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City of Anoka, Minnesota
2024 Annual Comprehensive Financial Report
For the Year ended December 31, 2024

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CITY OF ANOKA, MINNESOTA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2024

Prepared by the Finance Department

Brenda Springer, Director

Members of the Government Finance Officers Association

of the United States and Canada



**CITY OF ANOKA, MINNESOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2024
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2015 First Avenue, Anoka, MN 55303
Phone: (763) 576-2700 * Website: www.anokaminnesota.com

June 16, 2025

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, 2024.

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, 2024, are free from material misstatement. The independent audit involved examining evidence supporting the amounts and disclosures in the financial statements on a test basis, 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, 2024, 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 18,178. 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 no later than December 26. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Transfers of appropriations between departments and funds require the approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as required supplementary information in this report on [page 92](#) and detailed in supplemental financial schedules starting on [page 112](#). Special revenue fund budgetary comparisons start on [page 100](#).

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 include ammunition manufacturing, electrical enclosure design and manufacturing, and lubrication equipment design, manufacture and assembly.

The City of Anoka area had an employed labor force at the end of 2024 of about 14,175 which compares favorably to the 7,882 households located within corporate boundaries. The unemployment rate at the end of 2024 for Anoka County was 2.5%. This is unchanged from 2023 and remains the lowest rate in the past twenty years. The City of Anoka had a median annual income of \$72,280 per employee at the end of 2024 which is 7.04% higher than 2023. This exceeds the average per capita income for Anoka County as a whole by \$9,100 or 14.51%. The city's current tax base consists of 47% residential homesteaded property, 38% commercial/industrial and residential non-homesteaded properties, and 15% 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 receives local government aid (LGA) through the State of Minnesota to help pay for basic governmental services. The volatility of the funding formulas, and possible effects of redevelopment, is reviewed regularly. The City Council continues to be aware of the need to rely on other sources of revenue when compiling annual budgets.

The City has gas and electric utility franchise fee agreements in place with CenterPoint, Anoka Municipal Utility, and Connexus Energy. The fee agreements will be renewed in 2025 for a period of five years. Revenue from franchise fees supports street maintenance and street renewal projects throughout the City.

In March of 2024, the city entered into a consulting contract with Ehlers, Inc. to assist the city with updating the 10-year financial management plan. Work on this plan continued through 2024, with implementation planned in mid-2025. This plan will focus heavily on the redevelopment sites throughout the city which are mainly in tax increment financing (TIF) districts. One of the developments is in the Greens of Anoka TIF, this district is located west of downtown, next to the industrial park, and the golf course. In preparation for the Highway 10 road construction project the city purchased houses in the Highland Park neighborhood and built a parkway that served as an alternate route during construction. Redevelopment of that area with high-end homes along the golf course will help the long-term financing of that district. The other area is in the Commuter Rail Transit Village TIF district, the city contracted with HKGi to complete a market study of that area along with putting together preliminary concepts for development. Maximizing the development in this area will help finance the debt that this TIF district incurred. Another focus of the financial management plan will be the relocation and rebuilding of both of the city's liquor stores including revenue projections and financing of the debt.

The City paused its street renewal program for 2025. Instead of a full road reconstruction, the City will have a street surface improvement project (SSIP). Approval for this project included creating a new assessment rate for SSIP projects for funding, as well as use of municipal state aid funds from the State of Minnesota. Future street renewal (SRP) and street surface improvement (SSIP) projects will be reviewed annually, and bonding may be required to fund future projects.

Budget policies and practices. The city charter allows the council to increase the budget to the extent that actual revenues exceed budgeted revenues or transfer within budgeted funds. This allows flexibility among general fund departments to move budget to cover additional expenditures in various departments.

Major initiatives. Since the City of Anoka has been in the municipal liquor business since 1937, they would also like to control the sale of full-strength cannabis in Anoka. The City Council adopted ordinance related to the regulation of adult use cannabis operations within the city in December 2024. Anoka was one of several cities that have applied for the new municipal cannabis license from the State. The retail location plans will be brought to the City Council for approval, with anticipated groundbreaking by May 12th, 2025.

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, 2023. This was the 44th 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, 2023. This is a prestigious national award recognizing conformance with the highest standard for preparation of state and local government reports. This was the 8th 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, 2024. 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 18th 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 unflinching 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, 2023

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, 2023

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, 2024

Christopher P. Morill

Executive Director

ANOKA

REAL. CLASSIC.

**Elected and Appointed Officials
December 31, 2024
City Council**



Brent Campbell, Councilmember
Term Expires 12/31/2026

Jeff Weaver, Councilmember
Term Expires 12/31/2028

Heather Rostad, Councilmember
Term Expires 12/31/2028

Sam Scott, Councilmember
Term Expires 12/31/2026

Erik Skogquist, Mayor
Term Expires 12/31/2026

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



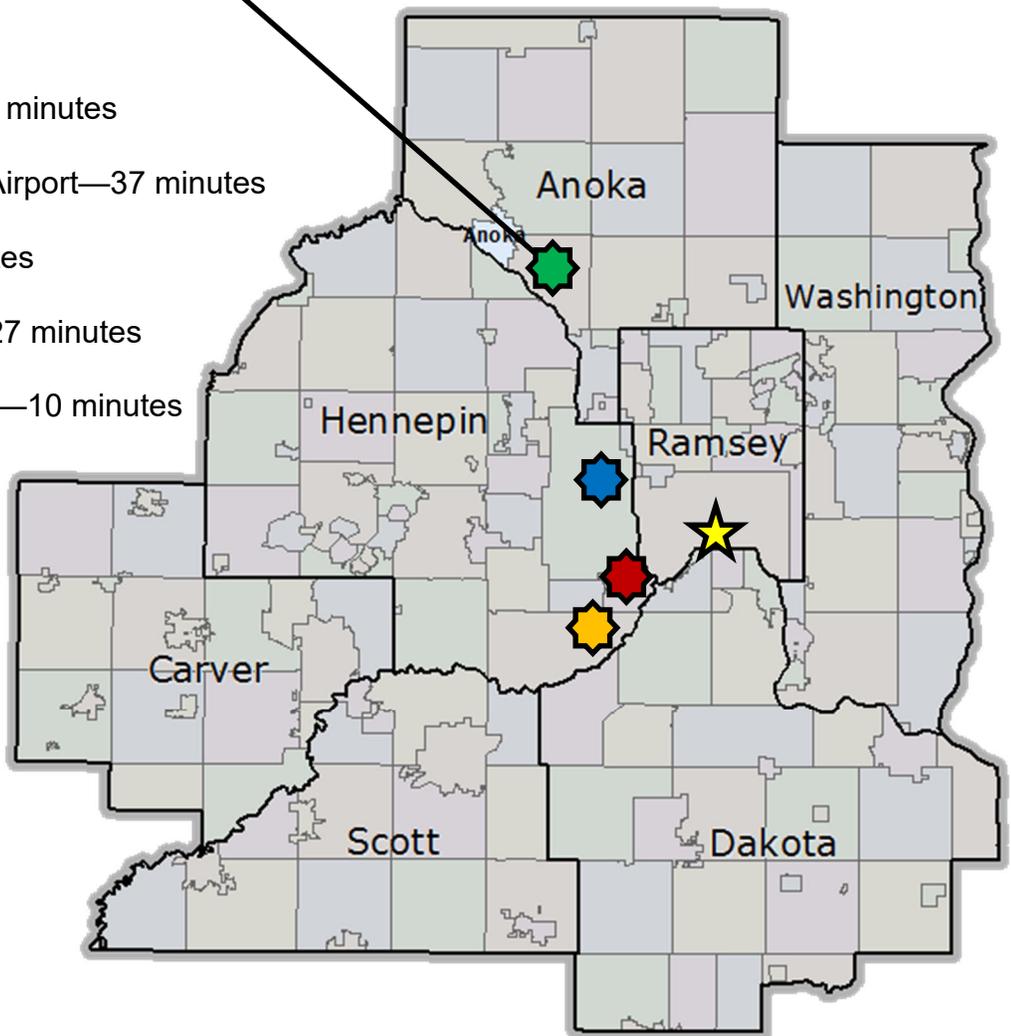
City of Anoka geographical location

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

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



-  State Capital, St Paul—37 minutes
-  Twin Cities International Airport—37 minutes
-  Mall of America—35 minutes
-  Downtown Minneapolis—27 minutes
-  Bunker Beach Water Park—10 minutes





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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, 2024, 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, 2024, 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.

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 20, 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 86, to be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 10, 2025, 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
Minneapolis, Minnesota
June 10, 2025





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CITY OF ANOKA, MINNESOTA

MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the City of Anoka (the "City"), we offer readers of the City of Anoka's financial statements this narrative overview and analysis of the financial activities of the City of Anoka for the fiscal year ended December 31, 2024. 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 2024, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$186,629,544 (net position). Of this amount, \$14,068,753 (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 \$5,661,146 or 3.39 percent.
- As of the close of the current fiscal year, the City of Anoka's governmental funds reported combined ending fund balances of \$7,844,059, which is a decrease of \$1,796,776 from 2023.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,896,939, or 31.7 percent of total general fund expenditures.
- The City of Anoka's total bonded debt decreased by \$1,650,000 during the current fiscal year.
- The City implemented Government Accounting Standards Board (GASB) Statement No. 100 and 101 relating to financial reporting for accounting changes and errors, and compensated absences.

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, parks and recreation. The business-type activities of the City of Anoka include electric, water, sanitary sewer, storm drainage, liquor, golf, 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.

CITY OF ANOKA, MINNESOTA MANAGEMENTS DISCUSSION AND ANALYSIS

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

The City of Anoka maintains six individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Building Capital, 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 33-38](#) of this report.

Proprietary funds. The City of Anoka maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the 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.

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 39-46](#) of this report.

Custodial funds. Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City of Anoka's own programs. The basic custodial fund financial statement can be found on [page 47](#) of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on [page 48](#) of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds, enterprise funds, and internal service funds and the component unit are presented immediately following the required basic financial statements and required supplementary information. Combining and individual fund statements and schedules can be found starting on [page 94](#) 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 2024, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$186,629,544.

**CITY OF ANOKA, MINNESOTA
MANAGEMENTS DISCUSSION AND ANALYSIS**

The largest portion of the City of Anoka's net position (87.6 percent) reflects its investment in capital assets (e.g., land, right of use assets, buildings, machinery, and equipment) less any related debt, leases or subscriptions 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 \$5,661,146 in 2024. The primary elements for the increase in net position were a combination of decreased expenditures in Highway 10 and the new water treatment facility due to substantial completion of those projects, the sale of one liquor store building, and decreased purchased power costs due to lower electrical consumption. A small portion of the City of Anoka's net position, 4.9 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$14,068,753 may be used to meet the City's ongoing obligations to citizens and creditors. Net investment in capital assets increased \$5,048,695, or 3.5 percent due to capital projects completed in 2024 and the decrease in debt associated with the assets. Net position restricted for tax increments increased \$83,476, net position restricted for debt decreased \$409,606, and other restricted net position decreased \$746,785. These other amounts include park dedication fees, police forfeiture funds, certain police aid funds, and remaining abatement bond funds not already restricted for other purposes. Total restricted net position decreased \$1,072,915 largely due to decreased debt service fund balances and spend down of police aid funds.

	City of Anoka Net Position					
	Governmental activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current assets	12,614,683	17,950,664	39,094,476	38,916,164	51,709,159	56,866,828
Noncurrent assets	2,239,279	2,145,563	2,972,710	2,437,966	5,211,989	4,583,529
Capital assets	130,369,170	130,911,730	70,027,839	62,981,510	200,397,009	193,893,240
Total assets	<u>145,223,132</u>	<u>151,007,957</u>	<u>112,095,025</u>	<u>104,335,640</u>	<u>257,318,157</u>	<u>255,343,597</u>
Deferred outflows of resources	<u>5,898,819</u>	<u>7,623,724</u>	<u>352,703</u>	<u>752,582</u>	<u>6,251,522</u>	<u>8,376,306</u>
Current liabilities	5,124,323	7,405,513	5,044,514	4,583,054	10,168,837	11,988,567
Long-term liabilities	39,794,174	43,074,759	15,100,785	16,844,667	54,894,959	59,919,426
Total liabilities	<u>44,918,497</u>	<u>50,480,272</u>	<u>20,145,299</u>	<u>21,427,721</u>	<u>65,063,796</u>	<u>71,907,993</u>
Deferred inflows of resources	<u>7,584,385</u>	<u>7,503,842</u>	<u>4,291,955</u>	<u>3,339,670</u>	<u>11,876,340</u>	<u>10,843,512</u>
Net position	<u>\$ 98,619,069</u>	<u>\$ 100,647,567</u>	<u>\$ 88,010,474</u>	<u>\$ 80,320,831</u>	<u>\$ 186,629,543</u>	<u>\$ 180,968,398</u>
Net investment in capital assets	\$ 106,511,133	\$ 106,224,477	\$ 56,947,694	\$ 52,185,655	\$ 163,458,827	\$ 158,410,132
Restricted						
Tax increment	6,408,006	6,324,530	-	-	6,408,006	6,324,530
Debt	1,831,578	2,241,184	-	-	1,831,578	2,241,184
Other	862,380	1,609,165	-	-	862,380	1,609,165
Unrestricted	<u>(16,994,027)</u>	<u>(15,751,789)</u>	<u>31,062,780</u>	<u>28,135,176</u>	<u>14,068,753</u>	<u>12,383,387</u>
Total net position	<u>\$ 98,619,070</u>	<u>\$ 100,647,567</u>	<u>\$ 88,010,474</u>	<u>\$ 80,320,831</u>	<u>\$ 186,629,544</u>	<u>\$ 180,968,398</u>

**CITY OF ANOKA, MINNESOTA
MANAGEMENTS DISCUSSION AND ANALYSIS**

Significant changes to pension related deferred outflows, liability and deferred inflows are reported for 2024. This was expected, as the measurement focus of the current pension liability includes interest rate increases and investment gains in 2023 and 2024. It is unclear how current economic conditions may affect the liability for future reporting periods. The measurement focus of the current pension liability reporting is from July 1, 2023 to June 30, 2024.

At the end of the current fiscal year, the City of Anoka reports positive balances in all three categories of net position for the government as a whole. Governmental funds continue to report a negative unrestricted balance due to previous spending for development in the capital construction accounts, and for the purchase of a large industrial site for future redevelopment. Business-type activities report positive balances in all three categories.

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

	City of Anoka Changes in Net Position					
	Governmental activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues						
Charges for service	\$ 2,860,284	\$ 3,611,827	\$ 44,508,868	\$ 45,721,318	\$ 47,369,152	\$ 49,333,145
Operating grants and contributions	846,412	1,611,164	911,395	124,012	1,757,807	1,735,176
Capital grants and contributions	4,617,642	20,378,171	-	-	4,617,642	20,378,171
General revenues						
Property taxes	11,184,426	8,928,519	-	-	11,184,426	8,928,519
Franchise taxes	1,309,551	1,355,763	-	-	1,309,551	1,355,763
Unrestricted grants and contributions	2,758,189	2,664,318	-	-	2,758,189	2,664,318
Investment income (loss), net	243,690	375,009	1,074,015	961,196	1,317,705	1,336,205
Other	131,849	301,003	747,517	889,163	879,366	1,190,166
Gain on disposal of capital assets	37,427	-	582,674	40,992	620,101	40,992
Total revenues	23,989,470	39,225,774	47,824,469	47,736,681	71,813,939	86,962,455
Expenses:						
General government	2,984,705	3,209,025	-	-	2,984,705	3,209,025
Public safety	9,099,977	9,651,002	-	-	9,099,977	9,651,002
Public works	8,293,052	27,426,808	-	-	8,293,052	27,426,808
Parks and recreation	3,956,500	3,833,783	-	-	3,956,500	3,833,783
Interest on debt	1,378,733	1,033,174	-	-	1,378,733	1,033,174
Electric	-	-	29,628,422	31,838,384	29,628,422	31,838,384
Water	-	-	2,317,314	2,010,751	2,317,314	2,010,751
Sewer	-	-	3,010,775	2,858,291	3,010,775	2,858,291
Storm drainage	-	-	806,046	588,550	806,046	588,550
Liquor	-	-	2,502,982	2,810,873	2,502,982	2,810,873
Golf	-	-	1,709,585	1,586,308	1,709,585	1,586,308
Recycling	-	-	464,702	448,576	464,702	448,576
Total expenses	25,712,967	45,153,792	40,439,826	42,141,733	66,152,793	87,295,525
Increase (decrease) before transfers	(1,723,497)	(5,928,018)	7,384,643	5,594,948	5,661,146	(333,070)
Transfers	(305,000)	815,000	305,000	(815,000)	-	-
Change in net position	(2,028,497)	(5,113,018)	7,689,643	4,779,948	5,661,146	(333,070)
Net position on January 1	100,647,567	105,760,585	80,320,831	75,540,883	180,968,398	181,301,468
Net position on December 31	\$ 98,619,070	\$ 100,647,567	\$ 88,010,474	\$ 80,320,831	\$ 186,629,544	\$ 180,968,398

CITY OF ANOKA, MINNESOTA MANAGEMENTS DISCUSSION AND ANALYSIS

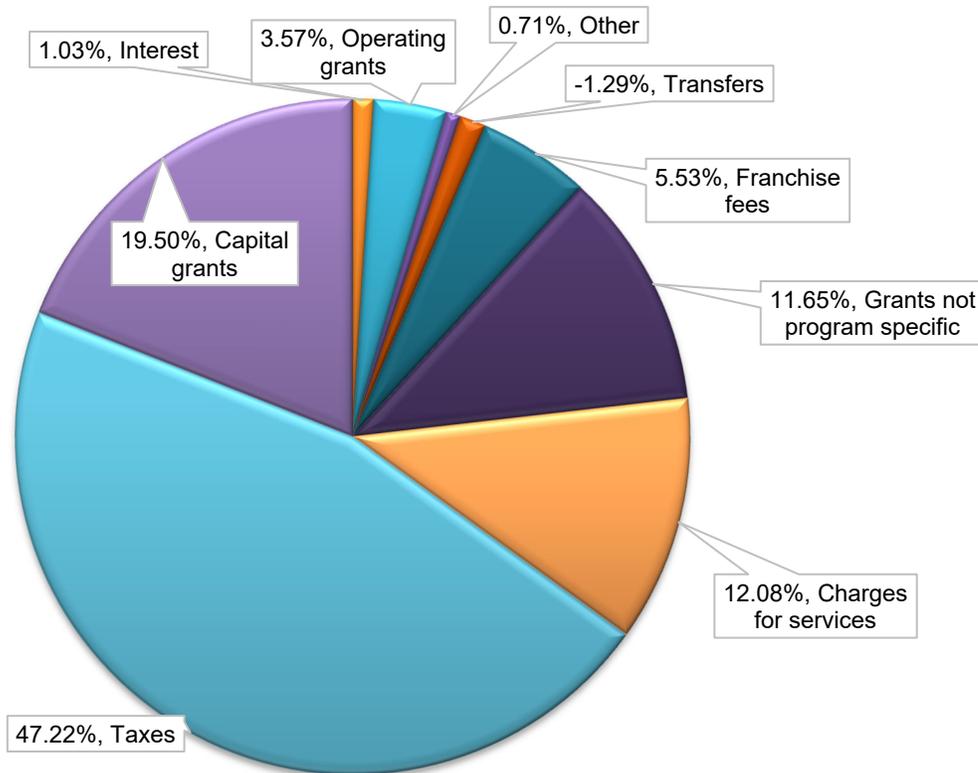
Governmental Activities

Governmental activities account for 52.8 percent of the City of Anoka's net position. For the year ended December 31, 2024, there is a decrease in net position for governmental activities of \$2,028,497. Total program and general revenues for governmental activities amounted to \$23,989,470. Total expenses were \$25,712,967. Transfers out were \$305,000.

- Capital grants and contributions decreased \$15,760,529, or 77.3 percent, as a result of Highway 10 reimbursement grant funding for 2024. The project reached substantial completion in 2024, and only minor reimbursements are expected in 2025.
- Operating grants and contributions decreased \$764,752, or 47.5 percent, largely due to one-time Emerald Ash Borer mitigation grant funds and public safety aid received in 2023.
- Property tax collection increased by \$2,255,907, or 25.3, which is due to the tax levy increase of 22.3 percent for 2024.
- Charges for service decreased \$751,543, or 20.8 percent. Charges for services vary every year because they are based on projects occurring throughout the city. The largest decreases in 2024 were in Public Safety, for decreased fee collection for building inspection services, and in Public Works, for decreased collection of sewer and water access fees.
- Investment income decreased \$169,154 in 2024 due to fluctuating market conditions. The market value adjustment was (\$61,447) for 2024 compared to (\$328,704) in 2023.

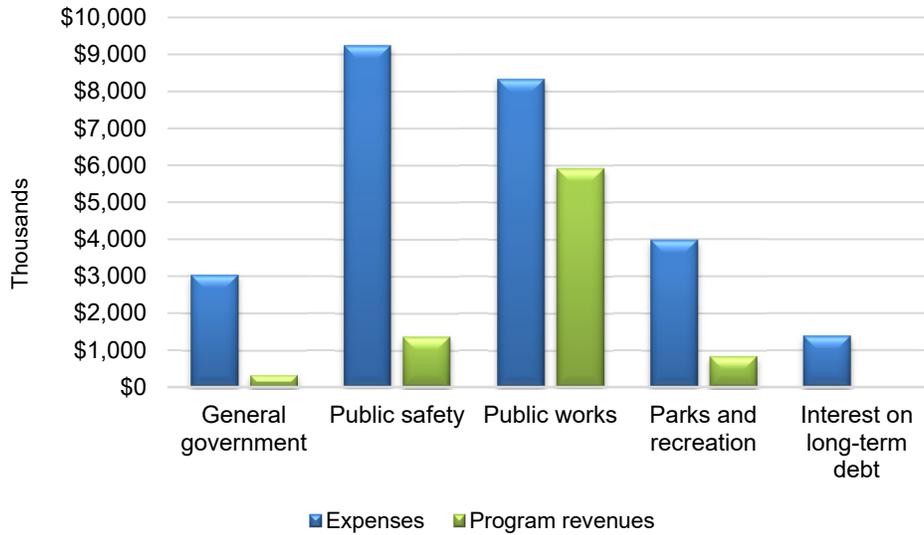
All governmental expenses, except interest on long-term debt, are supported with general revenues to a varying extent.

Revenue Sources - Governmental Activities



**CITY OF ANOKA, MINNESOTA
MANAGEMENTS DISCUSSION AND ANALYSIS**

**Expenses and Program Revenues -
Governmental Activities**

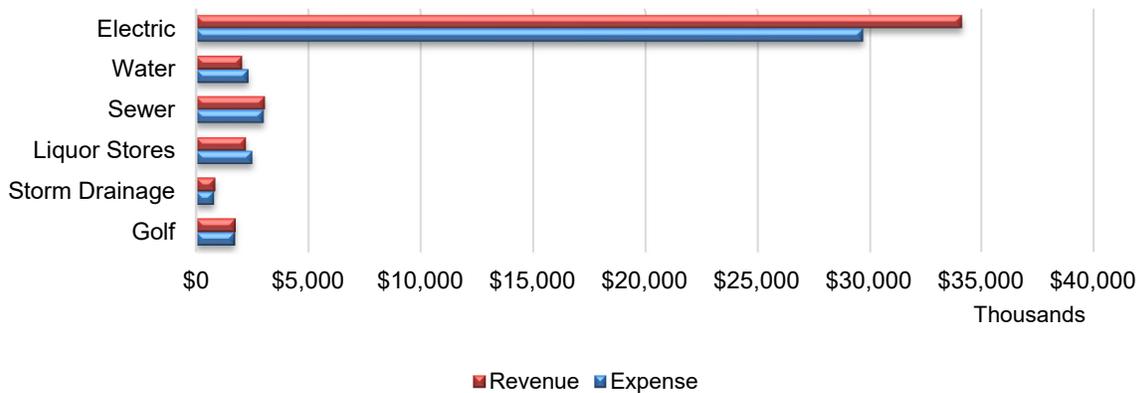


Business-type Activities

Business-type net position increased by \$7,689,643 or 9.57 percent. Total charges for services and general revenues for business-type activities amounted to \$44,508,868, transfers in were \$305,000, gain on disposal of capital assets was \$582,674 and operating grants were \$911,395. Total business-type activity expenses totaled \$40,439,826.

- The electric public utility accounts for 76.6 percent of the total charges for business-type activities. Charges for electric service decreased \$1,335,607, or 3.8 percent, in 2024, due to decreased consumption compared to 2023. The City will increase electric rates 2 percent in 2025 to cover ongoing operational needs and dedicated park capital transfers.
- Liquor operations decreased \$218,778, or 8.9 percent, compared to 2023. As a result of the Highway 10 roadway changes, one store was closed in 2023, and the building was sold in 2024. The City is working on a development plan to relocate the closed store.
- Sewer disposal costs from Metropolitan Council have increased more than 39.7 percent since 2021. In order to keep pace with the increased costs and to improve and maintain vital infrastructure, rates will likely increase each year going forward.
- Operating expenses for business-type activities decreased \$1,701,907 when compared to 2023. The largest decrease is in the electric utility. The decreased consumption in 2024 compared to 2023 resulted in lower revenue and associated purchased power costs.

**Expenses and Program Revenues - Business
Type Activities (in \$1,000's)**



CITY OF ANOKA, MINNESOTA

MANAGEMENTS DISCUSSION AND ANALYSIS

Financial Analysis of the City's Funds

Governmental funds. The focus of the City of Anoka's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Anoka's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Anoka's governmental funds reported combined ending fund balances of \$7,844,059, which is a decrease of \$1,796,776. The decrease is primarily the result of transfers out from the Urban Redevelopment Special Revenue Fund to the Parking Special Revenue Fund, to support ongoing operations of the City parking ramps and to the Golf Fund to partially fund the purchase of land that will be used in a redesigned golf course.

Of the total governmental fund balance, \$204,293 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 the portion of leases receivable that are not deferred. The restricted fund balance of \$8,618,954 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, police forfeiture, and aid 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 \$4,896,939, while total fund balance was \$5,060,885. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balances with total fund expenditures. Unassigned fund balance represents 31.7 percent of total General Fund expenditures. The City is meeting the fund balance goal for the General Fund, which is a fund balance that equals or exceeds 30 percent of total expenditures.

The fund balance of the City's General Fund increased \$225,623 during the current year. Operating expenses exceeded revenues by \$706,238. Actual expenditures were below the final budgeted expenditures by \$156,181. The largest contributing factor to the favorable variance was the accrued compensation adjustments from implementation of GASB 101. The final budget included factors that exceeded the actual experience and final liability.

- Capital spending in the General Fund decreased \$1,071,972 compared to 2023. In 2023 the City completed an emergency road repair project, and the total capital spent that year was abnormally high.
- Transfers into governmental funds from the Electric and Liquor enterprise funds totaled \$795,000 to support operations. Transfers out to enterprise funds from the Urban Redevelopment Fund for property purchased totaled \$1,100,000 for a net transfer out of \$305,000.
- Expenditures in the General Fund decreased when compared to 2023 by \$829,169. Outside of the decreased capital spending in Public Works, there was also a reduction in costs in Public Safety services and supplies as a result of more cost-effective practices.
- Implementation of GASB Standard No 101 resulted in a \$61,219 total in accrued compensation expenses in 2024 in governmental funds compared to \$155,200 budgeted. The total expense in governmental funds in 2023 was \$49,071.

Building Capital Fund balance is \$10,766,607, which is a decrease of \$78,387 from 2023. The remaining abatement bond funds of \$442,280 are restricted for use. The industrial site purchased with the abatement bonds is committed to repayment of the bond but not pledged. If the City determines that the site will not be sold for redevelopment there will be new bond issuance, and the property will become a capital asset. The remaining fund balance of \$1,162,330 is assigned for capital projects related to the City buildings.

The State Aid Fund deficit is \$2,324,095, which is a decrease to the deficit from 2023 of \$648,357. Highway 10 construction reached completion in 2024. Some small pieces of the project with offsetting grant funds are expected in 2025. The City will then have a final accounting of its total city cost and will budget transfers to the fund in future years.

The Street Renewal Fund balance has a fund deficit of \$1,612,074, which is an increase to the deficit of \$509,793 compared to 2023. Projects budgeted for 2025 are funded by Minnesota State Aid funds and special assessments. The remaining deficit balance will be accounted for with future special assessment collections and budgeted transfers.

CITY OF ANOKA, MINNESOTA MANAGEMENTS DISCUSSION AND ANALYSIS

The Commuter Rail Transit Village Tax Increment Fund has a deficit fund balance of \$2,229,031, and the Greens of Anoka Tax Increment Fund deficit is \$5,500,873. These fund balances increased \$296,215 and \$324,556 respectively in 2024. 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 as follows:

- Electric - \$22,884,551
- Water - \$4,471,977
- Sewer - \$2,567,116
- Storm Drainage - \$1,482,230

All proprietary funds had increases in net position in 2024. Liquor operations had an operating loss in 2024, but the sale from the closed West Liquor Store offset that loss for a net increase in 2024. Council and Staff are reviewing sites and plans for a new store location. Golf operations were stronger than budgeted in 2024, so a planned transfer from the General Fund to Golf operations for equipment was not completed.

Budgetary Highlights

General Fund

Budgeted expenditure of \$5,000 for a 2023 entrance monument that could not be completed in 2023 due to staffing issues was rolled over to 2024. 2024 budget was decreased in general government buildings and general maintenance for full-time earnings, as a full-time position has not been filled since it was vacated in 2023. The position has been temporarily covered by other department staff. Budget in public works was also decreased for road and sidewalk maintenance work that was removed from project lists. Budget was increased in the police department salary budget to account for changes in union wages and increased in City Council professional services for legal work related to the proposed garbage hauling contract and the ongoing dispute with the County regarding the jail expansion in downtown Anoka. Actual expenditures were under the final budget amount by \$156,181 and actual revenues were under the final budget by \$278,919.

Highlights of expenditure variances from the 2024 budget are summarized as follows:

- General government activities under final budget by \$24,359 due to a position that was vacated in October 2024 and not filled until 2025.
- Public safety activities under final budget by \$206,902 primarily due to the lower-than-expected impact of implementation of GASB 101.
- Public works activities under budget by \$51,726. A position vacated in 2023 has been partially filled by existing staff, which resulted in lower building and general maintenance salary expenses.
- Parks and recreation over final budget by \$126,806 due to increased seasonal labor costs, and the increased cost to provide the City special events such as Christmas Tree Lighting Ceremony.

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, 2024, amounts to \$200,397,009 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, infrastructure, furniture, machinery, and equipment as well as right to use assets including leased equipment and software subscriptions. The total increase in the City of Anoka's investment in capital assets for the current fiscal year was \$6,503,769, or 3.35 percent. There was a decrease of 0.41 percent in net governmental activities assets and an 11.9 percent increase for business-type activities investment in capital assets.

CITY OF ANOKA, MINNESOTA MANAGEMENTS DISCUSSION AND ANALYSIS

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

- \$4.5 million for electric utility infrastructure, including transformer replacements and substation improvements.
- \$1.6 million for construction of Well 6/8 water treatment plant, which reached substantial completion in 2024.
- \$1.9 million for purchase of land for redevelopment of the Greenhaven Golf Course.
- \$1.9 million for 2024 street renewal project, including replacement of water and sewer lines.
- \$982 thousand removed from assets through disposal, from the sale of the West Liquor Store.
- \$982 thousand in parks and public works equipment.

The capital assets note (see Note 8) to the financial statements, which begins on [page 61](#) 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	
	2024	2023	2024	2023	2024	2023
Land	\$ 9,014,410	\$ 9,014,410	\$ 4,110,837	\$ 2,176,477	\$ 13,125,247	\$ 11,190,887
Construction in progress	955,118	7,647,993	669,452	4,955,642	1,624,570	12,603,635
Infrastructure	91,190,625	85,450,477	55,357,713	51,985,831	146,548,338	137,436,308
Buildings and structures	24,996,858	25,756,530	7,552,762	1,264,124	32,549,620	27,020,654
Machinery and equipment	3,177,009	2,500,553	1,846,453	2,046,437	5,023,462	4,546,990
Furniture and equipment	215,303	181,450	7,436	2,400	222,739	183,850
Other improvements	-	-	483,186	550,599	483,186	550,599
Intangible lease assets	652,247	360,317	-	-	652,247	360,317
Intangible SBITA assets	167,600	-	-	-	167,600	-
Total capital assets	\$ 130,369,170	\$ 130,911,730	\$ 70,027,839	\$ 62,981,510	\$ 200,397,009	\$ 193,893,240

Long-term debt. At the end of the current fiscal year, the City of Anoka had total long-term bonded debt outstanding of \$44,940,000. The City has \$27,265,000 of long-term debt for tax increment, public safety buildings, public facilities, and public improvements. The City has a temporary tax abatement bond for \$10,765,000 that will mature in 2026. The City has the option to sell the land to reduce the debt or issue another round of temporary abatement bonds. In addition, \$1,124,112 due to the Met Council for purchasing property for the Highway 10 improvement project is included as governmental activity debt. This debt is only payable if certain parcels of land adjacent to Highway 10 are sold. The City has business-type activity long-term debt in the amount of \$6,910,000 in the Water and Storm Drainage Funds for utility improvements.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 31,890,000	\$ 33,115,000	\$ 6,140,000	\$ 6,275,000	\$ 38,030,000	\$ 39,390,000
Revenue bonds	-	-	6,910,000	7,200,000	6,910,000	7,200,000
Met Council loan	1,124,112	1,124,112	-	-	1,124,112	1,124,112
Total outstanding debt	\$ 33,014,112	\$ 34,239,112	\$ 13,050,000	\$ 13,475,000	\$ 46,064,112	\$ 47,714,112

The City of Anoka's total bonded debt decreased by \$1,650,000 during the current year. The City has a long-term debt payable to the Met Council for funds used to purchase property for the Highway 10 improvement project. The remaining balance of \$1,124,112 is payable upon sale of the remaining land on the. If the land is not sold, the debt has no repayment schedule. 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 \$72,411,312 based on 2024 estimated market value of \$2,413,710,400. The City's current outstanding debt that applies to the limitation is \$46,064,112, while \$19,221,432 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 10 starting on [page 64](#) of this report.

CITY OF ANOKA, MINNESOTA

MANAGEMENTS DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in Anoka County in December 2024 was 2.5 percent, which is unchanged from December 2023. Overall, unemployment in the state of Minnesota was at 2.6 percent, also unchanged, and for the United States at 3.8 percent which was an increase of 0.3 percent from 2023.
- Estimated market value increased 8.26 percent, and net tax capacity increase 7.28 percent for taxes payable in 2024.
- 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.
- At the end of 2024, the total unassigned fund balance in the General Fund was \$4,896,939. The nonspendable fund balance of \$163,946 is for inventories, prepaid items, and current lease receivables
- Inflation rates, measured by CPI index, decreased in 2024 to 2.9 percent.

These factors and other factors were considered when the City of Anoka prepared its 2025 budget. The valuations of all property for taxes payable in 2025 decreased 1.15 percent. The changes in value varied from home type and location, with higher end homes or homes located on the river experiencing small increases in value. The average mid-ranged home in the City of Anoka had a 0.26 percent decrease from \$306,000 to \$305,200. The City's 2025 total tax levy increased by \$1,031,475, or 10.17 percent over 2024.

The General Fund budgeted revenues are increasing by a total of \$1,650,407 or 10.7 percent in 2025 when compared to 2024 actual revenues. The largest increase is the general property tax levy which increased 8.6 percent. Total General Fund budgeted expenditures increased by 10.6 percent compared to 2024 actual expenditures. The largest portion of the budgeted increase is to professional services and maintenance, as both categories have continued to see inflationary increases beyond the CPI index. Employee services increased due to budgeted wage increases to retain talented employees as well as increased costs of insurance. The City utilized a debt service levy in 2025 of \$1,692,196 to cover debt not financed by other sources.

In 2024 the City reviewed all fees and rates to ensure that the amounts charged were reflective of the cost to provide the service. Special revenue items such as parking fees and fines, and cemetery charges for service were all increased. Special cost of service studies for the utility enterprise funds were performed in 2024. These studies were presented to the City Council in late 2024 and early 2025 and public hearings will be held for proposed rate increased in May 2025.

In 2025 the City continued engagement of Ehlers Inc, to complete work on updating its comprehensive financial plan. The first half of the work was completed in 2024 and included the cost of service studies on the utility funds. The second half of the plan will work on capital projects which are currently in the City 5-, 10-, and 20-year capital and equipment plans.

In 2025 the City will continue to work towards relocation of the closed West Liquor Store. As municipal cannabis becomes closer to a reality, the City has contracted with consultants to ensure safe and profitable operations can be achieved. A plan for a retail facility is in the works to be completed by the end of 2025.

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, 2024

	Primary Government			Component Unit
	Governmental	Business-Type	Total	HRA
	Activities	Activities		
Assets and Deferred Outflows of Resources				
Current assets:				
Cash and investments	\$ 10,860,314	\$ 12,219,348	\$ 23,079,662	\$ 1,018,201
Taxes receivable	240,283	-	240,283	9,658
Accounts receivable	1,559,749	5,349,030	6,908,779	883,246
Lease receivable	35,292	158,590	193,882	-
Special assessments receivable	-	21,593	21,593	-
Accrued interest receivable	7,187	19,739	26,926	823
Internal balances	(18,700,923)	18,700,923	-	-
Inventories	39,731	2,412,469	2,452,200	-
Prepaid items	401,249	212,784	614,033	-
Land held for resale	18,171,801	-	18,171,801	2,148,775
Total current assets	<u>12,614,683</u>	<u>39,094,476</u>	<u>51,709,159</u>	<u>4,060,703</u>
Noncurrent assets:				
Special assessments receivable	2,239,279	-	2,239,279	-
Lease receivable - noncurrent	-	2,972,710	2,972,710	-
Nondepreciable capital assets	9,969,528	4,780,289	14,749,817	237,058
Capital assets - Net of depreciation or amortization:				
Right to use long term lease assets	652,247	-	652,247	-
Right to use long term subscription assets	167,600	-	167,600	-
Infrastructure	91,190,625	55,357,713	146,548,338	713,028
Buildings and structures	24,996,858	7,552,762	32,549,620	-
Machinery, vehicles, and equipment	3,177,009	1,846,453	5,023,462	-
Furniture and equipment	215,303	7,436	222,739	-
Other improvements	-	483,186	483,186	-
Total noncurrent assets	<u>132,608,449</u>	<u>73,000,549</u>	<u>205,608,998</u>	<u>950,086</u>
Total assets	<u>145,223,132</u>	<u>112,095,025</u>	<u>257,318,157</u>	<u>5,010,789</u>
Deferred outflows of resources:				
Deferred other postemployment resources	236,758	-	236,758	-
Deferred pension resources	5,662,061	352,703	6,014,764	9,693
Total deferred outflows of resources	<u>5,898,819</u>	<u>352,703</u>	<u>6,251,522</u>	<u>9,693</u>
Total assets and deferred outflows of resources	<u>\$ 151,121,951</u>	<u>\$ 112,447,728</u>	<u>\$ 263,569,679</u>	<u>\$ 5,020,482</u>

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION - CONTINUED
DECEMBER 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	HRA
Liabilities, Deferred Inflows of Resources, and Net Position				
Current liabilities:				
Accounts payable	\$ 798,927	\$ 2,612,635	\$ 3,411,562	\$ 4,730
Accrued wages payable	317,423	97,014	414,437	2,677
Due to other governments and units	1,091	-	1,091	-
Accrued interest payable	479,763	190,278	670,041	17,108
Deposits	629,289	1,276,672	1,905,961	-
Unearned revenue	1,054,832	153,332	1,208,164	-
Current portion of compensated absences	30,000	78,000	108,000	-
Current portion of lease payable	187,542	-	187,542	-
Current portion of SBITA payable	41,535	-	41,535	-
Current portion of other postemployment benefit	49,796	-	49,796	-
Current portion of long-term debt liabilities	1,534,125	636,583	2,170,708	60,384
Total current liabilities	<u>5,124,323</u>	<u>5,044,514</u>	<u>10,168,837</u>	<u>84,899</u>
Noncurrent liabilities:				
Compensated absences payable	1,155,708	417,613	1,573,321	2,360
Lease payable	465,784	-	465,784	-
SBITA payable	126,064	-	126,064	-
Net other postemployment benefit	945,312	-	945,312	-
Noncurrent portion of long-term debt liabilities	32,267,987	12,920,483	45,188,470	1,525,407
Net pension liability	4,833,318	1,762,689	6,596,007	48,441
Total noncurrent liabilities	<u>39,794,173</u>	<u>15,100,785</u>	<u>54,894,958</u>	<u>1,576,208</u>
Total liabilities	<u>44,918,496</u>	<u>20,145,299</u>	<u>65,063,795</u>	<u>1,661,107</u>
Deferred inflows of resources:				
Deferred lease receivable	32,605	2,940,521	2,973,126	-
Deferred other postemployment resources	161,340	-	161,340	-
Deferred pension resources	7,390,440	1,351,434	8,741,874	37,139
	<u>7,584,385</u>	<u>4,291,955</u>	<u>11,876,340</u>	<u>37,139</u>
Net position:				
Net investment in capital assets	106,511,133	56,947,694	163,458,827	950,086
Restricted for - tax increment	6,408,006	-	6,408,006	1,656,401
Restricted for - debt service	1,831,578	-	1,831,578	5,882
Restricted for - local housing aid	-	-	-	118,154
Restricted for - other	862,380	-	862,380	-
Unrestricted	(16,994,027)	31,062,780	14,068,753	591,713
Total net position	<u>98,619,070</u>	<u>88,010,474</u>	<u>186,629,544</u>	<u>3,322,236</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 151,121,951</u>	<u>\$ 112,447,728</u>	<u>\$ 263,569,679</u>	<u>\$ 5,020,482</u>

**CITY OF ANOKA, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business - Type Activities	Total	HRA
Primary government:								
Governmental activities:								
General government	\$ 2,984,705	\$ 294,937	\$ 48,901	\$ -	\$ (2,640,867)	\$ -	\$ (2,640,867)	
Public safety	9,099,977	874,536	501,008	-	(7,724,433)	-	(7,724,433)	
Public works	8,293,052	866,025	274,744	4,617,642	(2,534,641)	-	(2,534,641)	
Parks and recreation	3,956,500	824,786	21,759	-	(3,109,955)	-	(3,109,955)	
Interest on long-term debt	1,378,733	-	-	-	(1,378,733)	-	(1,378,733)	
Total governmental activities	<u>25,712,967</u>	<u>2,860,284</u>	<u>846,412</u>	<u>4,617,642</u>	<u>(17,388,629)</u>	<u>-</u>	<u>(17,388,629)</u>	
Business-type activities:								
Electric	29,628,422	34,113,403	48,226	-	-	4,533,207	4,533,207	
Water	2,317,314	2,053,066	472,208	-	-	207,960	207,960	
Sewer	3,010,775	3,083,205	6,182	-	-	78,612	78,612	
Storm Drainage	806,046	860,573	286,419	-	-	340,946	340,946	
Liquor Stores	2,502,982	2,229,039	10,228	-	-	(263,715)	(263,715)	
Golf	1,709,585	1,762,639	9,440	-	-	62,494	62,494	
Recycling	464,702	406,943	78,692	-	-	20,933	20,933	
Total business-type activities	<u>40,439,826</u>	<u>44,508,868</u>	<u>911,395</u>	<u>-</u>	<u>-</u>	<u>4,980,437</u>	<u>4,980,437</u>	
Total primary government	<u>\$ 66,152,793</u>	<u>\$ 47,369,152</u>	<u>\$ 1,757,807</u>	<u>\$ 4,617,642</u>	<u>(17,388,629)</u>	<u>4,980,437</u>	<u>(12,408,192)</u>	
Component unit:								
HRA	<u>\$ 478,318</u>	<u>\$ 127,072</u>	<u>\$ 120,383</u>	<u>\$ -</u>				<u>\$ (230,863)</u>
General revenues:								
Taxes:								
Property taxes, levied for general purposes					8,748,052	-	8,748,052	410,696
Property taxes, levied for debt service					1,370,756	-	1,370,756	-
Property taxes, levied for tax increment					1,065,618	-	1,065,618	230,100
Franchise taxes					1,309,551	-	1,309,551	-
Grants, aid, and contributions not restricted to specific programs					2,758,189	-	2,758,189	-
Investment income					243,690	1,074,015	1,317,705	36,763
Gain on disposal of capital assets					37,427	582,674	620,101	-
Other					131,849	747,517	879,366	-
Transfers					(305,000)	305,000	-	-
Total general revenues and transfers					<u>15,360,132</u>	<u>2,709,206</u>	<u>18,069,338</u>	<u>677,559</u>
Change in net position					<u>(2,028,497)</u>	<u>7,689,643</u>	<u>5,661,146</u>	<u>446,696</u>
Net position - Beginning of year					<u>100,647,567</u>	<u>80,320,831</u>	<u>180,968,398</u>	<u>2,875,540</u>
Net position - End of year					<u>\$ 98,619,070</u>	<u>\$ 88,010,474</u>	<u>\$ 186,629,544</u>	<u>\$ 3,322,236</u>

CITY OF ANOKA, MINNESOTA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2024

ASSETS	General	Building Capital	State Aid Construction	Street Renewal
Cash and investments	\$ 5,839,245	\$ 595,061	\$ 44,471	\$ 8,096
Receivables, net:				
Taxes	195,551	-	-	-
Special assessments	29,689	-	-	1,256,442
Accounts receivable	63,074	-	461,673	116,403
Due from other funds	252,937	-	-	-
Accrued interest	4,624	459	-	-
Advance to other funds	-	-	-	-
Lease Receivable	35,292	-	-	-
Inventories	15,313	-	-	-
Prepaid items	145,946	-	-	-
Land held for resale	-	10,203,667	1,831,700	230,000
Total assets	<u>\$ 6,581,671</u>	<u>\$ 10,799,187</u>	<u>\$ 2,337,844</u>	<u>\$ 1,610,941</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities:

Accounts payable	\$ 362,242	\$ 32,580	\$ 11,939	\$ 116,573
Accrued wages payable and other benefit	312,206	-	-	-
Due to other funds	-	-	4,650,000	1,850,000
Due to other governments	-	-	-	1,091
Due to other organizations - Escrow	451,435	-	-	-
Unearned revenue	161,632	-	-	-
Advance from other funds	80,000	-	-	-
Total liabilities	<u>1,367,515</u>	<u>32,580</u>	<u>4,661,939</u>	<u>1,967,664</u>

Deferred inflows of resources:

Unavailable revenue-Deferred lease reve	32,605	-	-	-
Unavailable revenue-Property taxes	90,977	-	-	-
Unavailable revenue-Special assessment	29,689	-	-	1,255,351
Total deferred inflows of resources	<u>153,271</u>	<u>-</u>	<u>-</u>	<u>1,255,351</u>

Fund balances:

Nonspendable	163,946	-	-	-
Restricted	-	442,280	-	-
Committed	-	9,161,997	-	-
Assigned	-	1,162,330	-	-
Unassigned	4,896,939	-	(2,324,095)	(1,612,074)
Total fund balances	<u>5,060,885</u>	<u>10,766,607</u>	<u>(2,324,095)</u>	<u>(1,612,074)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,581,671</u>	<u>\$ 10,799,187</u>	<u>\$ 2,337,844</u>	<u>\$ 1,610,941</u>

CITY OF ANOKA, MINNESOTA
BALANCE SHEET - GOVERNMENTAL FUNDS (continued)
DECEMBER 31, 2024

ASSETS	Commuter Rail Transit Village Tax Increment	Greens of Anoka Tax Increment	Total Nonmajor Funds	Total Governmental Funds
Cash and investments	\$ 10,339	\$ 1,832	\$ 2,451,516	\$ 8,950,560
Receivables, net:				
Taxes	5,566	-	39,166	240,283
Special assessments	-	-	953,148	2,239,279
Accounts receivable	-	78,295	840,304	1,559,749
Due from other funds	-	-	224,000	476,937
Accrued interest	8	-	712	5,803
Advance to other funds	-	-	655,000	655,000
Lease Receivable	-	-	-	35,292
Inventories	-	-	-	15,313
Prepaid items	-	-	40,347	186,293
Land held for resale	580,627	3,297,363	2,028,444	18,171,801
Total assets	<u>\$ 596,540</u>	<u>\$ 3,377,490</u>	<u>\$ 7,232,637</u>	<u>\$ 32,536,310</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities:

Accounts payable	\$ 5	\$ 68	\$ 258,985	\$ 782,392
Accrued wages payable and other benefit	-	-	1,634	313,840
Due to other funds	-	4,710,000	306,700	11,516,700
Due to other governments	-	-	-	1,091
Due to other organizations - Escrow	-	-	-	451,435
Unearned revenue	-	78,295	814,905	1,054,832
Advance from other funds	2,820,000	4,090,000	1,205,000	8,195,000
Total liabilities	<u>2,820,005</u>	<u>8,878,363</u>	<u>2,587,224</u>	<u>22,315,290</u>

Deferred inflows of resources:

Unavailable revenue-Deferred lease reve	-	-	-	32,605
Unavailable revenue-Property taxes	5,566	-	9,625	106,168
Unavailable revenue-Special assessment	-	-	953,148	2,238,188
Total deferred inflows of resources	<u>5,566</u>	<u>-</u>	<u>962,773</u>	<u>2,376,961</u>

Fund balances:

Nonspendable	-	-	40,347	204,293
Restricted	580,627	3,297,363	4,298,684	8,618,954
Committed	-	-	694,086	9,856,083
Assigned	-	-	-	1,162,330
Unassigned	(2,809,658)	(8,798,236)	(1,350,477)	(11,997,601)
Total fund balances	<u>(2,229,031)</u>	<u>(5,500,873)</u>	<u>3,682,640</u>	<u>7,844,059</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 596,540</u>	<u>\$ 3,377,490</u>	<u>\$ 7,232,637</u>	<u>\$ 32,536,310</u>

CITY OF ANOKA, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

Total governmental fund balances (page 34) \$ 7,844,059

Amounts reported for governmental activities in the statement of net position (page 31) are different because:

Capital assets, including right to use leased and subscription assets, used in governmental activities (excluding internal service fund capital assets) are not financial resources and are not reported in the funds 128,316,411

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. 2,698,432

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 governmental funds. (919,690)

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 (33,802,112)

Long-term leases payable, and subscription based information technology agreements are not due and payable in the current period and therefore are not reported in the funds (820,926)

Governmental funds do not report a liability for accrued interest until due and payable. (479,763)

The net pension liability and related deferred inflows and deferred outflows are recorded only in the government-wide statement of net position. (6,561,697)

Deferred inflows are not available to pay for current-period expenditures and therefore are deferred in the funds. 2,344,356

Net position of the governmental activities \$ 98,619,070

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	<u>General</u>	<u>Building Capitol</u>	<u>State Aid Construction</u>	<u>Street Renewal</u>
Revenues:				
Taxes	\$ 8,735,060	\$ -	\$ -	\$ -
Special assessments	-	-	-	382,037
Franchise fees	891,102	-	-	418,448
Licenses and permits	664,684	-	-	1,328
Intergovernmental	3,160,054	-	4,617,642	11,484
Charges for current services	858,229	-	-	-
Fines and forfeitures	65,440	-	-	-
Investment income	96,730	21,903	-	-
Net increase (decrease) in fair value of invest	49,719	10,858	-	-
Miscellaneous	227,069	-	-	-
Total revenues	<u>14,748,087</u>	<u>32,761</u>	<u>4,617,642</u>	<u>813,297</u>
Expenditures:				
Current:				
General government	2,267,114	-	-	-
Public safety	7,762,197	-	-	-
Public works	2,016,049	-	3,969,285	12,448
Parks and recreation	2,862,874	-	-	-
Capital outlay	143,737	186,148	-	1,310,642
Capital outlay, Present value of new lease	194,434	-	-	-
Capital outlay, Present value of SBITA	-	-	-	-
Debt service:				
Principal retirement	185,573	-	-	-
Interest and fiscal charges	22,347	-	-	-
Total expenditures	<u>15,454,325</u>	<u>186,148</u>	<u>3,969,285</u>	<u>1,323,090</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(706,238)</u>	<u>(153,387)</u>	<u>648,357</u>	<u>(509,793)</u>
Other financing sources (uses) including transfers:				
Transfer in	700,000	75,000	-	-
Transfer out	-	-	-	-
Lease liability issued	194,434	-	-	-
SBITA liability issued	-	-	-	-
Proceeds from sale of asset	37,427	-	-	-
Total other financing sources (uses)	<u>931,861</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	225,623	(78,387)	648,357	(509,793)
Fund balances(deficits)at beginning of year	<u>4,835,262</u>	<u>10,844,994</u>	<u>(2,972,452)</u>	<u>(1,102,281)</u>
Fund balances (deficits) at end of year	<u>\$ 5,060,885</u>	<u>\$ 10,766,607</u>	<u>\$ (2,324,095)</u>	<u>\$ (1,612,074)</u>

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (continued)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	Commuter Rail Transit Village Tax Increment	Greens of Anoka Tax Increment	Total Nonmajor Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 403,759	\$ 488,849	\$ 1,535,215	\$ 11,162,883
Special assessments	-	-	168,453	550,490
Franchise fees	-	-	-	1,309,550
Licenses and permits	-	-	48,432	714,444
Intergovernmental	-	-	373,190	8,162,370
Charges for current services	-	-	143,130	1,001,359
Fines and forfeitures	-	-	68,951	134,391
Investment income	44	4,789	122,342	245,808
Net increase in fair value of investments	(18)	-	25,536	86,095
Miscellaneous	-	23,553	41,247	291,869
Total revenues	<u>403,785</u>	<u>517,191</u>	<u>2,526,496</u>	<u>23,659,259</u>
Expenditures:				
Current:				
General government	5,195	7,627	83,906	2,363,842
Public safety	-	-	567,713	8,329,910
Public works	-	-	67,458	6,065,240
Parks and recreation	-	-	74,306	2,937,180
Capital outlay	-	38,708	926,936	2,606,171
Capital outlay, Present value of new lease	-	-	321,290	515,724
Capital outlay, Present value of SBITA	-	-	193,385	193,385
Debt service:				
Principal retirement	-	-	1,293,623	1,479,196
Interest and fiscal charges	102,375	146,300	1,135,901	1,406,923
Total expenditures	<u>107,570</u>	<u>192,635</u>	<u>4,664,518</u>	<u>25,897,571</u>
Excess (deficiency) of revenues over (under) expenditures	<u>296,215</u>	<u>324,556</u>	<u>(2,138,022)</u>	<u>(2,238,312)</u>
Other financing sources (uses) including transfers:				
Transfer in	-	-	325,000	1,100,000
Transfer out	-	-	(1,405,000)	(1,405,000)
Lease liability issued	-	-	321,290	515,724
SBITA liability issued	-	-	193,385	193,385
Proceeds from sale of asset	-	-	-	37,427
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(565,325)</u>	<u>441,536</u>
Net changes in fund balances	296,215	324,556	(2,703,347)	(1,796,776)
Fund balances(deficits)at beginning of year	<u>(2,525,246)</u>	<u>(5,825,429)</u>	<u>6,385,987</u>	<u>9,640,835</u>
Fund balances (deficits) at end of year	<u>\$ (2,229,031)</u>	<u>\$ (5,500,873)</u>	<u>\$ 3,682,640</u>	<u>\$ 7,844,059</u>

**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, 2024**

Net change in fund balances - Total governmental funds (page 37) \$ (1,796,776)

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

Governmental funds report capital, lease, and certain subscription based information technology arrangement 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 that depreciation/amortization exceeded capital outlays in the current period. (1,211,470)

The loss from disposal of fixed assets that is reported in the statement of activities is not reported as an expenditure in the governmental funds. (61,815)

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. (154,203)

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. (75,333)

The issuance of long-term debt, leases, and certain subscription based information technology agreements provide current financial resources to governmental funds, while the principal repayment 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. 770,087

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 28,190

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. 322,947

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 149,876

Change in net position of governmental activities \$ (2,028,497)

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Assets:							
Current assets:							
Cash and cash equivalents	\$ 3,930,870	\$ 2,590,952	\$ 2,345,152	\$ 1,956,038	\$ 1,396,336	\$ 12,219,348	\$ 1,909,754
Receivables, net:	-						
Special assessments	21,593	-	-	-	-	21,593	-
Accounts receivable	4,018,261	691,539	373,229	173,133	92,868	5,349,030	-
Accrued interest	10,640	3,922	2,227	1,797	1,153	19,739	1,384
Due from other funds	9,360,000	1,932,700	-	-	-	11,292,700	-
Inventory	2,011,570	-	-	-	400,899	2,412,469	24,418
Prepaid items	33,038	-	177,976	-	1,770	212,784	214,956
Current portion of lease receivable	74,552	84,038	-	-	-	158,590	-
Current portion of advance to other funds	485,784	-	-	-	-	485,784	-
Total current assets	<u>19,946,308</u>	<u>5,303,151</u>	<u>2,898,584</u>	<u>2,130,968</u>	<u>1,893,026</u>	<u>32,172,037</u>	<u>2,150,512</u>
Noncurrent assets:							
Advance to other funds	8,090,000	-	-	-	-	8,090,000	-
Lease receivable	1,216,418	1,756,292	-	-	-	2,972,710	-
Land and improvements	806,266	-	13,383	-	3,291,188	4,110,837	-
Construction in progress	175,128	-	-	437,979	56,345	669,452	-
Buildings and structures	2,415,648	7,182,988	150,000	-	1,300,598	11,049,234	50,000
Furniture and equipment	656,395	-	-	-	249,075	905,470	493,127
Machinery and automotive equipment	4,961,959	961,712	950,450	-	1,210,730	8,084,851	5,424,033
Distribution system	60,650,899	22,060,155	11,204,895	10,282,141	-	104,198,090	-
Other improvements	-	-	-	-	2,726,073	2,726,073	-
Total noncurrent assets	<u>78,972,713</u>	<u>31,961,147</u>	<u>12,318,728</u>	<u>10,720,120</u>	<u>8,834,009</u>	<u>142,806,717</u>	<u>5,967,160</u>
Accumulated depreciation	<u>(37,042,370)</u>	<u>(12,692,724)</u>	<u>(5,989,641)</u>	<u>(1,997,834)</u>	<u>(3,993,599)</u>	<u>(61,716,168)</u>	<u>(3,914,400)</u>
Total noncurrent assets	<u>41,930,343</u>	<u>19,268,423</u>	<u>6,329,087</u>	<u>8,722,286</u>	<u>4,840,410</u>	<u>81,090,549</u>	<u>2,052,760</u>
Total assets	<u>61,876,651</u>	<u>24,571,574</u>	<u>9,227,671</u>	<u>10,853,254</u>	<u>6,733,436</u>	<u>113,262,586</u>	<u>4,203,272</u>
Deferred outflows of resources:							
Deferred pension resources	209,736	26,884	26,884	-	89,199	352,703	-
Total assets and deferred outflows of resources	<u>\$ 62,086,387</u>	<u>\$ 24,598,458</u>	<u>\$ 9,254,555</u>	<u>\$ 10,853,254</u>	<u>\$ 6,822,635</u>	<u>\$ 113,615,289</u>	<u>\$ 4,203,272</u>

CITY OF ANOKA, MINNESOTA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Liabilities:							
Current liabilities:							
Accounts payable	\$ 1,939,747	\$ 338,642	\$ 19,054	\$ 217,425	\$ 97,767	\$ 2,612,635	\$ 7,743
Accrued wages payable	57,083	11,064	3,963	-	24,904	97,014	3,583
Accrued interest payable	-	108,515	21,440	60,323	-	190,278	-
Claims payable	-	-	-	-	-	-	8,792
Insurance Escrow	-	-	-	-	-	-	177,854
Due to other funds	-	-	-	-	-	-	252,936
Current portion of compensated absences	78,000	-	-	-	-	78,000	30,000
Current portion of advance from other funds	-	-	-	-	35,784	35,784	-
Current portion of bonds payable	-	306,968	89,247	240,368	-	636,583	-
Deposits	1,181,782	-	-	-	94,890	1,276,672	-
Unearned revenue	108,741	44,591	-	-	-	153,332	-
Total current liabilities	<u>3,365,353</u>	<u>809,780</u>	<u>133,704</u>	<u>518,116</u>	<u>253,345</u>	<u>5,080,298</u>	<u>480,908</u>
Noncurrent liabilities:							
Compensated absences payable	170,555	60,260	34,165	-	152,633	417,613	1,155,708
Advance from other funds	-	-	-	-	1,000,000	1,000,000	-
Bonds payable	-	7,279,274	1,631,155	4,010,054	-	12,920,483	-
Net pension liability	1,048,192	134,356	134,356	-	445,785	1,762,689	-
Total noncurrent liabilities	<u>1,218,747</u>	<u>7,473,890</u>	<u>1,799,676</u>	<u>4,010,054</u>	<u>1,598,418</u>	<u>16,100,785</u>	<u>1,155,708</u>
Total liabilities	<u>4,584,100</u>	<u>8,283,670</u>	<u>1,933,380</u>	<u>4,528,170</u>	<u>1,851,763</u>	<u>21,181,083</u>	<u>1,636,616</u>
Deferred inflows of resources:							
Deferred lease revenue	1,190,174	1,750,347	-	-	-	2,940,521	-
Deferred pension resources	803,637	103,009	103,009	-	341,779	1,351,434	-
Total deferred inflows of resources	<u>1,993,811</u>	<u>1,853,356</u>	<u>103,009</u>	<u>-</u>	<u>341,779</u>	<u>4,291,955</u>	<u>-</u>
Net position:							
Net investment in capital assets	32,623,925	9,989,455	4,651,050	4,842,854	4,840,410	56,947,694	2,052,760
Unrestricted	22,884,551	4,471,977	2,567,116	1,482,230	(211,317)	31,194,557	513,896
Total net position	<u>55,508,476</u>	<u>14,461,432</u>	<u>7,218,166</u>	<u>6,325,084</u>	<u>4,629,093</u>	<u>88,142,251</u>	<u>2,566,656</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 62,086,387</u>	<u>\$ 24,598,458</u>	<u>\$ 9,254,555</u>	<u>\$ 10,853,254</u>	<u>\$ 6,822,635</u>	<u>\$ 113,615,289</u>	<u>\$ 4,203,272</u>

**CITY OF ANOKA, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET OF THE PROPRIETARY FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024**

Net position - Total enterprise funds (page 40) \$ 88,142,251

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.

(131,777)

Net position of the business-type activities

\$ 88,010,474

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Operating revenues:							
Charges for sales and services:							
Electric utility sales	\$ 33,994,827	\$ -	\$ -	\$ -	\$ -	\$ 33,994,827	\$ -
Water utility sales	-	2,049,951	-	-	-	2,049,951	-
Sewer	-	-	3,083,205	-	-	3,083,205	-
Liquor sales	-	-	-	-	2,229,039	2,229,039	-
Golf	-	-	-	-	1,762,639	1,762,639	-
Storm drainage	-	-	-	860,573	-	860,573	-
Recycling	-	-	-	-	406,943	406,943	-
Intergovernmental	-	466,026	-	286,419	77,850	830,295	-
Other	118,576	3,115	-	-	-	121,691	2,207,470
Total operating revenues	34,113,403	2,519,092	3,083,205	1,146,992	4,476,471	45,339,163	2,207,470
Operating expenses:							
Personal services	1,605,276	487,102	474,477	63,800	1,504,112	4,134,767	324,790
Supplies	63,144	160,094	8,353	2,040	188,574	422,205	292,716
Professional services	1,404,195	362,887	110,004	38,352	441,176	2,356,614	1,663,494
Contractual services	194,717	493,649	52,513	359,063	227,647	1,327,589	140,200
Purchased power	23,285,256	-	-	-	-	23,285,256	-
Disposal	-	-	2,012,426	-	337,798	2,350,224	-
Franchise fee	872,779	-	-	-	-	872,779	-
Cost of goods sold	-	-	-	-	1,740,541	1,740,541	-
Depreciation	2,096,266	557,791	291,064	226,619	190,285	3,362,025	295,621
Total operating expenses	29,521,633	2,061,523	2,948,837	689,874	4,630,133	39,852,000	2,716,821
Operating income (loss)	4,591,770	457,569	134,368	457,118	(153,662)	5,487,163	(509,351)

CITY OF ANOKA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS (CONTINUED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds						Governmental
	Electric	Water	Sewer	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
Nonoperating revenues (expenses):							
Interest income	324,294	168,694	62,869	52,057	30,000	637,914	52,037
Internal interest income	270,642	-	-	-	-	270,642	-
Net increase fair value of investments	74,578	46,842	17,339	19,472	7,228	165,459	17,650
Interest and fiscal charges expense	(52,857)	(245,602)	(48,046)	(113,873)	(5,485)	(465,863)	-
Pension revenue	48,226	6,182	6,182	-	20,510	81,100	-
Gain on sale of capital assets	2,733	3,276	-	-	576,665	582,674	105,249
Other income	564,984	164,933	17,600	-	-	747,517	58,250
Total nonoperating revenues (expenses)	<u>1,232,600</u>	<u>144,325</u>	<u>55,944</u>	<u>(42,344)</u>	<u>628,918</u>	<u>2,019,443</u>	<u>233,186</u>
Income (loss) before transfers	<u>5,824,370</u>	<u>601,894</u>	<u>190,312</u>	<u>414,774</u>	<u>475,256</u>	<u>7,506,606</u>	<u>(276,165)</u>
Transfers:							
Transfer in	-	-	-	-	1,100,000	1,100,000	-
Transfer out	(775,000)	-	-	-	(20,000)	(795,000)	-
Total transfers	<u>(775,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,080,000</u>	<u>305,000</u>	<u>-</u>
Change in net position	5,049,370	601,894	190,312	414,774	1,555,256	7,811,606	(276,165)
Net position - Beginning of year	<u>50,459,107</u>	<u>13,859,538</u>	<u>7,027,854</u>	<u>5,910,310</u>	<u>3,073,837</u>	<u>80,330,646</u>	<u>2,842,821</u>
Net position - Ending of year	<u>\$ 55,508,477</u>	<u>\$ 14,461,432</u>	<u>\$ 7,218,166</u>	<u>\$ 6,325,084</u>	<u>\$ 4,629,093</u>	<u>\$ 88,142,252</u>	<u>\$ 2,566,656</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, 2024

Change in net position - Total enterprise funds (page 43) \$ 7,811,606

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.

(121,963)

Change in net position of business-type activities: \$ 7,689,643

CITY OF ANOKA, MINNESOTA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:							
Received from customers	\$ 34,834,357	\$ 2,229,901	\$ 3,097,588	\$ 1,081,039	\$ 4,477,918	\$ 45,720,803	\$ -
Received from interfund services provided	270,642	-	-	-	-	270,642	2,227,470
Reimbursement from insurance	-	-	-	-	-	-	216,104
Payments to suppliers for goods and service	(25,242,612)	(846,446)	(181,778)	(204,766)	(2,569,105)	(29,044,707)	(2,176,345)
Payments to employees for services	(1,659,674)	(537,046)	(522,053)	(63,800)	(1,550,739)	(4,333,312)	(258,557)
Payments to other funds for franchise fee	(872,779)	-	-	-	-	(872,779)	-
Disposal charges	-	-	(2,012,426)	-	(337,798)	(2,350,224)	-
Deposits charged	55,355	-	-	-	(3,421)	51,934	-
Net cash provided by operating activities	7,385,289	846,409	381,331	812,473	16,855	9,442,357	8,672
Cash flows from noncapital financing activity:							
(Increase)/decrease from other funds	383,625	(1,932,700)	-	-	956,375	(592,700)	252,936
(Increase)/decrease from lease activity	(33,895)	(35,663)	-	-	-	(69,558)	-
Transfer from other funds	-	-	-	-	1,100,000	1,100,000	-
Transfer to other funds	(775,000)	-	-	-	(20,000)	(795,000)	-
Net cash provided by (used in) noncapital financing activities	(425,270)	(1,968,363)	-	-	2,036,375	(357,258)	252,936
Cash flows from capital and related financing activities:							
Acquisition of capital assets	(4,633,500)	(2,192,061)	(387,936)	(743,301)	(2,498,909)	(10,455,707)	(1,026,347)
Principal paid on bonds and leases	-	(230,000)	(40,000)	(155,000)	-	(425,000)	-
Interest and other payments	(52,857)	(270,864)	(56,479)	(132,665)	(5,486)	(518,351)	-
Proceeds from sale of capital assets	2,733	3,276	-	-	624,017	630,026	105,249
Net cash used in (provided by) capital and related financing activities	(4,683,624)	(2,689,649)	(484,415)	(1,030,966)	(1,880,378)	(10,769,032)	(921,098)
Cash flows from investing activities:							
Investment earnings (loss)	391,139	213,259	78,641	70,427	36,365	789,831	68,917

CITY OF ANOKA, MINNESOTA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Storm Drainage	Other Enterprise Funds	Total Enterprise Funds	
Net increase in cash and cash equivalents	2,667,534	(3,598,344)	(24,443)	(148,066)	209,217	(894,102)	(590,573)
Cash and cash equivalents at beginning of year	1,263,336	6,189,296	2,369,595	2,104,104	1,187,119	13,113,450	2,500,327
Cash and cash equivalents at end of year	<u>\$ 3,930,870</u>	<u>\$ 2,590,952</u>	<u>\$ 2,345,152</u>	<u>\$ 1,956,038</u>	<u>\$ 1,396,336</u>	<u>\$ 12,219,348</u>	<u>\$ 1,909,754</u>
Reconciliation of operating income (loss) to net cash provided by operating activities							
Operating income (loss)	<u>\$ 4,591,770</u>	<u>\$ 457,569</u>	<u>\$ 134,368</u>	<u>\$ 457,118</u>	<u>\$ (153,662)</u>	<u>\$ 5,487,163</u>	<u>\$ (509,351)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities							
Depreciation	2,096,266	557,791	291,064	226,619	190,285	3,362,025	295,621
Pension Revenue	48,226	6,182	6,182	-	20,510	81,100	-
Other income	835,626	164,933	17,600	-	-	1,018,159	58,250
Changes in assets and deferred outflows and liabilities and deferred inflows:							
Accounts receivable	65,084	(482,418)	(9,399)	(65,953)	(9,335)	(502,021)	-
Inventory	(27,744)	-	-	-	(2,081)	(29,825)	7,090
Prepaid items	(19,509)	400	(10,786)	-	768	(29,127)	25,681
Claims payable	-	-	-	-	-	-	(36,208)
Insurance Escrow	-	-	-	-	-	-	177,854
Net pension liability	(598,463)	(113,380)	(117,218)	-	(289,461)	(1,118,522)	-
Deferred outflows - Pensions	220,375	37,826	38,828	-	102,850	399,879	-
Deferred inflows - Pensions	294,135	26,355	25,168	-	114,281	459,939	-
Accounts payable	(248,047)	169,784	(122)	194,689	30,646	146,950	(76,498)
Accrued wages payable	12,572	4,480	(1,346)	-	5,003	20,709	715
Compensated absences payable	16,983	(5,225)	6,992	-	10,472	29,222	65,518
Deposits	55,355	-	-	-	(3,421)	51,934	-
Unearned revenues	42,660	22,112	-	-	-	64,772	-
Total adjustments	<u>2,793,519</u>	<u>388,840</u>	<u>246,963</u>	<u>355,355</u>	<u>170,517</u>	<u>3,955,194</u>	<u>518,023</u>
Net cash provided by operating activities	<u>\$ 7,385,289</u>	<u>\$ 846,409</u>	<u>\$ 381,331</u>	<u>\$ 812,473</u>	<u>\$ 16,855</u>	<u>\$ 9,442,357</u>	<u>\$ 8,672</u>

CITY OF ANOKA, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
DECEMBER 31, 2024

Assets	
Cash and investments	\$ 80,235
Accounts receivable	5,646
Accrued interest receivable	<u>63</u>
 Total assets	 <u><u>\$ 85,944</u></u>
Liabilities	
Liabilities:	
Accounts payable	<u>\$ -</u>
Net Position	
Restricted for:	
Downtown District	<u>85,944</u>
 Total net position	 <u>85,944</u>
 Total liabilities and net position	 <u><u>\$ 85,944</u></u>

CITY OF ANOKA, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Additions	
Donations and contributions	\$ 70,929
Investment income	1,760
Increase in fair value of investments	<u>454</u>
 Total additions	 <u>73,143</u>
Deductions	
Professional services	64,970
Contractual services	<u>32</u>
 Total deductions	 <u>65,002</u>
 Net increase in fiduciary net position	 <u>8,141</u>
 Net position - beginning of year	 <u>77,803</u>
 Net position - ending of year	 <u><u>\$ 85,944</u></u>

CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024

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.

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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 percent 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 percent 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 also use the economic resources measurement focus.

“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 are generally 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 receivables 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 Anoka 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. Advances from State aid are recorded as receivable and offset by deferred inflows of resources. The advances are recorded as revenue in the year received.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The City reports the following major governmental funds:

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

Building Capital (Capital Projects Fund) – The Building Capital Improvement Fund was designed for long-term funding of construction and improvements to city buildings and building equipment.

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

Street Renewal Fund (Capital Projects 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 (Capital Projects 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 (Capital Projects 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, 2024**

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, including special assessments; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from 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.

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 excluded from the allocation of interest earnings.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Cash and Cash Equivalents (continued)

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

Property Taxes 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 \$2,479,562. Of this receivable, \$2,344,356 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.

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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Right to Use Assets (continued)

The City has also recorded intangible right to use subscription assets as a result of implementation of GASB 96. The right to use assets are measured at the amount equal to the related liability. The liability is measured at the present value of subscription payments expected to be made during the subscription term. The right to use assets are amortized on a straight-line basis over the subscription period.

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 extend asset 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.

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	5-20
Other Improvements	10-50
Intangible right to use assets	Shorter of the 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 assets that applies to future period(s) and so will not be recognized as an outflow of

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Deferred Outflows of Resources (continued)

resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. Accordingly, the items, deferred pension and other post-employment resources, are reported only in the statement of net position. These items result from actuarial calculations and current-year pension contributions made subsequent to the measurement date.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental fund reports unavailable revenues from three sources: property taxes, special assessments, and intergovernmental. These amounts are deferred and recognized as an inflow or resources in the period that the amounts become available. The City has two additional items which qualify for reporting in this category. The items, deferred pension and other post-employment resources, are reported only in the statements of net position and result from actuarial calculations. The City also recognizes a deferred lease receivable, which is reported under both the modified accrual and full accrual basis.

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 all unused vacation time. City employees are entitled to sick leave benefits at the rate of eight hours for each calendar month of full-time service. Employees with five or more years of service are compensated for one-third of unused sick leave, up to a maximum of 355 hours upon termination of employment. City employees are also compensated for unused holiday, personal, and comp time as allowed by the department contract or City policy. Accumulated qualified 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 an accrual basis.

Pensions and Other Post-Employment Benefits (OPEB)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates, and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The measurement of the net OPEB liability, deferred outflows/inflows of resources, and OPEB expense are determined through actuarial valuation on a look back basis, where the assets and liabilities are measured as of the prior fiscal year-end but applied to the current fiscal year.

Long-Term Obligations

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

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations – Leases and Subscriptions

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. The City has also entered in arrangements for long-term subscriptions for software-based information technology as qualified under GASB 96 and, therefore, have been recorded at the present value of the total payments during the subscription period.

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.

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	\$ 9,969,528
Right of use leased and SBITA assets	819,847
Infrastructure	91,190,625
Buildings and structures	24,996,858
Machinery, vehicles, and equipment	1,288,372
Furniture and equipment	<u>51,181</u>
Net adjustments to increase fund balance – total governmental funds to arrive at net position – governmental activities	<u>\$128,316,411</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

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:

Capital outlay	\$ 2,606,171
Capital outlay, present value of lease and subscription	709,109
Depreciation expense (not including internal service)	(4,277,171)
Amortization expense (not including internal service)	<u>(249,579)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (1,211,470)</u>

Another element of the reconciliation states that "the issuance of long-term debt, leases, and subscriptions provide current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position" The details of this difference are as follows:

Retirement of general obligation bonds	\$ 1,225,000
Principal lease and subscription retirement	254,196
Issuance of new lease and subscription liability	<u>(709,109)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 770,087</u>

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Equity

The following funds have a negative fund balance at December 31, 2024:

1. The State Aid Construction Fund has a negative fund balance of \$2,324,095. This negative fund balance will be eliminated with future transfers for the City portion of Highway 10 construction and related land acquisitions.
2. The Street Renewal Fund has a negative fund balance of \$1,612,074. This negative fund balance will be eliminated with future special assessment collections from street renewal projects.
3. The Commuter Rail Transit Village Tax Increment Fund has a negative fund balance of \$2,229,031. The negative fund balance will be eliminated with future tax increment revenue collections and sales of land held for resale.
4. The Greens of Anoka Tax Increment Fund has a negative fund balance of \$5,500,873. The negative fund balance will be eliminated with future tax increment revenue collections and sales of land held for resale.
5. The South Ferry Tax Increment Fund has a negative fund balance of \$1,209,628. 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, 2024**

4. CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2024, the City implemented Governmental Accounting Standards Board (GASB) Statement No.100, Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62. This statement prescribes the financial reporting for accounting changes and error corrections to include prior period restatement, disclosure in financial statement notes, and required supplementary information. The City has no accounting changes or error corrections in this reporting period but will utilize standards in future reporting periods.

The City also implemented Statement No. 101, Compensated Absences. This Statement amends the previous requirements to disclose gross increases and decreases in the liability, and which governmental funds typically liquidate the liability. The Statement also establishes guidance for measuring a liability for leave not used. This implementation resulted in a larger increase to the liability than in previous reporting periods. The effect on beginning net position was not material and restatement of beginning balances was not necessary.

5. 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 \$80,235 and exclude petty cash of \$3,872.

(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, 2024, 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)	\$ 1,475,545	\$ -	\$ 1,475,545	\$ -
Federal Nat'l. Mtg. Assn. (FNMA)	486,195	-	486,195	-
Treasury Notes	6,941,713	2,968,563	3,943,150	-
Money Market Accounts	14,252,572	14,252,572	-	-
	<u>\$ 23,156,025</u>	<u>\$ 17,221,135</u>	<u>\$ 5,904,890</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, 2024, 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, 2024. U.S. Treasury Notes, Certificates of Deposit, and Money Market Accounts are exempt from rating, however \$13,665,820 of money market balances are held with Minnesota Municipal Money Market Fund (4M Fund) which received a AAAM principal stability fund rating in 2024.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

5. 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, 2024, 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, 2024.

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, 2024, the HRA had the following investments and maturities:

Money Market Accounts - Less than one year - \$1,018,201

(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, 2024:

Money market accounts - \$1,018,201– AAAM from S&P Global Ratings

(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, 2024, 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, 2024.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

6. 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, 2024:

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	\$ 14,252,572	\$ -	\$ 14,252,572	\$ -
US governmental agency obligations	8,903,453	-	8,903,453	-
	<u>\$ 23,156,025</u>	<u>\$ -</u>	<u>\$ 23,156,025</u>	<u>\$ -</u>

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

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

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

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

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

Investments by Fair Value Level

Money market accounts – Significant other observable inputs (Level 2) \$1,018,201

7. INTERFUND ACTIVITY

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 to 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.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

7. INTERFUND ACTIVITY (continued)

The City had the following interfund receivable and payable balances as of December 31, 2024:

Fund	Due From Other Funds	Due To Other Funds	Advance To Other Funds	Advance From Other Funds
General Fund	\$ 252,936	\$ -		\$ 80,000
State Aid Construction	-	4,650,000	-	-
Street Renewal Fund	-	1,850,000	-	-
CRTV Tax Increment	-	-	-	2,820,000
Greens of Anoka Tax Increment	-	4,710,000	-	4,090,000
Non-major governmental funds	224,000	306,700	655,000	1,205,000
Electric Utility	9,360,000	-	8,575,784	-
Water Utility	1,932,700	-	-	-
Internal Service fund	-	252,936	-	-
Non-major business-type funds	-	-		1,035,784
Totals	\$ 11,769,636	\$ 11,769,636	\$ 9,230,784	\$ 9,230,784

Interfund transfers for the year were as follows:

Fund	General Fund	Building Capital	Non-major governmental funds	Non-major business- type funds	Total Out
Non-major governmental funds	\$ -	\$ -	\$ 305,000	\$ 1,100,000	\$ 1,405,000
Electric Utility	700,000	75,000	-	-	775,000
Non-major business-type funds	-	-	20,000	-	20,000
Total In	\$ 700,000	\$ 75,000	\$ 325,000	\$ 1,100,000	\$ 2,200,000

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

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

8. CAPITAL ASSETS

Governmental capital asset activity for the year ended December 31, 2024, 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	7,647,993	1,877,762	61,815	(8,508,822)	955,118
Total capital assets not being depreciated	<u>16,662,403</u>	<u>1,877,762</u>	<u>61,815</u>	<u>(8,508,822)</u>	<u>9,969,528</u>
Capital assets being depreciated or amortized:					
Infrastructure	114,244,418	333,494	-	8,270,343	122,848,255
Building and structures	45,204,364	205,676	-	238,479	45,648,519
Machinery and equipment	10,348,063	1,115,702	39,442	348,750	11,773,073
Furniture and equipment	1,200,306	99,884	4,934	134,233	1,429,489
Leased intangible right to use	773,604	515,724	130,440	-	1,158,888
SBITA intangible right to use	-	193,385	-	-	193,385
Total capital assets being depreciated or amortized	<u>171,770,755</u>	<u>2,463,865</u>	<u>174,816</u>	<u>8,991,805</u>	<u>183,051,609</u>
Less accumulated depreciation or amortization for:					
Infrastructure	28,793,941	2,863,689	-	-	31,657,630
Building and structures	19,447,834	1,203,827	-	-	20,651,661
Machinery and equipment	7,847,510	439,246	39,442	348,750	8,596,064
Furniture and equipment	1,018,856	66,031	4,934	134,233	1,214,186
Leased intangible right to use	413,287	223,794	130,440	-	506,641
SBITA intangible right to use	-	25,785	-	-	25,785
Total accumulated depreciation or amortization	<u>57,521,428</u>	<u>4,822,372</u>	<u>174,816</u>	<u>482,983</u>	<u>62,651,967</u>
Total capital assets being depreciated or amortized, net	<u>114,249,327</u>	<u>(2,358,507)</u>	<u>-</u>	<u>8,508,822</u>	<u>120,399,642</u>
Governmental activities capital assets, net	<u>\$ 130,911,730</u>	<u>\$ (480,745)</u>	<u>\$ 61,815</u>	<u>\$ -</u>	<u>\$ 130,369,170</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

8. CAPITAL ASSETS (Continued)

Business-type capital asset activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Land and improvements	\$ 2,176,477	\$ 1,949,442	\$ 15,082	\$ -	\$ 4,110,837
Construction in progress	4,955,642	2,214,580	-	(6,500,770)	669,452
Total capital assets not being depreciated	<u>7,132,119</u>	<u>4,164,022</u>	<u>15,082</u>	<u>(6,500,770)</u>	<u>4,780,289</u>
Capital assets being depreciated or amortized:					
Infrastructure	98,049,906	5,756,957	50,869	442,096	104,198,090
Building and structures	5,465,588	353,299	828,327	6,058,674	11,049,234
Machinery and equipment	8,040,717	175,698	131,564	-	8,084,851
Furniture and equipment	1,039,016	5,730	139,276	-	905,470
Other improvements	2,726,073	-	-	-	2,726,073
Total capital assets being depreciated or amortized	<u>115,321,300</u>	<u>6,291,684</u>	<u>1,150,036</u>	<u>6,500,770</u>	<u>126,963,718</u>
Less accumulated depreciation or amortization for:					
Infrastructure	46,064,075	2,827,174	50,872	-	48,840,377
Building and structures	4,201,464	92,480	797,472	-	3,496,472
Machinery and equipment	5,994,280	374,265	130,147	-	6,238,398
Furniture and equipment	1,036,616	693	139,275	-	898,034
Other improvements	2,175,474	67,413	-	-	2,242,887
Total accumulated depreciation or amortization	<u>59,471,909</u>	<u>3,362,025</u>	<u>1,117,766</u>	<u>-</u>	<u>61,716,168</u>
Total capital assets being depreciated, net	<u>55,849,391</u>	<u>2,929,659</u>	<u>32,270</u>	<u>6,500,770</u>	<u>65,247,550</u>
Business-type activities capital assets, net	<u>\$ 62,981,510</u>	<u>\$ 7,093,681</u>	<u>\$ 47,352</u>	<u>\$ -</u>	<u>\$ 70,027,839</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

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	\$ 954,859
Public Safety	585,398
Public Works (including street and highway depreciation)	2,240,902
Parks and Recreation	1,041,213
Total depreciation/amortization of expense - Governmental activities	\$ 4,822,372
Business-type activities:	
Electric	\$ 2,096,266
Water	557,791
Sewer	291,064
Storm Drainage	226,619
Liquor	8,727
Golf	181,558
Total depreciation of expense - Business-type activities	\$ 3,362,025

9. RISK MANAGEMENT

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

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

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

Changes in the balances of claims liabilities in the Insurance Fund during 2023 and 2024 were as follows:

	2023	2024
Unpaid claims at beginning of year	\$ 51,535	\$ 45,000
Current-year claims	258,121	306,157
Claim payments	(264,656)	(342,366)
Balance at end of year	\$ 45,000	\$ 8,791

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

10. 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 and 2023 issues of general obligation bonds are paid from utility revenues and are 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.

Temporary abatement bonds – The bonds were issued for acquisition and demolition of an industrial warehouse facility for redevelopment. The City anticipates selling the land for private development and will refinance the bonds for up to one more temporary period if the land has not sold upon maturation. Any bonds will be reduced by sale proceeds received. The principal will be paid with tax abatement revenues and interest will be paid with ad valorem property taxes.

Bonds payable at December 31, 2024, 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%	\$ 595,000
G.O. Tax increment crossover refunding	2033	3.00-4.00%	4,105,000
G.O. Road improvement bonds	2041	2.00-4.00%	4,130,000
G.O. Capital improvement bonds	2042	1.00-2.00%	5,495,000
G.O. Capital improvement bonds	2043	2.00-4.00%	3,715,000
G.O. Taxable temp abatement bonds	2026	5.05%	10,765,000
G.O. Road improvement bonds	2039	3.00-4.00%	3,085,000
Business-type activities:			
General obligation bonds:			
Utility storm water bonds	2041	2.00-4.00%	1,530,000
Utility water bonds	2041	2.00-4.00%	500,000
Utility sewer bonds	2041	2.00-4.00%	870,000
Utility storm water bonds	2043	3.00-4.00%	1,460,000
Utility water bonds	2043	3.00-4.00%	995,000
Utility sewer bonds	2043	3.00-4.00%	785,000
General obligation revenue bonds			
Utility storm water revenue bonds	2036	2.00-3.00%	1,115,000
Utility water revenue bonds	2043	3.00-4.00%	5,795,000
			<u>\$ 44,940,000</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

10. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (continued)

The scheduled annual principal and interest payments on the City's bonded indebtedness as of December 31, 2024, are the following:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total
	Principal	Interest	Principal	Interest	
2025	\$ 1,475,000	\$ 1,125,931	\$ 605,000	\$ 424,198	\$ 3,630,129
2026	12,230,000	805,215	620,000	401,398	14,056,613
2027	1,360,000	488,874	645,000	377,898	2,871,772
2028	1,510,000	444,299	680,000	352,923	2,987,222
2029	1,385,000	397,799	695,000	326,873	2,804,672
2030-2034	6,470,000	1,394,482	3,830,000	1,265,488	12,959,970
2035-2039	4,895,000	696,637	4,115,000	670,118	10,376,755
2040-2043	2,565,000	125,831	1,860,000	133,059	4,683,890
	<u>\$ 31,890,000</u>	<u>\$ 5,479,068</u>	<u>\$ 13,050,000</u>	<u>\$ 3,951,955</u>	<u>\$ 54,371,023</u>

The City has pledged future water, sewer, and storm water customer revenues, net of specified operating expense, to repay general obligation revenue bonds issue 2016B and 2022B and portions of 2020A and 2023A general obligation public improvement bonds. Proceeds from the bonds provided for financing for the construction of capital assets used in water, wastewater, and storm drain 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 \$17,001,952. Total principal and interest paid, and total revenues pledged for the repayment of these bonds for the current year are \$832,046 and \$1,368,969 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.

Governmental Loan – The loan with the Met Council is for purchasing property or right of way in advance of reconstruction. The remainder due on this loan is due when any remaining land is sold after project completion. The balance is \$1,124,112 and there are no scheduled payments and there is no interest charged.

Software-Based Information Technology Agreements (SBITA) - The City has entered into an agreement for a long-term subscription for certain software-based information technology. This agreement qualifies under GASB 96 and, therefore, has been recorded at the present value of the future minimum monthly subscription payments as of the date of inception.

Details of the agreement are as follows:

Body worn camera software - matures April 2029, interest rate 3.15 percent, balance at December 31, 2024 is \$167,600.

Body worn camera software – Agreement dated May 1st 2024, in the original principal amount of \$193,385, due in monthly installments of \$3,461, including imputed interest at 3.15 percent, through April 2029.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

10. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (continued)

Lease Agreements - 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.

Leases payable at December 31, 2024, are summarized as follows:

	Maturities	Rate	Balance
Copier Lease	Aug-25	3.15%	\$ 72,912
Body worn cameras	Apr-29	3.15	130,532
Fleet cameras	Apr-29	3.15	147,920
Police Fleet:			
23GQN5	Aug-25	3.6	4,014
23GQMR	May-25	4.3	2,588
23GQMK	Jun-25	4.3	3,125
23GQMB	Jun-25	4.3	3,103
23GQM4	May-25	4.3	2,568
23GQN9	Aug-25	3.6	4,327
27258N	Sep-25	8.04	37,038
272RJX	Sep-25	8.35	37,114
272RMF	Sep-25	8.35	36,860
27JV83	Sep-27	6.92	32,149
266FC4	Jan-28	7.68	33,889
27K8KM	Sep-29	6.92	35,160
27K8KJ	Jun-29	8.19	33,026
27K8LD	Aug-29	7.6	37,001
			\$653,326

The scheduled annual principal and interest payments of the City's leases payable as of December 31, 2024, are the following:

	Principal	Interest	Total
2025	\$ 185,545	\$ 25,135	\$ 210,680
2026	166,670	24,038	190,708
2027	155,138	22,614	177,752
2028	110,047	16,935	126,982
2029	35,926	5,287	41,213
	\$ 653,326	\$ 94,009	\$ 747,335

Details of the leases are as follows:

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 percent, through August 2027.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

10. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (continued)

Body Worn Cameras - Lease agreement dated May 1st 2024, in the original principal amount of \$150,613, due in monthly installments of \$2,696, including imputed interest at 3.15%, through April 2029.

Fleet Cameras - Lease agreement dated May 1st, 2024, in the original principal amount of \$170,677, due in monthly installments of \$3,055, including imputed interest at 3.15 percent, through April 2029.

Police Vehicles:

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 percent, 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 percent, 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 percent, through June 2025.

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 percent, 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 percent, 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 percent, through August 2025.

122 - 27258N - Lease agreement dated October 1, 2023, in the original principal amount of \$49,934. due in monthly installments of \$1,046, including interest of 8.04 percent, through September 2028.

123 - 272RJK - Lease agreement dated October 1, 2023, in the original principal amount of \$49,658. due in monthly installments of \$1,056, including interest of 8.35 percent, through September 2028.

124- 272RMX - Lease agreement dated October 1, 2023, in the original principal amount of \$49,319. due in monthly installments of \$1,049, including interest of 8.35 percent, through September 2028.

125 - 27JV83 - Lease agreement dated October 1, 2024, in the original principal amount of \$35,374, due in monthly installments of \$1,135, including interest of 6.92 percent through September 2027.

126 - 266FC4 - Lease agreement dated February 1, 2024, in the original principal amount of \$44,370, due in monthly installments of \$1,091, including interest of 7.68 percent, through January 2028.

127 - 27K8KM - Lease agreement dated October 1, 2024, in the original principal amount of \$37,290. due in monthly installments of \$762, including interest of 6.92 percent, through September 2029.

128 - 27K8KJ - Lease agreement dated July 1, 2024, in the original principal amount of \$37,139. due in monthly installments of \$782, including interest of 8.19 percent, through June 2029.

129 - 27K8LD - Lease agreement dated September 1, 2024, in the original principal amount of \$40,261. due in monthly installments of \$832, including interest of 7.6 percent, through August 2029.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

10. LONG-TERM DEBT

A. City of Anoka

Descriptions of Long-Term Debt (continued)

Changes in long-term liabilities during 2024 are summarized as follows:

	1/01/2024	Issued	Retired	12/31/2024	Due in One Year
Governmental activities:					
General obligation bonds	\$ 33,115,000	\$ -	\$ 1,225,000	\$ 31,890,000	\$ 1,475,000
Premium on bonds	847,126	-	59,126	788,000	59,125
Other liabilities					
GERF pension liability	2,558,141	367,773	1,346,243	1,579,671	-
PEPFF pension liability	4,439,782	1,056,811	2,242,946	3,253,647	-
Compensated absences	1,120,190	65,518	-	1,185,708	30,000
OPEB	916,171	132,043	53,106	995,108	49,796
Lease Payable	366,015	515,724	228,413	653,326	187,542
SBITA Payable	-	193,385	25,785	167,600	41,535
Met Council loan	1,124,112	-	-	1,124,112	-
Total governmental activities	44,486,537	2,331,254	5,180,619	41,637,172	1,842,998
Business-type activities:					
Revenue bonds	7,200,000	-	290,000	6,910,000	300,000
General obligation bonds	6,275,000	-	135,000	6,140,000	305,000
Premium on bonds	538,648	-	31,582	507,066	31,583
Other liabilities:					
GERF pension liability	2,881,211	395,651	1,514,173	1,762,689	-
Compensated absences	466,391	29,222	-	495,613	78,000
Total business-type activities	17,361,250	424,873	1,970,755	15,815,368	714,583
Total long-term debt	\$ 61,847,787	\$ 2,756,127	\$ 7,151,374	\$ 57,452,540	\$ 2,557,581

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 and SBITA are liquidated from the General Fund and Police Special Revenue Fund. The Met Council loan is payable with the sale of land held for resale when the State of Minnesota completes reconstruction of Highway 10.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

10. LONG-TERM DEBT

B. Component Unit - HRA

Descriptions of Long-Term Debt (continued)

Changes in long-term liabilities during 2024 are summarized as follows:

	1/01/2024	Issued	Retired	12/31/2024	Due in One Year
General obligation bonds	\$ 1,640,000	\$ -	\$ 60,000	\$ 1,580,000	\$ 60,000
Premium on bonds	6,174	-	383	5,791	-
Compensated absences	787	1,573	-	2,360	-
GERF pension liability	79,843	10,885	42,287	48,441	-
Total long-term debt	<u>\$ 1,726,804</u>	<u>\$ 12,458</u>	<u>\$ 102,670</u>	<u>\$ 1,636,592</u>	<u>\$ 60,000</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, 2024, are the following:

	Principal	Interest
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
2030-2034	380,000	146,660
2035-2039	450,000	92,953
2040-2043	430,000	25,223
	<u>\$ 1,580,000</u>	<u>\$ 451,676</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.

11. FUND BALANCE

A. Net Investment in Capital Assets

The government-wide statement of net position at December 31, 2024, includes the City's net investment in capital assets, calculated as follows:

	Governmental	Business-Type	HRA
Nondepreciable	\$ 9,969,528	\$ 4,780,289	\$ 237,058
Depreciable, net of accumulated depreciation	119,579,795	65,247,551	713,028
Right to use assets, net of accumulated amortization	819,848	-	-
Less capital/lease related long-term debt outstanding	(23,858,038)	(13,557,066)	-
Unspent bond proceeds	-	476,921	-
	<u>\$ 106,511,133</u>	<u>\$ 56,947,695</u>	<u>\$ 950,086</u>

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

11. FUND BALANCE (Continued)

B. Classifications

At December 31, 2024, a summary of the governmental fund balance classifications is as follows:

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
General Fund:						
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ 4,896,939	\$ 4,896,939
Inventories	15,313	-	-	-	-	15,313
Leases	2,687	-	-	-	-	2,687
Prepaid items	145,946	-	-	-	-	145,946
Total General Fund	163,946	-	-	-	4,896,939	5,060,885
Building Capital	-	442,280	9,161,997	1,162,330	-	10,766,607
State Aid Construction	-	-	-	-	(2,324,095)	(2,324,095)
Street Renewal	-	-	-	-	(1,612,074)	(1,612,074)
Commuter Rail Tax Increment Fund:						
Redevelopment in district	-	-	-	-	(2,809,658)	(2,809,658)
Land held for resale	-	580,627	-	-	-	580,627
Total Commuter Rail Fund	-	580,627	-	-	(2,809,658)	(2,229,031)
Greens of Anoka Tax Increment Fund:						
Redevelopment in district	-	-	-	-	(8,798,236)	(8,798,236)
Land held for resale	-	3,297,363	-	-	-	3,297,363
Total Greens of Anoka Fund	-	3,297,363	-	-	(8,798,236)	(5,500,873)
Non-major Governmental Funds:						
Urban redevelopment	-	-	205,289	-	-	205,289
Food shelves	-	-	5,415	-	-	5,415
Police	37,147	222,117	-	-	-	259,264
Cemetery operations	3,200	-	396,836	-	-	400,036
Parking operations	-	-	56,935	-	-	56,935
Lodging and tourism	-	-	29,611	-	-	29,611
Debt Service	-	1,348,568	-	-	-	1,348,568
Parks	-	197,983	-	-	(140,849)	57,134
Tax increment	-	2,530,016	-	-	(1,209,628)	1,320,388
Total Nonmajor Funds	40,347	4,298,684	694,086	-	(1,350,477)	3,682,640
Total Governmental Fund Balances	\$ 204,293	\$ 8,618,954	\$ 9,856,083	\$ 1,162,330	\$ (11,997,601)	\$ 7,844,059

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

12. OTHER POST-EMPLOYMENT BENEFITS

The City recognizes the cost of post-employment 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 post-employment benefits (OPEB).

A. Plan Description

The City provides post-employment 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 them 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, 2022, for reporting date December 31, 2024, the following employees were covered by the benefit terms:

1. Active employees electing coverage	82
2. Active employees waiving coverage	30
3. Retirees electing medical coverage	7
4. Retirees with only non-medical OPEB coverage	0
Total	119

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 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, 2024, was \$995,108. The total liability was measured as of December 31, 2023, and was determined by an actuarial valuation. The actuarial valuation was based on December 31, 2022, census data provided by the City.

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	3.77%
Inflation Rate	2.50%
Mortality Rate	From the July 1, 2022 PERA General Employees Retirement Plan and Police & Fire Retirement Plan actuarial valuations, mortality rates were based on Pub-2010 mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments
Health care cost trend rate	6.3% for FY2023, gradually decreasing over several decades to an ultimate rate of 3.9% in FY2075 and later years.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

12. OTHER POSTEMPLOYMENT BENEFITS

E. Actuarial Assumptions (continued)

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 40 percent, except for disabled retirees, which are assumed at 100 percent. 15% of future retirees electing coverage are assumed to cover a spouse at retirement. 100 percent of current and future retirees under age 65 are assumed to become Medicare eligible at the later of age 65 or retirement. And are assumed to discontinue coverage upon Medicare eligibility.

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, 2023, measurement date.

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

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

Sensitivity of OPEB Liability at Current Single Discount Rate		
1% decrease in Discount Rate	2.77%	\$ 1,056,824
Current Discount Rate	3.77%	995,108
1% increase in Discount Rate	4.77%	935,125

Sensitivity of OPEB Liability at Current Trend Rate		
1% decrease in Trend Rates	5.30%	\$ 886,583
Current Trend Rates	6.30%	995,108
1% increase in Trend Rates	7.30%	1,122,338

G. Changes to the Total OPEB liability

Changes in the total OPEB liability for the year ended December 31, 2024, are as follows:

Balance at December 31, 2023	\$	916,171
Changes for the year		
Service cost		75,900
Interest		39,132
Difference between expected and actual experience		(1,402)
Changes of assumption		17,011
Benefit payments (implicit subsidy)		(51,704)
Balance at December 31, 2024	\$	995,108

H. OPEB Cost

For the year ended December 31, 2024, the City recognized an actuarially determined OPEB expense of \$127,037.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

12. OTHER POSTEMPLOYMENT BENEFITS

H. OPEB Cost (continued)

As of December 31, 2024, the City of Anoka reported deferred outflows of resources and deferred inflow of resources related to OPEB as follows:

<u>Summary of Deferred Outflows/Inflows</u>	<u>Outflows</u>	<u>Inflows</u>
A. Difference between expected and actual liability	\$ 173,812	\$ 58,978
B. Change of assumptions	62,946	102,362
E. Total	<u>\$ 236,758</u>	<u>\$ 161,340</u>

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>OPEB Expense</u>
2025	\$ 11,596
2026	10,148
2027	11,626
2028	10,013
2029	12,880
Thereafter	19,155
	<u>\$ 75,418</u>

13. 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). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

(a) General Employees Retirement Plan (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

(b) Public Employees Police and Fire Plan (Police and Fire Plan)

Membership in the Police & Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police & Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS (Continued)

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. When a member is “vested,” they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

(a) General Employees Plan Benefits

General Employees Plan requires three years of service to vest. 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 General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

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. The 2024 annual increase was 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 prorated increase.

(b) Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increases by 10 percent each full year of service until members are 100 percent vested after ten years. Police and Fire Plan members receive 3 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

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 prorated increase.

C. Contributions

Minnesota Statutes chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS

C. Contributions (continued)

(a) General Employees Fund Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the City of Anoka was required to contribute 7.50 percent for General 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, 2024, were as follows:

City of Anoka	\$ 590,643
Component Unit - Housing and Redevelopment Authority (HRA)	<u>8,569</u>
Total contributions to General Employees Plan	\$ 599,912

(b) Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 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 Fund for the year ended December 31, 2024, were \$618,234.

D. Pension Costs

(a) General Employees Fund Pension Costs

At December 31, 2024, the City of Anoka reported a liability for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka totaled \$87,679.

City of Anoka proportionate share of the net pension liability	\$3,342,358
Component Unit - Housing and Redevelopment Authority (HRA) share	<u>48,441</u>
Total proportionate share of General Employees Plan liability	\$3,390,799
State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka	<u>87,679</u>
Total	<u>\$3,478,478</u>

The net pension liability was measured as of June 30, 2024, 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, 2023, through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City of Anoka proportionate share was .0917 percent at the end of the measurement period and .0987 percent for the beginning of the period.

There were no benefit provision changes during the measurement period.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

(a) General Employees Fund Pension Costs (continued)

For the year ended December 31, 2024, 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	\$ 170,876
Component Unit - Housing and Redevelopment Authority (HRA)	<u>2,479</u>
Total General Employees Plan recognized pension expense	\$ 173,355

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	\$ 2,317
Component Unit - Housing and Redevelopment Authority (HRA)	<u>34</u>
Total additional expense (and revenue) for proportionate share of contribution	\$ 2,351

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized as shown below for the year ended December 31, 2024 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 General Employees Fund.

City of Anoka share of State of Minnesota contribution	\$ (153,777)
Component Unit - Housing and Redevelopment Authority (HRA)	<u>(2,231)</u>
Total additional expense (and revenue) for proportionate share of contribution	\$ (156,008)

At December 31, 2024, the City of Anoka reported proportionate share of the General Employee Fund'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		
	City of Anoka	Anoka HRA	Total	City of Anoka	Anoka HRA	Total
Differences between expected and actual economic experience	\$ 322,192	\$ 4,665	\$ 326,857	\$ -	\$ -	\$ -
Changes in actuarial assumptions	17,560	255	17,815	1,335,353	19,336	1,354,689
Net difference between projected and actual investment earnings	-	-	-	938,621	13,617	952,238
Changes in proportion	29,467	427	29,894	288,575	4,186	292,761
Contributions paid to PERA subsequent to the measurement	299,564	4,346	303,910	-	-	-
Total	\$ 668,783	\$ 9,693	\$ 678,476	\$ 2,562,549	\$ 37,139	\$ 2,599,688

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

(a) General Employees Fund Pension Costs (continued)

The \$299,564 and \$4,346 reported as deferred outflows of resources related to pensions resulting from City of Anoka and Anoka Housing and Rehabilitation Authority (HRA) contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. 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		
	City of Anoka	Anoka HRA	Total
2025	\$ (1,154,079)	\$ (16,743)	\$ (1,170,822)
2026	(269,010)	(3,903)	(272,913)
2027	(514,047)	(7,458)	(521,505)
2028	(256,167)	(3,716)	(259,883)
Total	<u>\$ (2,193,303)</u>	<u>\$ (31,820)</u>	<u>\$ (2,225,123)</u>

(b) Police and Fire Fund Pension Costs

At December 31, 2024, the City of Anoka reported a liability of \$3,253,649 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City of Anoka proportionate share was .02473 percent at the end of the measurement period and .02571 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka totaled \$124,028.

City of Anoka proportionate share of the net pension liability	\$3,253,649
State of Minnesota's proportionate share of the net pension liability associated with the City of Anoka	<u>124,028</u>
Total	<u>\$3,377,677</u>

For the year ended December 31, 2024, the City of Anoka recognized pension expense of \$402,712 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$13,873 as grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund special funding situation.

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 \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$70,229 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS

D. Pension Costs

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

There were no benefit provision changes during the measurement period.

At December 31, 2024, the City of Anoka reported proportionate share of the Police and Fire Fund'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	\$ 1,300,141	\$ -
Changes in actuarial assumptions	3,686,516	4,980,566
Net difference between projected and actual investment earnings	-	1,033,329
Changes in proportion	33,604	165,430
Contributions paid to PERA subsequent to the measurement date	325,720	-
Total	\$ 5,345,981	\$ 6,179,325

The \$325,720 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, 2025. 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
2025	\$ (187,127)
2026	833,115
2027	(520,522)
2028	(1,331,336)
2029	46,806
Total	\$ (1,159,064)

The aggregate pension expense (and revenue) recognized for the year ended December 31, 2024, for the City's proportionate share of both plans pension expenses is as follows:

City of Anoka General Employees Fund	\$ 19,416
Component Unit (HRA) General Employees Fund	282
City of Anoka Police and Fire Fund	346,356
Total recognized pension expense for proportionate Share of General Employee and Police and Fire Funds	\$ 366,054

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS (Continued)

E. Long-Term Expected Return on Investment

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

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

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7 percent. The 7 percent assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7 percent is within that range.

- Inflation is assumed to be 2.25 percent for the General Employees Plan and Police & Fire Plan
- Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and 1 percent for the Police & Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3 percent after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 11.75 percent after one year of service to 3 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 & 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 General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police & Fire Plan was reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

General Employees Fund

Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

13. DEFINED BENEFIT PENSION PLANS

F. Actuarial Methods and Assumptions (continued)

- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions:

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

Police and Fire Fund

Changes in Plan Provisions:

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.0 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 position of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

The following presents the City of Anoka's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City'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	6.00%	\$7,300,147	\$105,907	6.00%	\$7,689,008
Current Discount Rate	7.00%	3,342,358	48,441	7.00%	3,253,649
1% Higher	8.00%	86,631	1,257	8.00%	(388,709)

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, 2024**

13. DEFINED BENEFIT PENSION PLANS (Continued)

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

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 and 356, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City of Anoka during fiscal year 2024 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer	Employee	Employer	Rate
\$1,600	\$1,600	5%	5%	5%

14. 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, 2024, the City had no active tax abatement agreements.

15. LEASES RECEIVABLE

The City, as a lessor, has entered into 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 \$112,047 for governmental funds and \$217,542 for business-type funds. This total includes \$77,455 of variable payments for the governmental lease not previously included in the measurement of the lease receivable.

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 1/12th of the previous year's tenant area maintenance expenses, 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 percent.

Water Tower lease #1: 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 percent. 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 percent.

CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024

15. LEASES RECEIVABLE (Continued)

Water Tower lease #2: 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 percent. 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 percent.

Water Tower lease #4: 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 percent 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 percent.

Water Tower lease #5: 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 percent 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 percent.

Electric Tower lease #6, 7 & 8: 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 \$21,824 plus an annual 3 percent increase through December 31, 2028, when the term will be extended for 60 months at the same annual rate increase. This lease site has two subleases, #6 and #8. Under sublease #6 the vendor pays the City an additional \$2554 per month. Through mutual agreement, sublease #6 will be removed in 2025. Under sublease #8 the vendor pays the City an additional \$267 per month. Both subleases follow the same terms, including the 3 percent 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 percent.

Electric Tower lease #9, 14 & 15: 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 percent increase per year through December 31, 2025, when the term will be extended for 72 months. This lease site has two subleases, #14 and #15. Under sublease #14 the vendor pays the City an additional \$2,216 per year with an annual 3 percent escalation October 1st. Under sublease #15 the vendor pays the City an additional \$578 per year with an annual escalation August 1st. 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 percent.

Electric Tower lease #12: The City leases approximately 600 land space in connection with the provisions of wireless communication including reception and transmission of communication signals and construction, maintenance and operation of related facilities. Under the lease the vendor pays the City \$31,85 plus an annual 3 percent increase per year through September 30, 2029, when the term will be extended for 60 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 percent.

Water Tower lease #13: The City leases approximately 150 square feet of real property and a portion of the water tower structure at a height of 144 feet above ground level for telecommunications equipment. Under the lease the vendor pays the City \$36,000 (prorated to one month at \$3,000 in 2024) plus an annual 3 percent increase per year through December 30, 2028, when the term will be extended for 60 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 percent.

**CITY OF ANOKA, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED DECEMBER 31, 2024**

15. LEASES RECEIVABLE (Continued)

As of December 31, 2024, 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%	\$ 34,592	\$ 77,455	\$ 35,292
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%	\$ 29,607	-	\$ 172,638
Water tower	01/01/2021	3.15%	30,283	-	162,238
Water tower	01/01/2018	3.15%	27,167	-	178,657
Water tower	08/01/2014	3.15%	51,806	-	652,657
Water tower	12/01/2024	3.15%	2,957	-	674,140
Electric tower	01/01/2019	3.15%	68,134	-	500,575
Electric tower	01/01/2020	3.15%	27,955	-	167,957
Electric tower	08/01/2014	3.15%	49,595	-	622,438
Total business type			287,504	-	3,131,300
Total lease receivables			\$ 322,096	\$ 77,455	\$ 3,166,592

16. 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, 2060.

17. CONTINGENT LIABILITIES

There is one ongoing pending litigation in which the City is involved. As part of a settlement agreement, the City was required to set aside \$175,000 for possible claims against the City. To date there have been no claims filed, and the possible exposure to the city will range from zero up to \$175,000. The distribution period will end October 19, 2025.

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, 2024**

18. SUBSEQUENT EVENTS

- On February 18, 2025 the City Council authorized the plans and specifications for the 2025 Street Surface Improvement Project and adopted the assessment roll for said project. This project has a total 2025 budget of \$2,200,000 and will be funded with Minnesota State Aid, and special assessments.
- On February 18, 2025 the City Council approved a land use amendment to the 2040 Comprehensive Plan, which implemented the Anoka Station Area Master Plan Update.
- On March 3, 2025 the City Council authorized plans and specifications for the Anoka Dispensary and authorized the procurement process for a construction management agency and architect.
- On March 17, 2025 the City Council approved a construction management agency agreement and authorized the advertisement for bid for the Anoka Dispensary.
- On April 7 2025, the City Council approved the site plan and variance, and approved plans and set a bid date for the Anoka Dispensary. This project has an estimated cost of \$2,450,000 and will be funded by GO Revenue bonds to be issued in the Fall of 2025.

**CITY OF ANOKA, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF CONTRIBUTIONS (LAST TEN YEARS*)**

Fiscal Year Ending	Contributions required by contracts	Contributions in Relation to the Contributions required by contracts	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered Payroll
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	44,256	44,256	-	10,075,414	0.44%
December 31, 2024	51,704	51,704	-	10,438,887	0.50%
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	\$ 84,166	\$ 75,900			
Interest	20,309	20,233	24,150	20,275	15,273	15,247	39,132			
Difference between expected and actual experience	-	(21,360)	-	(99,436)	(1,318)	229,610	(1,402)			
Changes in assumptions	14,447	5,504	22,023	62,193	6,822	(135,224)	17,011			
Benefit payments	(21,162)	(23,996)	(34,112)	(37,091)	(35,587)	(44,256)	(51,704)			
Net change	71,522	46,421	76,424	21,687	64,882	149,543	78,937			
Total - beginning	485,692	557,214	603,635	680,059	701,746	766,628	916,171			
Total - ending	\$ 557,214	\$ 603,635	\$ 680,059	\$ 701,746	\$ 766,628	\$ 916,171	\$ 995,108			
OPEB-eligible payroll for the measurement period	\$ 8,300,130	\$ 8,020,865	\$ 8,851,743	\$ 9,002,190	\$ 9,209,623	\$ 9,924,657	\$ 10,460,712			
Total OPEB liability as a percentage of covered-employee payroll	6.7%	7.5%	7.7%	7.8%	8.3%	9.2%	9.5%			

* 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, 2023	567,918	567,918	-	7,572,238	7.50%
December 31, 2024	599,212	599,212	-	7,989,487	7.50%

**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	594,683	594,683	-	3,359,791	17.70%
December 31, 2024	618,324	618,324	-	3,493,355	17.70%

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	0.0987%	5,519,193	7,976,065	69.20%	83.10%
December 31, 2024	0.0917%	3,390,799	7,741,152	43.80%	89.08%

* 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, 2023	0.2571%	4,439,783	3,255,282	136%	86.47%
December 31, 2024	0.2473%	3,253,649	3,415,687	95%	90.17

* 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, 2024

	<u>Budgeted Amounts</u>			Variance From
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 8,775,400	\$ 8,775,400	\$ 8,735,060	\$ (40,340)
Franchise fees	975,000	975,000	891,102	(83,898)
Licenses and permits	584,500	584,500	664,684	80,184
Intergovernmental	3,463,684	3,463,684	3,160,054	(303,630)
Charges for current services	815,700	815,700	858,229	42,529
Fines and forfeitures	85,300	85,300	65,440	(19,860)
Investment earnings	80,000	80,000	96,730	16,730
Net increase in fair value of investments	-	-	49,719	49,719
Miscellaneous	247,422	247,422	227,069	(20,353)
Total revenues	<u>15,027,006</u>	<u>15,027,006</u>	<u>14,748,087</u>	<u>(278,919)</u>
Expenditures:				
General government	2,178,624	2,320,124	2,295,765	24,359
Public safety	8,263,487	8,363,487	8,156,585	206,902
Public works	2,304,275	2,067,775	2,016,049	51,726
Parks and recreation	2,859,120	2,859,120	2,985,926	(126,806)
Total expenditures	<u>15,605,506</u>	<u>15,610,506</u>	<u>15,454,325</u>	<u>156,181</u>
Deficiency of revenue under expenditures	<u>(578,500)</u>	<u>(583,500)</u>	<u>(706,238)</u>	<u>(122,738)</u>
Other financing sources (uses):				
Transfer in	700,000	700,000	700,000	-
Transfer out	(121,500)	(121,500)	-	121,500
Lease proceeds, Present value of new lease	-	-	194,434	194,434
Proceeds from sale of asset	-	-	37,427	37,427
Total other financing sources	<u>578,500</u>	<u>578,500</u>	<u>931,861</u>	<u>353,361</u>
Net changes in fund balance	<u>\$ -</u>	<u>\$ (5,000)</u>	225,623	<u>\$ 230,623</u>
Fund balance at beginning of year			<u>4,835,262</u>	
Fund balance at end of year			<u>\$ 5,060,885</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, 2024

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

2024 Changes

Changes in Actuarial Assumptions

The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023):

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

Police and Fire Fund

2024 Changes

Changes in Actuarial Assumptions

There were no changes in actuarial assumptions in the Police and Fire fund for 2024.

Changes in Plan Provision

The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.

The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

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 the majority of the revenue to pay membership due 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 - This fund was established to account for funds collected from settled drug forfeiture cases. State statute requires these funds to be used for specific purposes such as police capital or training. This fund also accounts for special grant or aid revenue that has State mandated restrictions for use.

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

DEBT SERVICE FUNDS

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

CAPITAL PROJECT FUNDS

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

Park Funds – These funds are comprised of Park Capital and Park Dedication. These 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 – This decertified 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 – This fund is used to account for the redevelopment of South Ferry Street.

**CITY OF ANOKA, MINNESOTA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	Special Revenue						Total Nonmajor Special Revenue
	Parking	Lodging	Cemetery	Police	Round Up	Urban Redevelopment	
Assets							
Cash and investments	\$ 66,893	\$ 32,005	\$ 394,903	\$ 236,112	\$ 2,505	\$ 104,302	\$ 836,720
Receivables, net:							
Accounts receivable	1,444	1,423	2,620		2,908	38,771	47,166
Accrued interest	52	25	310	15	2	79	483
Advance to other funds	-	-	-	-	-	80,000	80,000
Prepaid items	-	-	3,200	37,147	-	-	40,347
Total assets	<u>\$ 68,389</u>	<u>\$ 33,453</u>	<u>\$ 401,033</u>	<u>\$ 273,274</u>	<u>\$ 5,415</u>	<u>\$ 223,152</u>	<u>\$ 1,004,716</u>
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ 3,159	\$ 3,842	\$ 754	\$ 14,010	\$ -	\$ -	\$ 21,765
Accrued wages payable	1,391	-	243	-	-	-	1,634
Unearned revenue	6,904	-	-	-	-	17,863	24,767
Total liabilities	<u>11,454</u>	<u>3,842</u>	<u>997</u>	<u>14,010</u>	<u>-</u>	<u>17,863</u>	<u>48,166</u>
Fund balance:							
Nonspendable	-	-	3,200	37,147	-	-	40,347
Restricted	-	-	-	222,117	-	-	222,117
Committed	56,935	29,611	396,836	-	5,415	205,289	694,086
Total fund balance	<u>56,935</u>	<u>29,611</u>	<u>400,036</u>	<u>259,264</u>	<u>5,415</u>	<u>205,289</u>	<u>956,550</u>
Total liabilities and fund balance	<u>\$ 68,389</u>	<u>\$ 33,453</u>	<u>\$ 401,033</u>	<u>\$ 273,274</u>	<u>\$ 5,415</u>	<u>\$ 223,152</u>	<u>\$ 1,004,716</u>

**CITY OF ANOKA, MINNESOTA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
DECEMBER 31, 2024**

	Capital Projects						Total Nonmajor Governmental
	Debt Service	Parks	Enterprise Park Tax Increment	HRRD Tax Increment	South Ferry Tax Increment	Total Nonmajor Capital Project	
Assets							
Cash and investments	\$ 1,321,389	\$ 291,000	\$ 897	\$ 1,421	\$ 89	\$ 293,407	\$ 2,451,516
Receivables, net:							
Taxes	36,804	-	-	2,362	-	2,362	39,166
Special assessments	953,148	-	-	-	-	-	953,148
Accounts receivable	-	3,000	790,138	-	-	793,138	840,304
Due from other funds	224,000	-	-	-	-	-	224,000
Accrued interest	-	229	-	-	-	229	712
Advance to other funds	-	-	575,000	-	-	575,000	655,000
Prepaid items	-	-	-	-	-	-	40,347
Land held for resale	-	-	1,531,688	496,756	-	2,028,444	2,028,444
Total assets	<u>\$ 2,535,341</u>	<u>\$ 294,229</u>	<u>\$ 2,897,723</u>	<u>\$ 500,539</u>	<u>\$ 89</u>	<u>\$ 3,692,580</u>	<u>\$ 7,232,637</u>
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ -	\$ 237,095	\$ 54	\$ 54	\$ 17	\$ 237,220	\$ 258,985
Accrued wages payable	-	-	-	-	-	-	1,634
Due to other funds	224,000	-	78,000	-	4,700	82,700	306,700
Unearned revenue	-	-	790,138	-	-	790,138	814,905
Advance from other funds	-	-	-	-	1,205,000	1,205,000	1,205,000
Total liabilities	<u>224,000</u>	<u>237,095</u>	<u>868,192</u>	<u>54</u>	<u>1,209,717</u>	<u>2,315,058</u>	<u>2,587,224</u>
Deferred inflows of resources:							
Unavailable revenue-Property taxes	9,625	-	-	-	-	-	9,625
Unavailable revenue-Special assessment	953,148	-	-	-	-	-	953,148
Total deferred inflows of resources	<u>962,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>962,773</u>
Fund balance:							
Nonspendable	-	-	-	-	-	-	40,347
Restricted	1,348,568	197,983	2,029,531	500,485	-	2,727,999	4,298,684
Committed	-	-	-	-	-	-	694,086
Unassigned	-	(140,849)	-	-	(1,209,628)	(1,350,477)	(1,350,477)
Total fund balance (deficit)	<u>1,348,568</u>	<u>57,134</u>	<u>2,029,531</u>	<u>500,485</u>	<u>(1,209,628)</u>	<u>1,377,522</u>	<u>3,682,640</u>
Total liabilities and fund balance	<u>\$ 2,535,341</u>	<u>\$ 294,229</u>	<u>\$ 2,897,723</u>	<u>\$ 500,539</u>	<u>\$ 89</u>	<u>\$ 3,692,580</u>	<u>\$ 7,232,637</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

Special Revenue

Revenues:	Parking	Lodging	Cemetery	Police	Round Up	Urban Redevelopment	Total Nonmajor Special Revenue
Taxes	\$ -	\$ 899	\$ -	\$ -	\$ -	\$ -	\$ 899
Licenses and permits	48,432	-	-	-	-	-	48,432
Fines and forfeitures	66,851	-	-	2,100	-	-	68,951
Charges for current services	-	-	83,490	-	-	59,640	143,130
Investment income	591	704	9,886	450	156	41,674	53,461
Net in(de)crease in fair value Investments	(38)	168	2,674	118	13	10,826	13,761
Miscellaneous	1,068	7,470	270	-	32,439	-	41,247
Total revenues	<u>116,904</u>	<u>9,241</u>	<u>96,320</u>	<u>2,668</u>	<u>32,608</u>	<u>112,140</u>	<u>369,881</u>
Expenditures:							
Current:							
General government	-	4,560	-	-	-	72,367	76,927
Public safety	70,646	-	-	465,037	32,030	-	567,713
Public works	67,458	-	-	-	-	-	67,458
Parks and recreation	-	-	74,306	-	-	-	74,306
Capital outlay	10,960	-	28,073	12,201	-	-	51,234
Capital outlay, present value new lease	-	-	-	321,290	-	-	321,290
Capital outlay, SBITA	-	-	-	193,385	-	-	193,385
Debt service:							
Principal retirement	-	-	-	68,623	-	-	68,623
Interest and fiscal charges	-	-	-	5,071	-	-	5,071
Total expenditures	<u>149,064</u>	<u>4,560</u>	<u>102,379</u>	<u>1,065,607</u>	<u>32,030</u>	<u>72,367</u>	<u>1,426,007</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,160)</u>	<u>4,681</u>	<u>(6,059)</u>	<u>(1,062,939)</u>	<u>578</u>	<u>39,773</u>	<u>(1,056,126)</u>
Other financing sources (uses):							
Transfer in	185,000	-	-	-	-	-	185,000
Transfer out	-	-	-	-	-	(1,285,000)	(1,285,000)
Lease liability issued	-	-	-	321,290	-	-	321,290
SBITA liability issued	-	-	-	193,385	-	-	193,385
Total other financing sources (uses)	<u>185,000</u>	<u>-</u>	<u>-</u>	<u>514,675</u>	<u>-</u>	<u>(1,285,000)</u>	<u>(585,325)</u>
Net changes in fund balances	<u>152,840</u>	<u>4,681</u>	<u>(6,059)</u>	<u>(548,264)</u>	<u>578</u>	<u>(1,245,227)</u>	<u>(1,641,451)</u>
Fund balances at beginning of year	<u>(95,905)</u>	<u>24,930</u>	<u>406,095</u>	<u>807,528</u>	<u>4,837</u>	<u>1,450,516</u>	<u>2,598,001</u>
Fund balances at end of year	<u>\$ 56,935</u>	<u>\$ 29,611</u>	<u>\$ 400,036</u>	<u>\$ 259,264</u>	<u>\$ 5,415</u>	<u>\$ 205,289</u>	<u>\$ 956,550</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, 2024

	Capital Projects						Total Nonmajor Capital Project	Total Nonmajor Governmental
	Debt Service	Enterprise Park Parks	Enterprise Park Tax Increment	HRRD Tax Increment	South Ferry Tax Increment			
Revenues:								
Taxes	\$ 1,366,853	\$ -	\$ -	\$ 139,008	\$ 28,455	\$ 167,463	\$ 1,535,215	
Special assessments	168,453	-	-	-	-	-	168,453	
Licenses and permits	-	-	-	-	-	-	48,432	
Intergovernmental	-	373,190	-	-	-	373,190	373,190	
Charges for current services	-	-	-	-	-	-	143,130	
Fines and forfeitures	-	-	-	-	-	-	68,951	
Investment income	-	7,483	61,398	-	-	68,881	122,342	
Net increase in fair value of investments	-	4,777	6,998	-	-	11,775	25,536	
Miscellaneous	-	-	-	-	-	-	41,247	
Total revenues	1,535,306	385,450	68,396	139,008	28,455	621,309	2,526,496	
Expenditures:								
Current:								
General government	2,000	-	242	3,686	1,051	4,979	83,906	
Public safety	-	-	-	-	-	-	567,713	
Public works	-	-	-	-	-	-	67,458	
Parks and recreation	-	-	-	-	-	-	74,306	
Capital outlay	-	875,702	-	-	-	875,702	926,936	
Capital outlay, present value new lease	-	-	-	-	-	-	321,290	
Capital outlay, SBITA	-	-	-	-	-	-	193,385	
Debt service:								
Principal retirement	1,225,000	-	-	-	-	-	1,293,623	
Interest and fiscal charges	1,130,830	-	-	-	-	-	1,135,901	
Total expenditures	2,357,830	875,702	242	3,686	1,051	880,681	4,664,518	
Excess (deficiency) of revenues over (under) expenditures	(822,524)	(490,252)	68,154	135,322	27,404	(259,372)	(2,138,022)	
Other financing sources (uses):								
Transfer in	120,000	20,000	-	-	-	20,000	325,000	
Transfer out	-	-	-	(120,000)	-	(120,000)	(1,405,000)	
Lease liability issued	-	-	-	-	-	-	321,290	
SBITA liability issued	-	-	-	-	-	-	193,385	
Total other financing sources (uses)	120,000	20,000	-	(120,000)	-	(100,000)	(565,325)	
Net changes in fund balances	(702,524)	(470,252)	68,154	15,322	27,404	(359,372)	(2,703,347)	
Fund balances (deficits) at beginning of year	2,051,092	527,386	1,961,377	485,163	(1,237,032)	1,736,894	6,385,987	
Fund balances (deficits) at end of year	\$ 1,348,568	\$ 57,134	\$ 2,029,531	\$ 500,485	\$ (1,209,628)	\$ 1,377,522	\$ 3,682,640	

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Positive (Negative)</u>
Urban Redevelopment Fund:				
Revenues:				
Charges for services	\$ 280,000	\$ 280,000	\$ 59,640	\$ (220,360)
Interest income	26,500	26,500	41,674	15,174
Net increase in fair value of investments	-	-	10,826	10,826
Total revenues	<u>306,500</u>	<u>306,500</u>	<u>112,140</u>	<u>(194,360)</u>
Expenditures:				
Personal services	600	600	600	-
Professional services	<u>280,000</u>	<u>280,000</u>	<u>71,767</u>	<u>208,233</u>
Total expenditures	<u>280,600</u>	<u>280,600</u>	<u>72,367</u>	<u>208,233</u>
Excess of revenue over expenditures	<u>\$ 25,900</u>	<u>\$ 25,900</u>	\$ 39,773	<u>\$ 13,873</u>
Other financing sources (uses):				
Transfer in	50,000	50,000	-	(50,000)
Transfer out	<u>(185,000)</u>	<u>(185,000)</u>	<u>(1,285,000)</u>	<u>(1,100,000)</u>
Total other financing sources (uses):	<u>(135,000)</u>	<u>(135,000)</u>	<u>(1,285,000)</u>	<u>(1,150,000)</u>
Net changes in fund balance	<u>\$(109,100)</u>	<u>\$ (109,100)</u>	\$ (1,245,227)	<u>\$ (1,136,127)</u>
Fund balance at beginning of year			<u>1,450,516</u>	
Fund balance at end of year			<u>\$ 205,289</u>	
Round Up:				
Revenues:				
Miscellaneous	\$ 30,000	\$ 30,000	\$ 32,439	\$ 2,439
Interest income	50	50	156	106
Net increase in fair value of investments	-	-	13	13
Total revenues	<u>30,050</u>	<u>30,050</u>	<u>32,608</u>	<u>2,558</u>
Expenditures:				
Professional services	30,050	30,050	32,000	(1,950)
Contractual services	<u>-</u>	<u>-</u>	<u>30</u>	<u>(30)</u>
Total expenditures	<u>30,050</u>	<u>30,050</u>	<u>32,030</u>	<u>(1,980)</u>
Excess of revenue under expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 578	<u>\$ 578</u>
Fund balance at beginning of year			<u>4,837</u>	
Fund balance at end of year			<u>\$ 5,415</u>	

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS CONTINUED
YEAR ENDED DECEMBER 31, 2024

	Original Budget	Final Budget	Actual	Variance From Final Budget Positive (Negative)
Police Special Revenue				
Revenues:				
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 2,100	\$ (2,900)
Interest income	1,500	1,500	450	(1,050)
Net increase in fair value of investments	-	-	118	118
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>2,668</u>	<u>(3,832)</u>
Expenditures:				
Personal services	-	-	354,500	(354,500)
Professional services	6,500	6,500	109,937	(103,437)
Contractual Services	-	-	600	(600)
Capital Outlay	-	-	12,201	(12,201)
Capital Outlay, present value new lease	-	-	321,290	(321,290)
Capital Outlay, presen value new subscriptio	-	-	193,385	(193,385)
Lease/SBITA expense, principal	-	-	68,623	(68,623)
Lease/SBITA expense, interest	-	-	5,071	(5,071)
Total expenditures	<u>6,500</u>	<u>6,500</u>	<u>1,065,607</u>	<u>(1,059,107)</u>
Deficiency of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,062,939)</u>	<u>\$ (1,062,939)</u>
Other financing sources:				
Lease proceeds, present value of lease	-	-	321,290	321,290
SBITA, present value of subscription	-	-	193,385	193,385
Total other financing sources:	-	-	514,675	514,675
Net changes in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (548,264)</u>	<u>\$ (548,264)</u>
Fund balance at beginning of year			<u>807,528</u>	
Fund balance at end of year			<u>\$ 259,264</u>	
Cemetery Fund:				
Revenues:				
Charges for services	\$ 96,000	\$ 96,000	\$ 83,490	\$ (12,510)
Miscellaneous	250	250	270	20
Interest income	10,000	10,000	9,886	(114)
Net increase in fair value of investments	-	-	2,674	2,674
Total revenues	<u>106,250</u>	<u>106,250</u>	<u>96,320</u>	<u>(9,930)</u>

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS CONTINUED
YEAR ENDED DECEMBER 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Positive (Negative)</u>
Cemetery Fund (continued):				
Expenditures:				
Personal services	46,920	46,920	33,247	13,673
Supplies	2,400	2,400	11,412	(9,012)
Professional services	6,800	6,800	14,593	(7,793)
Contractual services	15,000	15,000	15,054	(54)
Capital outlay	175,000	30,000	28,073	1,927
Total expenditures	<u>246,120</u>	<u>101,120</u>	<u>102,379</u>	<u>(1,259)</u>
Deficiency of revenue over expenditures	<u>\$(139,870)</u>	<u>\$ 5,130</u>	\$ (6,059)	<u>\$ (11,189)</u>
Fund balance at beginning of year			<u>406,095</u>	
Fund balance at end of year			<u>\$ 400,036</u>	
Lodging Fund:				
Revenues:				
Taxes	\$ 1,000	\$ 1,000	\$ 899	\$ (101)
Miscellaneous	5,000	5,000	7,470	2,470
Interest income	100	100	704	604
Net increase in fair value of investments	-	-	168	168
Total revenues	<u>6,100</u>	<u>6,100</u>	<u>9,241</u>	<u>3,141</u>
Expenditures:				
Personal services	1,000	1,000	1,000	-
Professional services	5,100	5,100	3,560	1,540
Total expenditures	<u>6,100</u>	<u>6,100</u>	<u>4,560</u>	<u>1,540</u>
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 4,681	<u>\$ 4,681</u>
Fund balance at beginning of year			<u>24,930</u>	
Fund balance at end of year			<u>\$ 29,611</u>	

CITY OF ANOKA, MINNESOTA
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUNDS CONTINUED
YEAR ENDED DECEMBER 31, 2024

	<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	\$ 40,500	\$ 9,000	\$ 48,432	\$ 39,432
Fines and forfeitures	45,000	45,000	66,851	21,851
Miscellaneous	1,300	1,300	1,068	(232)
Interest income	300	300	591	291
Net decrease in fair value of investments	-	-	(38)	(38)
Total revenues	<u>87,100</u>	<u>55,600</u>	<u>116,904</u>	<u>61,304</u>
Expenditures:				
Personal services	72,120	72,120	70,646	1,474
Professional services	44,780	44,780	39,597	5,183
Contractual services	30,000	30,000	27,861	2,139
Capital outlay	<u>120,000</u>	<u>120,000</u>	<u>10,960</u>	<u>109,040</u>
Total expenditures	<u>266,900</u>	<u>266,900</u>	<u>149,064</u>	<u>117,836</u>
Deficiency of revenue under expenditures	<u>\$(179,800)</u>	<u>\$(211,300)</u>	\$ (32,160)	<u>\$ 179,140</u>
Other financing sources:				
Transfer in	<u>185,000</u>	<u>185,000</u>	<u>185,000</u>	<u>-</u>
Total other financing sources:	<u>185,000</u>	<u>185,000</u>	<u>185,000</u>	<u>-</u>
Net changes in fund balance	<u>\$ 5,200</u>	<u>\$ (26,300)</u>	\$ 152,840	<u>\$ 179,140</u>
Fund balance at beginning of year			<u>(95,905)</u>	
Fund balance at end of year			<u>\$ 56,935</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, 2024

	<u>Liquor</u>	<u>Golf</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Assets:				
Current assets:				
Cash and cash equivalents	\$ 645,657	\$ 422,775	\$ 327,904	\$ 1,396,336
Receivables, net:				
Accounts receivable	77	3,016	89,775	92,868
Accrued interest	507	388	258	1,153
Inventory	341,717	59,182	-	400,899
Prepaid items	870	900	-	1,770
Total current assets	<u>988,828</u>	<u>486,261</u>	<u>417,937</u>	<u>1,893,026</u>
Noncurrent assets:				
Land and improvements	296,310	2,994,878	-	3,291,188
Construction in progress	14,740	41,605	-	56,345
Buildings and structures	537,661	762,937	-	1,300,598
Furniture and equipment	79,511	169,564	-	249,075
Machinery and automotive equipment	14,806	1,195,924	-	1,210,730
Other improvements	-	2,726,073	-	2,726,073
Total property	<u>943,028</u>	<u>7,890,981</u>	<u>-</u>	<u>8,834,009</u>
Accumulated depreciation	<u>(450,948)</u>	<u>(3,542,651)</u>	<u>-</u>	<u>(3,993,599)</u>
Net noncurrent assets	<u>492,080</u>	<u>4,348,330</u>	<u>-</u>	<u>4,840,410</u>
Total assets	<u>1,480,908</u>	<u>4,834,591</u>	<u>417,937</u>	<u>6,733,436</u>
Deferred outflows of resources:				
Deferred pension resources	<u>44,482</u>	<u>41,053</u>	<u>3,664</u>	<u>89,199</u>
Total assets and deferred outflows of resources	<u>\$ 1,525,390</u>	<u>\$ 4,875,644</u>	<u>\$ 421,601</u>	<u>\$ 6,822,635</u>
Liabilities:				
Current liabilities:				
Accounts payable	\$ 92,711	\$ 4,836	\$ 220	\$ 97,767
Accrued wages payable	11,994	11,969	941	24,904
Current portion of advance to other funds	-	35,784	-	35,784
Deposits	5,917	88,973	-	94,890
Total current liabilities	<u>110,622</u>	<u>141,562</u>	<u>1,161</u>	<u>253,345</u>
Noncurrent liabilities:				
Compensated absences payable	58,039	94,594	-	152,633
Advance from other funds	-	1,000,000	-	1,000,000
Net pension liability	<u>222,306</u>	<u>205,168</u>	<u>18,311</u>	<u>445,785</u>
Total noncurrent liabilities	<u>280,345</u>	<u>1,299,762</u>	<u>18,311</u>	<u>1,598,418</u>
Total liabilities	<u>390,967</u>	<u>1,441,324</u>	<u>19,472</u>	<u>1,851,763</u>
Deferred inflows of resources:				
Deferred pension resources	<u>170,440</u>	<u>157,300</u>	<u>14,039</u>	<u>341,779</u>
Net position:				
Net investment in capital assets	492,080	4,348,330	-	4,840,410
Unrestricted	471,903	(1,071,310)	388,090	(211,317)
Total net position	<u>963,983</u>	<u>3,277,020</u>	<u>388,090</u>	<u>4,629,093</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,525,390</u>	<u>\$ 4,875,644</u>	<u>\$ 421,601</u>	<u>\$ 6,822,635</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
NONMAJOR PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	<u>Liquor</u>	<u>Golf</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Operating revenues:				
Charges for sales and services:				
Liquor Sales	\$ 2,229,039	\$ -	\$ -	\$ 2,229,039
Golf	-	1,762,639	-	1,762,639
Recycling billings	-	-	406,943	406,943
Intergovernmental	-	-	77,850	77,850
Total operating revenues	<u>2,229,039</u>	<u>1,762,639</u>	<u>484,793</u>	<u>4,476,471</u>
Operating expenses:				
Personal services	589,986	846,850	67,276	1,504,112
Supplies	6,928	180,246	1,400	188,574
Professional services	205,387	187,217	48,572	441,176
Contractual services	8,501	211,911	7,235	227,647
Disposal charges	-	-	337,798	337,798
Cost of goods sold	1,653,358	87,183	-	1,740,541
Depreciation	8,727	181,558	-	190,285
Total operating expenses	<u>2,472,887</u>	<u>1,694,965</u>	<u>462,281</u>	<u>4,630,133</u>
Operating income (and loss)	<u>(243,848)</u>	<u>67,674</u>	<u>22,512</u>	<u>(153,662)</u>
Nonoperating revenues (expenses):				
Interest income	9,162	13,021	7,817	30,000
Interest expense	-	(5,485)	-	(5,485)
Net increase in fair value of investments	1,261	4,043	1,924	7,228
Pension revenue	10,228	9,440	842	20,510
Gain on sale of fixed asset	563,080	13,585	-	576,665
Total nonoperating revenues (loss)	<u>583,731</u>	<u>34,604</u>	<u>10,583</u>	<u>628,918</u>
Income before transfers	339,883	102,278	33,095	475,256
Other transfers:				
Transfer in	-	1,100,000	-	1,100,000
Transfer out	(20,000)	-	-	(20,000)
Total transfers	<u>(20,000)</u>	<u>1,100,000</u>	<u>-</u>	<u>1,080,000</u>
Change in net position	319,883	1,202,278	33,095	1,555,256
Net position - beginning of year	<u>644,100</u>	<u>2,074,742</u>	<u>354,995</u>	<u>3,073,837</u>
Net position - end of year	<u>\$ 963,983</u>	<u>\$ 3,277,020</u>	<u>\$ 388,090</u>	<u>\$ 4,629,093</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	<u>Liquor</u>	<u>Golf</u>	<u>Recycling</u>	<u>Total Nonmajor Proprietary Funds</u>
Cash flows from operating activities:				
Received from customers	\$ 2,228,962	\$ 1,770,473	\$ 478,483	\$ 4,477,918
Received from interfund services provided		-	-	-
Payments to suppliers for goods and services	(1,824,090)	(687,724)	(57,291)	(2,569,105)
Payments to employees for services	(626,230)	(855,235)	(69,274)	(1,550,739)
Disposal charges	-	-	(337,798)	(337,798)
Increase in deposits	(561)	(2,860)	-	(3,421)
Net cash provided by operating activities	<u>(221,919)</u>	<u>224,654</u>	<u>14,120</u>	<u>16,855</u>
Cash flows from noncapital financing activities:				
Cash flow to other funds	-	956,375	-	956,375
Transfer from other funds	-	1,100,000	-	1,100,000
Transfer to other funds	(20,000)	-	-	(20,000)
Net cash used by noncapital financing	<u>(20,000)</u>	<u>2,056,375</u>	<u>-</u>	<u>2,036,375</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(20,470)	(2,478,439)	-	(2,498,909)
Interest paid	-	(5,486)	-	(5,486)
Proceeds from sale of capital assets	609,017	15,000	-	624,017
Net cash provided (used) by capital activity	<u>588,547</u>	<u>(2,468,925)</u>	<u>-</u>	<u>(1,880,378)</u>
Cash flows from investing activities:				
Investment earnings	9,987	16,821	9,557	36,365
Net increase in cash and cash equivalents	356,615	(171,075)	23,677	209,217
Cash and cash equivalents at beginning of year	289,042	593,850	304,227	1,187,119
Cash and cash equivalents at end of year	<u>\$ 645,657</u>	<u>\$ 422,775</u>	<u>\$ 327,904</u>	<u>\$ 1,396,336</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income	\$ (243,848)	\$ 67,674	\$ 22,512	\$ (153,662)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	8,727	181,558	-	190,285
Pension revenue	10,228	9,440	842	20,510
Change in assets and liabilities:				
Accounts receivable	(77)	(1,606)	(7,652)	(9,335)
Inventory	16,907	(18,988)	-	(2,081)
Prepaid items	65	203	500	768
Net pension liability	(162,330)	(115,998)	(11,133)	(289,461)
Deferred outflows	55,986	42,837	4,027	102,850
Deferred inflows	51,427	57,926	4,928	114,281
Accounts payable	33,112	(2,382)	(84)	30,646
Accrued wages payable	2,171	2,652	180	5,003
Compensated absences payable	6,274	4,198	-	10,472
Deposits	(561)	(2,860)	-	(3,421)
Total adjustments	<u>21,929</u>	<u>156,980</u>	<u>(8,392)</u>	<u>170,517</u>
Net cash provided by operating activities	<u>\$ (221,919)</u>	<u>\$ 224,654</u>	<u>\$ 14,120</u>	<u>\$ 16,855</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, 2024

Assets	Information Systems	Insurance	Employee Benefits	Central Garage	Total
Current assets:					
Cash and cash equivalents	\$ 164,316	\$ 390,370	\$ 1,343,513	\$ 11,555	\$ 1,909,754
Accrued interest	129	307	868	80	1,384
Inventory	-	-	-	24,418	24,418
Prepaid items	50,118	164,838	-	-	214,956
Total current assets	<u>214,563</u>	<u>555,515</u>	<u>1,344,381</u>	<u>36,053</u>	<u>2,150,512</u>
Noncurrent assets:					
Capital assets:					
Buildings and structures	50,000	-	-	-	50,000
Furniture and equipment	493,127	-	-	-	493,127
Machinery and automotive equipment	-	-	-	5,424,033	5,424,033
Total property	<u>543,127</u>	<u>-</u>	<u>-</u>	<u>5,424,033</u>	<u>5,967,160</u>
Accumulated depreciation	<u>(379,005)</u>	<u>-</u>	<u>-</u>	<u>(3,535,395)</u>	<u>(3,914,400)</u>
Net noncurrent assets	<u>164,122</u>	<u>-</u>	<u>-</u>	<u>1,888,638</u>	<u>2,052,760</u>
Total assets	<u>\$ 378,685</u>	<u>\$ 555,515</u>	<u>\$ 1,344,381</u>	<u>\$ 1,924,691</u>	<u>\$ 4,203,272</u>
Liabilities and Net Position					
Current liabilities:					
Accounts payable	\$ 435	\$ 227	\$ 1,299	\$ 5,782	\$ 7,743
Accrued wages payable	-	-	-	3,583	3,583
Claims payable	-	8,792	-	-	8,792
Insurance escrow	-	177,854	-	-	177,854
Due to other funds	-	-	252,936	-	252,936
Current portion of compen absences payable	-	-	30,000	-	30,000
Total current liabilities	<u>435</u>	<u>186,873</u>	<u>284,235</u>	<u>9,365</u>	<u>480,908</u>
Noncurrent liabilities:					
Compensated absences payable	-	-	1,125,617	30,091	1,155,708
Total liabilities	<u>435</u>	<u>186,873</u>	<u>1,409,852</u>	<u>39,456</u>	<u>1,636,616</u>
Net position:					
Net investment in capital assets	164,122	-	-	1,888,638	2,052,760
Unrestricted	214,128	368,642	(65,471)	(3,403)	513,896
Total net position (deficit)	<u>378,250</u>	<u>368,642</u>	<u>(65,471)</u>	<u>1,885,235</u>	<u>2,566,656</u>
Total liabilities and net position	<u>\$ 378,685</u>	<u>\$ 555,515</u>	<u>\$ 1,344,381</u>	<u>\$ 1,924,691</u>	<u>\$ 4,203,272</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
INTERNAL SERVICE FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	<u>Information Systems</u>	<u>Insurance</u>	<u>Employee Benefits</u>	<u>Central Garage</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 712,280	\$ 710,190	\$ 85,000	\$ 700,000	\$ 2,207,470
	<u>712,280</u>	<u>710,190</u>	<u>85,000</u>	<u>700,000</u>	<u>2,207,470</u>
Operating expenses:					
Personal services	30,300	14,600	78,601	201,289	324,790
Supplies	3,031	-	-	289,685	292,716
Professional services	592,109	1,039,025	-	32,360	1,663,494
Contractual services	122,275	-	-	17,925	140,200
Depreciation	54,230	-	-	241,391	295,621
Total operating expenses	<u>801,945</u>	<u>1,053,625</u>	<u>78,601</u>	<u>782,650</u>	<u>2,716,821</u>
Operating income (loss)	<u>(89,665)</u>	<u>(343,435)</u>	<u>6,399</u>	<u>(82,650)</u>	<u>(509,351)</u>
Nonoperating revenues:					
Interest income	3,116	12,356	25,497	11,068	52,037
Net increase in fair value of investments	1,679	3,972	6,322	5,677	17,650
Gain on sale of fixed assets	-	-	-	105,249	105,249
Other income	20,000	38,250	-	-	58,250
Total nonoperating revenues	<u>24,795</u>	<u>54,578</u>	<u>31,819</u>	<u>121,994</u>	<u>233,186</u>
Change in net position	(64,870)	(288,857)	38,218	39,344	(276,165)
Net position - beginning of year	<u>443,120</u>	<u>657,499</u>	<u>(103,689)</u>	<u>1,845,891</u>	<u>2,842,821</u>
Net position (deficit) - end of year	<u>\$ 378,250</u>	<u>\$ 368,642</u>	<u>\$ (65,471)</u>	<u>\$ 1,885,235</u>	<u>\$ 2,566,656</u>

CITY OF ANOKA, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024

	<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	\$ 732,280	\$ 710,190	\$ 85,000	\$ 700,000	\$ 2,227,470
Reimbursement from insurance carrier	-	216,104	-	-	216,104
Payments to suppliers for goods and services	(725,954)	(1,104,532)	1,299	(347,158)	(2,176,345)
Payments to employees for services	(30,300)	(14,600)	(17,020)	(196,637)	(258,557)
Net cash provided by (used in) operating activities	<u>(23,974)</u>	<u>(192,838)</u>	<u>69,279</u>	<u>156,205</u>	<u>8,672</u>
Cash flows from noncapital financing activities:					
Cash flow to other funds	-	-	252,936	-	252,936
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(45,334)	-	-	(981,013)	(1,026,347)
Proceeds from sale of capital assets	-	-	-	105,249	105,249
Net cash used in capital and related financing activities	<u>(45,334)</u>	<u>-</u>	<u>-</u>	<u>(875,764)</u>	<u>(921,098)</u>
Cash flows from investing activities:					
Investment earnings	4,724	16,159	31,195	16,839	68,917
Net increase (decrease) in cash and cash equivalents	(64,584)	(176,679)	353,410	(702,720)	(590,573)
Cash and cash equivalents at beginning of year	228,900	567,049	990,103	714,275	2,500,327
Cash and cash equivalents end of year	<u>\$ 164,316</u>	<u>\$ 390,370</u>	<u>\$ 1,343,513</u>	<u>\$ 11,555</u>	<u>\$ 1,909,754</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (89,665)	\$ (343,435)	\$ 6,399	\$ (82,650)	\$ (509,351)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	54,230	-	-	241,391	295,621
Other income	20,000	38,250	-	-	58,250
Change in assets and liabilities:					
Inventory	-	-	-	7,090	7,090
Prepaid expense	3,570	22,111	-	-	25,681
Claims payable	-	(36,208)	-	-	(36,208)
Insurance escrow	-	177,854	-	-	177,854
Accounts payable	(12,109)	(51,410)	1,299	(14,278)	(76,498)
Accrued wages payable	-	-	-	715	715
Compensated absences payable	-	-	61,581	3,937	65,518
Total adjustments	<u>65,691</u>	<u>150,597</u>	<u>62,880</u>	<u>238,855</u>	<u>518,023</u>
Net cash provided by (used in) operating activities	<u>\$ (23,974)</u>	<u>\$ (192,838)</u>	<u>\$ 69,279</u>	<u>\$ 156,205</u>	<u>\$ 8,672</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2024

	Final Budget	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 8,772,400	\$ 8,731,669	\$ (40,731)
Penalties and interest	3,000	3,391	391
Total taxes	<u>8,775,400</u>	<u>8,735,060</u>	<u>(40,340)</u>
Franchise fees	<u>975,000</u>	<u>891,102</u>	<u>(83,898)</u>
Licenses and permits:			
Licenses	162,500	202,566	40,066
Permits	422,000	462,118	40,118
Total licenses and permits	<u>584,500</u>	<u>664,684</u>	<u>80,184</u>
Intergovernmental:			
Local government aid	2,455,066	2,284,604	(170,462)
Federal Grants - ARPA	-	100,395	100,395
State aid maintenance	235,000	249,508	14,508
Police aid	285,000	370,998	85,998
Other	488,618	154,549	(334,069)
Total intergovernmental	<u>3,463,684</u>	<u>3,160,054</u>	<u>(303,630)</u>
Charges for current services:			
Finance	24,100	22,965	(1,135)
Planning and inspection services	153,000	120,460	(32,540)
Police services	172,600	149,446	(23,154)
Public works	3,000	4,197	1,197
Aquatic Center	391,500	424,088	32,588
Senior Center	36,500	34,077	(2,423)
Parks and recreation	35,000	102,996	67,996
Total charges for current services	<u>815,700</u>	<u>858,229</u>	<u>42,529</u>
Fines and forfeitures:			
Court fines	45,000	48,303	3,303
Code violations	40,000	16,214	(23,786)
Other	300	923	623
Total fines and forfeitures	<u>85,300</u>	<u>65,440</u>	<u>(19,860)</u>
Interest earnings	<u>80,000</u>	<u>96,730</u>	<u>16,730</u>
Miscellaneous:			
Other	247,422	227,069	(20,353)
Net increase in fair value of investments	-	49,719	49,719
Total Miscellaneous	<u>247,422</u>	<u>276,788</u>	<u>29,366</u>
Total revenues	<u>15,027,006</u>	<u>14,748,087</u>	<u>(278,919)</u>
Other financing sources:			
Transfers in	700,000	700,000	-
Sale of fixed asset	-	37,427	37,427
Lease proceeds, present value of lease	-	194,434	194,434
Total other financing sources	<u>700,000</u>	<u>931,861</u>	<u>231,861</u>
Total revenues and other financing sources	<u><u>\$ 15,727,006</u></u>	<u><u>\$ 15,679,948</u></u>	<u><u>\$ (47,058)</u></u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED DECEMBER 31, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General government:			
Mayor and council:			
Personal services	\$ 46,800	\$ 46,011	\$ 789
Supplies	100	-	100
Professional services	228,500	242,231	(13,731)
Totals	<u>275,400</u>	<u>288,242</u>	<u>(12,842)</u>
City administration			
Personal services	353,460	374,387	(20,927)
Supplies	2,500	3,012	(512)
Professional services	101,360	96,954	4,406
Contractual services	8,500	9,689	(1,189)
Totals	<u>465,820</u>	<u>484,042</u>	<u>(18,222)</u>
Elections:			
Personal services	42,200	77,790	(35,590)
Supplies	-	603	(603)
Professional services	-	2,952	(2,952)
Contractual services	4,000	2,189	1,811
Totals	<u>46,200</u>	<u>83,534</u>	<u>(37,334)</u>
Finance:			
Personal services	347,360	290,931	56,429
Supplies	2,500	6,569	(4,069)
Professional services	75,300	91,349	(16,049)
Contractual services	2,000	3,580	(1,580)
Totals	<u>427,160</u>	<u>392,429</u>	<u>34,731</u>
Assessing:			
Personal services	176,750	192,929	(16,179)
Supplies	100	418	(318)
Professional services	14,800	13,464	1,336
Contractual services	3,334	3,334	-
Totals	<u>194,984</u>	<u>210,145</u>	<u>(15,161)</u>
Miscellaneous:			
Professional services	31,700	15,088	16,612
Contractual services	71,500	(3,051)	74,551
Lease expense, principal	-	25,783	(25,783)
Lease expense, interest	-	2,868	(2,868)
Totals	<u>103,200</u>	<u>40,688</u>	<u>62,512</u>
Attorney:			
Professional services	280,000	313,317	(33,317)
Totals	<u>\$ 280,000</u>	<u>\$ 313,317</u>	<u>\$ (33,317)</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General government (Continued):			
Planning, Community Development:			
Personal services	\$ 458,640	\$ 353,666	\$ 104,974
Supplies	2,000	1,192	808
Professional services	63,720	128,510	(64,790)
Contractual services	3,000	-	3,000
Totals	<u>527,360</u>	<u>483,368</u>	<u>43,992</u>
Total general government	<u>2,320,124</u>	<u>2,295,765</u>	<u>24,359</u>
Public safety:			
Police department:			
Personal services	4,689,871	4,614,947	74,924
Supplies	223,000	159,499	63,501
Professional services	768,538	643,671	124,867
Contractual services	382,300	173,717	208,583
Capital outlay, present value new lease	-	194,434	(194,434)
Capital outlay	-	23,373	(23,373)
Lease expense, principal	-	159,790	(159,790)
Lease expense, interest	-	16,791	(16,791)
Totals	<u>6,063,709</u>	<u>5,986,222</u>	<u>77,487</u>
High school security, liason, and security:			
Personal services	965,543	700,320	265,223
Supplies	200	128	72
Professional services	75,400	82,133	(6,733)
Contractual services	-	1,966	(1,966)
Totals	<u>1,041,143</u>	<u>784,547</u>	<u>256,596</u>
Fire protection:			
Contractual services	<u>811,544</u>	<u>811,544</u>	<u>-</u>
Emergency services:			
Supplies	500	-	500
Professional services	950	-	950
Contractual services	2,500	2,399	101
Totals	<u>3,950</u>	<u>2,399</u>	<u>1,551</u>
Building Inspections:			
Personal services	96,760	207,883	(111,123)
Supplies	400	84	316
Professional services	337,980	352,281	(14,301)
Contractual services	8,001	11,625	(3,624)
Totals	<u>443,141</u>	<u>571,873</u>	<u>(128,732)</u>
Total public safety	<u>\$ 8,363,487</u>	<u>\$ 8,156,585</u>	<u>\$ 206,902</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public works:			
General government buildings:			
Personal services	\$ 12,620	\$ 12,646	\$ (26)
Supplies	4,700	7,511	(2,811)
Professional services	56,120	52,568	3,552
Contractual services	51,100	75,625	(24,525)
Totals	<u>124,540</u>	<u>148,350</u>	<u>(23,810)</u>
Building maintenance:			
Personal services	80,040	79,895	145
Supplies	9,100	2,466	6,634
Professional services	17,580	15,629	1,951
Contractual services	50,500	30,235	20,265
Totals	<u>157,220</u>	<u>128,225</u>	<u>28,995</u>
Engineering:			
Personal services	62,960	56,971	5,989
Supplies	4,500	1,833	2,667
Professional services	151,100	166,569	(15,469)
Contractual services	2,500	-	2,500
Capital outlay	18,960	-	18,960
Totals	<u>240,020</u>	<u>225,373</u>	<u>14,647</u>
Streets:			
Personal services	737,040	709,694	27,346
Supplies	7,900	7,531	369
Professional services	126,390	143,083	(16,693)
Contractual services	659,165	653,793	5,372
Capital outlay	15,500	-	15,500
Totals	<u>1,545,995</u>	<u>1,514,101</u>	<u>31,894</u>
Total public works	<u>2,067,775</u>	<u>2,016,049</u>	<u>51,726</u>
Parks and recreation:			
Community programs and event center			
Personal services	85,920	89,438	(3,518)
Supplies	12,000	62,788	(50,788)
Professional services	169,010	190,171	(21,161)
Contractual services	54,000	38,479	15,521
Capital outlay	12,500	13,132	(632)
Totals	<u>333,430</u>	<u>394,008</u>	<u>(60,578)</u>
Recreation			
Personal services	149,970	134,444	15,526
Supplies	23,700	21,591	2,109
Professional services	21,700	27,530	(5,830)
Contractual services	68,000	43,996	24,004
Interest expense	-	2,688	(2,688)
Totals	<u>\$ 263,370</u>	<u>\$ 230,249</u>	<u>\$ 33,121</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Parks and recreation (Continued):			
Aquatic center:			
Personal services	\$ 353,570	\$ 393,817	\$ (40,247)
Supplies	87,000	82,064	4,936
Professional services	77,230	72,284	4,946
Contractual services	18,000	25,257	(7,257)
Capital outlay	110,000	94,810	15,190
Totals	<u>645,800</u>	<u>668,232</u>	<u>(22,432)</u>
Senior center:			
Personal services	153,870	144,562	9,308
Supplies	9,500	5,967	3,533
Professional services	58,190	68,753	(10,563)
Contractual services	28,900	13,648	15,252
Totals	<u>250,460</u>	<u>232,930</u>	<u>17,530</u>
Municipal parks:			
Personal services	840,660	888,277	(47,617)
Supplies	39,500	55,306	(15,806)
Professional services	126,070	126,901	(831)
Contractual services	203,800	222,888	(19,088)
Capital outlay	-	12,422	(12,422)
Totals	<u>1,210,030</u>	<u>1,305,794</u>	<u>(95,764)</u>
City beautification:			
Personal services	21,000	27,935	(6,935)
Supplies	21,700	5,171	16,529
Professional services	8,330	24,644	(16,314)
Contractual services	105,000	96,963	8,037
Totals	<u>156,030</u>	<u>154,713</u>	<u>1,317</u>
Total parks and recreation	<u>2,859,120</u>	<u>2,985,926</u>	<u>(126,806)</u>
Total expenditures	<u>\$ 15,610,506</u>	<u>\$ 15,454,325</u>	<u>\$ 156,181</u>
Transfers out:			
Urban redevelopment dock reimbursement	50,000	-	50,000
Golf operations	71,500	-	71,500
Totals	<u>121,500</u>	<u>-</u>	<u>121,500</u>
Total expenditures and transfers	<u>\$ 15,732,006</u>	<u>\$ 15,454,325</u>	<u>\$ 277,681</u>

**CITY OF ANOKA, MINNESOTA
COMBINED SCHEDULE OF INDEBTEDNESS
DECEMBER 31, 2024**

<u>Bonded Indebtedness</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Authorized and Issued</u>	<u>Balance 12/31/2023</u>
General obligation bonds:					
2014A TIF Crossover Refunding Bonds	08/14/2014	02/01/2033	3.00-3.40%	\$ 6,115,000	\$ 4,430,000
2016A Public Facilities Crossover Refunding	04/27/2016	02/01/2028	2.00%	1,510,000	735,000
2020A Public Road Improvement Bonds	01/30/2020	02/01/2041	2.00-4.00%	8,545,000	7,535,000
2021A Capital Improvement Plan Bonds	09/09/2021	02/01/2042	1.00-2.00%	6,000,000	5,750,000
2022A Capital Improvement Plan Bonds	06/30/2022	02/01/2043	3.00-4.00%	3,850,000	3,850,000
2023A Public Road Improvement Bonds	06/08/2023	02/01/2039	3.00-4.00%	6,325,000	6,325,000
2023B GO Taxable Temp Abatement Bonds	09/12/2023	02/01/2026	5.05%	<u>10,765,000</u>	<u>10,765,000</u>
Total general obligation bonds				<u>43,110,000</u>	<u>39,390,000</u>
Revenue bonds:					
2016B Utility Storm Water Bonds	08/01/2016	02/01/2036	2.00-3.00%	1,795,000	1,200,000
2022B Utility Water Revenue Bonds	06/30/2022	02/01/2043	3.00-4.00%	<u>6,000,000</u>	<u>6,000,000</u>
Total revenue bonds				<u>7,795,000</u>	<u>7,200,000</u>
Total bonds payable				<u>\$ 50,905,000</u>	<u>\$ 46,590,000</u>
Loan Payable to Met Council				<u>\$ -</u>	<u>\$ 1,124,112</u>

**CITY OF ANOKA, MINNESOTA
COMBINED SCHEDULE OF INDEBTEDNESS - CONTINUED
DECEMBER 31, 2024**

Bonded Indebtedness	Additions	Retirements	Balance 12/31/2024	Interest Payments
General obligation bonds:				
2014A TIF Crossover Refunding Bonds	\$ -	\$ 325,000	\$ 4,105,000	\$ 142,428
2016A Public Facilities Crossover Refunding	-	140,000	595,000	13,300
2020A Public Road Improvement Bonds	-	505,000	7,030,000	197,608
2021A Capital Improvement Plan Bonds	-	255,000	5,495,000	100,405
2022A Capital Improvement Plan Bonds	-	135,000	3,715,000	138,400
2023A Public Road Improvement Bonds	-	-	6,325,000	267,078
2023B GO Taxable Temp Abatement Bonds	-	-	10,765,000	481,719
Total general obligation bonds	-	1,360,000	38,030,000	1,340,938
Revenue bonds:				
2016B Utility Storm Water Bonds	-	85,000	1,115,000	30,400
2022B Utility Water Revenue Bonds	-	205,000	5,795,000	215,100
Total revenue bonds	-	290,000	6,910,000	245,500
Total bonds payable	\$ -	\$ 1,650,000	\$ 44,940,000	\$ 1,586,438
Loan Payable to Met Council	\$ -	\$ -	\$ 1,124,112	\$ -

**CITY OF ANOKA, MINNESOTA
SCHEDULE OF BOND MATURITIES
DECEMBER 31, 2024**

	Issue Date	Interest Rate	Maturity Date	Principal
General obligation bonds:				
\$6,115,000 TIF Crossover Refunding Bonds, 2014A	08/14/2014	4.00%	02/01/2025	\$ 330,000
		4.00	02/01/2026	350,000
		3.00	02/01/2027	365,000
		3.00	02/01/2028	480,000
		3.00	02/01/2029	480,000
		3.25	02/01/2030	490,000
		3.38	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				4,105,000
\$1,510,000 Crossover Refunding Bonds, 2016A	04/27/2016	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				595,000
\$8,545,000 Road Improvement GO Bonds, 2020A	01/30/2020	4.00%	02/01/2024	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				7,030,000
\$6,000,000 Capital Improvement Plan Bonds, 2021A	09/09/2021	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
		2.00	02/01/2031	295,000
		1.00	02/01/2032	300,000
		1.10	02/01/2033	300,000
		1.20	02/01/2034	305,000
		1.30	02/01/2035	310,000
		1.40	02/01/2036	315,000
		2.00	02/01/2037	320,000

CITY OF ANOKA, MINNESOTA
SCHEDULE OF BOND MATURITIES - CONTINUED
DECEMBER 31, 2024

	Issue Date	Interest Rate	Maturity Date	Principal
General obligation bonds (continued):				
\$6,000,000 Capital Improvement Plan Bonds, 2021A (continued)	09/09/2021	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>5,495,000</u>
\$3,850,000 Capital Improvement Plan Bonds, 2022A	06/30/2022	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>3,715,000</u>
\$3,085,000 Road Improvement GO Bonds, 2023A	06/08/2023	4.00%	02/01/2025	385,000
		4.00	02/01/2026	395,000
		4.00	02/01/2027	415,000
		4.00	02/01/2028	430,000
		4.00	02/01/2029	445,000
		4.00	02/01/2030	355,000
		4.00	02/01/2031	375,000
		4.00	02/01/2032	390,000
		4.00	02/01/2033	405,000
		3.00	02/01/2034	420,000
		3.00	02/01/2035	440,000
		3.13	02/01/2036	445,000
		3.38	02/01/2037	460,000
		3.50	02/01/2038	475,000
		3.50	02/01/2039	490,000
Total Road Improvement GO Bonds of 2023A				<u>6,325,000</u>
\$10,765,000 GO Temp Tax Abatement Bonds, 2023B	09/12/2023		02/01/2025	\$ -
		5.05%	02/01/2026	10,765,000
Total GO Temp Tax Abatement Bonds 2023B				<u>10,765,000</u>
Total General Obligation Bonds Payable				<u>38,030,000</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF BOND MATURITIES - CONTINUED
DECEMBER 31, 2024

	Issue Date	Interest Rate	Maturity Date	Principal
Revenue bonds:				
\$1,795,000 Utility Revenue Bonds, 2016B	08/01/2016	2.00%	02/01/2025	85,000
		2.00	02/01/2026	85,000
		2.00	02/01/2027	85,000
		2.00	02/01/2028	90,000
		2.50	02/01/2029	90,000
		2.50	02/01/2030	90,000
		2.50	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>1,115,000</u>
\$6,000,000 GO Revenue Bonds, 2022B	06/30/2022	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>5,795,000</u>
Total Revenue Bonds Payable				<u>6,910,000</u>
Total Bonds Payable				<u>\$ 44,940,000</u>

CITY OF ANOKA, MINNESOTA
SCHEDULE OF DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2024

Year	General Obligation Bonds		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,780,000	\$ 1,314,729	\$ 300,000	\$ 235,400	\$ 2,080,000	\$ 1,550,129
2026	12,540,000	981,713	310,000	224,900	12,850,000	1,206,613
2027	1,685,000	652,771	320,000	214,000	2,005,000	866,771
2028	1,855,000	594,796	335,000	202,425	2,190,000	797,221
2029	1,735,000	534,496	345,000	190,175	2,080,000	724,671
2030	1,680,000	479,028	355,000	177,525	2,035,000	656,553
2031	1,750,000	428,544	365,000	164,250	2,115,000	592,794
2032	1,800,000	378,184	375,000	151,775	2,175,000	529,959
2033	1,850,000	326,904	390,000	140,300	2,240,000	467,204
2034	1,335,000	285,011	400,000	128,450	1,735,000	413,461
2035	1,370,000	253,654	415,000	116,225	1,785,000	369,879
2036	1,390,000	219,985	430,000	103,470	1,820,000	323,455
2037	1,425,000	183,734	330,000	91,825	1,755,000	275,559
2038	1,455,000	144,561	340,000	81,355	1,795,000	225,916
2039	1,505,000	102,946	350,000	69,000	1,855,000	171,946
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>\$ 38,030,000</u>	<u>\$ 7,012,947</u>	<u>\$ 6,910,000</u>	<u>\$ 2,418,075</u>	<u>\$ 44,940,000</u>	<u>\$ 9,431,022</u>

**HOUSING AND REDEVELOPMENT AUTHORITY
BALANCE SHEET - COMPONENT UNIT
DECEMBER 31, 2024**

	<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	\$ 680,815	\$ 5,882	\$ 204,935	\$ 125,634	\$ 935	\$ 1,018,201
Receivables, net:						
Taxes	8,904	-	-	-	754	9,658
Loans receivable	883,246	-	-	-	-	883,246
Due from other funds	688,500	-	933,040	-	-	1,621,540
Accrued interest	563	-	161	99	-	823
Land held for resale	133,954	-	246,308	-	1,768,513	2,148,775
Total assets	<u>\$ 2,395,982</u>	<u>\$ 5,882</u>	<u>\$ 1,384,444</u>	<u>\$ 125,733</u>	<u>\$ 1,770,202</u>	<u>\$ 5,682,243</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 3,046	\$ -	\$ 3	\$ 5	\$ 1,676	\$ 4,730
Accrued wages payable and other benefits	2,677	-	-	-	-	2,677
Due to other funds	-	-	-	71,240	1,550,300	1,621,540
Total liabilities	<u>5,723</u>	<u>-</u>	<u>3</u>	<u>71,245</u>	<u>1,551,976</u>	<u>1,628,947</u>
Deferred inflows of resources:						
Unavailable revenue property taxes	4,056	-	-	-	754	4,810
Unavailable revenue loans	877,733	-	-	-	-	877,733
Total deferred inflows of resources	<u>881,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>754</u>	<u>882,543</u>
Fund balances:						
Nonspendable	133,954	-	-	-	-	133,954
Restricted	118,154	5,882	1,384,441	54,488	217,472	1,780,437
Unassigned	1,256,362	-	-	-	-	1,256,362
Total fund balances	<u>1,508,470</u>	<u>5,882</u>	<u>1,384,441</u>	<u>54,488</u>	<u>217,472</u>	<u>3,170,753</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,395,982</u>	<u>\$ 5,882</u>	<u>\$ 1,384,444</u>	<u>\$ 125,733</u>	<u>\$ 1,770,202</u>	<u>\$ 5,682,243</u>

**HOUSING AND REDEVELOPMENT AUTHORITY
RECONCILIATION OF THE BALANCE SHEET OF THE COMPONENT UNIT
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024**

Total Component Unit fund balances (page 123) \$ 3,170,753

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. 950,086

Deferred inflows are not available to pay for current-period expenditures and therefore are deferred in the funds. 882,543

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 (1,588,151)

Governmental funds do not report a liability for accrued interest until due and payable. (17,108)

The net pension liability and related deferred inflows and deferred outflows are recorded only in only in the government-wide statement of net position. (75,887)

Net position of governmental activities \$ 3,322,236

HOUSING AND REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - COMPONENT UNIT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	<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	\$ 410,696	\$ -	\$ -	\$ 67,234	\$ 162,866	\$ 640,796
Intergovernmental	118,154	-	-	-	-	118,154
Loan receivable payments	67,379	-	-	-	-	67,379
Interest income	22,359	-	7,535	2,276	-	32,170
Net increase in fair value of investments	3,070	-	1,125	398	-	4,593
Total revenues	<u>621,658</u>	<u>-</u>	<u>8,660</u>	<u>69,908</u>	<u>162,866</u>	<u>863,092</u>
Expenditures						
Current:						
Urban redevelopment and housing	408,685	-	11	2,172	10,917	421,785
Debt service:						
Principal retirement	-	60,000	-	-	-	60,000
Interest and fiscal charges	-	42,432	-	2,867	-	45,299
Total expenditures	<u>408,685</u>	<u>102,432</u>	<u>11</u>	<u>5,039</u>	<u>10,917</u>	<u>527,084</u>
Excess (deficiency) of revenues over (under) expenditures	<u>212,973</u>	<u>(102,432)</u>	<u>8,649</u>	<u>64,869</u>	<u>151,949</u>	<u>336,008</u>
Other financing (uses) including transfers:						
Transfers in	260,000	75,000	-	-	-	335,000
Transfers out	<u>(260,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>	<u>(335,000)</u>
Total other financing sources	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>	<u>-</u>
Net changes in fund balances	212,973	(27,432)	8,649	64,869	76,949	336,008
Fund balances (deficit) at beginning of year	<u>1,295,497</u>	<u>33,314</u>	<u>1,375,792</u>	<u>(10,381)</u>	<u>140,523</u>	<u>2,834,745</u>
Fund balances (deficit) at end of year	<u>\$ 1,508,470</u>	<u>\$ 5,882</u>	<u>\$ 1,384,441</u>	<u>\$ 54,488</u>	<u>\$ 217,472</u>	<u>\$ 3,170,753</u>

**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, 2024**

Net change in fund balances (page 125) \$ 336,008

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. 59,693

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. 60,000

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. 1,134

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. (1,575)

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. 7,865

Change in net position of governmental activities \$ 446,696

**HOUSING AND REHABILITATION AUTHORITY
COMBINED SCHEDULE OF INDEBTEDNESS - COMPONENT UNIT
DECEMBER 31, 2024**

<u>Bonded Indebtedness</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Authorized and Issued</u>	<u>Balance 12/31/2023</u>
HRA General obligation bonds:					
2019A HRA GO TIF Revenue Bonds	09/05/2019	02/01/2043	2.10-3.00%	\$ 1,690,000	\$ 1,640,000
Total HRA bonds payable				<u>\$ 1,690,000</u>	<u>\$ 1,640,000</u>

<u>Bonded Indebtedness continued</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/2024</u>	<u>Interest Payments</u>
HRA General obligation bonds:				
2019A HRA GO TIF Revenue Bonds	\$ -	\$ 60,000	\$ 1,580,000	\$ 41,958
Total general obligation revenue bonds	<u>\$ -</u>	<u>60,000</u>	<u>\$ 1,580,000</u>	<u>\$ 41,958</u>
			<u>\$ 1,580,000</u>	

**HOUSING AND REDEVELOPMENT AUTHORITY
SCHEDULE OF BOND MATURITIES - COMPONENT UNIT
DECEMBER 31, 2024**

	<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%	02/01/2025	\$ 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>1,580,000</u>
Total General Obligation Bonds Payable				<u><u>\$ 1,580,000</u></u>

HOUSING AND REHABILITATION AUTHORITY
SCHEDULE OF DEBT SERVICE REQUIREMENTS - COMPONENT UNIT
DECEMBER 31, 2024

Year	General Obligation Bonds	
	Principal	Interest
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
	\$ 1,580,000	\$ 451,676

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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities:				
Net investment in capital assets	\$ 71,334,409	\$ 75,833,210	\$ 81,699,387	\$ 85,684,691
Restricted	5,828,258	5,174,912	3,356,040	6,382,800
Unrestricted	<u>6,150,596</u>	<u>1,313,763</u>	<u>491,185</u>	<u>(4,594,994)</u>
Total governmental activities net position	<u>\$ 83,313,263</u>	<u>\$ 82,321,885</u>	<u>\$ 85,546,612</u>	<u>\$ 87,472,497</u>
Business-type activities:				
Net investment in capital assets	\$ 41,105,603	\$ 41,570,574	\$ 43,686,972	\$ 42,869,504
Restricted	228,725	1,237,871	-	-
Unrestricted	<u>17,632,441</u>	<u>17,638,923</u>	<u>18,029,772</u>	<u>19,759,309</u>
Total business-type activities net position	<u>\$ 58,966,769</u>	<u>\$ 60,447,368</u>	<u>\$ 61,716,744</u>	<u>\$ 62,628,813</u>
Primary government:				
Net investment in capital assets	\$ 112,440,012	\$ 117,403,784	\$ 125,386,359	\$ 128,554,195
Restricted	6,056,983	6,412,783	3,356,040	6,382,800
Unrestricted	<u>23,783,037</u>	<u>18,952,686</u>	<u>18,520,957</u>	<u>15,164,315</u>
Total primary government net position	<u>\$ 142,280,032</u>	<u>\$ 142,769,253</u>	<u>\$ 147,263,356</u>	<u>\$ 150,101,310</u>

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

(Unaudited)

2019	2020	2021	2022	2023	2024
\$ 91,561,788	\$ 100,463,238	\$ 104,193,106	\$ 107,298,169	\$ 106,224,477	\$ 106,511,133
6,649,391	7,077,597	8,418,676	8,464,699	10,174,879	9,101,964
<u>(7,532,855)</u>	<u>(7,968,519)</u>	<u>(7,759,881)</u>	<u>(10,002,283)</u>	<u>(15,751,789)</u>	<u>(16,994,027)</u>
<u>\$ 90,678,324</u>	<u>\$ 99,572,316</u>	<u>\$ 104,851,901</u>	<u>\$ 105,760,585</u>	<u>\$ 100,647,567</u>	<u>\$ 98,619,070</u>
\$ 44,782,151	\$ 43,809,804	\$ 47,083,928	\$ 50,527,016	\$ 52,185,655	\$ 56,947,694
-	-	-	-	-	-
<u>19,891,011</u>	<u>23,816,074</u>	<u>24,545,230</u>	<u>25,013,867</u>	<u>28,135,176</u>	<u>31,062,780</u>
<u>\$ 64,673,162</u>	<u>\$ 67,625,878</u>	<u>\$ 71,629,158</u>	<u>\$ 75,540,883</u>	<u>\$ 80,320,831</u>	<u>\$ 88,010,474</u>
\$ 136,343,939	\$ 144,273,042	\$ 151,277,034	\$ 157,825,185	\$ 158,410,132	\$ 163,458,827
6,649,391	7,077,597	8,418,676	8,464,699	10,174,879	9,101,964
<u>12,358,156</u>	<u>15,847,555</u>	<u>16,785,349</u>	<u>15,011,584</u>	<u>12,383,387</u>	<u>14,068,753</u>
<u>\$ 155,351,486</u>	<u>\$ 167,198,194</u>	<u>\$ 176,481,059</u>	<u>\$ 181,301,468</u>	<u>\$ 180,968,398</u>	<u>\$ 186,629,544</u>

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

(Unaudited)

	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	\$ 2,354,218	\$ 2,581,670	\$ 2,606,360	\$ 2,583,277
Public safety	5,630,639	7,296,891	6,434,580	6,667,289
Public works	2,505,957	2,778,563	2,927,491	2,778,395
Parks and recreation	2,462,522	2,455,616	2,963,585	2,756,501
Interest on long-term debt	549,923	557,369	508,276	509,195
Total governmental activities expenses	13,503,259	15,670,109	15,440,292	15,294,657
Business-type activities:				
Electric	25,074,193	26,193,102	26,685,242	27,695,950
Water	1,362,189	1,408,208	1,329,635	1,430,534
Sewer	2,018,953	2,202,166	2,260,974	2,336,214
Storm drainage	209,167	268,033	188,734	222,292
Liquor stores	3,977,014	4,038,791	4,267,203	4,081,459
Golf	1,019,747	1,073,673	1,107,911	1,088,099
Refuse	124,159	116,745	112,193	101,672
Recycling	284,608	293,927	297,525	315,252
Total business-type activities expenses	34,070,030	35,594,645	36,249,417	37,271,472
Total primary government expenses	\$ 47,573,289	\$ 51,264,754	\$ 51,689,709	\$ 52,566,129
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$ 295,002	\$ 269,319	\$ 251,317	\$ 208,264
Public safety	1,389,495	1,198,722	1,206,524	1,099,352
Public works	1,482,100	1,113,023	1,627,532	1,105,052
Parks and recreation	512,643	533,668	563,717	473,000
Operating grants and contributions	264,399	295,741	310,718	314,285
Capital grants and contributions	393,326	187,695	2,412,774	785,219
Total governmental activities program revenues	4,336,965	3,598,168	6,372,582	3,985,172
Business-type activities:				
Charges for services				
Electric	27,968,233	27,804,476	27,649,947	29,474,681
Water	1,606,698	1,774,756	1,887,801	1,814,740
Sewer	2,097,836	2,157,690	2,249,203	2,349,392
Storm drainage	472,283	491,314	559,706	627,500
Liquor stores	4,174,041	4,117,403	4,428,648	4,247,545
Golf	931,322	974,193	913,608	873,424
Refuse	111,711	114,016	106,540	94,732
Recycling	236,021	239,079	239,915	242,651
Operating grants and contributions	50,739	56,042	61,796	56,611
Total business-type activities revenues	37,648,884	37,728,969	38,097,164	39,781,276
Total primary government revenues	\$ 41,985,849	\$ 41,327,137	\$ 44,469,746	\$ 43,766,448

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

(Unaudited)

2019	2020	2021	2022	2023	2024
\$ 2,583,603	\$ 2,882,766	\$ 2,753,083	\$ 2,979,676	\$ 3,209,025	\$ 2,984,705
6,534,566	7,059,355	6,620,998	7,953,219	9,651,002	9,099,977
3,143,535	3,499,233	3,615,589	28,833,240	27,426,808	8,293,052
3,019,196	2,816,971	3,918,949	3,833,994	3,833,783	3,956,500
564,216	660,070	678,737	777,873	1,033,174	1,378,733
15,845,116	16,918,395	17,587,356	44,378,002	45,153,792	25,712,967
27,797,859	27,503,734	29,048,446	32,834,098	31,838,384	29,628,422
1,396,536	1,536,990	1,522,326	1,765,283	2,010,751	2,317,314
2,397,685	2,372,326	2,313,551	2,683,510	2,858,291	3,010,775
244,539	283,450	344,677	280,670	588,550	806,046
4,100,343	4,613,761	4,391,013	3,734,381	2,810,873	2,502,982
1,103,679	1,228,152	1,392,531	1,418,965	1,586,308	1,709,585
-	-	-	-	-	-
359,105	387,069	435,717	419,740	448,576	464,702
37,399,746	37,925,482	39,448,261	43,136,647	42,141,733	40,439,826
\$ 53,244,862	\$ 54,843,877	\$ 57,035,617	\$ 87,514,649	\$ 87,295,525	\$ 66,152,793
\$ 148,888	\$ 227,542	\$ 238,499	\$ 333,671	\$ 464,927	\$ 294,937
756,474	905,560	1,223,724	945,074	1,267,556	874,536
840,771	1,414,204	896,859	846,318	1,170,991	866,025
611,299	341,053	649,013	759,343	708,353	824,786
347,271	5,348,931	267,281	606,917	1,611,164	846,412
3,740,950	3,564,068	6,336,679	27,663,547	20,378,171	4,617,642
6,445,653	11,801,358	9,612,055	31,154,870	25,601,162	8,324,338
29,084,623	29,296,536	30,831,936	36,442,857	35,449,010	34,113,403
1,658,795	1,803,882	1,909,921	1,873,192	2,088,679	2,053,066
2,497,328	2,743,766	2,755,045	2,867,567	2,979,974	3,083,205
674,280	756,857	797,425	783,700	790,706	860,573
4,263,089	4,876,807	4,607,366	3,531,627	2,447,817	2,229,039
959,146	1,291,034	1,422,446	1,399,177	1,561,660	1,762,639
36	-	-	-	-	-
286,459	330,045	471,648	399,776	403,472	406,943
53,415	206,482	5,363	34,299	124,012	911,395
39,477,171	41,305,409	42,801,150	47,332,195	45,845,330	45,420,263
\$ 45,922,824	\$ 53,106,767	\$ 52,413,205	\$ 78,487,065	\$ 71,446,492	\$ 53,744,601

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

(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (expense) revenue:				
Governmental activities	\$ (9,166,294)	\$ (12,071,941)	\$ (9,067,710)	\$ (11,309,485)
Business-type activities	3,578,854	2,134,324	1,847,747	2,509,804
Total primary government net (expense)/revenue	<u>\$ (5,587,440)</u>	<u>\$ (9,937,617)</u>	<u>\$ (7,219,963)</u>	<u>\$ (8,799,681)</u>
General Revenues and Other Sources in Net Position				
Governmental activities:				
Property taxes levied for general purpose	\$ 5,328,549	\$ 6,298,054	\$ 6,633,011	\$ 6,830,816
Property taxes levied for debt service	387,269	154,800	(2,006)	(324)
Property taxes from tax increments	2,660,321	410,817	544,134	573,642
Franchise taxes	1,344,354	1,334,186	1,315,417	1,355,374
Unrestricted grants, aid, and contributions	1,678,395	1,712,178	1,719,554	1,822,734
Unrestricted investment income	122,552	62,064	104,574	122,509
Gain (loss) on disposal of capital assets	343,103	(399,610)	371,287	5,515
Other	614,075	84,074	104,460	423,977
Transfers	2,808,000	1,424,000	1,500,000	2,380,000
Contributed capital	(731,000)	-	-	-
Total governmental activities	<u>14,555,618</u>	<u>11,080,563</u>	<u>12,290,431</u>	<u>13,514,243</u>
Business-type activities				
Interest and investment earnings	268,561	290,001	327,960	480,225
Gain on sale of capital assets	21,999	8,562	32,465	1,501
Other	563,698	451,212	561,204	300,539
Transfers	(2,808,000)	(1,424,000)	(1,500,000)	(2,380,000)
Contributed capital	731,000	-	-	-
Total business-type activities	<u>(1,222,742)</u>	<u>(674,225)</u>	<u>(578,371)</u>	<u>(1,597,735)</u>
Total primary government	<u>\$ 13,332,876</u>	<u>\$ 10,406,338</u>	<u>\$ 11,712,060</u>	<u>\$ 11,916,508</u>
Change in Net Position				
Governmental activities	\$ 5,389,324	\$ (991,378)	\$ 3,222,721	\$ 2,204,758
Business-type activities	2,356,112	1,460,099	1,269,376	912,069
Total primary government	<u>\$ 7,745,436</u>	<u>\$ 468,721</u>	<u>\$ 4,492,097</u>	<u>\$ 3,116,827</u>

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

(Unaudited)

2019	2020	2021	2022	2023	2024
\$ (9,399,463)	\$ (5,117,037)	\$ (7,975,301)	\$ (13,223,132)	\$ (19,552,630)	\$ (17,388,629)
2,077,425	3,379,927	3,352,889	4,195,548	3,703,597	4,980,437
\$ (7,322,038)	\$ (1,737,110)	\$ (4,622,412)	\$ (9,027,584)	\$ (15,849,033)	\$ (12,408,192)
\$ 7,023,911	\$ 7,293,631	\$ 6,703,278	\$ 7,436,193	\$ 7,517,944	\$ 8,748,052
-	39	750,000	377,337	731,221	1,370,756
620,090	653,679	611,390	610,756	679,354	1,065,618
1,315,467	1,353,488	1,403,673	1,385,067	1,355,763	1,309,551
1,829,333	1,976,993	2,039,715	2,555,322	2,664,318	2,758,189
250,681	37,510	18,090	(197,848)	375,009	243,690
452,706	998,780	14,722	245,173	-	37,427
80,902	303,439	401,694	494,816	301,003	131,849
1,032,200	1,393,470	1,312,324	1,225,000	815,000	(305,000)
-	-	-	-	-	-
12,605,290	14,011,029	13,254,886	14,131,816	14,439,612	15,360,132
645,719	491,638	232,854	(134,153)	961,196	1,074,015
16,380	23,555	1,103,229	114,362	40,992	582,674
337,025	451,066	626,632	960,968	889,163	747,517
(1,032,200)	(1,393,470)	(1,312,324)	(1,225,000)	(815,000)	305,000
-	-	-	-	-	-
(33,076)	(427,211)	650,391	(283,823)	1,076,351	2,709,206
\$ 12,572,214	\$ 13,583,818	\$ 13,905,277	\$ 13,847,993	\$ 15,515,963	\$ 18,069,338
\$ 3,205,827	\$ 8,893,992	\$ 5,279,585	\$ 908,684	\$ (5,113,018)	\$ (2,028,497)
2,044,349	2,952,716	4,003,280	3,911,725	4,779,948	7,689,643
\$ 5,250,176	\$ 11,846,708	\$ 9,282,865	\$ 4,820,409	\$ (333,070)	\$ 5,661,146

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

(Unaudited)

	2015	2016	2017	2018
General Fund:				
Nonspendable	\$ 22,103	\$ 43,921	\$ 55,026	\$ 97,755
Unassigned	5,647,410	4,526,917	4,681,652	4,865,938
Total general fund	\$ 5,669,513	\$ 4,570,838	\$ 4,736,678	\$ 4,963,693
All other governmental funds:				
Nonspendable:				
Building Improvement	\$ 241,921	\$ -	\$ -	\$ -
State Aid	2,525,556	-	-	-
Commuter Rail Tax Increment	432,331	-	-	-
Nonmajor Governmental Funds	4,999,746	-	-	-
Restricted:				
Building Improvement	-	241,921	-	-
State Aid	-	2,525,556	2,331,233	2,331,233
Commuter Rail Tax Increment	-	432,331	432,331	432,331
Greens of Anoka Tax Increment	-	472,087	639,312	2,837,536
Nonmajor Governmental Funds	546,128	6,306,736	3,737,443	3,468,334
Committed:				
Building Improvement	-	-	-	-
Nonmajor Governmental Funds	2,093,916	2,166,383	2,171,886	2,287,781
Assigned:				
Building Improvement	-	-	241,921	-
State Aid	233,851	237,632	-	123,339
Street Renewal	277,809	852,140	230,000	-
Nonmajor Governmental Funds	1,009,351	556,128	536,764	462,073
Unassigned:				
Building Improvement	(653,314)	(469,836)	(338,029)	(279,044)
State Aid	-	-	(206,438)	(1,147,191)
Street Renewal	-	-	(194,181)	-
Commuter Rail Tax Increment	(2,449,485)	(3,506,643)	(3,417,107)	(3,452,520)
Greens of Anoka Tax Increment	(1,097,010)	(1,642,691)	(2,141,161)	(4,797,651)
Nonmajor Governmental Funds	(7,093)	(2,053,591)	(1,426,787)	(1,418,483)
Total all other governmental funds	\$ 8,153,707	\$ 6,118,153	\$ 2,597,187	\$ 847,738

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

(Unaudited)

2019	2020	2021	2022	2023	2024
\$ 25,233	\$ 60,756	\$ 47,977	\$ 52,459	\$ 165,585	\$ 163,946
5,042,915	5,533,135	5,973,420	6,114,646	4,669,677	4,896,939
\$ 5,068,148	\$ 5,593,891	\$ 6,021,397	\$ 6,167,105	\$ 4,835,262	\$ 5,060,885
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,325	-	1,200	-	1,200	40,347
-	-	1,328,360	923,205	9,604,277	442,280
-	-	-	-	-	-
580,627	580,627	580,627	580,627	580,627	580,627
3,185,170	3,295,471	3,297,363	3,297,363	3,297,363	3,297,363
3,214,971	3,887,735	4,087,851	4,105,858	5,664,517	4,298,684
-	-	-	-	-	9,161,997
2,390,007	2,517,248	2,436,386	1,812,632	1,885,178	694,086
81,951	-	241,921	729,776	1,240,717	1,162,330
860,641	734,431	-	1,337,432	-	-
-	529,298	-	-	-	-
440,968	627,468	48,864	306,689	168,029	-
-	(3,675,315)	-	-	-	-
-	-	(275,909)	-	(2,972,452)	(2,324,095)
(1,675,941)	-	(185,889)	(3,135,621)	(1,102,281)	(1,612,074)
(3,489,819)	(3,399,806)	(3,351,472)	(3,260,594)	(3,105,873)	(2,809,658)
(6,238,527)	(6,922,643)	(9,820,262)	(9,241,043)	(9,122,792)	(8,798,236)
(1,384,995)	(1,357,598)	(1,325,540)	(1,305,191)	(1,332,937)	(1,350,477)
\$ (2,029,622)	\$ (3,183,084)	\$ (2,936,500)	\$ (3,848,867)	\$ 4,805,573	\$ 2,783,174

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

(Unaudited)

	2015	2016	2017	2018
Revenues:				
Taxes	\$ 8,371,829	\$ 6,870,080	\$ 7,222,789	\$ 7,415,101
Special assessments	779,143	728,197	937,857	568,810
Franchise fees	1,344,354	1,334,187	1,315,417	1,355,374
Licenses and permits	670,749	516,502	510,866	460,828
Intergovernmental	2,313,979	2,160,485	4,386,815	2,899,531
Charges for current services	1,760,765	1,235,983	1,341,940	1,275,339
Fines and forfeitures	124,199	108,694	105,221	99,639
Investment income	92,413	109,948	64,793	63,978
Increase (decrease) in fair market value	29,601	(48,495)	39,780	58,531
Miscellaneous	653,297	369,586	576,183	1,059,538
Total revenues	16,140,329	13,385,167	16,501,661	15,256,669
Expenditures:				
General government	1,815,586	1,866,244	1,970,551	1,952,175
Public safety	5,292,015	5,778,198	5,725,648	6,328,450
Public works	1,206,679	1,293,682	1,383,635	1,198,199
Parks and recreation	1,836,474	1,856,402	2,222,705	2,148,193
Capital outlay	6,529,280	6,542,355	7,561,788	6,321,888
Capital outlay, present value of new lease & SBITA	-	-	-	-
Debt service:				
Principal retirement	7,709,150	540,000	2,299,323	675,000
Interest and fiscal charges	627,332	532,886	564,423	535,198
Bond issuance charges	-	47,830	-	-
Total expenditures	25,016,516	18,457,597	21,728,073	19,159,103
Deficiency of revenues over expenditures	(8,876,187)	(5,072,430)	(5,226,412)	(3,902,434)
Other Financing Sources (Uses):				
Bond proceeds/refunding of bonds	-	1,563,811	-	-
Proceeds from the sale of asset	343,103	(399,610)	371,287	-
Lease & SBITA liability issued	-	-	-	-
Transfers in	4,150,553	5,075,816	2,880,000	3,374,500
Transfers out	(1,342,553)	(4,301,816)	(1,380,000)	(994,500)
Total other financing sources (uses)	3,151,103	1,938,201	1,871,287	2,380,000
Special item - Transfer of operations	-	-	-	-
Net change in fund balances	\$ (5,725,084)	\$ (3,134,229)	\$ (3,355,125)	\$ (1,522,434)
Debt service as a percentage of noncapital expenditures	45.1%	9.0%	20.2%	9.4%

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

(Unaudited)

2019	2020	2021	2022	2023	2024
\$ 7,622,277	\$ 7,937,431	\$ 8,078,093	\$ 8,399,243	\$ 8,954,125	\$ 11,162,883
783,656	822,204	697,726	605,419	689,000	550,490
1,315,467	1,353,488	1,403,673	1,385,067	108,975	1,309,550
392,030	614,320	579,188	635,756	1,355,763	714,444
5,882,279	10,879,367	8,923,893	30,826,332	24,660,471	8,162,370
999,699	864,733	1,275,305	1,435,427	1,465,048	1,001,359
103,406	101,672	126,476	115,409	978,745	134,391
221,567	51,460	18,911	58,039	276,669	245,808
61,469	(4,602)	(821)	(255,887)	173,619	86,095
265,159	455,537	578,012	712,946	500,749	291,869
17,647,009	23,075,610	21,680,456	43,917,751	39,163,164	23,659,259
1,940,127	2,199,918	2,030,120	2,131,096	2,225,010	2,363,842
6,334,835	6,816,278	6,951,633	7,356,755	8,404,384	8,329,910
1,531,546	1,866,679	1,744,465	26,818,385	25,248,700	6,065,240
2,305,075	2,200,479	2,362,423	2,784,181	2,786,846	2,937,180
8,532,730	17,122,150	13,943,210	8,932,316	4,392,350	2,606,171
-	-	-	593,264	180,340	709,109
680,000	700,000	685,000	1,295,310	2,446,306	1,479,196
588,238	640,911	688,945	764,510	887,472	1,406,923
-	79,865	127,114	85,328	212,561	-
21,912,551	31,626,280	28,532,910	50,761,145	46,783,969	25,897,571
(4,265,542)	(8,550,670)	(6,852,454)	(6,843,394)	(7,620,805)	(2,238,312)
-	5,530,701	6,199,498	4,013,298	13,948,062	-
460,437	998,780	14,722	245,173	-	37,427
-	-	-	593,264	180,340	709,109
2,199,200	2,329,470	1,762,324	1,997,700	2,727,903	1,100,000
(1,167,000)	(936,000)	(450,000)	(772,700)	(1,912,903)	(1,405,000)
1,492,637	7,922,951	7,526,544	6,076,735	14,943,402	441,536
-	-	-	-	-	-
\$ (2,772,905)	\$ (627,719)	\$ 674,090	\$ (766,659)	\$ 7,322,597	\$ (1,796,776)
9.5%	9.2%	9.4%	5.0%	7.9%	12.8%

CITY OF ANOKA, MINNESOTA
ESTIMATED ACTUAL AND TAXABLE VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

(Unaudited)

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					
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%
2023	26,309,723	207,716	26,517,439	1,189,496	27,706,935	30.796%	2,229,586,600	1.24%
2024	28,907,839	187,214	29,095,053	916,952	30,012,005	36.586%	2,413,710,400	1.24%

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	
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
2023	28.063	2.733	13.671	24.176	3.770	72.413
2024	31.629	4.957	13.592	25.629	3.390	79.197

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, 2024**

(Unaudited)

Taxpayer	Type of Business	Rank	2024		Rank	2015	
			Individual Tax Capacity	Percent of Total Tax		Individual Tax Capacity	Percent of Total Tax
CRW Anoka	Furniture warehousing	1	\$ 556,514	1.44%	7	\$ 159,912	1.17%
Cutters Grove LLC	Apartments	2	542,800	1.40%	3	229,247	1.67%
3500 Thurston LLC	Industrial	3	473,251	1.22%			
Graco	Fluid handling	4	441,166	1.14%	9	142,836	1.04%
AD Center LLC	Ammunition warehousing	5	422,934	1.09%			
Paul & Eleanor Sade Trust	Sheet steel fabrication	6	402,968	1.04%	6	168,032	1.23%
Walker Senior Housing	Apartments Senior Living & Care	7	396,501	1.03%			
Homestead at Anoka	Apartments Senior Living & Care	8	392,982	1.02%			
Hoffman Enclosures	Electrical enclosures	9	392,360	1.01%	1	284,002	2.07%
Federal Cartridge	Ammunition manufacturing	10	367,650	0.95%	2	245,172	1.79%
Cretex Companies	Medical device manufacturing						
Anoka Industrial LLC	Cake decorations supplier				4	208,714	1.52%
Rural Community Ins	Insurance				10	134,700	0.98%
Sundquist Properties II LLC	Precision machining				8	150,486	1.10%
Health Partners	Healthcare				5	206,886	1.51%
			<u>\$ 4,389,126</u>	<u>11.34%</u>		<u>\$ 1,929,987</u>	<u>14.08%</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
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
2023	738	4,919,415	67,572,473	72,491,888	783,962,900	1,445,623,700	393,830,400	2,623,417,000
2024	736	3,900,475	16,470,479	20,370,954	1,071,920,200	1,341,790,200	427,183,900	2,840,894,300

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

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

(Unaudited)

Fiscal year	Collected Within the Fiscal Year of Levy			Delinquent Tax Collections in Subsequent Fiscal Years	Total Collections to Date	
	Total Tax Levy	Current Tax Collections	% of Current Tax Levy		Total Tax Collections	% of Total Tax Levy
2015	\$ 5,707,246	\$ 5,649,416	98.99%	\$ 57,830	\$ 5,707,246	100.0%
2016	6,453,475	6,390,569	99.03%	62,068	6,452,637	100.0%
2017	6,641,230	6,593,821	99.29%	45,885	6,639,706	100.0%
2018	6,838,335	6,797,121	99.40%	30,343	6,827,465	99.8%
2019	7,028,564	6,974,745	99.23%	53,819	7,028,564	100.0%
2020	7,303,005	7,234,024	99.06%	8,771	7,242,795	99.2%
2021	7,446,100	7,383,097	99.15%	46,914	7,430,011	99.8%
2022	7,811,653	7,735,292	99.02%	75,260	7,810,552	100.0%
2023	8,295,583	8,213,744	99.01%	18,068	8,231,812	99.2%
2024	10,147,346	10,071,155	99.25%	-	10,071,155	99.2%

Note: Includes Market Value and Homestead Credit.

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

(Unaudited)

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	Percent of	
	General Obligation Bonds	G.O. Tax Increment Bonds	G.O. Revenue Bonds	Premium on Bonds	Lease & SBITA Liability	Met Council Loan	General Obligation Bonds	G.O. Revenue Bonds	Premium on Bonds		Personal Income ¹	Per Capita ¹
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	2.91	1,917
2023	27,950,000	4,430,000	735,000	847,126	366,015	1,124,112	6,275,000	7,200,000	538,648	49,465,901	4.02	2,721
2024	27,190,000	4,105,000	595,000	788,000	820,926	1,124,112	6,140,000	6,910,000	507,066	48,180,104	3.67	2,650

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 152](#)

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

(Unaudited)

Fiscal Year	General Obligation Bonds ³	Net Position Restricted for Debt Service	Net Bonded Debt	Percentage of Estimated Actual Value of Property ¹	Per Capita ²
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	0.88	854
2021	20,860,000	590,325	20,269,675	1.14	1,124
2022	24,441,021	1,468,151	22,972,870	1.23	1,267
2023	29,714,822	2,241,184	27,473,638	1.23	1,511
2024	39,045,789	1,831,578	37,214,211	1.54	2,047

¹ Property value data can be found in the schedule of Building Permit Values and Real Property Values schedule on [page 144](#)

² Population data can be found in the schedule of Demographic and Economic Statistics on [page 152](#)

³ Net of related premiums, discounts and adjustments

**CITY OF ANOKA, MINNESOTA
DIRECT AND OVERLAPPING
GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2024**

(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	\$ 34,623,038	100%	<u>\$ 34,623,038</u>
Overlapping:			
Anoka County	27,070,000	4.39%	1,189,107
Anoka-Hennepin School District #11	231,070,000	6.55%	15,131,906
Metro Council	1,558,153,207	0.43%	6,690,135
Met Council/RR Auth Special Dist	4,215,000	4.39%	<u>185,153</u>
Total Overlapping Debt			<u>23,196,301</u>
Total Direct and Overlapping Debt			<u><u>\$ 57,819,339</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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Market value of taxable property	\$ 1,188,602,800	\$ 1,265,845,300	\$ 1,362,116,000	\$ 1,477,729,000
Statutory debt limit (3% of market value)	<u>35,658,084</u>	<u>37,975,359</u>	<u>40,863,480</u>	<u>44,331,870</u>
Amount of debt applicable to debt limit:				
Total bonds and notes payable	13,436,649	15,737,460	13,128,137	12,368,137
Less:				
Debt service fund balance	459,205	1,991,191	544,057	547,394
Met Council loan	2,502,460	2,502,460	2,308,137	2,308,137
Revenue bonds	440,000	2,020,000	1,710,000	1,625,000
Improvement bonds	<u>6,115,000</u>	<u>5,970,000</u>	<u>5,795,000</u>	<u>5,615,000</u>
	<u>3,919,984</u>	<u>3,253,809</u>	<u>2,770,943</u>	<u>2,272,606</u>
Legal debt margin	<u>\$ 31,738,100</u>	<u>\$ 34,721,550</u>	<u>\$ 38,092,537</u>	<u>\$ 42,059,264</u>
Total debt applicable to the limit as a percentage of debt limit	11%	9%	7%	5%

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

(Unaudited)

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 1,598,996,300	\$ 1,697,169,300	\$ 1,780,566,900	\$ 1,869,553,900	\$ 2,229,586,600	\$ 2,413,710,400
47,969,889	50,915,079	53,417,007	56,086,617	66,887,598	72,411,312
11,603,137	19,363,137	24,538,137	33,068,137	47,714,112	46,064,112
565,981	1,241,063	1,465,850	987,300	2,051,092	1,348,568
2,308,137	2,308,137	2,308,137	2,308,137	1,124,112	1,124,112
1,540,000	1,455,000	1,370,000	7,285,000	7,200,000	6,910,000
5,430,000	13,760,000	13,500,000	12,750,000	18,290,000	17,460,000
1,759,019	598,937	5,894,150	9,737,700	19,048,908	19,221,432
<u>\$ 46,210,870</u>	<u>\$ 50,316,142</u>	<u>\$ 47,522,857</u>	<u>\$ 46,348,917</u>	<u>\$ 47,838,690</u>	<u>\$ 53,189,880</u>
4%	1%	11%	17%	28%	27%

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

(Unaudited)

Fiscal Year	Operating Revenue	Less Operating Expense	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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
2023	5,856,319	4,020,457	1,835,862	215,000	364,224	3.17
2024	5,993,729	4,624,760	1,368,969	425,000	459,534	1.55

**CITY OF ANOKA, MINNESOTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

(Unaudited)

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
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	18,127	1,192,394	65,780	61,568	76,856	3.0	2.7
2023	18,178	1,229,778	67,652	62,695	78,191	2.5	2.2
2024	18,178	1,313,906	72,280	63,180	78,312	2.5	2.3

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, 2024**

(Unaudited)

Employer	2024			2015		
	Rank	Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment
Anoka Government Center	1	2,197	15.50%	2	1,723	12.08%
Federal Premium Ammunition	2	949	6.69%	1	1,799	12.62%
Nvent Hoffman/Vista Outdoor	3	659	4.65%	3	1,200	8.42%
Anoka-Metro Treatment Center	4	629	4.44%	6	366	2.57%
Anoka-Hennepin ISD #11	5	615	4.34%	4	892	6.26%
Mate Precision Tool	6	350	2.47%	7	300	2.10%
Rural Insurance Group	7	300	2.12%	5	405	2.84%
Copper Sales/Firestone Metals	8	300	2.12%	10	130	0.91%
Anoka Rehab and Living Center	9	260	1.83%			
Anoka Technical College	10	200	1.41%			
DecoPac				8	214	1.49%
Health Partners				9	135	0.95%
		<u>6,459</u>	<u>45.57%</u>		<u>7,164</u>	<u>50.24%</u>
Total City-wide employment ¹		14,175			14,259	

¹ Minnesota Department of Employment and Economic Development.
Source: City of Anoka Finance Department

CITY OF ANOKA, MINNESOTA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

(Unaudited)

	2015	2016	2017	2018	2019
City manager	3.13	3.15	3.45	3.45	3.45
Assessing	1.00	1.00	1.00	1.00	1.00
Human resources	2.00	2.00	-	-	-
Finance	4.60	4.65	4.70	4.70	4.70
Community development	1.00	1.00	1.00	1.00	1.00
Planning and property maint/insp	3.15	3.25	2.80	3.05	2.80
Total general government	14.88	15.05	12.95	13.20	12.95
Building inspections	1.60	1.50	1.45	1.20	1.20
Police	30.28	34.55	35.85	29.95	33.00
Security - Regional treatment ctr	0.50	0.45	1.60	1.60	-
Security - Technical college	0.10	-	-	-	-
Security - High school	0.10	0.05	0.10	0.10	0.15
Security - Liaison officer	1.85	1.85	1.85	1.85	1.85
Security - Parks, Downtown etc	-	-	1.50	3.50	5.00
Total police	32.83	36.90	40.90	37.00	40.00
Total public safety	34.43	38.40	42.35	38.20	41.20
Building maintenance	0.75	1.75	1.60	1.48	1.50
Municipal buildings	0.35	0.33	0.45	0.43	0.45
Engineering	1.50	1.33	1.30	1.30	1.30
Streets	7.18	7.18	6.70	6.48	7.70
Total public works	9.78	10.59	10.05	9.69	10.95
Event center	0.40	0.50	0.40	0.38	0.40
Senior center	0.33	0.55	0.60	0.55	0.60
Aquatic center	0.28	0.28	0.55	0.40	0.60
Community programs & recreation	1.63	1.58	2.25	2.65	2.25
Municipal parks	4.08	4.73	4.50	4.50	6.45
City beautification	0.18	0.18	0.20	0.20	0.20
Total parks and recreation	6.90	7.82	8.50	8.68	10.50
Total general fund	65.99	71.86	73.85	69.77	75.60
HRA	0.75	0.75	1.00	1.00	1.00
Parking	0.80	0.85	0.85	0.85	0.85
Cemetery	0.88	1.00	0.65	0.60	0.65
Central equipment (garage)	1.45	1.55	1.55	1.55	1.55
Electric	17.40	18.35	18.30	18.30	18.30
Water	3.56	3.56	3.55	3.55	3.55
Sewer	2.96	2.96	2.95	2.95	2.95
Liquor stores	4.00	4.00	4.00	4.00	4.00
Golf course	3.25	2.55	2.95	2.95	2.95
Recycling	0.37	0.35	0.35	0.35	0.35
Total other funds	35.42	35.92	36.15	36.10	36.15
Total all funds	101.41	107.78	110.00	105.87	111.75

Source: City of Anoka departments

CITY OF ANOKA, MINNESOTA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS (CONTINUED)

(Unaudited)

	2020	2021	2022	2023	2024
City manager	3.45	3.45	3.45	4.05	4.05
Assessing	1.00	1.00	1.00	1.45	1.50
Human resources	-	-	-	-	-
Finance	4.70	4.70	4.70	4.70	4.70
Community development	1.00	1.00	1.00	0.90	0.90
Planning and property maint/insp	2.80	2.80	2.80	1.90	1.85
Total general government	12.95	12.95	12.95	13.00	13.00
Building inspections	1.20	1.20	1.20	2.23	1.75
Police	31.25	32.25	32.25	33.55	34.80
Security - Regional treatment ctr	-	-	-	-	-
Security - Technical college	-	-	-	-	-
Security - High school	0.15	0.15	0.15	0.20	0.20
Security - Liaison officer	1.85	1.85	1.85	1.50	1.50
Security - Parks, Downtown etc	6.00	6.00	7.00	8.32	9.25
Total police	39.25	40.25	41.25	43.57	45.75
Total public safety	40.45	41.45	42.45	45.80	47.50
Building maintenance	1.50	1.50	1.50	0.90	0.90
Municipal buildings	0.45	0.45	0.45	0.85	0.85
Engineering	1.30	1.30	1.30	1.425	1.425
Streets	7.70	7.70	7.70	6.975	8.975
Total public works	10.95	10.95	10.95	10.15	12.15
Event center	0.40	0.40	0.40	0.62	0.62
Senior center	0.60	0.60	0.60	2.275	2.275
Aquatic center	0.60	0.60	0.60	0.65	0.65
Community programs & recreation	2.25	2.25	2.25	0.865	0.875
Municipal parks	5.45	5.45	5.45	6.015	6.025
City beautification	0.20	0.20	0.20	0.47	0.475
Total parks and recreation	9.50	9.50	9.50	10.90	10.92
Total general fund	73.85	74.85	75.85	79.85	83.57
HRA	1.00	1.00	1.00	1.00	1.00
Parking	0.85	0.85	0.85	0.83	0.83
Cemetery	0.65	0.65	0.65	0.20	0.20
Central equipment (garage)	1.55	1.55	1.55	1.50	1.50
Electric	18.30	18.30	18.30	21.90	22.20
Water	3.55	3.55	3.55	3.20	3.70
Sewer	2.95	2.95	2.95	3.20	2.70
Liquor stores	4.00	4.00	5.00	10.00	7.30
Golf course	3.95	3.95	3.95	4.00	4.00
Recycling	0.35	0.35	0.35	0.35	0.35
Total other funds	37.15	37.15	38.15	46.18	43.78
Total all funds	111.00	112.00	114.00	126.025	127.35

Starting with 2023 FTE calculation includes part time hours per department*

Source: City of Anoka departments

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

(Unaudited)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Elections										
Registered voters		11,385		10,836		11,778		11,082		12,137
Number of voters		8,744		7,229		9,621		6,944		9,647
Participation		77%		67%		82%		63%		79%
Building inspections										
No. of permits issued	579	474	406	445	890	865	516	704	738	736
Total permit valuation (in thousands)	\$46,974	\$34,437	\$23,182	\$19,328	\$21,129	\$55,505	\$40,698	\$52,279	\$72,492	\$20,371
Public safety										
Police activity	20,127	20,947	21,092	21,648	23,368	22,206	22,547	23,101	24,929	24,078
Crime (excluding traffic)										
Part A crime	610	679	572	464	432	383	1,035	881	734	700
Part B crime	818	1,086	1,001	949	975	890	601	575	530	994
Traffic accidents	732	786	833	689	863	564	692	662	750	547
Public works										
Sidewalk repair costs	48,405	23,102	48,249	35,423	20,834	60,610	-	40,880	28,000	50,100
Parks and recreation										
Senior Center riders	4,943	4,873	4,795	4,936	3,852	2,800	1,162	1,641	1,420	3,032
Park rentals	183	148	162	178	245	165	210	207	148	167
Swim lesson students	1,083	1,236	1,021	1,059	1,195	787	1,235	1,410	1,333	1,229
Open swim attendance	42,140	36,366	29,937	36,925	33,389	9,039	37,478	37,578	36,661	39,306
Parking										
Parking permits issued	272	299	345	345	223	177	107	147	185	173
Electric										
Average electric use in kWhrs, daily	760,161	754,067	736,580	758,189	731,524	739,738	777,102	764,679	736,442	706,885
Water										
Average water use in cubic feet, daily	235,813	233,602	231,588	240,584	212,476	238,015	253,711	239,332	262,529	232,790
Golf										
Rounds of golf purchase	32,764	33,958	32,089	30,288	31,399	41,003	43,658	40,601	41,899	43,032

Source: City of Anoka departments

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

(Unaudited)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	25	23	27	25	24	24	25	24	27	27
Public works										
Street miles	68.54	68.54	69.02	69.20	69.20	69.02	69.06	69.19	70.77	84.62
Parks and recreation										
Park acres maintained	595	597	597	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	13	13	13
Boat launches	2	2	2	2	2	2	2	2	2	2
Portable docks	5	5	5	5	5	4	4	6	6	6
Parking										
Ramps	2	2	2	2	2	2	2	2	2	2
Lots	4	4	4	4	4	4	4	4	4	4
Electric										
Overhead wire miles	148	140	134	134	161	156	203	182	178	176
Underground wire miles	192	199	208	208	339	342	424	468	483	492
Substations	4	4	4	4	4	4	4	4	4	4
Street lights	1,874	1,874	1,851	1,851	1,851	1,851	1,802	1,840	1,902	1,916
Water										
Water main miles	86.17	86.33	87.44	87.44	87.44	89.31	89.66	89.66	89.75	90.06
Wells	8	8	8	8	8	8	8	8	8	8
Sewer and Storm Drainage										
Sanitary sewer miles	67.15	67.28	67.67	67.67	67.67	68.30	68.48	68.49	68.50	68.65
Storm drain miles	34.03	34.85	34.95	34.95	35.86	39.65	40.20	40.21	40.56	41.00
Liquor										
Stores	2	2	2	2	2	2	2	2	1	1
Golf Course										
Playable acreage	126	126	126	126	126	126	126	126	126	126
Acres for expansion								2	2	19

Source: City of Anoka departments