,940)	(3,405,631)	(32,693,369)	(1,686,219)
Payments to employees for services	(1,637,418)	(506,175)	(515,489)	(49,900)	(1,550,209)	(4,259,191)	(259,333)
Payments to other funds for franchise fee	(955,255)	-	-	-	-	(955,255)	-
Disposal charges	-	-	(1,633,174)	-	(312,765)	(1,945,939)	-
Deposits charged	36,809	-	-	-	14,838	51,647	-
Net cash provided by operating activities	<u>5,599,538</u>	<u>1,102,829</u>	<u>530,867</u>	<u>725,570</u>	<u>210,024</u>	<u>8,168,828</u>	<u>162,803</u>
Cash flows from noncapital financing activity:							
(Increase)/decrease from other funds	614,694	(1,014,848)	500,000	(85,152)	256,375	271,069	-
(Increase)/decrease from lease activity	(27,012)	(15,108)	-	-	-	(42,120)	-
Transfer to other funds	<u>(775,000)</u>	<u>(210,000)</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>	<u>(1,225,000)</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>(187,318)</u>	<u>(1,239,956)</u>	<u>500,000</u>	<u>(85,152)</u>	<u>16,375</u>	<u>(996,051)</u>	<u>-</u>
Cash flows from capital and related financing activities:							
Acquisition of capital assets	(3,428,008)	(4,454,045)	(682,161)	(369,345)	(41,605)	(8,975,164)	(113,798)
Principal paid on bonds and leases	-	(33,580)	(42,791)	(157,655)	-	(234,026)	-
Interest paid	(1,137)	(6,988)	(23,962)	(72,982)	(4,194)	(109,263)	-
Proceeds from sale of bonds	-	6,277,910	-	-	-	6,277,910	-
Proceeds from sale of capital assets	<u>3,368</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>90,994</u>	<u>114,362</u>	<u>8,450</u>
Net cash used in (provided by) capital and related financing activities	<u>(3,425,777)</u>	<u>1,783,297</u>	<u>(728,914)</u>	<u>(599,982)</u>	<u>45,195</u>	<u>(2,926,181)</u>	<u>(105,348)</u>
Cash flows from investing activities:							
Investment earnings (loss)	<u>(122,150)</u>	<u>(92,516)</u>	<u>(13,910)</u>	<u>(14,124)</u>	<u>(3,779)</u>	<u>(246,479)</u>	<u>(25,087)</u>

See accompanying notes to the financial statements

CITY OF ANOKA, MINNESOTA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

Business-Type Activities - Enterprise Funds

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm Drainage</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
Net increase in cash and cash equivalents	1,864,293	1,553,654	288,043	26,312	267,815	4,000,117	32,368
Cash and cash equivalents at beginning of year	2,258,379	928,452	621,565	513,193	782,374	5,103,963	2,819,362
Cash and cash equivalents at end of year	<u>\$ 4,122,672</u>	<u>\$ 2,482,106</u>	<u>\$ 909,608</u>	<u>\$ 539,505</u>	<u>\$ 1,050,189</u>	<u>\$ 9,104,080</u>	<u>\$ 2,851,730</u>
Reconciliation of operating income (loss) to net cash provided by operating activities							
Operating income (loss)	<u>\$ 3,643,286</u>	<u>\$ 115,237</u>	<u>\$ 193,550</u>	<u>\$ 503,061</u>	<u>\$ (193,160)</u>	<u>\$ 4,261,974</u>	<u>\$ (220,487)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities							
Depreciation	1,900,828	578,801	272,513	204,077	181,947	3,138,166	252,085
Other income	684,928	414,616	123,200	24,255	4,713	1,251,712	78,945
Changes in assets and liabilities:							
Accounts receivable	(546,949)	12,302	(84,951)	(2,545)	185,193	(436,950)	-
Inventory	(838,215)	-	-	-	159,282	(678,933)	(39,370)
Prepaid items	(800)	(1,125)	(15,638)	-	(3,174)	(20,737)	(61,139)
Claims payable	-	-	-	-	-	-	32,616
Net pension liability	1,170,354	136,230	172,334	-	514,674	1,993,592	-
Deferred outflows - Pensions	142,070	34,216	21,700	-	72,476	270,462	-
Deferred inflows - Pensions	(1,107,832)	(167,117)	(164,812)	-	(508,764)	(1,948,525)	-
Accounts payable	602,613	(27,371)	7,327	(3,278)	(101,497)	477,794	53,904
Accrued wages payable	(16,684)	(2,663)	(1,166)	-	(7,097)	(27,610)	(993)
Compensated absences payable	14,762	9,099	6,810	-	(18,413)	12,258	67,242
Deposits	36,809	-	-	-	14,838	51,647	-
Unearned revenues	(85,632)	604	-	-	(90,994)	(176,022)	-
Total adjustments	<u>1,956,252</u>	<u>987,592</u>	<u>337,317</u>	<u>222,509</u>	<u>403,184</u>	<u>3,906,854</u>	<u>383,290</u>
Net cash provided by operating activities	<u>\$ 5,599,538</u>	<u>\$ 1,102,829</u>	<u>\$ 530,867</u>	<u>\$ 725,570</u>	<u>\$ 210,024</u>	<u>\$ 8,168,828</u>	<u>\$ 162,803</u>

See accompanying notes to the financial statements

CITY OF ANOKA, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
DECEMBER 31, 2022

Assets	
Cash and investments	\$ 65,599
Accounts receivable	5,337
Accrued interest receivable	<u>15</u>
 Total assets	 <u><u>\$ 70,951</u></u>
Liabilities	
Liabilities:	
Accounts payable	<u>\$ -</u>
Net Position	
Restricted for:	
Downtown District	<u>70,951</u>
 Total net position	 <u>70,951</u>
 Total liabilities and net position	 <u><u>\$ 70,951</u></u>

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Additions	
Donations and contributions	\$ 74,540
Investment income	293
Decrease in fair value of investments	<u>(896)</u>
 Total additions	 <u>73,937</u>
Deductions	
Professional services	62,939
Contractual services	<u>56</u>
 Total deductions	 <u>62,995</u>
 Net increase in fiduciary net position	 <u>10,942</u>
 Net position - beginning of year	 <u>60,009</u>
 Net position - ending of year	 <u><u>\$ 70,951</u></u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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.

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.

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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.

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).

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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/amortization 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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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 \$2,291,753. Of this receivable, \$2,155,008 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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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.

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.

Right to use assets

The City has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease, or the lease term of the underlying asset, whichever is shorter.

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. Intangible right to use assets are recorded at the value of the lease liability, plus any payments made to the lessor at or before the lease term and certain direct costs. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extended assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All proprietary fund noncurrent capital assets, with the exception of the Electric Utility Fund 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.

**CITY OF ANOKA, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 FISCAL YEAR ENDED DECEMBER 31, 2022**

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)

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/amortized 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
Intangible right to use assets	Shorter of the lease term or the useful life of the underlying asset

Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

A portion of fund balance related to lease receivables is nonspendable because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

Deferred Outflows of Resources

In addition to assets, the statement of net position and fund financial statements will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents the 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.

CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net 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 also recognizes a deferred lease receivable, which is reported under both the modified accrual and full accrual basis. 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.

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Long-Term Obligations - Leases

The City has entered into agreements to lease certain equipment. The lease agreements qualify as “other than short-term leases” under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

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/amortization, 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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Balance Classifications (CONTINUED)

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.

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	\$ 21,388,154
Right of use leased assets	398,027
Infrastructure	84,694,116
Buildings and structures	21,343,475
Machinery, vehicles, and equipment	1,376,612
Furniture and equipment	<u>16,375</u>
Net adjustments to increase fund balance – total governmental funds to arrive at net position – governmental activities	<u>\$129,216,759</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/amortization expense." The details of this difference are as follows:

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Capital outlay	\$ 8,932,316
Capital outlay, present value of lease	593,264
Depreciation expense (not including internal service)	(3,745,754)
Amortization expense (not including internal service)	<u>(195,237)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 5,584,589</u>

Another element of the reconciliation states that “the issuance of long-term debt and leases provide current financial resources to governmental funds, while the repayment of the principal of long-term debt and leases consume 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	\$ 1,105,000
Principal lease retirement	190,309
Issuance of new lease liability	(593,264)
Issuance of general obligation bonds	<u>(3,850,000)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$(3,147,955)</u>

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Equity

The following funds have a negative fund balance at December 31, 2022:

1. The Street Renewal fund has a negative fund balance of \$3,135,621. The negative fund balance will be eliminated with bond issuance in 2023.
2. The Commuter Rail Transit Village Tax Increment Fund has a negative fund balance of \$2,679,967. The negative fund balance will be eliminated with future tax increment revenue collections and sales of land held for resale.
3. The Greens of Anoka Tax Increment Fund has a negative fund balance of \$5,943,680. The negative fund balance will be eliminated with future tax increment revenue collections and sales of land held for resale.
4. The Parking fund has a negative fund balance of \$21,966. The negative fund balance will be eliminated by the increase in parking fee and fine assessment and collection.
5. The South Ferry Tax Increment Fund has a negative fund balance of \$1,283,225. The negative fund balance will be eliminated with future tax increment revenue collections.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

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 \$65,599 and exclude petty cash of \$5,359.

(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, 2022, the City had the following investments and maturities (in years):

	Fair Value	Investment Maturities (in Years)		
		Less than one	1-5	6-10
Federal Home Loan Bank (FHLB)	\$ 942,740	\$ -	\$ 942,740	\$ -
Federal Nat'l. Mtg. Assn. (FNMA)	324,652	-	324,652	-
Federal Home Loan Mtg. Corp. (Freddie Mac)	3,729,760	-	3,729,760	-
Federal Farm Credit	917,190	-	917,190	-
Treasury Notes	3,686,090	-	3,686,090	-
Certificates of deposit	4,000,000	4,000,000	-	-
Money market accounts	9,252,323	9,252,323	-	-
	<u>\$ 22,852,755</u>	<u>\$ 13,252,323</u>	<u>\$ 9,600,432</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, 2022, 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 does not hold any municipal bonds as of December 31, 2022. U.S. Treasury Notes, Certificates of Deposit, and Money Market Accounts are exempt from rating.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

4. CASH AND INVESTMENTS

A. City of Anoka (CONTINUED)

(c) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. The City 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, 2022, 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, 2022.

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, 2022, the HRA had the following investments and maturities:

Money market accounts - Less than one year - \$796,551

(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, 2022:

Money market accounts - \$796,551 – Not rated

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

4. CASH AND INVESTMENTS (CONTINUED)

(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, 2022, 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, 2022.

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, 2022:

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	\$ 9,252,323	\$ -	\$ 9,252,323	\$ -
Negotiable certificates of deposit	4,000,000	-	4,000,000	-
US governmental agency obligations	9,600,432	-	9,600,432	-
	<u>\$ 22,852,755</u>	<u>\$ -</u>	<u>\$ 22,852,755</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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

5. FAIR VALUE MEASUREMENT

A. City of Anoka (CONTINUED)

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) \$796,551

6. INTERFUND ACTIVITY

The City had the following interfund receivable and payable balances as of December 31, 2022:

Fund	Due From Other Funds	Due To Other Funds	Advance To Other Funds	Advance From Other Funds
General Fund	\$ 3,000,000	\$ -	\$ -	\$ 135,000
State Aid Construction	-	6,000,000	-	-
Street Renewal Fund	-	3,500,000	-	-
CRTV Tax Increment	-	200,000	-	3,120,000
Greens of Anoka Tax Increment	-	5,000,000	-	4,325,000
Non-major governmental funds	910,000	210,000	830,000	1,300,000
Electric Utility	6,000,000	-	8,173,034	-
Water Utility	4,000,000	-	-	-
Sewer Utility	500,000	-	-	-
Storm Sewer Utility	500,000	-	-	-
Non-major business-type funds	-	-	-	123,034
Totals	\$ 14,910,000	\$ 14,910,000	\$ 9,003,034	\$ 9,003,034

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:

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

6. INTERFUND ACTIVITY (CONTINUED)

	Debt		Nonmajor Gov	Total Out
	General Fund	Service		
Non-major Gov	\$ 135,000	\$ 567,700	\$ 70,000	\$ 772,700
Electric	700,000	-	75,000	775,000
Water	170,000	-	40,000	210,000
Non-major Prop	200,000	-	40,000	240,000
Total In	\$ 1,205,000	\$ 567,700	\$ 225,000	\$ 1,997,700

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.

7. 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 2021 and 2022 were as follows:

	2021	2022
Unpaid claims at beginning of year	\$ 18,622	\$ 18,919
Current-year claims	194,315	119,556
Claim payments	(194,018)	(86,940)
Balance at end of year	<u>\$ 18,919</u>	<u>\$ 51,535</u>

CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022

8. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 9,014,410	\$ -	\$ -	\$ -	\$ 9,014,410
Construction in progress	8,024,396	7,869,798	1,583	(3,518,867)	12,373,744
Total capital assets not being depreciated/amortized	<u>17,038,806</u>	<u>7,869,798</u>	<u>1,583</u>	<u>(3,518,867)</u>	<u>21,388,154</u>
Capital assets being depreciated/amortized:					
Infrastructure	106,663,418	674,873	-	3,430,988	110,769,279
Building and structures	39,463,179	193,234	-	87,879	39,744,292
Machinery and equipment	9,973,004	295,340	55,876	-	10,212,468
Furniture and equipment	1,163,035	12,870	-	-	1,175,905
Leased asset-intangible right to use asset	-	593,264	-	-	593,264
Total capital assets being depreciated/amortized	<u>157,262,636</u>	<u>1,176,317</u>	<u>55,876</u>	<u>3,518,867</u>	<u>162,495,208</u>
Less accumulated depreciation/amortization for:					
Infrastructure	23,536,022	2,539,141	-	-	26,075,163
Building and structures	17,391,336	1,009,480	-	-	18,400,816
Machinery and equipment	7,572,511	409,288	55,271	-	7,926,528
Furniture and equipment	1,044,457	39,932	-	-	1,084,389
Leased asset-intangible right to use asset	-	195,237	-	-	195,237
Total accumulated depreciation/amortization	<u>49,544,326</u>	<u>4,193,078</u>	<u>55,271</u>	<u>-</u>	<u>53,682,133</u>
Total capital assets being depreciated/amortized, net	<u>107,718,310</u>	<u>(3,016,761)</u>	<u>605</u>	<u>3,518,867</u>	<u>108,813,075</u>
Governmental activities capital assets, net	<u>\$ 124,757,116</u>	<u>\$ 4,853,037</u>	<u>\$ 2,188</u>	<u>\$ -</u>	<u>\$ 130,201,229</u>
Business-type activities:					
Capital assets not being depreciated:					
Land and improvements	\$ 1,322,349	\$ -	\$ -	\$ -	\$ 1,322,349
Construction in progress	1,418,453	3,272,312	-	-	4,690,765
Total capital assets not being depreciated	<u>2,740,802</u>	<u>3,272,312</u>	<u>-</u>	<u>-</u>	<u>6,013,114</u>
Capital assets being depreciated:					
Infrastructure	85,870,787	6,604,205	63,107	-	92,411,885
Building and structures	5,465,588	-	-	-	5,465,588
Machinery and equipment	7,710,361	-	-	-	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>102,811,825</u>	<u>6,604,205</u>	<u>63,107</u>	<u>-</u>	<u>109,352,923</u>
Less accumulated depreciation for:					
Infrastructure	40,873,493	2,646,763	63,107	-	43,457,149
Building and structures	4,046,103	77,747	-	-	4,123,850
Machinery and equipment	5,593,998	345,293	-	-	5,939,291
Furniture and equipment	1,035,641	488	-	-	1,036,129
Other improvements	2,039,879	67,875	-	-	2,107,754
Total accumulated depreciation	<u>53,589,114</u>	<u>3,138,166</u>	<u>63,107</u>	<u>-</u>	<u>56,664,173</u>
Total capital assets being depreciated, net	<u>49,222,711</u>	<u>3,466,039</u>	<u>-</u>	<u>-</u>	<u>52,688,750</u>
Business-type activities capital assets, net	<u>\$ 51,963,513</u>	<u>\$ 6,738,351</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,701,864</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

8. CAPITAL ASSETS (Continued)

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

Governmental activities:	
General Government	\$ 883,259
Public Safety	407,254
Streets and Highways (including depreciation/amortization of infrastructure)	1,946,335
Parks and Recreation	956,230
Total depreciation/amortization of expense - Governmental activities	\$ 4,193,078
Business-type activities:	
Electric	\$ 1,900,828
Water	578,801
Sewer	272,513
Storm Drainage	204,077
Liquor	11,526
Golf	170,421
Total depreciation of expense - Business-type activities	\$ 3,138,166

9. LONG-TERM DEBT

A. City of Anoka

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 partially repaid in 2023 with right-of-way acquisition (RALF) funds received, and the remainder is due when any remaining land is sold after project completion. The balance is \$2,308,137 and there is no scheduled payments and there is no interest charged.

The City has entered into agreements to lease certain equipment. The lease agreements qualify as “other than short-term leases” under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

9. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (CONTINUED)

Leases payable at December 31, 2022, are summarized as follows:

	<u>Maturities</u>	<u>Rate</u>	<u>Balance</u>
Copier Lease	Aug-27	3.15%	123,680
Police Vehicles:			
236D9R	Sep-24	4.42	10,843
236DCS	Apr-23	3.85	3,724
236DCH	Sep-24	4.42	10,843
236DCZ	Jul-24	4.84	20,043
236DD4	Sep-24	4.42	15,144
236DCQ	Jul-23	4.00	6,474
236DCW	Jun-23	4.30	5,843
236DCN	Apr-23	3.85	5,502
23GQN5	Aug-25	3.60	15,495
23GQMR	May-25	4.30	14,384
23GQMK	Jun-25	4.30	14,975
23GQMB	Jun-25	4.30	14,871
23GQM4	May-25	4.30	14,276
23GQN9	Aug-25	3.60	16,701
23GQP6	Feb-24	3.19	13,427
23GQP9	Jan-24	3.17	13,282
23LQTP	May-24	3.35	19,400
23LRFM	Dec-24	3.99	32,367
23LQTX	Mar-24	3.30	15,164
23LQTF	Mar-24	3.30	16,517
			<u>402,955</u>

The scheduled annual principal and interest payments on the City's leases payable as of December 31, 2022 are the following:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 188,014	\$ 10,869	\$ 198,883
2024	117,833	5,135	122,968
2025	51,224	2,073	53,297
2026	27,607	977	28,584
2027	18,277	163	18,440
	<u>\$ 402,955</u>	<u>\$ 19,217</u>	<u>\$ 422,172</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

9. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (CONTINUED)

Details of the leases are as follow:

Sharp Copiers - Lease agreement dated August 24, 2022 in the original principal amount of \$132,751 (from implementation date), due in monthly installments of \$2,388, including imputed interest at 3.15%, through August 2027.

Police Vehicles:

102 - 236D9R - Lease agreement dated January 01, 2022 in the original principal amount of \$16,735 (from implementation date), due in monthly installments of \$538, including interest of 4.42%, through September 2024.

103 - 236DCS - Lease agreement dated January 01, 2022 in the original principal amount of \$14,660 (from implementation date), due in monthly installments of \$938, including interest of 3.85%, through April 2023.

104 - 236DCH - Lease agreement dated January 01, 2022 in the original principal amount of \$16,735 (from implementation date), due in monthly installments of \$538, including interest of 4.42%, through September 2024.

105 - 236DCZ - Lease agreement dated January 01, 2022 in the original principal amount of \$27,264 (from implementation date), due in monthly installments of \$689, including interest of 4.84%, through July 2024.

106 - 236DD4 - Lease agreement dated January 01, 2022 in the original principal amount of \$23,373 (from implementation date), due in monthly installments of \$751, including interest of 4.42%, through September 2024.

107 - 236DCQ - Lease agreement dated January 01, 2022 in the original principal amount of \$17,286 (from implementation date), due in monthly installments of \$937, including interest of 4.00%, through July 2023.

108 - 236DCW - Lease agreement dated January 01, 2022 in the original principal amount of \$17,220 (from implementation date), due in monthly installments of \$986, including interest of 4.30%, through June 2023.

109 - 236DCN - Lease agreement dated January 01, 2022 in the original principal amount of \$16,245 (from implementation date), due in monthly installments of \$927, including interest of 3.85%, through April 2023.

110 - 23GQN5 - Lease agreement dated January 01, 2022 in the original principal amount of \$20,997 (from implementation date), due in monthly installments of \$509, including interest of 3.60%, through August 2025.

111 - 23GQMR - Lease agreement dated January 01, 2022 in the original principal amount of \$19,984 (from implementation date), due in monthly installments of \$523, including interest of 4.30%, through May 2025.

112 - 23GQMK - Lease agreement dated January 01, 2022 in the original principal amount of \$20,603 (from implementation date), due in monthly installments of \$527, including interest of 4.30%, through June 2025.

CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022

9. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (CONTINUED)

Police Vehicles:

113 - 23GQMB - Lease agreement dated January 01, 2022 in the original principal amount of \$20,460 (from implementation date), due in monthly installments of \$524, including imputed interest at 4.30%, through June 2025

114 - 23GQM4 - Lease agreement dated January 01, 2022 in the original principal amount of \$19,834 (from implementation date), due in monthly installments of \$519, including imputed interest of 4.30%, through May 2025.

115 - 23GQN9 - Lease agreement dated January 01, 2022 in the original principal amount of \$22,630 (from implementation date), due in monthly installments of \$548, including interest of 3.60%, through August 2025.

116 - 23GQP6 - Lease agreement dated January 01, 2022 in the original principal amount of \$24,610 (from implementation date), due in monthly installments of \$978, including interest 3.19%, through February 2024.

117 - 23GQP9 - Lease agreement dated January 01, 2022 in the original principal amount of \$25,210 (from implementation date), due in monthly installments of \$1,041, including interest of 3.17%, through January 2024.

118 - 23LQTP - Lease agreement dated January 01, 2022 in the original principal amount of \$32,642 (from implementation date), due in monthly installments of \$1,170, including imputed interest at 3.35%, through May 2024.

119 - 23LRFM - Lease agreement dated January 01, 2022 in the original principal amount of \$47,767 (from implementation date), due in monthly installments of \$1,405, including interest of 3.99%, through December 2024.

120 - 23LQTX - Lease agreement dated January 01, 2022 in the original principal amount of \$26,927 (from implementation date), due in monthly installments of \$1,033, including interest of 3.30%, through March 2024.

121 - 23LQTX - Lease agreement dated January 01, 2022 in the original principal amount of \$29,330 (from implementation date), due in monthly installments of \$1,126, including interest of 3.30%, through March 2024.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

9. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (CONTINUED)

Bonds payable at December 31, 2022, are summarized as follows:

	<u>Maturities</u>	<u>Rate</u>	<u>Balance</u>
Governmental activities:			
General obligation bonds:			
G.O. Public facilities crossover refunding	2028	2.00-2.00%	875,000
G.O. Tax increment crossover refunding	2033	3.00-4.00%	4,730,000
G.O. Road improvement bonds	2041	2.00-4.00%	4,855,000
G.O. Capital improvement bonds	2042	1.00-2.00%	6,000,000
G.O. Capital improvement bonds	2043	2.00-4.00%	3,850,000
Business-type activities:			
General obligation bonds:			
Utility storm water bonds	2041	2.00-4.00%	1,665,000
Utility water bonds	2041	2.00-4.00%	550,000
Utility sewer bonds	2041	2.00-4.00%	950,000
General obligation revenue bonds			
Utility storm water revenue bonds	2036	2.00-3.00%	1,285,000
Utility water revenue bonds	2043	3.00-4.00%	6,000,000
			<u>30,760,000</u>

The scheduled annual principal and interest payments on the City's bonded indebtedness as of December 31, 2022 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>	
2023	1,045,000	563,680	215,000	353,636	2,177,316
2024	1,225,000	513,980	425,000	323,660	2,487,640
2025	1,255,000	472,330	440,000	308,060	2,475,390
2026	1,235,000	432,430	455,000	291,860	2,414,290
2027	1,125,000	397,205	465,000	275,160	2,262,365
2028-2032	5,995,000	1,464,416	2,605,000	1,111,149	11,175,565
2033-2037	4,270,000	785,744	2,895,000	710,308	8,661,052
2038-2042	3,895,000	307,685	2,540,000	298,643	7,041,328
2043	265,000	5,300	410,000	8,200	688,500
	<u>\$ 20,310,000</u>	<u>\$ 4,942,770</u>	<u>\$ 10,450,000</u>	<u>\$ 3,680,676</u>	<u>\$ 39,383,446</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

9. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (Continued)

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 2022B and portions of 2020A general obligation 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 2043. Total principal and interest remaining to be paid on these bonds is \$14,130,676. Total principal and interest paid and total revenues pledged for the repayment of these bonds for the current year are \$337,460 and \$1,863,754 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 HRRD Tax Increment fund, and the Building Capital fund. All bonds are backed by the full faith and credit of the City

Changes in long-term liabilities during 2022 are summarized as follows:

	01/01/2022	Issued	Retired	12/31/2022	Due in One Year
Governmental activities:					
General obligation bonds	\$ 17,565,000	\$ 3,850,000	\$ 1,105,000	\$ 20,310,000	\$ 1,045,000
Premium on bonds	690,873	163,298	48,998	805,173	-
Other liabilities					
GERF pension liability	1,863,597	1,928,278	251,816	3,540,059	-
PEPFF pension liability	1,937,454	9,256,219	23,103	11,170,570	-
Compensated absences	1,007,495	607,906	540,664	1,074,737	20,000
OPEB	701,746	100,469	35,587	766,628	-
Lease Payable	-	593,264	190,309	402,955	188,014
Met Council loan	2,308,137	-	-	2,308,137	-
Total governmental activities	<u>26,074,302</u>	<u>16,499,434</u>	<u>2,195,477</u>	<u>40,378,259</u>	<u>1,253,014</u>
Business-type activities:					
Revenue bonds	1,370,000	6,000,000	85,000	7,285,000	85,000
General obligation bonds	3,295,000	-	130,000	3,165,000	155,568
Premium on bonds	214,585	277,908	19,025	473,468	-
Other liabilities:					
GERF pension liability	2,177,045	2,264,054	270,461	4,170,638	-
Compensated absences	399,767	233,092	220,834	412,025	60,000
Total business-type activities	<u>7,456,397</u>	<u>8,775,054</u>	<u>725,320</u>	<u>15,506,131</u>	<u>300,568</u>
Total long-term debt	<u>\$ 33,530,699</u>	<u>\$ 25,274,488</u>	<u>\$ 2,920,797</u>	<u>\$ 55,884,390</u>	<u>\$ 1,553,582</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

9. 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. Leases are liquidated from the General Fund. The Met Council loan is payable with the sale of land held for resale when the State of Minnesota completes reconstruction of Highway Ten.

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.

At December 31, 2022, the legal debt margin was calculated as follows:

Market value of taxable property	<u>\$ 1,869,553,900</u>
Debt limit, 3.0% of market value	\$ 56,086,617
Less amount of debt (applicable to debt limit)	<u>9,737,700</u>
Legal debt margin	<u>\$ 46,348,917</u>

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

Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City, the state, or any political subdivision thereof is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2022, there are four series of health care facility revenue bonds outstanding with an aggregate principal amount payable of \$22,560,000 (2011A) \$9,560,000 (2011B), \$21,040,000 (2014A), and \$37,365,000 (2017A). Two series of senior housing and healthcare revenue bonds outstanding with an aggregate principal amount payable of \$13,935,000 (2015A), and \$300,000 (2015B). One series of Sports Facility Revenue Bonds with an aggregate principal amount payable of \$3,780,538 (2021A).

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

9. LONG-TERM DEBT (CONTINUED)

B. Component Unit – HRA

Bonds payable at December 31, 2022, are summarized as follows:

	<u>Maturities</u>	<u>Rate</u>	<u>Balance</u>
General obligation bonds:			
HRA GO TIF Bonds of 2019A	2043	2.00-3.00%	\$ 1,665,000
			<u>\$ 1,665,000</u>

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 fund revenues.

Changes in long-term liabilities during 2022 are summarized as follows:

	<u>1/01/2022</u>	<u>Issued</u>	<u>Retired</u>	<u>12/21/2022</u>	<u>Due in One Year</u>
General obligation bonds	\$ 1,690,000	\$ -	\$ 25,000	\$ 1,665,000	\$ 25,000
Premium on bonds	6,942	-	384	6,558	-
Compensated absences	2,514	10,100	11,383	1,231	-
GERF pension liability	54,719	57,955	6,296	106,378	-
Total long-term debt	<u>\$ 1,754,175</u>	<u>\$ 68,055</u>	<u>\$ 43,063</u>	<u>\$ 1,779,167</u>	<u>\$ 25,000</u>

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, 2022, are the following:

	<u>Principal</u>	<u>Interest</u>
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
2028-2032	355,000	164,293
2033-2037	420,000	116,218
2038-2042	505,000	53,319
2043	115,000	1,639
	<u>\$ 1,665,000</u>	<u>\$ 536,867</u>

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

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

10. FUND BALANCE

A. Classifications

At December 31, 2022, a summary of the governmental fund balance classifications is as follows:

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
General Fund:						
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ 6,114,646	\$ 6,114,646
Inventories	16,134	-	-	-	-	16,134
Leases	4,365	-	-	-	-	4,365
Prepaid items	31,960	-	-	-	-	31,960
Total General Fund	52,459	-	-	-	6,114,646	6,167,105
Debt Service	-	987,300	-	-	-	987,300
State Aid Construction	-	-	-	1,337,432	-	1,337,432
Street Renewal	-	-	-	-	(3,135,621)	(3,135,621)
Commuter Rail Tax Increment:						
Redevelopment in district	-	-	-	-	(3,260,594)	(3,260,594)
Land held for resale	-	580,627	-	-	-	580,627
Total Commuter Rail Tax Increment	-	580,627	-	-	(3,260,594)	(2,679,967)
Greens of Anoka Tax Increment:						
Redevelopment in district	-	-	-	-	(9,241,043)	(9,241,043)
Land held for resale	-	3,297,363	-	-	-	3,297,363
Total Greens of Anoka Tax Increment	-	3,297,363	-	-	(9,241,043)	(5,943,680)
Non-major Governmental Funds:						
Urban redevelopment	-	-	1,392,649	-	-	1,392,649
Food shelves	-	-	5,250	-	-	5,250
Police supplies	-	27,546	-	-	-	27,546
Cemetery operations	-	-	393,464	-	-	393,464
Parking operations	-	-	-	-	(21,966)	(21,966)
Lodging and tourism	-	-	21,269	-	-	21,269
Building Capital	-	923,205	-	729,776	-	1,652,981
Parks	-	536,783	-	306,689	-	843,472
Tax increment	-	2,554,229	-	-	(1,283,225)	1,271,004
Total Nonmajor Funds	-	4,041,763	1,812,632	1,036,465	(1,305,191)	5,585,669
Total Governmental fund balances	\$ 52,459	\$ 8,907,053	\$ 1,812,632	\$ 2,373,897	\$ (10,827,803)	\$ 2,318,238

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

10. FUND BALANCE (CONTINUED)

B. Net Investment in Capital Assets

The government-wide statement of net position at December 31, 2022 includes the City's net investment in capital assets, calculated as follows:

	<u>Governmental</u>	<u>Business-Type</u>	<u>HRA</u>
Nondepreciable	\$ 21,388,154	\$ 6,013,114	\$ 237,058
Depreciable, net of accumulated depreciation	108,415,048	52,688,750	745,887
Right to use assets, net of accumulated amortization	398,027	-	-
Less capital/lease related long-term debt outstanding	(23,826,265)	(10,923,468)	-
Unspent bond proceeds	923,205	2,748,620	-
	<u>\$ 107,298,169</u>	<u>\$ 50,527,016</u>	<u>\$ 982,945</u>

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).

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 measurement date (census) of December 31, 2021 for reporting date December 31, 2022, 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>116</u>

**CITY OF ANOKA, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 FISCAL YEAR ENDED DECEMBER 31, 2022**

11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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, 2022, was \$766,628. The total liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of December 31, 2020.

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	1.84%
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, 2021 measurement date.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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.

Sensitivity of OPEB Liability at Current Single Discount Rate		
1% decrease in Discount Rate	0.84%	\$ 808,217
Current Discount Rate	1.84%	766,628
1% increase in Discount Rate	2.84%	723,644

Sensitivity of OPEB Liability at Current Trend Rate		
1% decrease in Trend Rates	5.30%	\$ 671,417
Current Trend Rates	6.30%	766,628
1% increase in Trend Rates	7.30%	879,925

G. Changes in Total OPEB liability

Changes in the total OPEB liability for the year ended December 31, 2022, are as follows:

Balance at December 31, 2021	\$ 701,746
Changes for the year	
Service cost	79,692
Interest	15,273
Difference between expected and actual experience	(1,318)
Changes of assumption	6,822
Benefit payments (implicit subsidy)	(35,587)
Balance at December 31, 2022	\$ 766,628

H. OPEB Cost

For the year ended December 31, 2022, the City recognized an actuarially determined OPEB expense of \$93,716.

As of December 31, 2022 the City of Anoka reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

Summary of Deferred Outflows/Inflows	Outflows	Inflows
A. Difference between expected and actual liability	\$ -	\$ 87,410
B. Change of assumptions	75,057	-
C. Net difference between projected and actual investment earnings	-	-
D. Contributions between measurement date and reporting date	-	-
E. Total	\$75,057	\$87,410

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

11. OTHER POSTEMPLOYMENT BENEFITS

H. OPEB Cost (CONTINUED)

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>
2023	\$ (1,249)
2024	(1,249)
2025	(1,658)
2026	(3,106)
2027	(1,628)
Thereafter	<u>(3,463)</u>
	\$(12,353)

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, excluding those covered by Police and Fire and including HRA employees, 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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

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.

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS (CONTINUED)

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 Plan Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2022 and the City of Anoka was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions were equal to the required contributions as set by state statute.

The City's contributions to the General Employees Plan for the year ended December 31, 2022, were as follows:

City of Anoka	\$577,689
Component Unit - Housing and Redevelopment Authority (HRA)	<u>7,970</u>
Total contributions to General Employees Plan	\$585,659

(b) Police and Fire Plan Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2022 and the City of Anoka was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions were equal to the required contributions as set by state statute.

The City's contributions to the Police and Fire Plan for the year ended December 31, 2022, were \$562,253

D. Pension Costs

(a) General Employees Plan Pension Costs

At December 31, 2022, the City of Anoka reported a liability for its proportionate share of the General Employees Plan'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 net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0959 percent at the beginning of the measurement period and .0987 percent at the end of the period.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

(a) General Employees Plan Pension Costs (Continued)

City of Anoka proportionate share of the net pension liability	\$7,710,695
Component Unit - Housing and Redevelopment Authority (HRA) share	<u>106,378</u>
Total proportionate share of General Employees Plan liability	\$7,817,073
State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka	<u>229,188</u>
Total	<u>\$8,046,261</u>

There were no provision changes during the measurement period.

For the year ended December 31, 2022, the City of Anoka recognized pension expense for its proportionate share of the General Employees Plan's pension expense as shown.

City of Anoka pension expense	\$1,194,157
Component Unit - Housing and Redevelopment Authority (HRA)	<u>16,475</u>
Total General Employees Plan recognized pension expense	\$1,210,632

In addition, the City of Anoka recognized an additional pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Plan as shown.

City of Anoka share of State of Minnesota contribution	\$ 33,780
Component Unit - Housing and Redevelopment Authority (HRA)	<u>466</u>
Total additional expense (and revenue) for proportionate share of contribution	\$ 34,246

City of Anoka proportionate share of General Employees Plan deferred outflows and deferred inflows of resources related to pensions at December 31, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 64,405	\$ 79,823
Changes in actuarial assumptions	1,697,060	29,581
Net difference between projected and actual investment earnings	200,436	-
Changes in proportion	232,606	-
Contributions paid to PERA subsequent to the measurement date	<u>301,240</u>	-
Total	\$ 2,495,748	\$ 109,404

The \$301,240 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, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

(a) General Employees Plan Pension Costs (Continued)

Year ended December 31:	Pension Expense Amount
2023	\$ 804,389
2024	771,774
2025	(188,374)
2026	697,316
Total	\$ 2,085,105

Component unit - HRA proportionate share of General Employees Plan deferred outflows and deferred inflows of resources related to pensions at December 31, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 889	\$ 1,101
Changes in actuarial assumptions	23,413	408
Net difference between projected and actual investment earnings	2,765	-
Changes in proportion	3,209	-
Contributions paid to PERA subsequent to the measurement date	4,156	-
Total	\$ 34,432	\$ 1,509

The \$4,156 reported as deferred outflows of resources related to pensions resulting from HRA contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2023	\$ 11,097
2024	10,647
2025	(2,599)
2026	9,620
Total	\$ 28,765

(b) Police and Fire Plan Pension Costs

At December 31, 2022 the City of Anoka reported a liability of \$11,170,572 for its proportionate share of the Police and Fire Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .2510 percent at the beginning of the measurement period and .2567 percent at the end of the period.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

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

The State of Minnesota contributed \$18 million to the Police and Fire Plan in the plan fiscal year ended June 30, 2022. 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, 2021. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Plan 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.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended June 30, 2022, the City of Anoka recognized pension expense of \$2,176,000 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$94,653 as additional expense (and revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Plan.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City of Anoka recognized \$23,103 for the year ended December 31, 2022 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Plan.

There were no provision changes during the measurement period.

At December 31, 2022, 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	\$ 676,949	\$ -
Changes in actuarial assumptions	6,523,868	66,734
Net difference between projected and actual investment earnings	214,829	-
Changes in proportion	80,567	63,142
Contributions paid to PERA subsequent to the measurement date	293,474	-
Total	\$ 7,789,687	\$ 129,876

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

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

The \$293,474 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, 2023. 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
2023	\$,440,650
2024	1,428,413
2025	1,270,143
2026	2,290,385
2027	936,746
Total	\$ 7,366,337

The aggregate pension expense (and revenue) recognized for the year ended December 31, 2022 for the City's proportionate share of both plans pension expenses is as follows:

City of Anoka General Employees Plan	\$1,227,937
Component Unit - (HRA) General Employees Plan	16,941
City of Anoka Police and Fire Plan	<u>2,247,550</u>
Total recognized pension expense for proportionate share of General Employee and Police and Fire Plans	<u>\$3,492,428</u>

E. Long-Term Expected Return on Investment

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

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

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 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 27 years of service.. 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.

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

General Employees Plan

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

Police and Fire Plan

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS

G. Discount Rate

The discount rate the General Employees Plan used to measure the total pension liability in 2022 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 Plan and the Police and Fire Plan 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.

In the Police and Fire Plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060. Beginning in fiscal year ended June 30, 2061 for the Police and Fire Plan, projected benefit payments exceed the funds' projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69 percent (based on the weekly rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.40 percent was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.5 percent applied to all years of projected benefits through the point of asset depletion and 3.69 percent thereafter.

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 Plan			Police and Fire Plan	
		City of Anoka	HRA		
1% Lower	5.50%	\$12,179,447	\$168,029	4.40%	\$16,905,225
Current Discount Rate	6.50%	7,710,695	106,378	5.40%	11,170,570
1% Higher	7.50%	4,045,629	55,814	6.40%	6,534,445

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.

**CITY OF ANOKA, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 FISCAL YEAR ENDED DECEMBER 31, 2022**

12. DEFINED BENEFIT PENSION PLANS (CONTINUED)

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. An eligible elected official who decides to participate contributes 5.00 percent of salary which is matched by the elected official's employer. 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 Plan. For administering the plan, PERA receives 2.00 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 2022 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer	Employee	Employer	Rate
\$1200	\$1200	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 December 31, 2050.

14. LEASES RECEIVABLE

The City, as a lessor, has entered lease agreements as defined by GASB 87 involving building space. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was \$93,637 for governmental funds and \$280,575 for business-type funds. This total includes \$52,972 of variable payments for the governmental lease not previously included in the measurement of the lease receivable.

CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022

14. LEASES RECEIVABLE (CONTINUED)

Event Center –The City leases the restaurant and banquet facilities at Greenhaven Golf and Event Center. Under the lease the vendor pays the City \$3,000 a month, plus a variable amount equal to 4% of monthly sales, through December 31, 2025. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

Water Tower lease #201: The City leases approximately 200 square feet of ground and air space as necessary for a communications installation. Under the lease the vendor pays the City \$25,247 per year through December 31, 2026 when the term will be extended for 60 months and the rate will increase 15%. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

Water Tower lease #202: The City leases approximately 357 square feet of ground and air space as necessary for a communications installation. Under the lease the vendor pays the City \$23,726 per year through December 31, 2025 when the term will be extended for 60 months and the rate will increase 15%. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

Water Tower lease #204: The City leases approximately 1600 square feet of ground space as necessary for a communications tower and easements for utility lines and cable. The vendor pays the City \$21,824 per year plus an annual 3% increase through December 31, 2027 when the term will be extended for 60 months at the same annual rate increase. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

Water Tower lease #205: The City leases approximately 162 square feet of interior water tower space and 280 square feet of exterior land space, and space on the water tower at the 158 foot centerline for transmission and reception of radio communication signals. Under the lease the vendor pays the City \$2,460 per month plus an annual 3% increase through December 31, 2024 when the term can be extended for up to (4) five year terms. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

Electric Tower lease #207: The City leases approximately 1600 square feet of ground space as necessary for a communications tower and easements for utility lines and cable. Under the lease the vendor pays the City \$20,838 plus an annual 3% increase through December 31, 2023 when the term will be extended for 60 months at the same annual rate increase. This lease site has two subleases, #206 and #208. Under sublease #206 the vendor pays the City an additional \$2460 per month and under sublease #208 the vendor pays the City an additional \$267 per month. Both subleases follow the same terms, including the 3% annual increase. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

Electric Tower lease #209: The City leases approximately 700 square feet of land on which to construct a communications tower and locate broadcast facilities equipment. Under the lease the vendor pays the City \$20,148 plus an annual 3% increase per year through December 31, 2025 when the term will be extended for 72 months. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

14. LEASES RECEIVABLE (CONTINUED)

Electric Tower lease #212: The City leases approximately 600 square feet of land space for wireless communication. Under the lease the vendor pays the City \$2,460 per month plus an annual 3% increase through December 31, 2024 when the term can be extended for up to (4) five year terms. The lease receivable is measured as the present value of the future minimum payments expected to be received during the lease term at a discount rate of 3.15%.

As of December 31, 2022, the City had the following lease receivables:

Governmental activities					
Description	Issue Date	Discount Rate	Current Year Inflow of Resources	Other Payments Received	Balance at Year-end
Event Center food and beverage	08/01/2018	3.15%	\$ 40,664	\$ 52,972	\$ 114,181
Business-type activities					
Description	Issue Date	Discount Rate	Current Year Inflow of Resources	Other Payments Received	Balance at Year-end
Water tower	01/01/2022	3.15%	30,200	-	210,459
Water tower	01/01/2021	3.15%	28,381	-	197,781
Water tower	01/01/2018	3.15%	27,656	-	210,196
Water tower	08/01/2014	3.15%	49,796	-	673,306
Electric tower	01/01/2019	3.15%	69,921	-	575,795
Electric tower	01/01/2020	3.15%	25,687	-	180,016
Electric tower	08/01/2014	3.15%	48,934	-	644,640
Total business type			280,575	-	2,692,193
Total lease receivables			321,239	\$ 52,972	\$ 2,806,374

15. CONTINGENT LIABILITIES

There are several lawsuits pending in which the City is involved. The City Attorney has indicated that existing and pending lawsuit claims and other actions in which the City is a defendant, with the exception of one, 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. One case is currently in the appeal process with the 8th circuit courts. On September 21, 2022, the court entered judgment in favor of the plaintiffs and against the city, the city appealed the judgement. On March 9, 2023, the city sent an appeal bond payment in the amount of \$376,575 to be held by the court while working through the appeal process.

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2022**

16. TAX ABATEMENTS

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

For the fiscal year ended December 31, 2022, the City abated property taxes totaling \$983 to a manufacturer for purchase and redevelopment of existing commercial property. This abatement agreement began with taxes payable in 2014 and ends in 2023.

17. SUBSEQUENT EVENTS

- On March 9, 2023 the City purchased an appeal bond for \$376,525. These funds will be held by the 8th Circuit Court until the appeals process is finalized.
- On April 17, 2023 the City Council approved the resolution for issuing \$6,335,000 in General Obligation Bonds for Series 2023A Street Improvement bonds.
- On April 17, 2023 the City Council provided unanimous consent to develop an Emergency Street Maintenance Program to address the deterioration in road surfaces from the winter freeze/thaw cycles. Council committed up to \$1,000,000 in General Fund reserves for this program that was not included in the 2023 budget.
- On April 17, 2023 the City Council approved bids and awarded a construction contract for the 2023 Street Renewal Project for Franklin Area Phase I.

18. CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principal that leases are financing of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use an asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's 2022 financial statements. The City's recognition of the beginning balances related to the lease liability and right to use lease asset had no effect on the beginning net position of the Governmental Activities.

**CITY OF ANOKA, MINNESOTA
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	35,587	35,587	-	9,834,598	0.36%	
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, MINNESOTA
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	\$ 79,692					
Interest	20,309	20,233	24,150	20,275	15,273					
Difference between expected and actual experience	-	(21,360)	-	(99,436)	(1,318)					
Changes in assumptions	14,447	5,504	22,023	62,193	6,822					
Benefit payments	(21,162)	(23,996)	(34,112)	(37,091)	(35,587)					
Net change	71,522	46,421	76,424	21,687	64,882					
Total - beginning	485,692	557,214	603,635	680,059	701,746					
Total - ending	\$ 557,214	\$ 603,635	\$ 680,059	\$ 701,746	\$ 766,628					
OPEB-eligible payroll for the measurement period	\$ 8,300,130	\$ 8,020,865	\$ 8,851,743	\$ 9,002,190	\$ 9,209,623					
Total OPEB liability as a percentage of covered-employee payroll	6.7%	7.5%	7.7%	7.8%	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, MINNESOTA
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	595,835	595,835	-	7,944,468	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, MINNESOTA
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	562,253	562,253	-	3,176,573	17.70%
December 31, 2023	-	-	-	-	-
December 31, 2024	-	-	-	-	-

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

CITY OF ANOKA, MINNESOTA
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	0.0987%	7,817,073	7,391,601	105.76%	76.67%
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, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC 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	0.2567%	11,170,570	3,118,065	358%	70.53%
December 31, 2022		-	-		
December 31, 2023		-	-		

* 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, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>			Variance From
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 7,438,003	\$ 7,438,003	\$ 7,408,785	\$ (29,218)
Licenses and permits	519,500	519,500	568,094	48,594
Fines and forfeitures	65,300	65,300	82,891	17,591
Intergovernmental	2,587,656	2,587,656	2,696,707	109,051
Charges for current services	821,200	821,200	978,166	156,966
Franchise fees	940,000	940,000	974,245	34,245
Investment earnings	20,000	20,000	30,923	10,923
Net decrease in fair value of investments	-	-	(125,756)	(125,756)
Miscellaneous	159,830	159,830	241,879	82,049
Total revenues	<u>12,551,489</u>	<u>12,551,489</u>	<u>12,855,934</u>	<u>304,445</u>
Expenditures:				
General government	1,970,960	1,895,960	1,975,176	(79,216)
Public safety	7,016,604	7,411,604	7,863,814	(452,210)
Public works	2,190,990	1,763,990	1,760,318	3,672
Parks and recreation	2,793,935	2,911,435	2,909,182	2,253
Total expenditures	<u>13,972,489</u>	<u>13,982,989</u>	<u>14,508,490</u>	<u>(525,501)</u>
Excess of revenues over(under) expenditures	<u>(1,421,000)</u>	<u>(1,431,500)</u>	<u>(1,652,556)</u>	<u>(221,056)</u>
Other financing sources (uses):				
Transfer in	1,270,000	1,205,000	1,205,000	-
Lease proceeds, Present value of new lease	-	-	593,264	593,264
Total other financing sources	<u>1,270,000</u>	<u>1,205,000</u>	<u>1,798,264</u>	<u>593,264</u>
Net changes in fund balance	<u>\$ (151,000)</u>	<u>\$ (226,500)</u>	145,708	<u>\$ 372,208</u>
Fund balance at beginning of year			<u>6,021,397</u>	
Fund balance at end of year			<u>\$ 6,167,105</u>	

See Independent Auditor's Report.

See accompanying note to required supplementary information.

CITY OF ANOKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022

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 28, 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

2022 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provision

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

Police and Fire Fund

2022 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provision

- There have been no changes since the prior valuation.

CITY OF ANOKA, MINNESOTA

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 nonmajor 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.

CITY OF ANOKA, MINNESOTA

NONMAJOR GOVERNMENTAL FUNDS 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:

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

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

	Special Revenue						Total Nonmajor Special Revenue Funds
	Parking	Lodging	Cemetery	Police Forefeiture	Round Up	Urban Redevelopment	
Assets							
Cash and investments	\$ 9,198	\$ 23,588	\$ 388,974	\$ 26,930	\$ 15,311	\$ 661,252	\$ 1,125,253
Receivables, net:							
Accounts receivable	1,475	1,477	6,395		2,935	41,206	53,488
Due from other funds	-	-	-	-	-	600,000	600,000
Accrued interest	1	5	88	616	4	289	1,003
Advance to other funds	-	-	-	-	-	135,000	135,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 10,674</u>	<u>\$ 25,070</u>	<u>\$ 395,457</u>	<u>\$ 27,546</u>	<u>\$ 18,250</u>	<u>\$ 1,437,747</u>	<u>\$ 1,914,744</u>
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ 15,017	\$ 3,801	\$ 1,640	\$ -	\$ 13,000	\$ 4,920	\$ 38,378
Accrued wages payable	782	-	353	-	-	-	1,135
Due to other funds	10,000	-	-	-	-	-	10,000
Unearned revenue	6,841	-	-	-	-	40,178	47,019
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>32,640</u>	<u>3,801</u>	<u>1,993</u>	<u>-</u>	<u>13,000</u>	<u>45,098</u>	<u>96,532</u>
Fund balance:							
Restricted	-	-	-	27,546	-	-	27,546
Committed	-	21,269	393,464	-	5,250	1,392,649	1,812,632
Unassigned	(21,966)	-	-	-	-	-	(21,966)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>(21,966)</u>	<u>21,269</u>	<u>393,464</u>	<u>27,546</u>	<u>5,250</u>	<u>1,392,649</u>	<u>1,818,212</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 10,674</u>	<u>\$ 25,070</u>	<u>\$ 395,457</u>	<u>\$ 27,546</u>	<u>\$ 18,250</u>	<u>\$ 1,437,747</u>	<u>\$ 1,914,744</u>

CITY OF ANOKA, MINNESOTA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2022

	<u>Capital Projects</u>					<u>Total Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Building Capital</u>	<u>Parks</u>	<u>Enterprise Park Tax Increment</u>	<u>HRRD Tax Increment</u>	<u>South Ferry Tax Increment</u>		
Assets							
Cash and investments	\$ 1,502,265	\$ 971,818	\$ 18,336	\$ 15,152	\$ 16,789	\$ 2,524,360	\$ 3,649,613
Receivables, net:							
Taxes	-	-	-	1,302	-	1,302	1,302
Accounts receivable	-	-	803,794	-	-	803,794	857,282
Due from other funds	310,000	-	-	-	-	310,000	910,000
Accrued interest	524	185	-	-	4	713	1,716
Advance to other funds	-	-	695,000	-	-	695,000	830,000
Land held for resale	-	-	1,531,688	496,756	-	2,028,444	2,028,444
Total assets	<u>\$ 1,812,789</u>	<u>\$ 972,003</u>	<u>\$ 3,048,818</u>	<u>\$ 513,210</u>	<u>\$ 16,793</u>	<u>\$ 6,363,613</u>	<u>\$ 8,278,357</u>
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ 159,808	\$ 128,531	\$ 56	\$ 56	\$ 18	\$ 288,469	\$ 326,847
Accrued wages payable	-	-	-	-	-	-	1,135
Due to other funds	-	-	200,000	-	-	200,000	210,000
Unearned revenue	-	-	807,687	-	-	807,687	854,706
Advance from other funds	-	-	-	-	1,300,000	1,300,000	1,300,000
Total liabilities	<u>159,808</u>	<u>128,531</u>	<u>1,007,743</u>	<u>56</u>	<u>1,300,018</u>	<u>2,596,156</u>	<u>2,692,688</u>
Fund balance:							
Restricted	923,205	536,783	2,041,075	513,154	-	4,014,217	4,041,763
Committed	-	-	-	-	-	-	1,812,632
Assigned	729,776	306,689	-	-	-	1,036,465	1,036,465
Unassigned	-	-	-	-	(1,283,225)	(1,283,225)	(1,305,191)
Total fund balance (deficit)	<u>1,652,981</u>	<u>843,472</u>	<u>2,041,075</u>	<u>513,154</u>	<u>(1,283,225)</u>	<u>3,767,457</u>	<u>5,585,669</u>
Total liabilities and fund balance	<u>\$ 1,812,789</u>	<u>\$ 972,003</u>	<u>\$ 3,048,818</u>	<u>\$ 513,210</u>	<u>\$ 16,793</u>	<u>\$ 6,363,613</u>	<u>\$ 8,278,357</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	Special Revenue						Total Nonmajor Special Revenue Funds
	Parking	Lodging	Cemetery	Police Forfeiture	Round Up	Urban Redevelopment	
Revenues:							
Taxes	\$ -	\$ 1,004	\$ -	\$ -	\$ -	\$ -	\$ 1,004
Licenses and permits	52,185	-	-	-	-	-	52,185
Fines and forfeitures	23,820	-	-	4,212	-	-	28,032
Charges for current services	-	-	118,650	-	-	290,146	408,796
Investment income	31	103	1,630	713	48	5,899	8,424
Net increase(decrease)in fair value of investments	419	(294)	(4,717)	(52)	(202)	(14,397)	(19,243)
Miscellaneous	1,068	4,995	150	-	30,714	-	36,927
Total revenues	77,523	5,808	115,713	4,873	30,560	281,648	516,125
Expenditures:							
Current:							
General government	-	4,390	-	-	-	275,748	280,138
Public safety	66,128	-	-	52,633	29,179	-	147,940
Public works	107,984	-	-	-	-	-	107,984
Parks and recreation	-	-	69,851	-	-	-	69,851
Capital outlay	2,064	-	80,316	-	-	-	82,380
Total expenditures	176,176	4,390	150,167	52,633	29,179	275,748	688,293
Excess (deficiency) of revenues over (under) expenditures	(98,653)	1,418	(34,454)	(47,760)	1,381	5,900	(172,168)
Other financing uses:							
Transfer out	-	-	-	-	-	(135,000)	(135,000)
Net changes in fund balances	(98,653)	1,418	(34,454)	(47,760)	1,381	(129,100)	(307,168)
Fund balances at beginning of year	76,687	19,851	427,918	75,306	3,869	1,521,749	2,125,380
Fund balances at end of year	<u>\$ (21,966)</u>	<u>\$ 21,269</u>	<u>\$ 393,464</u>	<u>\$ 27,546</u>	<u>\$ 5,250</u>	<u>\$ 1,392,649</u>	<u>\$ 1,818,212</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	Capital Projects					Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
	Building Capital	Parks	Enterprise Park Tax Increment	HRRD Tax Increment	South Ferry Tax Increment		
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ 127,330	\$ 20,130	\$ 147,460	\$ 148,464
Licenses and permits	-	-	-	-	-	-	52,185
Fines and forfeitures	-	-	-	-	-	-	28,032
Intergovernmental	-	927,018	-	-	-	927,018	927,018
Charges for current services	-	-	48,465	-	-	48,465	457,261
Investment income	13,406	3,292	-	14	149	16,861	25,285
Net decrease in fair value of investments	(33,742)	(12,180)	(37,550)	(212)	(313)	(83,997)	(103,240)
Miscellaneous	109,948	274,644	21,206	-	-	405,798	442,725
Total revenues	89,612	1,192,774	32,121	127,132	19,966	1,461,605	1,977,730
Expenditures:							
Current:							
General government	-	-	3,926	2,793	970	7,689	287,827
Public safety	-	-	-	-	-	-	147,940
Public works	36,424	-	-	-	-	36,424	144,408
Parks and recreation	-	-	-	-	-	-	69,851
Capital outlay	3,725,931	865,678	-	-	-	4,591,609	4,673,989
Debt service:							
Interest and fiscal charges	-	-	-	-	46,681	46,681	46,681
Bond issuance costs	85,328	-	-	-	-	85,328	85,328
Total expenditures	3,847,683	865,678	3,926	2,793	47,651	4,767,731	5,456,024
Excess (deficiency) of revenues over (under) expenditures	(3,758,071)	327,096	28,195	124,339	(27,685)	(3,306,126)	(3,478,294)
Other financing sources (uses):							
Bond offering	3,850,000	-	-	-	-	3,850,000	3,850,000
Bond premium	163,298	-	-	-	-	163,298	163,298
Transfer in	75,000	80,000	-	-	70,000	225,000	225,000
Transfer out	(492,700)	-	(70,000)	(75,000)	-	(637,700)	(772,700)
Proceeds from sale of asset	245,173	-	-	-	-	245,173	245,173
Total other financing sources (uses)	3,840,771	80,000	(70,000)	(75,000)	70,000	3,845,771	3,710,771
Net changes in fund balances	82,700	407,096	(41,805)	49,339	42,315	539,645	232,477
Fund balances (deficits) at beginning of year	1,570,281	436,376	2,082,880	463,815	(1,325,540)	3,227,812	5,353,192
Fund balances (deficits) at end of year	<u>\$ 1,652,981</u>	<u>\$ 843,472</u>	<u>\$ 2,041,075</u>	<u>\$ 513,154</u>	<u>\$ (1,283,225)</u>	<u>\$ 3,767,457</u>	<u>\$ 5,585,669</u>

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Positive (Negative)</u>
Parking fund:				
Revenues:				
Licenses and permits	\$ 53,000	\$ 53,000	\$ 52,185	\$ (815)
Fines and forfeitures	32,000	32,000	23,820	(8,180)
Miscellaneous	1,300	1,300	1,068	(232)
Investment income	2,000	2,000	31	(1,969)
Transfers	29,710	-	-	-
Net increase in fair value of investments	-	-	419	419
	<u>118,010</u>	<u>88,300</u>	<u>77,523</u>	<u>(10,777)</u>
Total revenues				
Expenditures:				
Personal services	57,170	57,170	66,128	(8,958)
Professional services	57,930	57,930	60,933	(3,003)
Contractual services	27,000	27,000	47,051	(20,051)
Capital outlay	27,620	25,000	2,064	22,936
	<u>169,720</u>	<u>167,100</u>	<u>176,176</u>	<u>(9,076)</u>
Total expenditures				
Net changes in fund balance	<u>\$ (51,710)</u>	<u>\$ (78,800)</u>	\$ (98,653)	<u>\$ (19,853)</u>
Fund balance at beginning of year			<u>76,687</u>	
Fund balance at end of year			<u>\$ (21,966)</u>	
Lodging fund:				
Revenues:				
Taxes	\$ 800	\$ 800	\$ 1,004	\$ 204
Miscellaneous	3,290	3,290	4,995	1,705
Investment income	50	50	103	53
Net decrease in fair value of investments	-	-	(294)	(294)
	<u>4,140</u>	<u>4,140</u>	<u>5,808</u>	<u>1,668</u>
Total revenues				
Expenditures:				
Personal services	600	600	600	-
Professional services	3,540	3,540	3,790	(250)
	<u>4,140</u>	<u>4,140</u>	<u>4,390</u>	<u>(250)</u>
Total expenditures				
Net changes in fund balance	<u>\$ -</u>	<u>\$ -</u>	\$ 1,418	<u>\$ (1,418)</u>
Fund balance at beginning of year			<u>19,851</u>	
Fund balance at end of year			<u>\$ 21,269</u>	

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS -continued
YEAR ENDED DECEMBER 31, 2022

	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
Cemetery fund:				
Revenues:				
Charges for services	\$ 82,000	\$ 82,000	\$ 118,650	\$ 36,650
Miscellaneous	250	250	150	(100)
Investment income	5,000	5,000	1,630	(3,370)
Net decrease in fair value of investments	-	-	(4,717)	(4,717)
Total revenues	87,250	87,250	115,713	28,463
Expenditures:				
Personal services	40,390	40,390	40,188	202
Supplies	2,400	2,400	1,553	847
Professional services	10,870	10,870	12,328	(1,458)
Contractual services	12,000	12,000	15,782	(3,782)
Capital outlay	21,490	21,490	80,316	(58,826)
Total expenditures	87,150	87,150	150,167	(63,017)
Net changes in fund balance	<u>\$ 100</u>	<u>\$ 100</u>	\$ (34,454)	<u>\$ (34,554)</u>
Fund balance at beginning of year			<u>427,918</u>	
Fund balance at end of year			<u>\$ 393,464</u>	
Urban Redevelopment fund:				
Revenues:				
Charges for services	\$ 141,900	\$ 141,900	\$ 290,146	\$ 148,246
Investment income	26,500	26,500	5,899	(20,601)
Net decrease in fair value of investments	-	-	(14,397)	(14,397)
Total revenues	168,400	168,400	281,648	113,248
Expenditures:				
Personal services	200	200	200	-
Professional services	141,910	141,910	275,548	(133,638)
Total expenditures	142,110	142,110	275,748	(133,638)
Excess of revenue over expenditures	<u>\$ 26,290</u>	<u>\$ 26,290</u>	\$ 5,900	<u>\$ (20,390)</u>
Other financing uses:				
Transfer out	-	(135,000)	(135,000)	-
Net changes in fund balance	<u>\$ -</u>	<u>\$ (135,000)</u>	\$ (129,100)	<u>\$ -</u>
Fund balance at beginning of year			<u>1,521,749</u>	
Fund balance at end of year			<u>\$ 1,392,649</u>	

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS -continued
YEAR ENDED DECEMBER 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance From Final Budget Positive (Negative)
Round Up:				
Revenues:				
Miscellaneous	\$ 30,000	\$ 30,000	\$ 30,714	\$ 714
Interest income	50	50	48	(2)
Net decrease in fair value of investments	<u>-</u>	<u>-</u>	<u>(202)</u>	<u>(202)</u>
Total revenues	<u>30,050</u>	<u>30,050</u>	<u>30,560</u>	<u>510</u>
Expenditures:				
Professional services	30,050	30,050	29,100	950
Contractual services	<u>-</u>	<u>-</u>	<u>79</u>	<u>(79)</u>
Total expenditures	<u>30,050</u>	<u>30,050</u>	<u>29,179</u>	<u>871</u>
Net changes in fund balance	<u>\$ -</u>	<u>\$ -</u>	\$ 1,381	<u>\$ 1,381</u>
Fund balance at beginning of year			<u>3,869</u>	
Fund balance at end of year			<u>\$ 5,250</u>	
Police Forfeiture				
Revenues:				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 4,212	\$ (5,788)
Interest income	50	50	713	663
Net decrease in fair value of investments	<u>-</u>	<u>-</u>	<u>(52)</u>	<u>(52)</u>
Total revenues	<u>10,050</u>	<u>10,050</u>	<u>4,873</u>	<u>(5,177)</u>
Expenditures:				
Professional services	<u>10,050</u>	<u>10,050</u>	<u>52,633</u>	<u>(42,583)</u>
Total expenditures	<u>10,050</u>	<u>10,050</u>	<u>52,633</u>	<u>(42,583)</u>
Net changes in fund balance	<u>\$ -</u>	<u>\$ -</u>	\$ (47,760)	<u>\$ (47,760)</u>
Fund balance at beginning of year			<u>75,306</u>	
Fund balance at end of year			<u>\$ 27,546</u>	

CITY OF ANOKA, MINNESOTA

**NONMAJOR PROPRIETARY FUNDS
ENTERPRISE FUNDS**

Liquor - This fund was established to account for revenues and expenses of operating the two municipal liquor stores within City boundaries.

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, MINNESOTA
COMBINING STATEMENT OF NET POSITION - NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2022

Assets:	Liquor	Golf	Recycling	Total Nonmajor Proprietary Funds
Current assets:				
Cash and cash equivalents	\$ 308,712	\$ 502,957	\$ 238,520	\$ 1,050,189
Receivables, net:				
Accounts receivable	-	2,455	55,795	58,250
Accrued interest	17	115	55	187
Inventory	707,846	29,236	-	737,082
Prepaid items	2,700	3,774	-	6,474
Total current assets	<u>1,019,275</u>	<u>538,537</u>	<u>294,370</u>	<u>1,852,182</u>
Noncurrent assets:				
Land and improvements	311,392	191,307	-	502,699
Construction in progress	-	895,733	-	895,733
Buildings and structures	1,365,989	409,638	-	1,775,627
Furniture and equipment	213,056	169,564	-	382,620
Machinery and automotive equipment	14,806	1,053,698	-	1,068,504
Other improvements	-	2,726,073	-	2,726,073
Total property	<u>1,905,243</u>	<u>5,446,013</u>	<u>-</u>	<u>7,351,256</u>
Accumulated depreciation	<u>(1,367,576)</u>	<u>(3,296,320)</u>	<u>-</u>	<u>(4,663,896)</u>
Net noncurrent assets	<u>537,667</u>	<u>2,149,693</u>	<u>-</u>	<u>2,687,360</u>
Total assets	<u>1,556,942</u>	<u>2,688,230</u>	<u>294,370</u>	<u>4,539,542</u>
Deferred outflows of resources:				
Deferred pension resources	<u>190,628</u>	<u>147,520</u>	<u>12,394</u>	<u>350,542</u>
Total assets and deferred outflows of resources	<u>\$ 1,747,570</u>	<u>\$ 2,835,750</u>	<u>\$ 306,764</u>	<u>\$ 4,890,084</u>
Liabilities:				
Current liabilities:				
Accounts payable	\$ 56,838	\$ 6,728	\$ 292	\$ 63,858
Accrued wages payable	10,044	7,046	645	17,735
Current portion of advance to other funds	-	43,625	-	43,625
Deposits	8,297	86,001	-	94,298
Total current liabilities	<u>75,179</u>	<u>143,400</u>	<u>937</u>	<u>219,516</u>
Noncurrent liabilities:				
Compensated absences payable	48,007	71,940	-	119,947
Advance to other funds	-	79,409	-	79,409
Net pension liability	588,952	455,768	38,293	1,083,013
Total noncurrent liabilities	<u>636,959</u>	<u>607,117</u>	<u>38,293</u>	<u>1,282,369</u>
Total liabilities	<u>712,138</u>	<u>750,517</u>	<u>39,230</u>	<u>1,501,885</u>
Deferred inflows of resources:				
Deferred pension resources	<u>8,356</u>	<u>6,467</u>	<u>543</u>	<u>15,366</u>
Net position:				
Net investment in capital assets	537,667	2,149,693	-	2,687,360
Unrestricted	489,409	(70,927)	266,991	685,473
Total net position	<u>1,027,076</u>	<u>2,078,766</u>	<u>266,991</u>	<u>3,372,833</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,747,570</u>	<u>\$ 2,835,750</u>	<u>\$ 306,764</u>	<u>\$ 4,890,084</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
NONMAJOR PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	<u>Liquor</u>	<u>Golf</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Operating revenues:				
Charges for sales and services:				
Liquor Sales	\$ 3,527,796	\$ -	\$ -	\$ 3,527,796
Golf	-	1,399,177	-	1,399,177
Recycling billings	-	-	399,776	399,776
Intergovernmental	-	-	34,299	34,299
Other	3,831	-	-	3,831
Total operating revenues	<u>3,531,627</u>	<u>1,399,177</u>	<u>434,075</u>	<u>5,364,879</u>
Operating expenses:				
Personal services	784,752	756,476	61,857	1,603,085
Supplies	11,070	237,930	1,698	250,698
Professional services	251,845	143,166	35,088	430,099
Contractual services	38,706	108,535	7,956	155,197
Disposal charges	-	-	312,765	312,765
Cost of goods sold	2,624,248	-	-	2,624,248
Depreciation	11,526	170,421	-	181,947
Total operating expenses	<u>3,722,147</u>	<u>1,416,528</u>	<u>419,364</u>	<u>5,558,039</u>
Operating income (and loss)	<u>(190,520)</u>	<u>(17,351)</u>	<u>14,711</u>	<u>(193,160)</u>
Nonoperating revenues (expenses):				
Interest income	608	2,462	1,015	4,085
Interest expense	-	(4,194)	-	(4,194)
Net increase (decrease) in fair value of investments	2,444	(6,771)	(3,350)	(7,677)
Gain on sale of fixed asset	-	90,994	-	90,994
Other income	4,613	100	-	4,713
Total nonoperating revenues (loss)	<u>7,665</u>	<u>82,591</u>	<u>(2,335)</u>	<u>87,921</u>
Income (loss) before transfers	(182,855)	65,240	12,376	(105,239)
Other transfers:				
Transfer out	<u>(240,000)</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>
Change in net position	(422,855)	65,240	12,376	(345,239)
Net position - Beginning of year	<u>1,449,931</u>	<u>2,013,526</u>	<u>254,615</u>	<u>3,718,072</u>
Net position - End of year	<u>\$ 1,027,076</u>	<u>\$ 2,078,766</u>	<u>\$ 266,991</u>	<u>\$ 3,372,833</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	<u>Liquor</u>	<u>Golf</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Cash flows from operating activities:				
Received from customers	\$ 3,536,240	\$ 1,489,531	\$ 438,020	\$ 5,463,791
Payments to suppliers for goods and services	(2,850,800)	(510,263)	(44,568)	(3,405,631)
Payments to employees for services	(765,736)	(725,239)	(59,234)	(1,550,209)
Disposal charges	-	-	(312,765)	(312,765)
Increase in deposits	2,396	12,442	-	14,838
Net cash provided (used) by operating activities	<u>(77,900)</u>	<u>266,471</u>	<u>21,453</u>	<u>210,024</u>
Cash flows from noncapital financing activities:				
Cash flow from other funds	300,000	(43,625)	-	256,375
Transfer to other funds	(240,000)	-	-	(240,000)
Net cash provided by noncapital financing	<u>60,000</u>	<u>(43,625)</u>	<u>-</u>	<u>16,375</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	-	(41,605)	-	(41,605)
Interest paid	-	(4,194)	-	(4,194)
Proceeds from sale of capital assets	-	90,994	-	90,994
Net cash provided by capital activity	<u>-</u>	<u>45,195</u>	<u>-</u>	<u>45,195</u>
Cash flows from investing activities:				
Investment earnings	3,035	(4,424)	(2,390)	(3,779)
Net increase (decrease) in cash and cash equivalents	(14,865)	263,617	19,063	267,815
Cash and cash equivalents at beginning of year	<u>323,577</u>	<u>239,340</u>	<u>219,457</u>	<u>782,374</u>
Cash and cash equivalents at end of year	<u>\$ 308,712</u>	<u>\$ 502,957</u>	<u>\$ 238,520</u>	<u>\$ 1,050,189</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income	<u>\$ (190,520)</u>	<u>\$ (17,351)</u>	<u>\$ 14,711</u>	<u>\$ (193,160)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	11,526	170,421	-	181,947
Other income	4,613	100	-	4,713
Change in assets and liabilities:				
Accounts receivable	-	181,248	3,945	185,193
Inventory	162,451	(3,169)	-	159,282
Prepaid items	600	(3,774)	-	(3,174)
Net pension liability	288,282	208,095	18,297	514,674
Deferred outflows	33,162	36,825	2,489	72,476
Deferred inflows	(268,926)	(221,941)	(17,897)	(508,764)
Accounts payable	(87,982)	(13,689)	174	(101,497)
Accrued wages payable	(3,299)	(3,532)	(266)	(7,097)
Compensated absences payable	(30,203)	11,790	-	(18,413)
Deposits	2,396	12,442	-	14,838
Unearned revenue	-	(90,994)	-	(90,994)
Total adjustments	<u>112,620</u>	<u>283,822</u>	<u>6,742</u>	<u>403,184</u>
Net cash provided by (used in) operating activities	<u>\$ (77,900)</u>	<u>\$ 266,471</u>	<u>\$ 21,453</u>	<u>\$ 210,024</u>

CITY OF ANOKA, MINNESOTA

NONMAJOR PROPRIETARY FUNDS INTERNAL SERVICE FUNDS

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

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

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

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

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

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
DECEMBER 31, 2022

Assets	Information Systems	Insurance	Employee Benefits	Central Garage	Total
Current assets:					
Cash and cash equivalents	\$ 340,571	\$ 641,452	\$ 962,828	\$ 906,879	\$ 2,851,730
Accrued interest	72	149	231	212	664
Inventory	-	-	-	65,717	65,717
Prepaid items	46,700	144,730	-	-	191,430
Total current assets	387,343	786,331	963,059	972,808	3,109,541
Noncurrent assets:					
Capital assets:					
Buildings and structures	50,000	-	-	-	50,000
Furniture and equipment	557,625	-	-	-	557,625
Machinery and automotive equipment	-	-	-	4,804,065	4,804,065
Total property	607,625	-	-	4,804,065	5,411,690
Accumulated depreciation	(532,484)	-	-	(3,894,736)	(4,427,220)
Net noncurrent assets	75,141	-	-	909,329	984,470
Total assets	\$ 462,484	\$ 786,331	\$ 963,059	\$ 1,882,137	\$ 4,094,011
Liabilities and Net Position					
Current liabilities:					
Accounts payable	\$ 2,154	\$ 3,507	\$ -	\$ 53,347	\$ 59,008
Accrued wages payable	-	-	-	2,439	2,439
Claims payable	-	51,535	-	-	51,535
Current portion of compen absences payable	-	-	20,000	-	20,000
Total current liabilities	2,154	55,042	20,000	55,786	132,982
Noncurrent liabilities:					
Compensated absences payable	-	-	1,024,965	29,772	1,054,737
Total liabilities	2,154	55,042	1,044,965	85,558	1,187,719
Net position:					
Net investment in capital assets	75,141	-	-	909,329	984,470
Unrestricted	385,189	731,289	(81,906)	887,250	1,921,822
Total net position (deficit)	460,330	731,289	(81,906)	1,796,579	2,906,292
Total liabilities and net position	\$ 462,484	\$ 786,331	\$ 963,059	\$ 1,882,137	\$ 4,094,011

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
INTERNAL SERVICE FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	<u>Information Systems</u>	<u>Insurance</u>	<u>Employee Benefits</u>	<u>Central Garage</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 588,200	\$ 492,260	\$ 60,150	\$ 888,800	\$ 2,029,410
Operating expenses:					
Personal services	24,800	11,900	115,103	173,779	325,582
Supplies	33,990	-	-	309,889	343,879
Professional services	390,536	683,701	-	48,265	1,122,502
Contractual services	137,209	-	-	68,640	205,849
Depreciation	31,775	-	-	220,310	252,085
Total operating expenses	<u>618,310</u>	<u>695,601</u>	<u>115,103</u>	<u>820,883</u>	<u>2,249,897</u>
Operating income (loss)	<u>(30,110)</u>	<u>(203,341)</u>	<u>(54,953)</u>	<u>67,917</u>	<u>(220,487)</u>
Nonoperating revenues (expenses):					
Interest income	1,326	2,996	4,252	3,740	12,314
Net decrease in fair value of investments	(3,555)	(7,453)	(12,769)	(12,960)	(36,737)
Gain on sale of fixed assets	-	-	-	8,450	8,450
Other income	35,000	43,945	-	-	78,945
Total nonoperating revenues	<u>32,771</u>	<u>39,488</u>	<u>(8,517)</u>	<u>(770)</u>	<u>62,972</u>
Change in net position	2,661	(163,853)	(63,470)	67,147	(157,515)
Net position - Beginning of year	<u>457,669</u>	<u>895,142</u>	<u>(18,436)</u>	<u>1,729,432</u>	<u>3,063,807</u>
Net position (deficit) - End of year	<u>\$ 460,330</u>	<u>\$ 731,289</u>	<u>\$ (81,906)</u>	<u>\$ 1,796,579</u>	<u>\$ 2,906,292</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2022

	<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	\$ 623,200	\$ 492,260	\$ 60,150	\$ 888,800	\$ 2,064,410
Reimbursement from insurance carrier	-	43,945	-	-	43,945
Payments to suppliers for goods and services	(606,774)	(663,225)	-	(416,220)	(1,686,219)
Payments to employees for services	(24,800)	(11,900)	(49,392)	(173,241)	(259,333)
Net cash provided by (used in) operating activities	<u>(8,374)</u>	<u>(138,920)</u>	<u>10,758</u>	<u>299,339</u>	<u>162,803</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(12,870)	-	-	(100,928)	(113,798)
Proceeds from sale of capital assets	-	-	-	8,450	8,450
Net cash used in capital and related financing activities	<u>(12,870)</u>	<u>-</u>	<u>-</u>	<u>(92,478)</u>	<u>(105,348)</u>
Cash flows from investing activities:					
Investment earnings	<u>(2,301)</u>	<u>(4,606)</u>	<u>(8,748)</u>	<u>(9,432)</u>	<u>(25,087)</u>
Net increase (decrease) in cash and cash equivalents	(23,545)	(143,526)	2,010	197,429	32,368
Cash and cash equivalents at beginning of year	<u>364,116</u>	<u>784,978</u>	<u>960,818</u>	<u>709,450</u>	<u>2,819,362</u>
Cash and cash equivalents end of year	<u><u>\$ 340,571</u></u>	<u><u>\$ 641,452</u></u>	<u><u>\$ 962,828</u></u>	<u><u>\$ 906,879</u></u>	<u><u>\$ 2,851,730</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	<u>\$ (30,110)</u>	<u>\$ (203,341)</u>	<u>\$ (54,953)</u>	<u>\$ 67,917</u>	<u>\$ (220,487)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	31,775	-	-	220,310	252,085
Other income	35,000	43,945	-	-	78,945
Change in assets and liabilities:					
Inventory	-	-	-	(39,370)	(39,370)
Prepaid expense	(45,537)	(15,602)	-	-	(61,139)
Claims payable	-	32,616	-	-	32,616
Accounts payable	498	3,462	-	49,944	53,904
Accrued wages payable	-	-	-	(993)	(993)
Compensated absences payable	-	-	65,711	1,531	67,242
Total adjustments	<u>21,736</u>	<u>64,421</u>	<u>65,711</u>	<u>231,422</u>	<u>383,290</u>
Net cash provided by (used in) operating activities	<u><u>\$ (8,374)</u></u>	<u><u>\$ (138,920)</u></u>	<u><u>\$ 10,758</u></u>	<u><u>\$ 299,339</u></u>	<u><u>\$ 162,803</u></u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Taxes:			
Property	\$ 7,435,003	\$ 7,405,605	\$ (29,398)
Penalties and interest	3,000	3,180	180
Total taxes	<u>7,438,003</u>	<u>7,408,785</u>	<u>(29,218)</u>
Licenses and permits:			
Licenses	129,000	150,293	21,293
Permits	390,500	417,801	27,301
Total licenses and permits	<u>519,500</u>	<u>568,094</u>	<u>48,594</u>
Fines and forfeitures:			
Court fines	50,000	43,943	(6,057)
Code violations	15,000	38,911	23,911
Other	300	37	(263)
Total fines and forfeitures	<u>65,300</u>	<u>82,891</u>	<u>17,591</u>
Intergovernmental:			
Local government aid	2,063,656	2,063,656	-
Federal Grants - ARPA	-	45,588	45,588
State aid maintenance	209,000	235,543	26,543
Police aid	265,000	283,799	18,799
Other	50,000	68,121	18,121
Total intergovernmental	<u>2,587,656</u>	<u>2,696,707</u>	<u>109,051</u>
Charges for current services:			
Swimming pool	318,200	391,017	72,817
Parks	58,500	107,515	49,015
Police services	328,600	290,506	(38,094)
Planning services	88,500	158,654	70,154
Public works	1,500	4,479	2,979
Finance	25,900	25,995	95
Total charges for current services	<u>\$ 821,200</u>	<u>\$ 978,166</u>	<u>\$ 156,966</u>
Franchise fees	<u>\$ 940,000</u>	<u>\$ 974,245</u>	<u>\$ 34,245</u>
Interest earnings	<u>20,000</u>	<u>30,923</u>	<u>10,923</u>
Miscellaneous:			
Other	159,830	241,879	82,049
Net decrease in fair value of investments	-	(125,756)	(125,756)
Total Miscellaneous	<u>159,830</u>	<u>116,123</u>	<u>(43,707)</u>
Total revenues	<u>12,551,489</u>	<u>12,855,934</u>	<u>304,445</u>
Other financing sources:			
Electric transfer in	870,000	870,000	-
Liquor transfer in	200,000	200,000	-
Special Revenue transfer in	135,000	135,000	-
Lease proceeds, present value of lease	-	593,264	593,264
Total other financing sources	<u>1,205,000</u>	<u>1,798,264</u>	<u>593,264</u>
Total revenues and other financing sources	<u>\$ 13,756,489</u>	<u>\$ 14,654,198</u>	<u>\$ 897,709</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General government:			
Mayor and council:			
Personal services	\$ 44,100	\$ 45,601	\$ (1,501)
Supplies	100	653	(553)
Professional services	89,780	82,499	7,281
Totals	<u>133,980</u>	<u>128,753</u>	<u>5,227</u>
City administration			
Personal services	327,960	333,732	(5,772)
Supplies	1,500	2,486	(986)
Professional services	105,010	94,804	10,206
Contractual services	8,500	7,207	1,293
Totals	<u>442,970</u>	<u>438,229</u>	<u>4,741</u>
Elections:			
Personal services	40,500	35,072	5,428
Supplies	2,000	741	1,259
Professional services	2,200	1,842	358
Contractual services	4,000	3,706	294
Totals	<u>48,700</u>	<u>41,361</u>	<u>7,339</u>
Finance:			
Personal services	298,740	284,692	14,048
Supplies	2,500	2,845	(345)
Professional services	75,000	69,839	5,161
Contractual services	2,000	1,718	282
Totals	<u>378,240</u>	<u>359,094</u>	<u>19,146</u>
Assessing:			
Personal services	143,620	135,145	8,475
Supplies	100	740	(640)
Professional services	15,890	17,011	(1,121)
Contractual services	8,500	8,500	-
Totals	<u>168,110</u>	<u>161,396</u>	<u>6,714</u>
Miscellaneous:			
Supplies	-	255	(255)
Professional services	31,700	35,908	(4,208)
Contractual services	51,500	30,475	21,025
Capital outlay, present value of new lease	-	132,751	(132,751)
Lease expense, principal	-	9,071	(9,071)
Lease expense, interest	-	1,097	(1,097)
Totals	<u>\$ 83,200</u>	<u>\$ 209,557</u>	<u>\$ (126,357)</u>
Attorney:			
Professional services	<u>\$ 225,000</u>	<u>\$ 236,894</u>	<u>\$ (11,894)</u>
Totals	<u>225,000</u>	<u>236,894</u>	<u>(11,894)</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General government (Continued):			
Planning, Community Development:			
Personal services	345,820	340,935	4,885
Supplies	1,500	1,840	(340)
Professional services	64,440	54,638	9,802
Contractual services	4,000	2,480	1,520
	<u>415,760</u>	<u>399,893</u>	<u>15,867</u>
Total general government	<u>1,895,960</u>	<u>1,975,177</u>	<u>(79,217)</u>
Public safety:			
Police department:			
Personal services	4,237,350	4,221,363	15,987
Supplies	228,000	201,222	26,778
Professional services	413,200	451,964	(38,764)
Contractual services	512,300	294,117	218,183
Capital outlay, present value new lease	-	460,513	
Lease expense, principal	-	181,239	(181,239)
Lease expense, interest	-	13,247	(13,247)
	<u>\$ 5,390,850</u>	<u>\$ 5,823,665</u>	<u>\$ 27,698</u>
High school security, liason, and security:			
Personal services	\$ 944,000	\$ 952,096	\$ (8,096)
Supplies	200	57	143
Professional services	42,180	49,328	(7,148)
Contractual services	3,000	4,424	(1,424)
	<u>989,380</u>	<u>1,005,905</u>	<u>(16,525)</u>
Fire protection:			
Contractual services	<u>738,554</u>	<u>738,554</u>	<u>-</u>
Emergency services:			
Contractual services	<u>2,500</u>	<u>2,214</u>	<u>286</u>
	<u>3,950</u>	<u>2,214</u>	<u>1,736</u>
Building Inspections:			
Personal services	227,060	207,421	19,639
Supplies	400	1,127	(727)
Professional services	48,710	69,918	(21,208)
Contractual services	12,700	15,010	(2,310)
	<u>288,870</u>	<u>293,476</u>	<u>(4,606)</u>
Total public safety	<u>7,411,604</u>	<u>7,863,814</u>	<u>8,303</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public works:			
General government buildings:			
Personal services	31,800	28,824	2,976
Supplies	4,700	3,943	757
Professional services	53,700	67,597	(13,897)
Contractual services	60,300	35,079	25,221
Capital outlay	18,000	-	18,000
Totals	<u>168,500</u>	<u>135,443</u>	<u>33,057</u>
Building maintenance:			
Personal services	99,610	99,916	(306)
Supplies	9,100	4,809	4,291
Professional services	9,920	10,319	(399)
Contractual services	25,500	15,157	10,343
Totals	<u>144,130</u>	<u>130,201</u>	<u>13,929</u>
Engineering:			
Personal services	52,530	60,886	(8,356)
Supplies	4,500	1,974	2,526
Professional services	90,470	100,500	(10,030)
Contractual services	2,500	-	2,500
Totals	<u>150,000</u>	<u>163,360</u>	<u>(13,360)</u>
Streets:			
Personal services	681,680	551,368	130,312
Supplies	7,900	5,872	2,028
Professional services	78,780	88,411	(9,631)
Contractual services	483,000	685,663	(202,663)
Capital outlay	50,000	-	50,000
Totals	<u>1,301,360</u>	<u>1,331,314</u>	<u>(29,954)</u>
Total public works	<u>\$ 1,763,990</u>	<u>\$ 1,760,318</u>	<u>\$ 3,672</u>
Parks and recreation:			
Community programs and event center			
Personal services	\$ 75,190	\$ 112,376	\$ (37,186)
Supplies	9,000	12,751	(3,751)
Professional services	144,110	139,579	4,531
Contractual services	92,000	46,222	45,778
Totals	<u>320,300</u>	<u>310,928</u>	<u>9,372</u>
Recreation			
Personal services	118,620	136,314	(17,694)
Supplies	28,700	13,461	15,239
Professional services	54,950	39,366	15,584
Contractual services	40,500	38,093	2,407
Capital outlay	195,000	182,440	12,560
Totals	<u>437,770</u>	<u>409,674</u>	<u>28,096</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Parks and recreation (Continued):			
Aquatic center:			
Personal services	293,610	294,064	(454)
Supplies	53,000	88,095	(35,095)
Professional services	43,900	61,650	(17,750)
Contractual services	18,000	29,056	(11,056)
Capital outlay	55,000	-	55,000
Totals	<u>463,510</u>	<u>472,865</u>	<u>(9,355)</u>
Senior citizens:			
Personal services	142,680	133,446	9,234
Supplies	9,500	3,926	5,574
Professional services	55,020	51,339	3,681
Contractual services	23,100	27,043	(3,943)
Totals	<u>230,300</u>	<u>215,754</u>	<u>14,546</u>
Municipal parks:			
Personal services	766,060	766,763	(703)
Supplies	39,500	50,971	(11,471)
Professional services	83,720	90,634	(6,914)
Contractual services	325,800	334,606	(8,806)
Capital outlay	20,000	12,412	7,588
Totals	<u>\$ 1,235,080</u>	<u>\$ 1,255,386</u>	<u>\$ (20,306)</u>
City beautification:			
Personal services	\$ 3,420	\$ 22,039	\$ (18,619)
Supplies	21,700	16,661	5,039
Professional services	8,160	6,660	1,500
Contractual services	67,500	199,215	(131,715)
Capital outlay	123,695	-	123,695
Totals	<u>224,475</u>	<u>244,575</u>	<u>(20,100)</u>
Total parks and recreation	<u>2,911,435</u>	<u>2,909,182</u>	<u>2,253</u>
Total expenditures	<u>13,982,989</u>	<u>14,508,491</u>	<u>(64,989)</u>
Total expenditures and transfers	<u>\$ 13,982,989</u>	<u>\$ 14,508,491</u>	<u>\$ (64,989)</u>

**CITY OF ANOKA, MINNESOTA
COMBINED SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2022**

<u>Bonded Indebtedness</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Authorized and Issued</u>	<u>Balance 12/31/2021</u>
General obligation bonds:					
2010A Public Facility Refunding Bonds	12/27/2010	02/01/2022	3.00-3.15%	\$ 3,740,000	\$ 350,000
2014A TIF Crossover Refunding Bonds	08/14/2014	02/01/2033	3.00-3.40	6,115,000	5,010,000
2016A Public Facilities Crossover Refunding	04/27/2016	02/01/2028	2.00%	1,510,000	1,010,000
2020A Public Road Improvement Bonds	01/30/2020	02/01/2041	2.00-4.00%	8,545,000	8,490,000
2021A Capital Improvement Plan Bonds	09/09/2021	02/01/2042	1.00-2.00%	6,000,000	6,000,000
2022A Capital Improvement Plan Bonds	06/30/2022	02/01/2043	3.00-4.00%	3,850,000	-
Total general obligation bonds				29,760,000	20,860,000
Revenue bonds:					
2016B Utility Storm Water Bonds	08/01/2016	02/01/2036	2.00-3.00%	1,795,000	1,370,000
2022B Utility Water Revenue Bonds	06/30/2022	02/01/2043	3.00-4.00%	6,000,000	-
Total revenue bonds				7,795,000	1,370,000
Total bonds payable				\$ 37,555,000	\$ 22,230,000
Loan Payable to Met Council				\$ -	\$ 2,308,137

CITY OF ANOKA, MINNESOTA
COMBINED SCHEDULE OF INDEBTEDNESS - continued
DECEMBER 31, 2022

<u>Bonded Indebtedness</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/2022</u>	<u>INTEREST PAYMENTS</u>
General obligation bonds:				
2010A Public Facility Refunding Bonds	\$ -	\$ 350,000	\$ -	\$ 5,513
2014A TIF Crossover Refunding Bonds	-	280,000	4,730,000	166,528
2016A Public Facilities Crossover Refunding	-	135,000	875,000	18,850
2020A Public Road Improvement Bonds	-	470,000	8,020,000	236,508
2021A Capital Improvement Plan Bonds	-	-	6,000,000	96,560
2022A Capital Improvement Plan Bonds	<u>3,850,000</u>	<u>-</u>	<u>3,850,000</u>	<u>-</u>
Total general obligation bonds	<u>3,850,000</u>	<u>1,235,000</u>	<u>23,475,000</u>	<u>523,959</u>
Revenue bonds:				
2016B Utility Storm Water Bonds	-	85,000	1,285,000	33,800
2022B Utility Water Revenue Bonds	<u>6,000,000</u>	<u>-</u>	<u>6,000,000</u>	<u>-</u>
Total revenue bonds	<u>6,000,000</u>	<u>85,000</u>	<u>7,285,000</u>	<u>33,800</u>
Total bonds payable	<u>\$ 9,850,000</u>	<u>\$ 1,320,000</u>	<u>\$ 30,760,000</u>	<u>\$ 557,759</u>
Loan Payable to Met Council	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,308,137</u>	<u>\$ -</u>

**CITY OF ANOKA, MINNESOTA
SCHEDULE OF BOND MATURITIES
DECEMBER 31, 2022**

	Issue Date	Interest Rate	Maturity Date	Principal
General obligation bonds:				
\$6,115,000 TIF Crossover Refunding Bonds, 2014A	08/14/2014	4.00%	02/01/2023	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				4,730,000
\$1,510,000 Crossover Refunding Bonds, 2016A	04/27/2017	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				875,000
\$8,545,000 Road Improvement GO Bonds, 2020A	01/30/2020	4.00	02/01/2023	485,000
		4.00	02/01/2024	505,000
		4.00	02/01/2025	525,000
		4.00	02/01/2026	470,000
		4.00	02/01/2027	330,000
		4.00	02/01/2028	355,000
		4.00	02/01/2029	365,000
		2.00	02/01/2030	375,000
		2.00	02/01/2031	385,000
		2.00	02/01/2032	395,000
		2.00	02/01/2033	400,000
		2.00	02/01/2034	415,000
		2.05	02/01/2035	420,000
		2.10	02/01/2036	425,000
		2.15	02/01/2037	435,000
		2.20	02/01/2038	440,000
		2.25	02/01/2039	460,000
		2.30	02/01/2040	465,000
		2.35	02/01/2041	370,000
Total Road Improvement GO Bonds, 2020A				8,020,000

CITY OF ANOKA, MINNESOTA
SCHEDULE OF BOND MATURITIES - continued
DECEMBER 31, 2022

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal</u>
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				<u>6,000,000</u>
\$3,850,000 Capital Improvement Plan Bonds, 2022A	06/30/2022	4.00	02/01/2024	135,000
		4.00	02/01/2025	140,000
		2.00	02/01/2026	145,000
		4.00	02/01/2027	150,000
		4.00	02/01/2028	155,000
		4.00	02/01/2029	160,000
		4.00	02/01/2030	170,000
		4.00	02/01/2031	175,000
		3.00	02/01/2032	180,000
		3.00	02/01/2033	190,000
		3.00	02/01/2034	195,000
		3.00	02/01/2035	200,000
		3.00	02/01/2036	205,000
		3.00	02/01/2037	210,000
		3.75	02/01/2038	215,000
		3.75	02/01/2039	225,000
		4.00	02/01/2040	235,000
		4.00	02/01/2041	245,000
		4.00	02/01/2042	255,000
		4.00	02/01/2043	265,000
Total Capital Improvement Plan Bonds, 2021A				<u>3,850,000</u>
Total General Obligation Bonds Payable				<u>23,475,000</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF BOND MATURITIES - continued
DECEMBER 31, 2022

	Issue Date	Interest Rate	Maturity Date	Principal
Revenue bonds:				
\$1,795,000 Utility Revenue Bonds, 2016B	08/01/2016	2.00%	02/01/2023	85,000
		2.00	02/01/2024	85,000
		2.00	02/01/2025	85,000
		2.00	02/01/2026	85,000
		2.00	02/01/2027	85,000
		2.50	02/01/2028	90,000
		2.50	02/01/2029	90,000
		2.50	02/01/2030	90,000
		3.00	02/01/2031	90,000
		3.00	02/01/2032	90,000
		3.00	02/01/2033	95,000
		3.00	02/01/2034	100,000
		3.00	02/01/2035	105,000
		3.00	02/01/2036	110,000
Total Utility Revenue Bonds, 2016B				<u>1,285,000</u>
\$6,000,000 GO Revenue Bonds, 2022B	06/30/2022	4.00	02/01/2024	205,000
		4.00	02/01/2025	215,000
		4.00	02/01/2026	225,000
		4.00	02/01/2027	235,000
		4.00	02/01/2028	245,000
		4.00	02/01/2029	255,000
		4.00	02/01/2030	265,000
		4.00	02/01/2031	275,000
		3.00	02/01/2032	285,000
		3.00	02/01/2033	295,000
		3.00	02/01/2034	300,000
		3.00	02/01/2035	310,000
		3.05	02/01/2036	320,000
		3.10	02/01/2037	330,000
		3.15	02/01/2038	340,000
		4.00	02/01/2039	350,000
		4.00	02/01/2040	365,000
		4.00	02/01/2041	380,000
		4.00	02/01/2042	395,000
		4.00	02/01/2043	410,000
Total GO Revenue Bonds of 2022B				<u>6,000,000</u>
Total Revenue Bonds Payable				<u>7,285,000</u>
Total Bonds Payable				<u><u>30,760,000</u></u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2022

Year	General Obligation Bonds		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 1,175,000	\$ 647,140	\$ 85,000	\$ 270,176	\$ 1,260,000	\$ 917,316
2024	1,360,000	592,140	290,000	245,500	1,650,000	837,640
2025	1,395,000	544,990	300,000	235,400	1,695,000	780,390
2026	1,380,000	499,390	310,000	224,900	1,690,000	724,290
2027	1,270,000	458,365	320,000	214,000	1,590,000	672,365
2028	1,425,000	417,290	335,000	202,425	1,760,000	619,715
2029	1,290,000	374,390	345,000	190,175	1,635,000	564,565
2030	1,325,000	334,921	355,000	177,525	1,680,000	512,446
2031	1,375,000	298,938	365,000	164,250	1,740,000	463,188
2032	1,410,000	263,878	375,000	151,775	1,785,000	415,653
2033	1,445,000	228,398	390,000	140,300	1,835,000	368,698
2034	915,000	201,255	400,000	128,450	1,315,000	329,705
2035	930,000	182,723	415,000	116,225	1,345,000	298,948
2036	945,000	162,560	430,000	103,470	1,375,000	266,030
2037	965,000	140,846	330,000	91,825	1,295,000	232,671
2038	980,000	117,699	340,000	81,355	1,320,000	199,054
2039	1,015,000	92,884	350,000	69,000	1,365,000	161,884
2040	1,040,000	66,743	365,000	54,700	1,405,000	121,443
2041	960,000	40,598	380,000	39,800	1,340,000	80,398
2042	610,000	19,250	395,000	24,300	1,005,000	43,550
2043	265,000	5,300	410,000	8,200	675,000	13,500
	<u>\$ 23,475,000</u>	<u>\$ 5,689,695</u>	<u>\$ 7,285,000</u>	<u>\$ 2,933,751</u>	<u>\$ 30,760,000</u>	<u>\$ 8,623,446</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET POSITON - CUSTODIAL FUND
DECEMBER 31, 2022

	Downtown District
Assets	
Cash and investments	\$ 65,599
Accounts receivable	5,337
Accrued interest receivable	15
Total assets	\$ 70,951
Liabilities	
Accounts payable	\$ -
Net Position	
Restricted for:	
Restricted for Downtown District	\$ 70,951
Total net position	\$ 70,951

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITON - CUSTODIAL FUND
DECEMBER 31, 2022

	Downtown District
Additions	
Donations and contributions	\$ 74,540
Investment income	293
Decrease in fair value of investments	(896)
Total additions	73,937
Deductions	
Professional services	62,939
Contractual services	56
Total deductions	62,995
Net increase in fiduciary net position	10,942
Net position - beginning of year	60,009
Net position - end of year	70,951

**CITY OF ANOKA, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
BALANCE SHEET - COMPONENT UNIT
DECEMBER 31, 2022**

	<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	\$ 619,431	\$ 32,022	\$ 101,710	\$ 38,106	\$ 5,282	\$ 796,551
Receivables, net:						
Taxes	8,861	-	-	-	754	9,615
Loans receivable	549,471	-	-	-	-	549,471
Due from other funds	710,000	-	990,120	-	-	1,700,120
Accrued interest	240	-	23	9	-	272
Land held for resale	133,954	-	246,308	-	1,740,255	2,120,517
Total assets	<u>\$ 2,021,957</u>	<u>\$ 32,022</u>	<u>\$ 1,338,161</u>	<u>\$ 38,115</u>	<u>\$ 1,746,291</u>	<u>\$ 5,176,546</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 18,331	\$ -	\$ 3	\$ 5	\$ 163	\$ 18,502
Accrued wages payable and other benefits	1,768	-	-	-	-	1,768
Due to other funds	-	-	-	99,720	1,600,400	1,700,120
Total liabilities	<u>20,099</u>	<u>-</u>	<u>3</u>	<u>99,725</u>	<u>1,600,563</u>	<u>1,720,390</u>
Deferred inflows of resources:						
Unavailable revenue property taxes	4,493	-	-	-	754	5,247
Unavailable revenue loans	549,471	-	-	-	-	549,471
Total deferred inflows of resources	<u>553,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>754</u>	<u>554,718</u>
Fund balances:						
Nonspendable	133,954	-	-	-	-	133,954
Restricted	-	32,022	1,338,158	-	1,740,255	3,110,435
Unassigned	1,313,940	-	-	(61,610)	(1,595,281)	(342,951)
Total fund balances	<u>1,447,894</u>	<u>32,022</u>	<u>1,338,158</u>	<u>(61,610)</u>	<u>144,974</u>	<u>2,901,438</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,021,957</u>	<u>\$ 32,022</u>	<u>\$ 1,338,161</u>	<u>\$ 38,115</u>	<u>\$ 1,746,291</u>	<u>\$ 5,176,546</u>

**CITY OF ANOKA, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF THE COMPONENT UNIT
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022**

Total Component Unit fund balances (page 126)	\$ 2,901,438
Amounts reported for governmental activities in the statement of net position (page 31) 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.	982,945
Deferred inflows are not available to pay for current-period expenditures and therefore are deferred in the funds.	554,718
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	(1,672,789)
Governmental funds do not report a liability for accrued interest until due and payable.	(18,170)
The net pension liability and related deferred inflows and deferred outflows are recorded only in only in the government-wide statement of net position.	(73,455)
Net position of governmental activities	\$ 2,674,687

CITY OF ANOKA, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - COMPONENT UNIT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	<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	\$ 328,333	\$ -	\$ -	\$ 39,688	\$ 129,973	\$ 497,994
Loan receivable payments	41,795	-	-	-	-	41,795
Interest income	17,771	33	36,150	131	(29)	54,056
Net increase(decrease) in fair value of investments	(13,587)	186	(2,213)	(489)	427	(15,676)
Miscellaneous	50	-	-	-	-	50
Total revenues	<u>374,362</u>	<u>219</u>	<u>33,937</u>	<u>39,330</u>	<u>130,371</u>	<u>578,219</u>
Expenditures						
Current:						
Urban redevelopment and housing	366,173	-	286	1,417	5,227	373,103
Debt service:						
Principal retirement	-	25,000	-	-	-	25,000
Interest and fiscal charges	-	44,457	-	3,864	42,502	90,823
Total expenditures	<u>366,173</u>	<u>69,457</u>	<u>286</u>	<u>5,281</u>	<u>47,729</u>	<u>488,926</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,189</u>	<u>(69,238)</u>	<u>33,651</u>	<u>34,049</u>	<u>82,642</u>	<u>89,293</u>
Other financing (uses) including transfers:						
Transfers in	100,000	70,000	-	-	-	170,000
Transfers out	(100,000)	-	-	-	(70,000)	(170,000)
Total other financing sources	<u>-</u>	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>	<u>-</u>
Net changes in fund balances	8,189	762	33,651	34,049	12,642	89,293
Fund balances (deficit) at beginning 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>
Fund balances (deficit) at end of year	<u>\$ 1,447,894</u>	<u>\$ 32,022</u>	<u>\$ 1,338,158</u>	<u>\$ (61,610)</u>	<u>\$ 144,974</u>	<u>\$ 2,901,438</u>

**CITY OF ANOKA, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE COMPONENT UNIT
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Net change in fund balances (page 128)	\$ 89,293
Amounts reported for government activities in the statement of activities (page 32) 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.	104,664
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.	25,000
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.	696
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.	1,282
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.	<u>(9,001)</u>
Change in net position of governmental activities	<u>\$ 195,505</u>

**CITY OF ANOKA, MINNESOTA
HOUSING AND REHABILITATION AUTHORITY
COMBINED SCHEDULE OF INDEBTEDNESS - COMPONENT UNIT
DECEMBER 31, 2022**

<u>Bonded Indebtedness</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Authorized and Issued</u>	<u>Balance 12/31/2021</u>
HRA General obligation bonds:					
2019A HRA GO TIF Revenue Bonds	09/05/2019	02/01/2043	2.10-3.00%	\$ 1,690,000	\$ 1,690,000
Total HRA bonds payable				<u>\$ 1,690,000</u>	<u>\$ 1,690,000</u>

<u>Bonded Indebtedness continued</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/2022</u>	<u>Interest Payments</u>
HRA General obligation bonds:				
2019A HRA GO TIF Revenue Bonds	\$ -	\$ 25,000	\$ 1,665,000	\$ 44,358
Total general obligation revenue bonds	<u>\$ -</u>	<u>25,000</u>	<u>\$ 1,665,000</u>	<u>\$ 44,358</u>
			<u>\$ 1,665,000</u>	

**CITY OF ANOKA, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
SCHEDULE OF BOND MATURITIES - COMPONENT UNIT
DECEMBER 31, 2022**

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal</u>
General obligation bonds:				
\$1,690,000 HRA GO TIF Bonds of 2019A	09/05/2019	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>1,665,000</u>
Total General Obligation Bonds Payable				<u>\$ 1,665,000</u>

CITY OF ANOKA, MINNESOTA
HOUSING AND REHABILITATION AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS - COMPONENT UNITS
DECEMBER 31, 2022

Year	General Obligation Bonds	
	Principal	Interest
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
	\$ 1,665,000	\$ 536,867

CITY OF ANOKA, MINNESOTA

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.

CITY OF ANOKA, MINNESOTA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(Unaudited)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities:				
Net investment in capital assets	\$ 62,009,558	\$ 66,844,241	\$ 71,334,409	\$ 75,833,210
Restricted	4,610,299	5,197,093	5,828,258	5,174,912
Unrestricted	<u>10,635,827</u>	<u>10,721,398</u>	<u>6,150,596</u>	<u>1,313,763</u>
Total governmental activities net position	<u>\$ 77,255,684</u>	<u>\$ 82,762,732</u>	<u>\$ 83,313,263</u>	<u>\$ 82,321,885</u>
Business-type activities:				
Net investment in capital assets	\$ 34,879,100	\$ 38,846,655	\$ 41,105,603	\$ 41,570,574
Restricted	248,258	256,330	228,725	1,237,871
Unrestricted	<u>21,712,562</u>	<u>19,782,441</u>	<u>17,632,441</u>	<u>17,638,923</u>
Total business-type activities net position	<u>\$ 56,839,920</u>	<u>\$ 58,885,426</u>	<u>\$ 58,966,769</u>	<u>\$ 60,447,368</u>
Primary government:				
Net investment in capital assets	\$ 96,888,658	\$ 105,690,896	\$ 112,440,012	\$ 117,403,784
Restricted	4,858,557	5,453,423	6,056,983	6,412,783
Unrestricted	<u>32,348,389</u>	<u>30,503,839</u>	<u>23,783,037</u>	<u>18,952,686</u>
Total primary government net position	<u>\$ 134,095,604</u>	<u>\$ 141,648,158</u>	<u>\$ 142,280,032</u>	<u>\$ 142,769,253</u>

CITY OF ANOKA, MINNESOTA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (CONTINUED)

2017	2018	2019	2020	2021	2022
\$ 81,699,387	\$ 85,684,691	\$ 91,561,788	\$ 100,463,238	\$ 104,193,106	\$ 107,298,169
3,356,040	6,382,800	6,649,391	7,077,597	8,418,676	8,464,699
491,185	(4,594,994)	(7,532,855)	(7,968,519)	(7,759,881)	(10,002,283)
\$ 85,546,612	\$ 87,472,497	\$ 90,678,324	\$ 99,572,316	\$ 104,851,901	\$ 105,760,585
\$ 43,686,972	\$ 42,869,504	\$ 44,782,151	\$ 43,809,804	\$ 47,083,928	\$ 50,527,016
-	-	-	-	-	-
18,029,772	19,759,309	19,891,011	23,816,074	24,545,230	25,013,867
\$ 61,716,744	\$ 62,628,813	\$ 64,673,162	\$ 67,625,878	\$ 71,629,158	\$ 75,540,883
\$ 125,386,359	\$ 128,554,195	\$ 136,343,939	\$ 144,273,042	\$ 151,277,034	\$ 157,825,185
3,356,040	6,382,800	6,649,391	7,077,597	8,418,676	8,464,699
18,520,957	15,164,315	12,358,156	15,847,555	16,785,349	15,011,584
\$ 147,263,356	\$ 150,101,310	\$ 155,351,486	\$ 167,198,194	\$ 176,481,059	\$ 181,301,468

CITY OF ANOKA, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(Unaudited)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses				
Governmental activities:				
General government	\$ 2,352,739	\$ 2,575,107	\$ 2,354,218	\$ 2,581,670
Public safety	5,280,686	5,303,656	5,630,639	7,296,891
Public works	2,446,436	2,580,990	2,505,957	2,778,563
Parks and recreation	2,109,080	2,582,244	2,462,522	2,455,616
Interest on long-term debt	490,008	514,894	549,923	557,369
Total governmental activities expenses	<u>12,678,949</u>	<u>13,556,891</u>	<u>13,503,259</u>	<u>15,670,109</u>
Business-type activities:				
Electric	24,533,255	24,728,393	25,074,193	26,193,102
Water	1,430,439	1,423,583	1,362,189	1,408,208
Sewer	1,967,585	2,113,023	2,018,953	2,202,166
Storm drainage	198,447	184,749	209,167	268,033
Liquor stores	3,857,645	4,007,571	3,977,014	4,038,791
Golf	1,088,903	939,188	1,019,747	1,073,673
Refuse	161,493	135,444	124,159	116,745
Recycling	271,358	271,444	284,608	293,927
Total business-type activities expenses	<u>33,509,125</u>	<u>33,803,395</u>	<u>34,070,030</u>	<u>35,594,645</u>
Total primary government expenses	<u>\$ 46,188,074</u>	<u>\$ 47,360,286</u>	<u>\$ 47,573,289</u>	<u>\$ 51,264,754</u>
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$ 110,399	\$ 132,467	\$ 295,002	\$ 269,319
Public safety	1,075,581	1,306,662	1,389,495	1,198,722
Public works	591,786	1,208,335	1,482,100	1,113,023
Parks and recreation	490,059	446,436	512,643	533,668
Operating grants and contributions	472,961	268,999	264,399	295,741
Capital grants and contributions	7,932,979	2,584,266	393,326	187,695
Total governmental activities program revenues	<u>10,673,765</u>	<u>5,947,165</u>	<u>4,336,965</u>	<u>3,598,168</u>
Business-type activities:				
Charges for services				
Electric	25,757,858	27,406,129	27,968,233	27,804,476
Water	1,614,435	1,489,934	1,606,698	1,774,756
Sewer	2,056,585	2,052,380	2,097,836	2,157,690
Storm drainage	471,251	471,678	472,283	491,314
Liquor stores	4,067,548	4,179,462	4,174,041	4,117,403
Golf	848,183	913,354	931,322	974,193
Refuse	154,338	133,959	111,711	114,016
Recycling	301,530	236,453	236,021	239,079
Operating grants and contributions	-	21,049	50,739	56,042
Total business-type activities revenues	<u>35,271,728</u>	<u>36,904,398</u>	<u>37,648,884</u>	<u>37,728,969</u>
Total primary government revenues	<u>\$ 45,945,493</u>	<u>\$ 42,851,563</u>	<u>\$ 41,985,849</u>	<u>\$ 41,327,137</u>

CITY OF ANOKA, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)

(Unaudited)

2017	2018	2019	2020	2021	2022
\$ 2,606,360	\$ 2,583,277	\$ 2,583,603	\$ 2,882,766	\$ 2,753,083	\$ 2,979,676
6,434,580	6,667,289	6,534,566	7,059,355	6,620,998	7,953,219
2,927,491	2,778,395	3,143,535	3,499,233	3,615,589	28,833,240
2,963,585	2,756,501	3,019,196	2,816,971	3,918,949	3,833,994
508,276	509,195	564,216	660,070	678,737	777,873
15,440,292	15,294,657	15,845,116	16,918,395	17,587,356	44,378,002
26,685,242	27,695,950	27,797,859	27,503,734	29,048,446	32,834,098
1,329,635	1,430,534	1,396,536	1,536,990	1,522,326	1,765,283
2,260,974	2,336,214	2,397,685	2,372,326	2,313,551	2,683,510
188,734	222,292	244,539	283,450	344,677	280,670
4,267,203	4,081,459	4,100,343	4,613,761	4,391,013	3,734,381
1,107,911	1,088,099	1,103,679	1,228,152	1,392,531	1,418,965
112,193	101,672	-	-	-	-
297,525	315,252	359,105	387,069	435,717	419,740
36,249,417	37,271,472	37,399,746	37,925,482	39,448,261	43,136,647
\$ 51,689,709	\$ 52,566,129	\$ 53,244,862	\$ 54,843,877	\$ 57,035,617	\$ 87,514,649
\$ 251,317	\$ 208,264	\$ 148,888	\$ 227,542	\$ 238,499	\$ 333,671
1,206,524	1,099,352	756,474	905,560	1,223,724	945,074
1,627,532	1,105,052	840,771	1,414,204	896,859	846,318
563,717	473,000	611,299	341,053	649,013	759,343
310,718	314,285	347,271	5,348,931	267,281	606,917
2,412,774	785,219	3,740,950	3,564,068	6,336,679	27,663,547
6,372,582	3,985,172	6,445,653	11,801,358	9,612,055	31,154,870
27,649,947	29,474,681	29,084,623	29,296,536	30,831,936	36,442,857
1,887,801	1,814,740	1,658,795	1,803,882	1,909,921	1,873,192
2,249,203	2,349,392	2,497,328	2,743,766	2,755,045	2,867,567
559,706	627,500	674,280	756,857	797,425	783,700
4,428,648	4,247,545	4,263,089	4,876,807	4,607,366	3,531,627
913,608	873,424	959,146	1,291,034	1,422,446	1,399,177
106,540	94,732	36	-	-	-
239,915	242,651	286,459	330,045	471,648	399,776
61,796	56,611	53,415	206,482	5,363	34,299
38,097,164	39,781,276	39,477,171	41,305,409	42,801,150	47,332,195
\$ 44,469,746	\$ 43,766,448	\$ 45,922,824	\$ 53,106,767	\$ 52,413,205	\$ 78,487,065

CITY OF ANOKA, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(Unaudited)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net (expense) revenue:				
Governmental activities	\$ (2,005,184)	\$ (7,609,726)	\$ (9,166,294)	\$ (12,071,941)
Business-type activities	1,762,603	3,101,003	3,578,854	2,134,324
Total primary government net (expense)/revenue	<u>\$ (242,581)</u>	<u>\$ (4,508,723)</u>	<u>\$ (5,587,440)</u>	<u>\$ (9,937,617)</u>
General Revenues and Other Sources in Net Position				
Governmental activities:				
Property taxes levied for general purpose	\$ 5,442,963	\$ 5,313,111	\$ 5,328,549	\$ 6,298,054
Property taxes levied for debt service	393,566	386,417	387,269	154,800
Property taxes from tax increments	2,558,472	2,557,981	2,660,321	410,817
Franchise taxes	1,340,379	1,331,955	1,344,354	1,334,186
Unrestricted grants, aid, and contributions	929,604	1,575,982	1,678,395	1,712,178
Unrestricted investment income	(210,377)	383,830	122,552	62,064
Gain (loss) on disposal of capital assets	-	(413,606)	343,103	(399,610)
Other	835,177	285,953	614,075	84,074
Transfers	150,000	2,285,000	2,808,000	1,424,000
Transfer of operations	-	(589,849)	-	-
Contributed capital	949,670	-	(731,000)	-
Total governmental activities	<u>12,389,454</u>	<u>13,116,774</u>	<u>14,555,618</u>	<u>11,080,563</u>
Business-type activities				
Interest and investment earnings	(161,677)	588,632	268,561	290,001
Gain on sale of capital assets	6,495	60,505	21,999	8,562
Other	432,929	580,366	563,698	451,212
Transfers	(150,000)	(2,285,000)	(2,808,000)	(1,424,000)
Contributed capital	(949,670)	-	731,000	-
Total business-type activities	<u>(821,923)</u>	<u>(1,055,497)</u>	<u>(1,222,742)</u>	<u>(674,225)</u>
Total primary government	<u>\$ 11,567,531</u>	<u>\$ 12,061,277</u>	<u>\$ 13,332,876</u>	<u>\$ 10,406,338</u>
Change in Net Position				
Governmental activities	\$ 10,384,270	\$ 5,507,048	\$ 5,389,324	\$ (991,378)
Business-type activities	940,680	2,045,506	2,356,112	1,460,099
Total primary government	<u>\$ 11,324,950</u>	<u>\$ 7,552,554</u>	<u>\$ 7,745,436</u>	<u>\$ 468,721</u>

CITY OF ANOKA, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)

2017	2018	2019	2020	2021	2022
\$ (9,067,710)	\$ (11,309,485)	\$ (9,399,463)	\$ (5,117,037)	\$ (7,975,301)	\$ (13,223,132)
1,847,747	2,509,804	2,077,425	3,379,927	3,352,889	4,195,548
\$ (7,219,963)	\$ (8,799,681)	\$ (7,322,038)	\$ (1,737,110)	\$ (4,622,412)	\$ (9,027,584)
\$ 6,633,011	\$ 6,830,816	\$ 7,023,911	\$ 7,293,631	\$ 6,703,278	\$ 7,436,193
(2,006)	(324)	-	39	750,000	377,337
544,134	573,642	620,090	653,679	611,390	610,756
1,315,417	1,355,374	1,315,467	1,353,488	1,403,673	1,385,067
1,719,554	1,822,734	1,829,333	1,976,993	2,039,715	2,555,322
104,574	122,509	250,681	37,510	18,090	(197,848)
371,287	5,515	452,706	998,780	14,722	245,173
104,460	423,977	80,902	303,439	401,694	494,816
1,500,000	2,380,000	1,032,200	1,393,470	1,312,324	1,225,000
-	-	-	-	-	-
-	-	-	-	-	-
12,290,431	13,514,243	12,605,290	14,011,029	13,254,886	14,131,816
327,960	480,225	645,719	491,638	232,854	(134,153)
32,465	1,501	16,380	23,555	1,103,229	114,362
561,204	300,539	337,025	451,066	626,632	960,968
(1,500,000)	(2,380,000)	(1,032,200)	(1,393,470)	(1,312,324)	(1,225,000)
-	-	-	-	-	-
(578,371)	(1,597,735)	(33,076)	(427,211)	650,391	(283,823)
\$ 11,712,060	\$ 11,916,508	\$ 12,572,214	\$ 13,583,818	\$ 13,905,277	\$ 13,847,993
\$ 3,222,721	\$ 2,204,758	\$ 3,205,827	\$ 8,893,992	\$ 5,279,585	\$ 908,684
1,269,376	912,069	2,044,349	2,952,716	4,003,280	3,911,725
\$ 4,492,097	\$ 3,116,827	\$ 5,250,176	\$ 11,846,708	\$ 9,282,865	\$ 4,820,409

CITY OF ANOKA, MINNESOTA
COMBINING FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Unaudited)

	2013	2014	2015	2016
General Fund:				
Nonspendable	\$ 18,059	\$ 66,191	\$ 22,103	\$ 43,921
Restricted	562,438	-	-	-
Committed	1,100,000	-	-	-
Unassigned	4,191,499	4,814,642	5,647,410	4,526,917
Total general fund	\$ 5,871,996	\$ 4,880,833	\$ 5,669,513	\$ 4,570,838
All other governmental funds:				
Nonspendable:				
State Aid	\$ -	\$ 2,525,556	\$ 2,525,556	\$ -
Commuter Rail Tax Increment	-	205,274	432,331	-
Nonmajor Governmental Funds	-	5,397,077	5,241,667	-
Restricted:				
Debt Service	443,168	7,661,468	459,205	1,991,191
State Aid	2,502,460	-	-	2,525,556
Commuter Rail Tax Increment	117,663	-	-	432,331
Greens of Anoka Tax Increment	-	-	-	472,087
Nonmajor Governmental Funds	3,647,600	70,262	86,923	4,557,466
Committed:				
Nonmajor Governmental Funds	1,813,335	1,961,560	2,093,916	2,166,383
Assigned:				
State Aid	303,216	651,471	233,851	237,632
Street Renewal	182,810	-	277,809	852,140
Nonmajor Governmental Funds	836,671	305,712	1,009,351	556,128
Unassigned:				
State Aid	-	-	-	-
Street Renewal	-	(791,125)	-	-
Commuter Rail Tax Increment	(363,419)	(1,371,901)	(2,449,485)	(3,506,643)
Greens of Anoka Tax Increment	(783,294)	(812,290)	(1,097,010)	(1,642,691)
Nonmajor Governmental Funds	(410,064)	(1,135,593)	(660,407)	(2,523,427)
Total all other governmental funds	\$ 8,290,146	\$ 14,667,471	\$ 8,153,707	\$ 6,118,153

(Unaudited)

CITY OF ANOKA, MINNESOTA
COMBINING FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)

2017	2018	2019	2020	2021	2022
\$ 55,026	\$ 97,755	\$ 25,233	\$ 60,756	\$ 47,977	\$ 52,459
-	-	-	-	-	-
-	-	-	-	-	-
4,681,652	4,865,938	5,042,915	5,533,135	5,973,420	6,114,646
\$ 4,736,678	\$ 4,963,693	\$ 5,068,148	\$ 5,593,891	\$ 6,021,397	\$ 6,167,105
-	-	-	-	-	-
-	-	5,325	-	1,200	-
544,057	547,394	565,981	1,241,063	1,465,850	987,300
2,331,233	2,331,233	-	-	-	-
432,331	432,331	580,627	580,627	580,627	580,627
639,312	2,837,536	3,185,170	3,295,471	3,297,363	3,297,363
3,193,386	2,920,940	2,648,990	2,646,672	3,950,361	4,041,763
2,171,886	2,287,781	2,390,007	2,517,248	2,436,386	1,812,632
-	123,339	860,641	734,431	-	1,337,432
230,000	-	-	529,298	-	-
778,685	462,073	522,919	627,468	290,785	1,036,465
(206,438)	(1,147,191)	-	-	(275,909)	-
(194,181)	-	(1,675,941)	-	(185,889)	(3,135,621)
(3,417,107)	(3,452,520)	(3,489,819)	(3,399,806)	(3,351,472)	(3,260,594)
(2,141,161)	(4,797,651)	(6,238,527)	(6,922,643)	(9,820,262)	(9,241,043)
(1,764,816)	(1,697,527)	(1,384,995)	(5,032,913)	(1,325,540)	(1,305,191)
\$ 2,597,187	\$ 847,738	\$ (2,029,622)	\$ (3,183,084)	\$ (2,936,500)	\$ (3,848,867)

CITY OF ANOKA, MINNESOTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Unaudited)

	2013	2014	2015	2016
Revenues:				
Taxes	\$ 8,528,515	\$ 8,252,307	\$ 8,371,829	\$ 6,870,080
Special assessments	485,145	406,265	779,143	728,197
Licenses and permits	379,864	467,613	670,749	516,502
Fines and forfeitures	139,553	143,307	124,199	108,694
Intergovernmental	9,335,544	4,429,247	2,313,979	2,160,485
Charges for current services	1,260,863	1,692,328	1,760,765	1,235,983
Franchise fees	1,340,379	1,331,956	1,344,354	1,334,187
Investment income	185,743	93,821	92,413	109,948
Increase (decrease) in fair market value	(396,120)	290,008	29,601	(48,495)
Miscellaneous	465,632	544,037	653,297	369,586
Total revenues	21,725,118	17,650,889	16,140,329	13,385,167
Expenditures:				
General government	1,739,386	1,950,610	1,815,586	1,866,244
Public safety	4,902,711	5,142,440	5,292,015	5,778,198
Public works	1,343,447	1,318,375	1,206,679	1,293,682
Parks	1,716,943	1,781,546	1,836,474	1,856,402
Capital outlay	13,294,921	10,106,587	6,529,280	6,542,355
Capital outlay, present value of new lease	-	-	-	-
Debt service:				
Principal retirement	450,000	499,150	7,709,150	540,000
Interest and fiscal charges	492,654	432,349	627,332	532,886
Bond issuance charges	-	75,089	-	47,830
Total expenditures	23,988,685	21,306,146	25,016,516	18,457,597
Deficiency of revenues over expenditures	(2,263,567)	(3,655,257)	(8,876,187)	(5,072,430)
Other Financing Sources (Uses):				
Bond proceeds/refunding of bonds	-	6,383,638	-	1,563,811
Proceeds from the sale of asset	440,000	365,539	343,103	(399,610)
Lease liability issued	-	-	-	-
Transfers in	1,840,000	5,701,000	4,150,553	5,075,816
Transfers out	(1,590,000)	(3,466,000)	(1,342,553)	(4,301,816)
Total other financing sources (uses)	690,000	8,984,177	3,151,103	1,938,201
Special item - Transfer of operations	-	(589,849)	-	-
Net change in fund balances	\$ (1,573,567)	\$ 4,739,071	\$ (5,725,084)	\$ (3,134,229)
Debt service as a percentage of noncapital expenditures	8.8%	8.3%	45.1%	9.0%

CITY OF ANOKA, MINNESOTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)

2017	2018	2019	2020	2021	2022
\$ 7,222,789	\$ 7,415,101	\$ 7,622,277	\$ 7,937,431	\$ 8,078,093	\$ 8,399,243
937,857	568,810	783,656	822,204	697,726	605,419
510,866	460,828	392,030	614,320	579,188	635,756
105,221	99,639	103,406	101,672	126,476	115,409
4,386,815	2,899,531	5,882,279	10,879,367	8,923,893	30,826,332
1,341,940	1,275,339	999,699	864,733	1,275,305	1,435,427
1,315,417	1,355,374	1,315,467	1,353,488	1,403,673	1,385,067
64,793	63,978	221,567	51,460	18,911	58,039
39,780	58,531	61,469	(4,602)	(821)	(255,887)
576,183	1,059,538	265,159	455,537	578,012	712,946
16,501,661	15,256,669	17,647,009	23,075,610	21,680,456	43,917,751
1,970,551	1,952,175	1,940,127	2,199,918	2,030,120	2,131,096
5,725,648	6,328,450	6,334,835	6,816,278	6,951,633	7,356,755
1,383,635	1,198,199	1,531,546	1,866,679	1,744,465	26,818,385
2,222,705	2,148,193	2,305,075	2,200,479	2,362,423	2,784,181
7,561,788	6,321,888	8,532,730	17,122,150	13,943,210	8,932,316
-	-	-	-	-	593,264
2,299,323	675,000	680,000	700,000	685,000	1,295,310
564,423	535,198	588,238	640,911	688,945	764,510
-	-	-	79,865	127,114	85,328
21,728,073	19,159,103	21,912,551	31,626,280	28,532,910	50,761,145
(5,226,412)	(3,902,434)	(4,265,542)	(8,550,670)	(6,852,454)	(6,843,394)
-	-	-	5,530,701	6,199,498	4,013,298
371,287	-	460,437	998,780	14,722	245,173
-	-	-	-	-	593,264
2,880,000	3,374,500	2,199,200	2,329,470	1,762,324	1,997,700
(1,380,000)	(994,500)	(1,167,000)	(936,000)	(450,000)	(772,700)
1,871,287	2,380,000	1,492,637	7,922,951	7,526,544	6,076,735
-	-	-	-	-	-
\$ (3,355,125)	\$ (1,522,434)	\$ (2,772,905)	\$ (627,719)	\$ 674,090	\$ (766,659)
20.2%	9.4%	9.5%	9.2%	9.4%	4.9%

CITY OF ANOKA, MINNESOTA
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					
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%
2022	21,863,594	188,785	22,052,379	1,691,769	23,744,148	34.237%	1,869,553,900	1.27%

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

**CITY OF ANOKA, MINNESOTA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

(Unaudited)

Year Taxes Payable	City		Overlapping Rates			Total
	General Fund	Debt	School Dist #1	Anoka County	Special Districts	
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
2022	32.586	1.651	16.547	29.254	3.992	84.030

Special Districts includes City HRA, Met Council (Bonds, General, Livable Community and Trans Dist Bonds), Met Mosquito Control, and RR Authority (Bonds and General)

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

CITY OF ANOKA, MINNESOTA
PRINCIPAL TAXPAYERS
DECEMBER 31, 2022

(Unaudited)

Taxpayer	Type of Business	Rank	2022		Rank	2013	
			Individual Tax Capacity	Percent of Total Tax Capacity		Individual Tax Capacity	Percent of Total Tax Capacity
Cutters Grove LLC	Apartments	1	\$ 410,387	1.86%	2	\$ 211,035	1.58%
3500 Thurston LLC	Cake decorations supplier	2	359,412	1.63%			
Federal Cartridge	Ammunition manufacturing	3	344,978	1.56%	6	142,582	1.06%
Walker Senior Housing	Apartments Senior Living & Care	4	331,461	1.50%			
Hoffman Enclosures	Electrical enclosures	5	309,815	1.40%	1	212,719	1.59%
Ad Center LLC	Ammunition warehousing	6	283,724	1.29%			
Homestead at Anoka	Apartments Senior Living & Care	7	276,436	1.25%			
Paul & Eleanor Sade Trust	Sheet steel fabrication	8	240,752	1.09%	4	156,164	1.17%
Cretex Companies	Medical device manufacturing	9	235,200	1.07%			
CRV Anoka	Furniture warehousing	10	225,560	1.02%	5	155,346	1.16%
Anoka Industrial LLC	Cake decorations supplier				3	169,250	1.26%
Austin Grove LLC	Ammunition warehousing				7	140,814	1.05%
Rural Community Ins	Insurance				8	133,328	1.00%
Graco	Fluid handling				9	130,764	0.98%
Sundquist Properties II LLC	Precision machining				10	129,250	0.96%
			<u>\$ 3,017,725</u>	<u>13.68%</u>		<u>\$ 1,581,252</u>	<u>11.81%</u>

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

CITY OF ANOKA, MINNESOTA
BUILDING PERMIT VALUES AND REAL PROPERTY VALUES
LAST TEN FISCAL YEARS

(Unaudited)

Year	Number of Permits	Residential Value	Commercial Value	Total	PROPERTY VALUE ¹			
					Commercial	Residential	Nontaxable	Total
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
2022	704	11,554,307	40,734,767	52,289,074	816,358,300	1,053,195,600	393,525,100	2,263,079,000

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

CITY OF ANOKA, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal year	Collected Within the Fiscal Year of Levy			Delinquent	Total Collections to Date	
	Total Tax Levy	Current Tax Collections	% of Current Tax Levy	Tax Collections in Subsequent Fiscal Years	Total Tax Collections	% of Total Tax Levy
2013	\$ 5,856,105	\$ 5,789,071	98.86%	\$ 67,033	\$ 5,856,105	100.0%
2014	5,712,265	5,648,027	98.88%	63,185	5,711,212	100.0%
2015	5,707,246	5,649,416	98.99%	56,320	5,705,736	100.0%
2016	6,453,475	6,390,569	99.03%	61,471	6,452,040	100.0%
2017	6,641,230	6,593,821	99.29%	45,989	6,639,810	100.0%
2018	6,838,335	6,797,121	99.40%	29,263	6,826,384	99.8%
2019	7,028,564	6,974,745	99.23%	54,412	7,029,157	100.0%
2020	7,303,005	7,234,024	99.06%	12,166	7,246,190	99.2%
2021	7,446,100	7,383,097	99.15%	47,033	7,430,130	99.8%
2022	7,811,653	7,735,292	99.02%	-	7,735,292	99.0%

Note: Includes Market Value and Homestead Credit.

CITY OF ANOKA, MINNESOTA
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	G.O. Tax Increment Bonds	G.O. Revenue Bonds	Premium on Bonds	Lease Liability	Met Council Loan	General Obligation Bonds	G.O. Revenue Bonds	Premium on Bonds			
2013	\$3,070,000	\$7,460,000	\$1,077,300	\$ -	\$ -	\$2,502,460	\$ -	\$1,667,700	\$ -	\$15,777,460	1.81	915
2014	2,750,000	13,450,000	1,023,150	-	-	2,502,460	-	1,421,850	-	21,147,460	2.43	1,224
2015	2,430,000	6,115,000	1,700,000	249,189	-	2,502,460	-	440,000	-	13,436,649	1.51	775
2016	2,135,000	5,970,000	3,110,000	285,305	-	2,502,460	-	2,020,000	60,774	16,083,539	1.74	894
2017	1,805,000	5,795,000	1,510,000	266,144	-	2,308,137	-	1,710,000	57,589	13,451,870	1.40	739
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
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
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
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	2.26	1,410
2022	14,705,000	4,730,000	875,000	805,173	402,955	2,308,137	3,165,000	7,285,000	473,468	34,749,733	2.93	1,926

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](#)

CITY OF ANOKA, MINNESOTA
RATIOS OF NET GENERAL OBLIGATION
BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Net Position Restricted for Debt Service	Net Bonded Debt	Percentage of Estimated Actual Value of Property ¹	Per Capita ²
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	1,124
2022	23,475,000	1,468,151	22,006,849	1.18	1,220

¹ Property value data can be found in the schedule of Building Permit Values and Real Property Values schedule on [page 147](#)

² Population data can be found in the schedule of Demographic and Economic Statistics on [page 155](#)

**CITY OF ANOKA, MINNESOTA
DIRECT AND OVERLAPPING
GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2022**

(Unaudited)

<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	\$ 21,115,173	100%	<u>\$ 21,115,173</u>
Overlapping:			
Anoka County	42,415,000	4.62%	1,958,538
Anoka-Hennepin School District #11	245,055,000	6.86%	16,813,828
Met Council/RR Auth Special Dist	1,738,806,171	2.31%	<u>40,145,210</u>
Total Overlapping Debt			<u>58,917,576</u>
Total Direct and Overlapping Debt			<u><u>\$ 80,032,749</u></u>

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

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

CITY OF ANOKA, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

(Unaudited)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Market value of taxable property	\$ 1,050,914,000	\$ 1,036,711,300	\$ 1,188,602,800	\$ 1,265,845,300
Statutory debt limit (3% of market value)	31,527,420	31,101,339	35,658,084	37,975,359
Amount of debt applicable to debt limit:				
Total bonds and notes payable	15,777,460	21,147,460	13,436,649	15,737,460
Less:				
Debt service fund balance	443,168	1,109,803	459,205	1,991,191
Met Council loan	2,502,460	2,502,460	2,502,460	2,502,460
Revenue bonds	1,667,700	1,421,850	440,000	2,020,000
Improvement bonds	7,460,000	13,450,000	6,115,000	5,970,000
	<u>3,704,132</u>	<u>2,663,347</u>	<u>3,919,984</u>	<u>3,253,809</u>
Legal debt margin	<u>\$ 27,823,288</u>	<u>\$ 28,437,992</u>	<u>\$ 31,738,100</u>	<u>\$ 34,721,550</u>
Total debt applicable to the limit as a percentage of debt limit	12%	9%	11%	9%

**CITY OF ANOKA, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (CONTINUED)**

(Unaudited)

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 1,362,116,000	\$ 1,477,729,000	\$ 1,598,996,300	\$ 1,697,169,300	\$ 1,780,566,900	\$ 1,869,553,900
40,863,480	44,331,870	47,969,889	50,915,079	53,417,007	56,086,617
13,128,137	12,368,137	11,603,137	19,363,137	24,538,137	33,068,137
544,057	547,394	565,981	1,241,063	1,465,850	987,300
2,308,137	2,308,137	2,308,137	2,308,137	2,308,137	2,308,137
1,710,000	1,625,000	1,540,000	1,455,000	1,370,000	7,285,000
5,795,000	5,615,000	5,430,000	13,760,000	13,500,000	12,750,000
<u>2,770,943</u>	<u>2,272,606</u>	<u>1,759,019</u>	<u>598,937</u>	<u>5,894,150</u>	<u>9,737,700</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>	<u>\$ 46,348,917</u>
7%	5%	4%	1%	11%	17%

**CITY OF ANOKA, MINNESOTA
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year	Operating Revenue	Less Operating Expense	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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
2022	5,520,974	3,657,220	1,863,754	215,000	122,460	5.52

CITY OF ANOKA, MINNESOTA
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
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	18,041	1,126,697	62,452	60,996	74,360	2.6	2.3
2022	18,041	1,186,737	65,780	61,568	76,856	3.0	2.7

Sources:

¹ Met Council.² Minnesota Department of Employment and Economic Development.³ City per capita times population.

**CITY OF ANOKA, MINNESOTA
PRINCIPAL EMPLOYERS
DECEMBER 31, 2022**

(Unaudited)

Employer	2022			2013		
	Rank	Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment
Anoka Government Center	1	2,000	14.04%	3	1,120	8.31%
Federal Premium Ammunition	2	950	6.67%	1	1,578	11.71%
Anoka-Metro Treatment Center	3	630	4.42%	5	407	3.02%
Hoffman Enclosures/Nvent Hoffman	4	454	3.19%	2	1,564	11.61%
Anoka-Hennepin ISD #11	5	450	3.16%	4	1,114	8.27%
Mate Precision Tool	6	350	2.46%	7	321	2.38%
Rural Insurance Group	7	300	2.11%	6	405	3.01%
Copper Sales/Firestone Metals	8	300	2.11%	8	224	1.66%
Anoka Rehab and Living Center	9	260	1.82%			
Anoka Technical College	10	200		10	210	1.59%
DecoPac		-	0.00%	9	214	1.59%
		<u>5,894</u>	<u>41.37%</u>		<u>7,157</u>	<u>53.12%</u>
Total City-wide employment ¹		14,247			13,473	

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

CITY OF ANOKA, MINNESOTA

(Unaudited)

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

	2013	2014	2015	2016	2017
City manager	2.32	2.63	3.13	3.15	3.45
Assessing	1.00	1.00	1.00	1.00	1.00
Human resources	2.00	2.00	2.00	2.00	-
Finance	4.58	4.60	4.60	4.65	4.70
Community development	1.32	1.00	1.00	1.00	1.00
Planning and property maint/insp	2.65	3.40	3.15	3.25	2.80
Total general government	13.87	14.63	14.88	15.05	12.95
Building inspections	1.60	1.60	1.60	1.50	1.45
Police	30.08	30.08	30.28	34.55	35.85
Security - Regional treatment ctr	0.45	0.45	0.50	0.45	1.60
Security - Technical college	0.05	0.05	0.10	-	-
Security - High school	0.05	0.05	0.10	0.05	0.10
Security - Liaison officer	1.85	1.85	1.85	1.85	1.85
Downtown/Crime free housing	-	-	-	-	1.50
Total police	34.08	34.08	34.43	38.40	42.35
Total fire	4.60	-	-	-	-
Total public safety	38.68	34.08	34.43	38.40	42.35
Building maintenance	0.88	0.95	0.75	1.75	1.60
Municipal buildings	0.55	0.48	0.35	0.33	0.45
Engineering	1.75	1.75	1.50	1.33	1.30
Streets	5.68	6.68	7.18	7.18	6.70
Total public works	8.86	9.86	9.78	10.59	10.05
Event center	-	-	0.40	0.50	0.40
Senior center	0.33	0.33	0.33	0.55	0.60
Aquatic center	0.28	0.28	0.28	0.28	0.55
Community programs & recreation	1.58	1.63	1.63	1.58	2.25
Municipal parks	4.08	4.08	4.08	4.73	4.50
City beautification	0.28	0.18	0.18	0.18	0.20
Total parks and recreation	6.55	6.50	6.90	7.82	8.50
Total general fund	67.96	65.07	65.99	71.86	73.85
HRA	1.50	1.00	0.75	0.75	1.00
Parking	1.15	0.85	0.80	0.85	0.85
Cemetery	0.93	0.88	0.88	1.00	0.65
Central equipment (garage)	2.05	1.05	1.45	1.55	1.55
Electric	18.00	18.40	17.40	18.35	18.30
Water	3.26	3.26	3.56	3.56	3.55
Sewer	3.26	3.26	2.96	2.96	2.95
Liquor stores	4.00	4.00	4.00	4.00	4.00
Golf course	3.17	3.12	3.25	2.55	2.95
Recycling	0.38	0.38	0.37	0.35	0.35
Total other funds	37.70	36.20	35.42	35.92	36.15
Total all funds	105.66	101.27	101.41	107.78	110.00

Source: City of Anoka departments

CITY OF ANOKA, MINNESOTA

(Unaudited)

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

	2018	2019	2020	2021	2022
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	3.05	2.80	2.80	2.80	2.80
Total general government	13.20	12.95	12.95	12.95	12.95
Building inspections	1.20	1.20	1.20	1.20	1.20
Police	29.95	33.00	31.25	32.25	32.25
Security - Regional treatment ctr	1.60	-	-	-	-
Security - Technical college	-	-	-	-	-
Security - High school	0.10	0.15	0.15	0.15	0.15
Security - Liaison officer	1.85	1.85	1.85	1.85	1.85
Downtown/Crime free housing	3.50	5.00	6.00	6.00	7.00
Total police	38.20	41.20	40.45	41.45	42.45
Total fire	-	-	-	-	-
Total public safety	38.20	41.20	40.45	41.45	42.45
Building maintenance	1.48	1.50	1.50	1.50	1.50
Municipal buildings	0.43	0.45	0.45	0.45	0.45
Engineering	1.30	1.30	1.30	1.30	1.30
Streets	6.48	7.70	7.70	7.70	7.70
Total public works	9.69	10.95	10.95	10.95	10.95
Event center	0.38	0.40	0.40	0.40	0.40
Senior center	0.55	0.60	0.60	0.60	0.60
Aquatic center	0.40	0.60	0.60	0.60	0.60
Community programs & recreation	2.65	2.25	2.25	2.25	2.25
Municipal parks	4.50	6.45	5.45	5.45	5.45
City beautification	0.20	0.20	0.20	0.20	0.20
Total parks and recreation	8.68	10.50	9.50	9.50	9.50
Total general fund	69.77	75.60	73.85	74.85	75.85
HRA	1.00	1.00	1.00	1.00	1.00
Parking	0.85	0.85	0.85	0.85	0.85
Cemetery	0.60	0.65	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	5.00
Golf course	2.95	2.95	3.95	3.95	3.95
Recycling	0.35	0.35	0.35	0.35	0.35
Total other funds	36.10	36.15	37.15	37.15	38.15
Total all funds	105.87	111.75	111.00	112.00	114.00

Source: City of Anoka departments

CITY OF ANOKA, MINNESOTA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

(Unaudited)

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Elections										
Registered voters		10,185		11,385		10,836		11,778		11,082
Number of voters		5,144		8,744		7,229		9,621		6,944
Participation		51%		77%		67%		82%		63%
Building inspections										
No. of permits issued	434	462	579	474	406	445	890	865	516	704
Total permit valuation (in thousands)	\$23,672	\$31,734	\$46,974	\$34,437	\$23,182	\$19,328	\$21,129	\$55,505	\$40,698	\$52,279
Public safety										
Police activity	20,087	20,260	20,127	20,947	21,092	21,648	23,368	22,206	22,547	23,101
Crime (excluding traffic)										
Part A crime	619	604	610	679	572	464	432	383	1,035	881
Traffic accidents	727	920	732	786	833	689	863	564	692	662
Public works										
Sidewalk repair costs	46,963	8,341	48,405	23,102	48,249	35,423	20,834	60,610	-	40,880
Parks and recreation										
Senior Center passengers	5,700	4,651	4,943	4,873	4,795	4,936	3,852	2,800	1,162	1,641
Park rentals	158	178	183	148	162	178	245	165	210	207
Swim lesson participants	1,072	1,106	1,083	1,236	1,021	1,059	1,195	787	1,235	1,410
Open swim attendance	39,407	34,804	42,140	36,366	29,937	36,925	33,389	9,039	37,478	37,578
Parking										
Parking permits issued	113	168	186	299	345	345	223	177	107	147
Ramp permits issued	61	69	86	-	-	-	-	-	-	-
Electric										
Average daily electric use in kWhrs	760,714	750,133	760,161	754,067	736,580	758,189	731,524	739,738	777,102	764,679
Water										
Average daily water use in cubic feet	227,385	230,685	235,813	233,602	231,588	240,584	212,476	238,015	253,711	239,332
Golf										
Rounds of golf purchased	28,486	32,745	32,764	33,958	32,089	30,288	31,399	41,003	43,658	40,601

Source: City of Anoka departments

CITY OF ANOKA, MINNESOTA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

(Unaudited)

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	26	24	25	23	27	25	24	24	25	24
Public works										
Street miles	67.28	67.68	68.54	68.54	69.02	69.20	69.20	69.02	69.06	69.19
Parks and recreation										
Park acres maintained	595	595	595	597	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	13
Boat launches	1	2	2	2	2	2	2	2	2	2
Portable docks	6	4	5	5	5	5	5	4	4	6
Parking										
Ramps	2	2	2	2	2	2	2	2	2	2
Lots	6	6	4	4	4	4	4	4	4	4
Electric										
Overhead wire miles	154	147	148	140	134	134	161	156	203	182
Underground wire miles	182	191	192	199	208	208	339	342	424	468
Substations	3	3	4	4	4	4	4	4	4	4
Street lights	1,795	1,805	1,874	1,874	1,851	1,851	1,851	1,851	1,802	1,840
Water										
Water main miles	83.44	83.46	86.17	86.33	87.44	87.44	87.44	89.31	89.66	89.66
Wells	8	8	8	8	8	8	8	8	8	8
Sewer/storm sewer										
Sanitary sewer miles	65.64	65.67	67.15	67.28	67.67	67.67	67.67	68.30	68.48	68.49
Storm sewer miles	30.00	31.00	34.03	34.85	34.95	34.95	35.86	39.65	40.20	40.21
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