



CITY OF ANOKA
 2015 1ST AVE N
 ANOKA, MN 55303
 763-576-2700

ELECTED OFFICIALS:

MAYOR:

PHIL RICE

CITY COUNCIL :

SAM SCOTT
 ERIK SKOGQUIST
 JEFF WEAVER
 BRIAN WESP

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www.anokaminnesota.com

CITY OF ANOKA, MINNESOTA

Popular Annual Financial Report

To The Community

FOR THE YEAR ENDED DECEMBER 31 2023

Dear Anoka Resident,

We are pleased to present the City of Anoka’s Popular Annual Financial Report (PAFR). This report provides a summary of the City’s financial information in a simplified, easy to read format. We trust this report gives you a better understanding of city government and our financial condition.

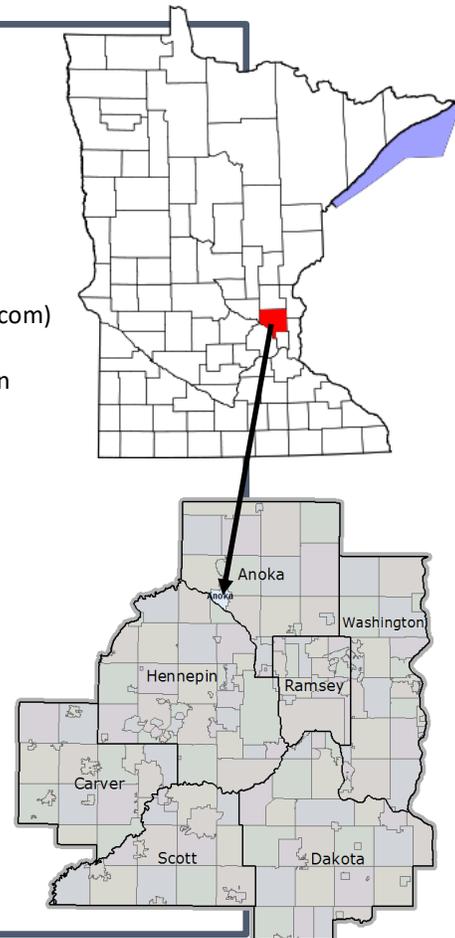
Information in this report comes from Anoka’s 2023 Annual Comprehensive Financial Report (ACFR or Annual Report). The report was prepared in conformity with Generally Accepted Accounting Principles (GAAP), was audited by Abdo, LLP, and received an unmodified opinion, which is the best audit opinion possible.

If you’d like a copy of the Annual Report, visit the City’s website at www.anokaminnesota.com/223/Annual-Comprehensive-Financial-Reports .

Or call the Finance Department at 763-576-2770.

City of Anoka fast facts:

- Date of incorporation: March 2, 1878
- Population: 18,127 (2022 Met Council estimate)
- Average age: 37.7 (2020 US Census)
- Median December home sale price \$301,495 (Realtor.com)
- Median gross rent: \$1,179 (2022 Met Council American Community Survey)
- Registered voters: 11,082 (2022 election)
- Voter participation: 63% (2022 election)
- Unemployment rate: 2.5% (December 2023 Department of Employment and Economic Development)
- Per capita income: \$67,860 (December 2023 Department of Employment and Economic Development)
- Acres of park, recreation, and preserves: 600 acres
- Area of city: 7.13 square miles



Your Tax Dollars In Use

Residents in the City of Anoka receive a variety of City services for an affordable price. When budgeting for 2023 the average home was estimated to have a market value of \$310,600. This translated to \$928 in city property taxes for 2023, or about \$77 a month. This tax covers city services after grants, fees, and all other revenues are received.

Public Safety includes police, security, fire and inspections. General Government includes council, administration, finance, legal, planning and development. Parks and Recreation includes special events, aquatic center, senior center, and park maintenance. Public Works includes streets, engineering, and building maintenance.

Your property tax dollars are also collected by other taxing districts. The average home paid about \$747 to Anoka County, \$1,071 to Anoka-Hennepin ISD #11, \$57 to the Met Council and \$39 to other taxing entities, including the City of Anoka Housing and Redevelopment Authority.



Public Safety, \$41.51 a month



General Government, \$9.75 a month



Parks and Rec, \$10.15 a month



Public Works \$4.74 a month



Debt Service, \$6.85 a month



HRA, \$3.71 a month

Dividing Up Your Property Tax Dollar

Your tax dollar is divided up into several governmental entities. The average household paid 33% of their property taxes to the City of Anoka in 2023.



Anoka County, 26%

City of Anoka, 33%

AH School Dist #11, 38%

Met Council, 2%
Other taxing districts, 1%

Although the financial numbers in this Annual Financial Report come from an audited source, they are presented in this report in a condensed, unaudited, non-GAAP format.

Please note that Fiduciary Funds are not recognized in this report, but are included in the annual financial report

General Fund Revenue and Expenditures

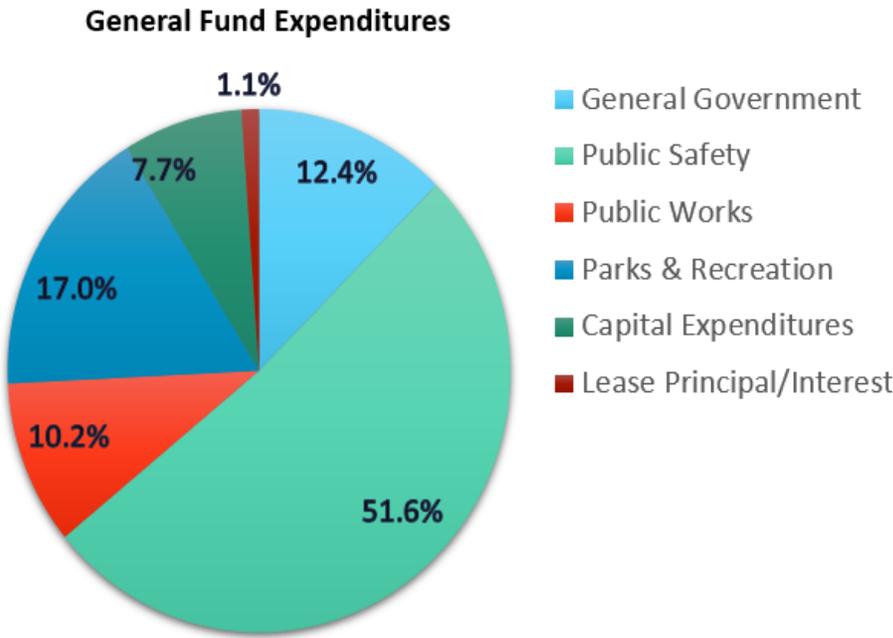
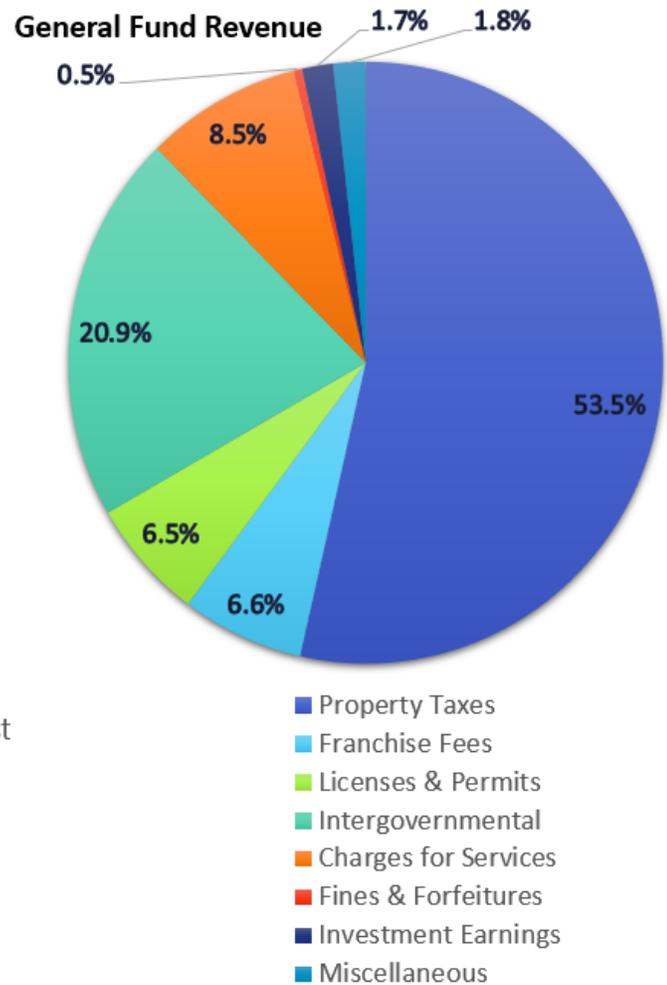
The City’s General Fund is the largest governmental fund and also one of the most vital to the City’s operation. The General Fund is the primary fund that accounts for everyday general expenditures like street and park maintenance and police and fire protection, while at the same time supplementing portions of the other funds.

Like most funds, the General Fund relies on the inflow of cash, shown as revenues and subsequently the outflow of cash shown as expenditures. The primary revenue source for the General Fund is property taxes. Intergovernmental revenues are items such as state or county aid and grants.

At 2023 year-end the City’s revenue total was \$14,071,311 which was a \$1,215,377 or 9.45% increase compared the previous year. The increase is in large part due to higher interest earnings, and increases to charges for service—including building permits and business licenses.

Total General Fund expenditures for 2023 were \$16,283,494 which is \$1,775,004 or 12.23% higher than the previous year. The largest increase was in capital expenditures. This amount included more than one million dollars of emergency street repairs authorized by City Council in 2023.

Revenues	2023	2022	2021
Property Taxes	7,542,274	7,408,785	6,722,149
Franchise Fees	934,830	974,245	992,054
Licenses & Permits	913,560	568,094	516,180
Intergovernmental	2,939,114	2,696,707	2,580,585
Charges for Services	1,194,342	978,166	885,181
Fines & Forfeitures	63,963	82,891	66,761
Investment Earnings	234,805	(94,833)	(38,647)
Miscellaneous	248,423	241,879	180,999
Total Revenues	14,071,311	12,855,934	11,905,262
Expenditures	2023	2022	2021
General Government	1,997,827	1,832,257	1,715,704
Public Safety	8,279,939	7,208,815	6,866,946
Public Works	1,631,568	1,760,318	1,632,586
Parks & Recreation	2,728,257	2,714,330	2,292,761
Capital Expenditures	1,410,143	788,116	71,459
Lease Principal/Interest	235,760	204,654	0
Total Expenditures	16,283,494	14,508,490	12,579,456





Shown above are employees at the tree lighting event, attended by thousands annually

City Departments

Administration: This department provides the overall direction for the City as determined by the City Council. It is responsible for maintaining City records; issuing licenses; administering Council policies; and election procedures.

Finance: This department conducts the financial affairs of the City of Anoka in accordance with the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principals (GAAP). The activities in this department are part of general government.

Planning & Community Development: This department is responsible for ensuring that laws, ordinances, and zoning codes are enforced. It is also responsible for Economic Development within the City. The activities in this department are part of general government.

Public Safety: This department is responsible for maintaining the peace and the protection of the community through diligent enforcement of laws and effective response to calls for service.

Public Works: This department maintains the City’s infrastructure as it relates to roadways and buildings, including snow removal.

Parks & Recreation: This department is responsible for providing recreation activities in the City and maintaining the City’s parks and trails.

Special Revenue Funds

Special Revenue Funds are used to account for general government financial resources that are restricted by law, contractual agreement, or Council designation to specific purposes other than debt service or major capital projects.

Round Up: This fund administers Round Up donations from utility billing customers to local charitable organizations.

Cemetery Maintenance: This fund is used for upkeep and maintenance of the City’s public cemeteries; Forest Hill and Oakwood

Urban Redevelopment: This fund manages Met Council sewer access fees, and loans for water and sewer access charges.

Parking: Two ramps and several parking lots are located in the downtown area. These funds also cover parking enforcement.

Lodging Tax: The State of Minnesota charges Hotels and Lodging facilities tax of 3% on short-term lodging. This fund supports tourism in Anoka.

Police forfeiture is not recognized in this report, but is included in the Annual Report



Cookout with the Cops—featuring “Grill Supervisor” Chief Peterson



Long-Term Debt

The City of Anoka uses debt service funds to track revenues and expenses related to the repayment of long term debt.

Anoka received a “AA+” rating from Standard and Poor’s Global. This is the second highest possible rating you can receive. A high bond rating translates into lower future borrowing costs.

The City retired \$1,260,000 of bonded debt in 2023.

The City issued new capital improvement bonds in the amount of \$6,325,000 to fund 2023 and 2024 street projects. The City also issued new tax abatement bonds for \$10,765,000 for the purchase of an industrial site for redevelopment.

New bonding in 2024 may be issued to complete various projects throughout the city, including a relocation of the municipal liquor store.

A summary of debt service requirements for principal and interest is shown for 2024-2043.

Year	Total	
	Principal	Interest
2024	\$ 1,650,000	\$ 1,568,255
2025	2,080,000	1,550,129
2026	12,850,000	1,206,613
2027	2,005,000	866,771
2028	2,190,000	797,221
2029	2,080,000	724,671
2030	2,035,000	656,553
2031	2,115,000	592,794
2032	2,175,000	529,959
2033	2,240,000	467,204
2034	1,735,000	413,461
2035	1,785,000	369,879
2036	1,820,000	323,455
2037	1,755,000	275,559
2038	1,795,000	225,916
2039	1,855,000	171,946
2040	1,405,000	121,443
2041	1,340,000	80,398
2042	1,005,000	43,550
2043	675,000	13,500
	<u>\$ 46,590,000</u>	<u>\$ 10,999,275</u>

Capital Project Funds

Capital Project Funds collect revenue from special assessments, state and county aids and allots them toward construction or major capital expenses.

Building Capital:

The Law Enforcement Training Center reached substantial completion in 2023. No new governmental buildings are planned at this time. Necessary capital improvements at City Hall included a new roof in 2023. The Senior Center had a new HVAC system installed as well. Total building capital costs for 2023 were \$760,053 supported by transfers from the Electric fund.

State Aid Construction:

The Highway 10 project continued in 2023, reaching substantial completion by the end of the year. Some additional checklist items will be completed by mid-2024. The City is acting as a project manager for this project, since Highway 10 is not a city owned road. Anoka is the first city to take on a project such as this. The expenditures related to roadways that belong to the County and State are reimbursed by federal, state, and local grants. Project costs in 2023 totaled \$23,504,030.

Street Renewal:

The City continued an aggressive policy on street renewal in 2023. The Franklin Area neighborhood project was split into two years, with the first 6,200 linear feet reconstructed in 2023. The second half of the project is underway in 2024. Total capital costs in 2023 were \$1,509,409 supported by bonding and franchise fees.

Park Dedication and Park Capital:

Several parks and recreation projects were underway in 2023; The Aquatic Center resurfaced the pool floor which resulted in a slightly delayed opening day. Additional funds were spent on the Rum River Bank stabilization project, and work continued at John Ward Park. The total capital park expenditures in 2023 was \$880,355 which was supported with American Recovery Plan Act funds and State grants.

Please note that Enterprise TIF District (decertified 12/31/16), South Ferry TIF District, Commuter Rail Transit Village, Greens of Anoka, and the Historic Rum River TIF District are not recognized in this report, but are included in the Annual Report

Enterprise Funds

The Enterprise Funds account for the City’s utilities, liquor store, golf course and recycling funds. These funds are run like businesses, in that they rely on fees and charges for revenue to cover expenses.



Above—Anoka Main Street in the early morning

Utilities: Electric, Water, Sewer and Storm Drains

Anoka Municipal Utility (AMU) has been a community-owned, not-for-profit, electric supplier serving the City of Anoka and portions of the cities of Ramsey, Coon Rapids, Champlin and Dayton since 1909. The citizen’s of Anoka chose to create AMU over a century ago to provide economical, reliable electric power and have local control over an essential service. In 1992, AMU and seven other cities jointed together to form MMPA. Today, MMPA has 12 member cities.

AMU serves 11,546 residential, 1,315 commercial, and 17 industrial customers including several national accounts such as Hoffman and Federal Cartridge . Annual total operating revenues topped \$35 million in 2023. The Electric Fund contributed close to \$1.7 million in 2023 through fund transfers and franchise agreements with the City. This provides funding for capital improvements throughout the city. The cost to purchase power stabilized in 2023 and actual expenditures decreased due to lower consumption. The utility will conduct a cost and rate study in 2024.

2023 Operating Revenue:
\$35,449,010

2023 Operating Expenses:
\$31,816,511

Monthly Average Home:
\$86.99

Positions— FTE
22.20

Water

The water utility accounts for the operation of the city-owned water system and maintenance and improvements to the water infrastructure. The water department continued work on a new water treatment plant that was begun in 2022. This should be complete in 2024.

Sewer

The City of Anoka has approximately 66 miles of sanitary sewer mains. Each year about one-fourth of the city’s sanitary sewer mains are inspected and cleaned. This routine maintenance helps to prevent blockages and sewer backups. The City has identified a lift station that will need to be replaced within 5 years which will require bonding.

Storm Drains

The storm water utility accounts for the operation and improvement of the storm water drainage system. Each year the City inspects, cleans and repairs about 50 catch basins. The City continues to add storm drain infrastructure during street renewal projects.

2023 Operating Revenue:
\$2,088,679

2023 Operating Expenses:
\$1,767,876

Monthly Average Home:
\$18.59

Positions—FTE 3.70

2023 Operating Revenue:
\$2,979,974

2023 Operating Expenses:
\$2,817,1159

Monthly Average Home:
\$19.01

Positions—FTE 2.70

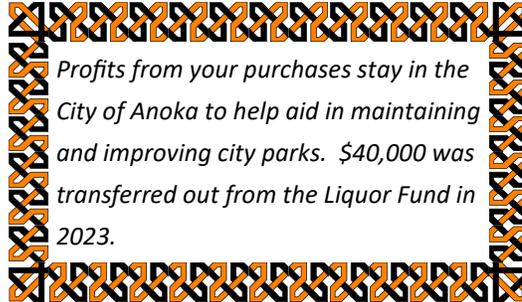
2023 Operating Revenue:
\$790,706

2023 Operating Expenses:
\$493,658

Monthly Average Home:
\$4.90

Liquor Stores

The City owns and operates one municipal liquor store. The east store is located at 847 East River Road, Anoka, west of Mercy Hospital. The City is currently reviewing several options for a relocated flagship store after the 2023 closure of the Highway 10 location. Weekly specials can be found on the stores website www.anokaminnesota.com/155/Better-Values-Liquor



Profits from your purchases stay in the City of Anoka to help aid in maintaining and improving city parks. \$40,000 was transferred out from the Liquor Fund in 2023.

2023 Operating Revenue:
\$2,447,817

2023 Operating Expenses:
\$2,799,685

Positions— FTE 7.3

Golf Course



Green Haven Golf Course & Event Center

is located in the heart of beautiful and historic Anoka. This course features:

- 18 Championship Holes
- A park-like setting within easy driving distance to all major metro areas
- First class banquet facility
- Restaurant and full bar service
- All carts GPS equipped
- Playable for the high handicap player while providing a solid test for the single digit handicap player

2023 Operating Revenue: \$1,561,660

2023 Operating Expenses: \$1,580,731

Positions—FTE 4

Recycling

The Recycling Division is responsible for organizing the residential recycling program by providing proper collection, handling, and disposal of recyclables to maintain a safe, healthy, and clean environment for residents of the city. The City of Anoka contracts with Ace Solid Waste for single-sort recycling services - no sorting or separating! Simply put all of your recycling items in the cart and Ace will take care of the rest.

In 2023:

Residential recycling hauled off 1,448 tons

Drop Off Events collected 72 tons of recycling

Organics recycling participants dropped off 18 tons of compostable waste



Get the ACE MYTrashMN for Apple and Android devices today!
View your recycling schedule, receive collection notifications, and use the Recycle Wizard to determine if your item should be recycling or waste.

City of Anoka Net Position

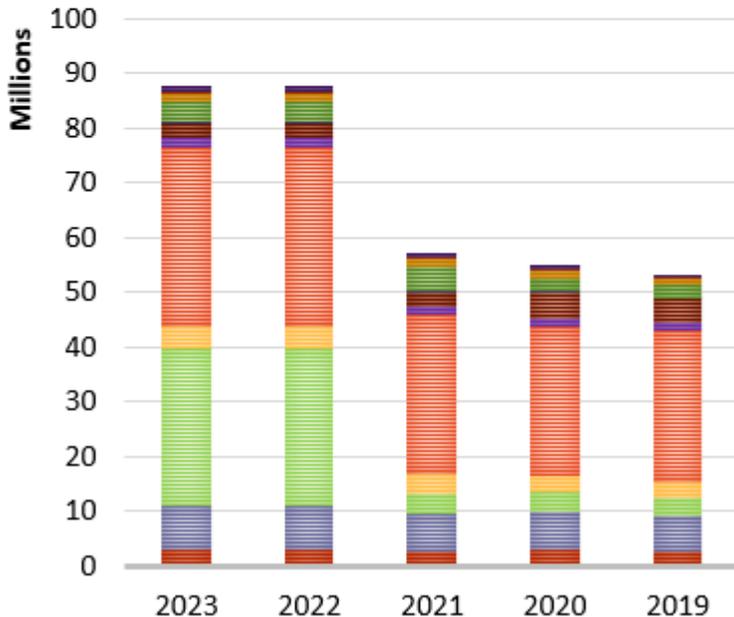
	2023	2022
Current assets	56,866,828	47,516,018
Noncurrent assets	4,583,529	4,724,232
Capital assets	193,893,240	188,903,093
Total assets	255,343,597	241,143,343
Deferred outflows of resources	8,376,306	10,360,491
Current liabilities	11,988,567	12,784,979
Long-term liabilities	59,919,426	54,330,808
Total liabilities	71,907,993	67,115,787
Deferred inflows of resources	10,843,512	3,086,579
Net position	<u>\$180,968,398</u>	<u>\$181,301,468</u>
Net investment in capital assets	\$158,410,132	\$157,825,185
Restricted		
Debt	2,241,184	1,468,151
Tax increment	6,324,530	6,432,219
Other	1,609,165	564,329
Unrestricted	12,383,387	15,011,584
Total net position	<u>\$180,968,398</u>	<u>\$181,301,468</u>

City of Anoka Changes in Net Position

	2023	2022
Revenues:		
Program revenues		
Charges for service	\$ 49,333,145	\$ 50,182,302
Operating grants and contributions	1,735,176	641,216
Capital grants and contributions	20,378,171	27,663,547
General revenues		
Property taxes	8,928,519	8,424,286
Franchise taxes	1,355,763	1,385,067
Unrestricted grants and contribution	2,664,318	2,555,322
Investment income (loss), net	1,336,205	(332,001)
Other	1,190,166	1,455,784
Gain on disposal of capital assets	40,992	359,535
Total revenues	<u>86,962,455</u>	<u>92,335,058</u>
Expenses:		
General government	3,209,025	2,979,676
Public safety	9,651,002	7,953,219
Public works	27,426,808	28,833,240
Parks and recreation	3,833,783	3,833,994
Interest on debt	1,033,174	777,873
Electric	31,838,384	32,834,098
Water	2,010,751	1,765,283
Sewer	2,858,291	2,683,510
Storm drainage	588,550	280,670
Liquor	2,810,873	3,734,381
Golf	1,586,308	1,418,965
Recycling	448,576	419,740
Total expenses	<u>87,295,525</u>	<u>87,514,649</u>
Change in net position	(333,070)	4,820,409

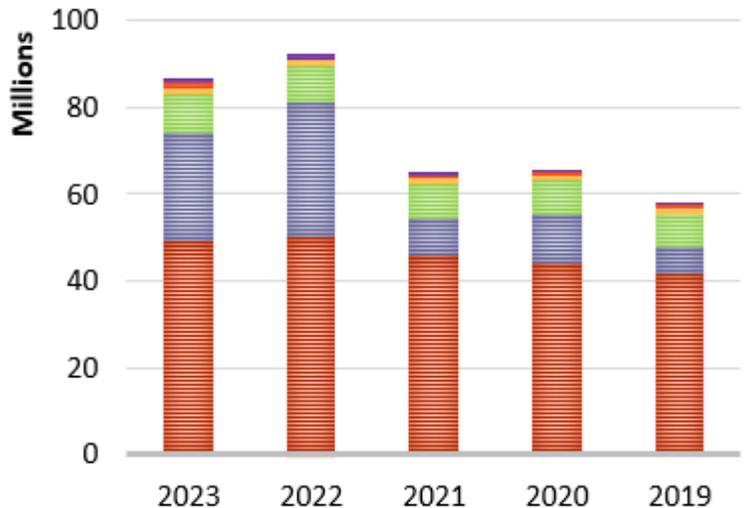
5 YEAR EXPENSES

- General Government
- Public Works
- Electric
- Sewer
- Liquor
- Recycling
- Public Safety
- Parks & Recreation
- Water
- Storm Drainage
- Golf
- Interest on debt



5 YEAR PROGRAM AND GENERAL REVENUE

- Charges for Services
- Property Taxes
- Investment Income
- Grants and Contributions
- Franchise Fees
- Other Revenue



Anoka, and What It's Known For!

Credit to **Anoka Halloween Inc**

Anoka, Minnesota is believed to be the first city in the United States to put on a Halloween celebration to divert its youngsters from Halloween pranks. When Anokans awoke to find their cows roaming Main Street, windows soaped and outhouses tipped over, they decided something had to be done. But *what?*

In 1920, George Green and other Anoka civic leaders suggested the idea of a giant celebration. The idea was adopted by the Anoka Commercial Club and the Anoka Kiwanis Club; both giving their full support. In September of that year, a Halloween committee was organized.

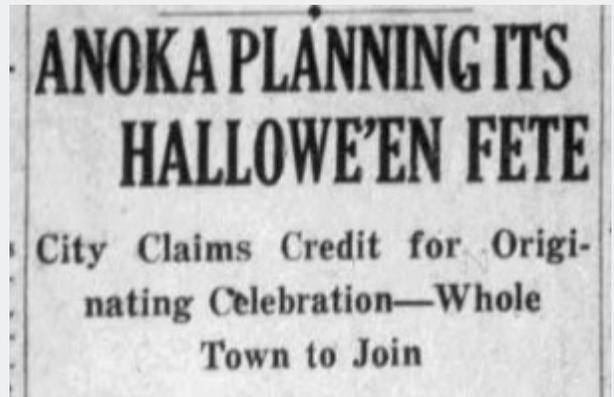
Working hand in hand were businessmen, teachers from the Anoka public and parochial schools, parents, and students. For weeks before the big event, more than a thousand Anoka school children made plans and costumes for the big event.

A parade was scheduled for the evening. Participants included local and neighboring bands, drum corps, the Anoka police, and fire departments, the Kiwanis Club, the Commercial Club, and the Anoka National Guard; all working together to make the evening a success. Afterward, hundreds of bags of popcorn, candy, peanuts, and other treats were given away to the children who marched in the parade. And, everyone was invited to a large bonfire that was staged at Bridge Square. Celebrations have been held every year since 1920 with the exception of 1942 and 1943 when the festivities were canceled because of World War II.

By the 1930s, the festivities had expanded as had the attendance at the parades. There were over 2,000 costumed children marching down Main Street. It was estimated that 20,000 spectators lined the streets to watch this night-time spectacle. In 1937, 12-year-old, Harold Blair, donning a sweater embellished with a Halloween Capital insignia, carried with him to Washington, D.C. a proclamation naming Anoka Halloween Capital of the World™.



Above is a photo of an Anoka Halloween celebration from around 1925, photo from Minnesota Historical Society



September 19, 1926 Minneapolis Journal



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, 2022

Christopher P. Morrill
Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (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, 2022. 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.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the standards, and we are submitting it to GFOA.

In 2023 The City of Anoka also received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the City's Comprehensive Annual Financial Report and the Distinguished Budget Award. This is the 43rd year the City has received the Excellence in Financial Reporting Award, and the 17th year receiving the Distinguished Budget Award.