

ANOKA COUNTY SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2014

OFFICIAL PUBLICATION

To the Honorable Board of County Commissioners:

I herewith submit to you a full and accurate statement of revenues and expenditures for the year 2014, together with an accurate statement of the financial position of the county on December 31, 2014, including debts and liabilities, and the assets to discharge the same.



Cory Kamp
Division Manager
Finance and Central Services Division

The purpose of this report is to provide a summary of financial information concerning Anoka County for interested citizens. Questions about this report should be directed to the Finance and Central Services Division, (763) 323-5300.

A FULL AND COMPLETE COPY OF THE COUNTY'S COMPREHENSIVE ANNUAL FINANCIAL STATEMENT IS AVAILABLE THROUGH OUR WEBSITE AT WWW.ANOKACOUNTY.US, UPON REQUEST BY CALLING (763) 323-5700, OR BY WRITING TO THE COUNTY ADMINISTRATOR, ANOKA COUNTY GOVERNMENT CENTER, 2100 THIRD AVENUE - ROOM 700, ANOKA, MN 55303



A view of the Anoka County Government Center from Jackson Street.

COUNTY OFFICIALS

Matt Look, (Vice Chair 2014)
Commissioner, District 1
(763) 323-5700

Robyn West
Commissioner, District 3
(763) 323-5700

Carol LeDoux
Mike Gamache, Commissioner Elect
Commissioner, District 5
(763) 323-5700

Scott Schulte
Commissioner, District 7
(763) 323-5700

Tony Palumbo
Attorney
(763) 323-5550

Julie Braastad
Commissioner, District 2
(763) 323-5700

Jim Kordiak
Commissioner, District 4
(763) 323-5700

Rhonda Sivarajah, (Chair 2014)
Commissioner, District 6
(763) 323-5700

Jerry Soma
County Administrator
(763) 323-5700

James Stuart
County Sheriff
(763) 323-5020

A PROFILE OF ANOKA COUNTY

County Statistical Information

Key Indicator	Total 2014	Total 2013	Percent Increase/Decrease
Population *	341,864	339,765	.62%
Total Estimated Market Value of all Taxable Property (in thousand's)	\$26,788,900	\$23,852,062	12.31%
Percent of Property Taxes Collected	99.38%	99.04%	.34%
Total Revenues (All Governmental Funds)	\$291,703,490	\$284,537,716	2.52%
Total Current County Expenditures (All Governmental Funds)	\$299,823,035	\$297,976,705	.62%
Total Debt Applicable to Legal Debt Limit	\$134,797,035	\$148,562,946	(9.27%)
Bond Rating on Most Recent General Obligation Bond Issue	AA+ Aa1	AAA Aa1	Standard & Poor's** Moody's
Total Number of Full Time Employees	1789.3	1749.6	2.27%

* The population amount for 2014 is an estimate, whereas 2013 population is based on actual data provided by the Metropolitan Council.

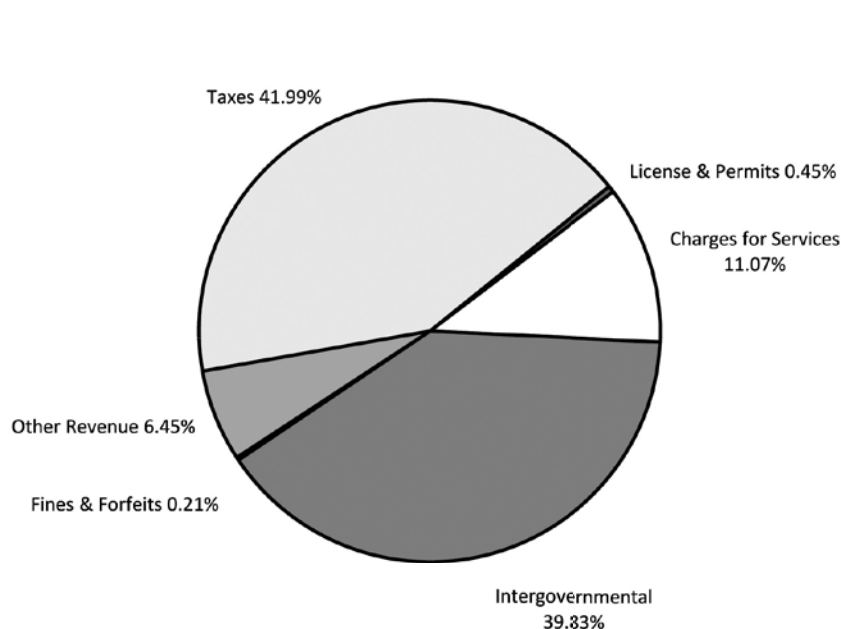
** Standard & Poor's rating was revised from AAA to AA+ in March, 2014.

Anoka County is Minnesota's fourth most populous county. The county's 2010 U.S. Census population count of 330,844 was 11% greater than its 2000 count of 298,084. The 2010 U.S. Census of housing showed a 16.1% increase in the number of housing units in the county from 108,091 in 2000 to 125,525 in 2010.

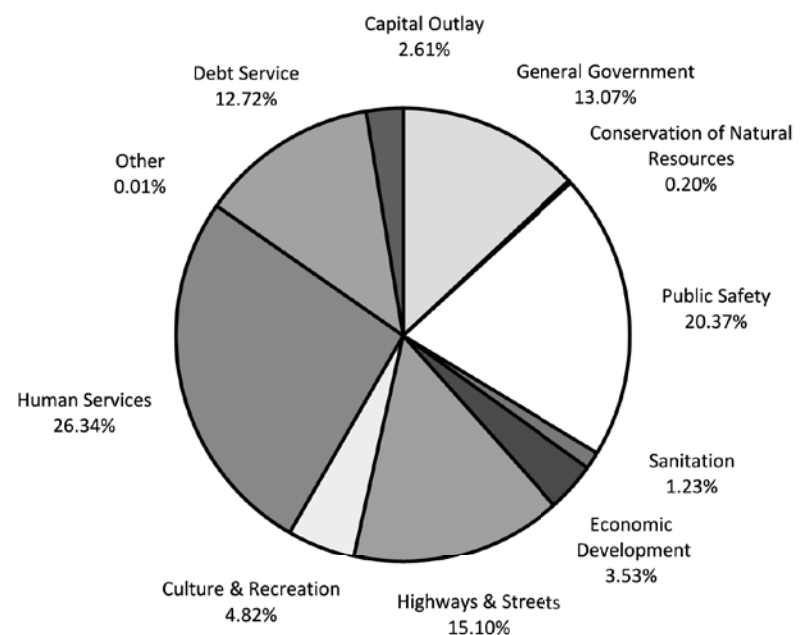
The demand for county services continues to rise. Yet, the Anoka County Board of Commissioners is committed to keeping county taxes reasonable and affordable. For example, Anoka County leads the way in the State of Minnesota in protecting the property taxpayer. Anoka County's taxes on a per capita basis were among the lowest in the metropolitan area in 2014. Additionally, Anoka County's tax levy, on a per capita basis, is among the lowest of all 87 counties in the entire state.

Anoka County 2014 Finances

Governmental Funds WHERE THE FUNDS COME FROM...



Governmental Funds WHERE THE FUNDS GO...



A USER'S GUIDE TO COUNTY FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of Anoka County's finances, in a manner similar to private-sector businesses. The government-wide Statement of Net Position (Exhibit 1) is reported on a full accrual basis, which recognizes all long-term assets as well as long-term obligations. The Statement of Activities (Exhibit 2) demonstrates the degree to which the direct expenses of each function of the County's governmental activities and different business-type activities are offset by program revenues. 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 (Exhibits 3 & 5) focus on spendable resources. Reconciliations (Exhibits 4 & 6) are provided between the governmental fund statements and the government-wide statements.

COUNTY GOVERNMENTAL FUND TYPES

Governmental fund statements (Exhibits 3 & 5) include the following funds:

The **General Fund** is the general operating fund of the County and is used to account for all financial resources except those that are required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The major funds are reported individually on the governmental fund statements and include Road & Bridge and Human Services. All non-major funds are consolidated in the other governmental funds column, those funds include the County Library, Parks and Recreation, Job Training Center, Cooperative Extension, Law Library, Community Development Block Grant, Regional Rail Authority, Housing and Redevelopment Authority, Forfeiture Funds, and Forfeited Tax Sale.

Debt Service Fund is used to account for the accumulation of resources for, and payment of, principal, interest, and related costs of general long-term debt.

Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Governmental funds are reported as governmental activities in the Statement of Net Position and Statement of Activities.

COUNTY PROPRIETARY FUND TYPES

Proprietary fund statements (Exhibits 7 & 8) include the following funds:

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the "measurement focus" of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Aquatic Center Enterprise Fund is reported as business type activity on the government-wide statements.

Internal Service Funds are used to account for the financing of the goods or services provided by one department or agency of a government to other departments or agencies on a cost-reimbursement or rental basis. The internal service fund is eliminated on the government-wide financial statements to avoid duplication of expenditures.

ANOKA COUNTY'S STATEMENT OF NET POSITION DECEMBER 31, 2014

EXHIBIT 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, cash equivalents, and pooled investments	\$ 150,262,519	\$ 998,228	\$ 151,260,747
Cash and investments with escrow agents	33,664,370	-	33,664,370
Investments with trust account	431,888	-	431,888
Delinquent taxes receivable	2,602,940	-	2,602,940
Accounts receivable, net of allowance for doubtful accounts	2,875,822	859	2,876,681
Accrued interest receivable	610,684	-	610,684
Land held for resale	474,800	-	474,800
Loans receivable			
Due within one year	221,098	-	221,098
Due in more than one year	3,134,349	-	3,134,349
Leases receivable			
Due within one year	1,060,907	-	1,060,907
Due in more than one year	10,192,714	-	10,192,714
Due from other governments	13,346,791	-	13,346,791
Inventories	2,220,446	-	2,220,446
Prepaid items	88,243	-	88,243
Capital assets not being depreciated:			
Land	206,157,000	-	206,157,000
Construction in progress	94,419,530	-	94,419,530
Capital assets, net of accumulated depreciation:			
Buildings and structures	155,895,627	4,233,867	160,129,494
Improvements other than buildings	12,990,021	1,007,017	13,997,038
Machinery and equipment	18,623,152	541,702	19,164,854
Infrastructure	267,522,934	-	267,522,934
Software	5,337,048	-	5,337,048
Total Assets	982,132,883	6,781,673	988,914,556
Liabilities			
Accounts payable	3,258,228	798	3,259,026
Salaries payable	6,165,375	7,547	6,172,922
Contracts payable	3,984,882	-	3,984,882
Due to other governments	3,601,433	1,057	3,602,490
Matured interest payable	3,162,721	-	3,162,721
Unearned revenue	13,624,889	-	13,624,889
Noncurrent Liabilities:			
Due within one year			
Bonds and notes payable	40,444,997	-	40,444,997
Compensated absences	449,799	685	450,484
Outstanding claims payable	216,477	-	216,477
Capital leases payable	4,213	-	4,213
Loans payable	4,434	-	4,434
Due in more than one year			
Bonds and notes payable	162,875,100	-	162,875,100
Compensated absences	8,546,181	13,027	8,559,208
Outstanding claims payable	2,676,740	-	2,676,740
Loans payable	162,747	-	162,747
Other postemployment benefits (OPEB) liability	20,213,671	-	20,213,671
Total Liabilities	269,391,887	23,114	269,415,001
Deferred Inflows of Resources			
Advances from other governments	3,291,233	-	3,291,233
Net Position			
Net investment in capital assets	645,449,746	5,782,586	651,232,332
Restricted for:			
Debt service	16,835,978	-	16,835,978
General government	6,384,912	-	6,384,912
Public safety	2,037,362	-	2,037,362
Highway	4,781,684	-	4,781,684
Sanitation	16,680,742	-	16,680,742
Culture and recreation	286,181	-	286,181
Conservation of natural resources	76,355	-	76,355
Economic development	1,499,968	-	1,499,968
Unrestricted	15,416,835	975,973	16,392,808
Total net position	\$ 709,449,763	\$ 6,758,559	\$ 716,208,322

— Continued on next page.

MAJOR CATEGORIES OF COUNTY EXPENDITURES

The functions of government as shown in Exhibit 5:

The **General Government** function includes expenditures for salaries and expenses for general county activities such as the County Commissioner's, the County Administrator's Office, the County Attorney's Office, the Property Records and Taxation Division, the Finance and Central Services Division, and other county offices.

The **Public Safety** function includes expenditures for corrections' activities, the operation of the County Sheriff's office, the County Jail, Central Communications and the County Medical Examiner.

The **Sanitation** function includes expenditures for county solid waste collection and disposal programs, including county sponsored recycling programs.

The **Highways and Streets** function includes expenditures for all Highway Department road construction and maintenance programs, as well as bridge construction and maintenance, signs, signals, design, right-of-way acquisition, etc.

The **Human Services** function includes the administration of all federal, state and county human services programs, including: economic assistance, child support collection, social service and mental health programs such as chemical dependency treatment programs and child protection services. Also included are expenditures for the County Public Health

Department, including inoculation programs, home health aid services and programs to protect public and private drinking water systems.

The **Culture and Recreation** function includes expenditures for county libraries, county parks and recreation programs, including the development and maintenance of all county and regional park facilities.

The **Conservation of Natural Resources** function includes expenditures relating to soil and water conservation and the County Extension Office.

The **Economic Development** function includes expenditures for economic development programs such as the Community Development Block Grant Program, HOME Program, Housing and Redevelopment Authority, Federal Economic Security Programs and the County Regional Railroad Authority.

Debt Service includes all expenditures for the repayment of bonds issued by the county and lease purchase agreements entered into by the county, including the payment of principal, interest and other fiscal charges associated with the bonds and lease purchase agreements.

Capital Outlay includes all expenditures for the construction of county facilities or the purchase of buildings, land or major equipment by the county.

These activities, except for Debt Service and Capital Outlay, are used in both the government-wide and governmental funds statements.

ANOKA COUNTY'S STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Charges, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 44,437,286	\$ 8,523,558	\$ 6,256,274	\$ -	\$ (29,657,454)	\$ -	\$ (29,657,454)
Public safety	66,142,197	16,668,316	7,899,594	-	(41,574,287)	-	(41,574,287)
Highways and streets	31,191,566	419,205	19,983,976	13,949,366	3,160,981	-	3,160,981
Human services	79,492,558	3,387,782	43,677,989	-	(32,426,787)	-	(32,426,787)
Sanitation	3,868,876	4,098,954	1,096,750	-	1,326,828	-	1,326,828
Culture and recreation	15,843,510	2,462,882	576,644	1,600,420	(11,203,564)	-	(11,203,564)
Conservation of natural resources	593,230	59,866	12,000	-	(521,364)	-	(521,364)
Economic development	10,918,762	2,544,331	6,439,965	381,400	(1,553,066)	-	(1,553,066)
Interest expense and fiscal charges on long-term debt	7,923,914	-	-	-	(7,923,914)	-	(7,923,914)
Total governmental activities	260,411,899	38,164,894	85,943,192	15,931,186	(120,372,627)	-	(120,372,627)
Business-type activities:							
Aquatic center	1,169,887	1,466,653	-	-	-	296,766	296,766
Total primary government	\$ 261,581,786	\$ 39,631,547	\$ 85,943,192	\$ 15,931,186			
General Revenues:							
Property taxes collected for general purposes					120,362,092	-	120,362,092
Property taxes collected for debt service					17,836,669	-	17,836,669
Wheelage tax collected for highways and streets					29,639	-	29,639
Unrestricted investment earnings					5,604,118	-	5,604,118
Gain on sale of capital assets					130,458	-	130,458
Miscellaneous					4,735,318	-	4,735,318
Transfers					75,097	(75,097)	-
Total general revenues and transfers					148,773,391	(75,097)	148,698,294
Change in net position					28,400,764	221,669	28,622,433
Net position--January 1					681,048,999	6,536,890	687,585,889
Net position--December 31					\$ 709,449,763	\$ 6,758,559	\$ 716,208,322

**ANOKA COUNTY'S BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

EXHIBIT 3

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets							
Cash and pooled investments	\$ 46,583,146	\$ 22,267	\$ 28,359,049	\$ 17,209,404	\$ 31,572,878	\$ 22,963,042	\$ 146,709,786
Cash and investments with escrow agents	-	4,781,684	-	27,961,060	-	921,626	33,664,370
Investments with trust account	431,888	-	-	-	-	-	431,888
Delinquent taxes receivable	1,061,657	207,535	638,683	396,597	10,642	287,826	2,602,940
Accounts receivable, net of allowance for doubtful accounts	528,055	48,034	1,990,955	14,298	1,000	293,480	2,875,822
Accrued interest receivable	416,747	-	-	193,937	-	-	610,684
Land held for resale	-	-	-	-	-	474,800	474,800
Loans receivable	375,616	-	-	-	-	2,979,831	3,355,447
Leases receivable	11,253,621	-	-	-	-	-	11,253,621
Due from other funds	2,931,000	-	-	-	-	-	2,931,000
Due from other governments	3,439,517	2,368,577	6,979,155	-	16,425	543,117	13,346,791
Advances to other funds	-	-	-	-	1,745,185	-	1,745,185
Inventories	-	2,194,308	-	-	-	26,138	2,220,446
Prepaid items	88,191	-	52	-	-	-	88,243
Total Assets	67,109,438	9,622,405	37,967,894	45,775,296	33,346,130	28,489,860	222,311,023
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	1,208,646	324,435	1,045,947	-	92,930	586,270	3,258,228
Salaries payable	3,595,363	353,400	1,845,916	-	4,828	365,868	6,165,375
Contracts payable	228,922	1,716,207	531,180	-	1,455,858	52,715	3,984,882
Due to other funds	-	2,850,000	-	-	-	81,000	2,931,000
Due to other governments	221,731	1,357,784	1,774,613	-	6,385	231,309	3,591,822
Advance from other funds	590,292	-	-	-	-	1,154,893	1,745,185
Matured interest payable	-	-	-	91,511	-	-	91,511
Unearned revenue	11,661,376	-	635,994	-	4,415	1,323,104	13,624,889
Total Liabilities	17,506,330	6,601,826	5,833,650	91,511	1,564,416	3,795,159	35,392,892
Deferred Inflows of Resources							
Advance from other governments	-	3,291,233	-	-	-	-	3,291,233
Unavailable revenue	1,550,862	1,328,081	638,683	396,597	10,642	3,316,407	7,241,272
Total Deferred Inflows of Resources	1,550,862	4,619,314	638,683	396,597	10,642	3,316,407	10,532,505
Fund Balances							
Nonspendable in:							
General Fund	88,191	-	-	-	-	-	88,191
Special revenue funds	-	2,194,308	52	-	-	26,138	2,220,498
Restricted in:							
General Fund	11,722,812	-	-	-	-	-	11,722,812
Special revenue funds	-	4,781,684	-	-	-	2,222,754	7,004,438
Debt Service Fund	-	-	-	45,287,188	-	-	45,287,188
Capital Projects Fund	-	-	-	-	13,019,954	-	13,019,954
Committed in:							
Special revenue funds	-	-	-	-	-	4,348,612	4,348,612
Assigned in:							
General Fund	5,191,846	-	-	-	-	-	5,191,846
Special revenue funds	-	-	31,495,509	-	-	14,780,790	46,276,299
Capital Projects Fund	-	-	-	-	18,751,118	-	18,751,118
Unassigned	31,049,397	(8,574,727)	-	-	-	-	22,474,670
Total Fund Balances	48,052,246	(1,598,735)	31,495,561	45,287,188	31,771,072	21,378,294	176,385,626
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 67,109,438	\$ 9,622,405	\$ 37,967,894	\$ 45,775,296	\$ 33,346,130	\$ 28,489,860	\$ 222,311,023

ANOKA COUNTY COLLABORATION AND VISION

Anoka County, Minnesota, located north of the Twin Cities metropolitan area, is comprised of 21 municipalities. Here you'll find a unique blend of urban amenities in a friendly, small town atmosphere. Despite today's challenging economic times, Anoka County continues to be a great place to live, work, play, and do business. With award-winning schools and several post-secondary educational institutions, Anoka County residents are well-educated and take pride in their work and community. The County has numerous commercial and industrial sites available for development including several hundred acres zoned industrial within the Metropolitan Urban Service Area (MUSA) 20 minutes from downtown Minneapolis and St. Paul.

The Connect Anoka County high-speed fiber broadband project, a cooperative project between the County and Zayo Bandwidth LLC, has been completed. The project was awarded \$13,382,593 in July 2010 from the American Recovery and Reinvestment Act (ARRA) to expand fiber broadband connectivity across the County. The project links 145 anchor institutions with three core rings, creating a fiber optic backbone, which connects public safety, public works, libraries, law enforcement, license centers, city and town halls, and County and community buildings. The broadband project serves 56 public safety agencies. The installation of the high-speed fiber passes directly through the County's key business districts and economic development zones, allowing Zayo Bandwidth to offer high-speed broadband directly to businesses.

Transportation is a priority in Anoka County. Infrastructure such as railroads, airports, and freeways has a significant impact on economic growth. The County is served by three interstate highways: I-35W from downtown Minneapolis, I-35E from downtown St. Paul, and I-694 connecting the north metro. Other highways serving the County are U.S. Highways 10, 169, and 610, and State Highways 65 and 47. U.S. Highway 10 provides a nonstop freeway from the city of Anoka to both downtown Minneapolis and St. Paul. U.S. Highway 610, in conjunction with State Highway 252, links I-35W to I-94.

Anoka County has taken a leadership role in the region's mass transit initiatives. Northstar, the state's first commuter rail line, became operational in November 2009. A service designed almost exclusively to take people to and from work, Northstar trains carry passengers between Big Lake in Sherburne County and downtown Minneapolis, with stops in Elk River, Ramsey, Anoka, Coon Rapids, and Fridley.

The County, through an agreement with the Metropolitan Airports Commission (MAC), has made over \$16 million of improvements at the Anoka County (Janes Field) Airport located in the City of Blaine. Under the Agreement, the MAC turned over control of the Northwest Quadrant of the airport to the County in exchange for the improvements. The County has sub-leased the site to a private development group, the Anoka Airport LLC, which has partnered with Key Air, a large private equity firm, which owns and manages aircraft fleets. The Northwest Quadrant has a first class fixed-based operation (FBO), hangars for corporate and private jets, and ramp space for jet parking. The County receives lease payments for hangars and ramp space from the facility's management organization, Key Air Executive Charter and Aircraft Management, and its tenants.

The development of creative partnerships has been a key component of Anoka County's success. The Anoka County Sheriff's Office and Tri-County Regional Forensic Laboratory consolidates the majority of the Sheriff's Office operations, allowing officers to respond to emergencies more quickly and resulting in communication that is more efficient and streamlined. The state of the art forensic laboratory was made possible by a joint powers agreement between Anoka, Wright, and Sherburne Counties. The facility also features a unique agreement with Hamline University in St. Paul to offer practical experience and internships to students studying forensic science.

The Anoka County Midwest Medical Examiner's Office is another example of how Anoka County achieves results with innovative cooperative initiatives. The facility serves and shares costs with more than a dozen Minnesota counties and three Wisconsin counties. It incorporates the latest scientific death investigation methods and tools while compassionately helping families and survivors learn the circumstances surrounding the death of their loved one.

The National Sports Center in the City of Blaine is featured in the Guinness Book of World Records as the world's largest indoor hockey facility with eight indoor ice rinks, the Herb Brooks Training Facility/Hall of Fame, and a dry floor training facility for figure skating. Additionally, the Schwan's Super Rink has become the largest skating venue in the world. The National Sports Center is the home training center for the USA Women's Olympic Hockey team and hosts the world's largest soccer tournament, the Schwan's USA Cup. In 2012, the National Sports Center completed construction of a convention and exhibition center providing the region with top notch meeting and exhibition areas. The Center attracts more than four million visitors each year.

— Continued on next page.

ANOKA COUNTY'S RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2014

EXHIBIT 4

Total fund balances for governmental funds (Exhibit 3)		\$ 176,385,626
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		760,945,312
An internal service fund is used by the County to charge the cost of insurance to the individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		649,905
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities.		
Bonds and notes payable - net of premium and discount	\$ (203,320,097)	
Compensated absences	(8,995,980)	
Other postemployment benefits	(20,213,671)	
Capital leases payable	(4,213)	
Loans payable	<u>(167,181)</u>	
Total long term liabilities		(232,701,142)
Matured interest payable is not due and payable in the current period and therefore, is not reported on the fund statements.		
Matured interest payable reported on Exhibit 1	\$ (3,162,721)	
Matured interest payable reported on Exhibit 3	<u>91,511</u>	
		(3,071,210)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		<u>7,241,272</u>
Net position of governmental activities (Exhibit 1)		<u><u>\$ 709,449,763</u></u>

**ANOKA COUNTY'S STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT 5

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues							
Taxes	\$ 51,651,670	\$ 10,191,774	\$ 30,285,515	\$ 17,836,602	\$ 644	\$ 12,518,703	\$ 122,484,908
Licenses and permits	225,863	75,990	1,008,972	-	-	1,830	1,312,655
Intergovernmental	19,952,070	37,521,901	46,057,919	6,672	4,007,739	8,648,131	116,194,432
Charges for services	27,112,823	-	3,290,133	-	-	1,874,502	32,277,458
Fines and forfeits	543	-	-	-	-	600,290	600,833
Investment income	2,259,204	16,925	-	475,903	10,963	16,587	2,779,582
Net change in fair value of investments	2,924,906	-	-	(422,409)	-	-	2,502,497
Miscellaneous	5,065,074	468,173	410,167	2,320,061	69,897	5,217,753	13,551,125
Total Revenues	109,192,153	48,274,763	81,052,706	20,216,829	4,089,243	28,877,796	291,703,490
Expenditures							
Current							
General government	36,063,892	-	-	-	2,697,106	418,094	39,179,092
Public safety	59,073,299	-	-	-	1,992,886	11,266	61,077,451
Highways and streets	-	45,267,411	-	-	-	-	45,267,411
Human services	391,067	-	78,019,414	-	566,978	-	78,977,459
Sanitation	3,681,606	-	-	-	3,806	-	3,685,412
Culture and recreation	167,623	-	-	-	84,531	14,207,917	14,460,071
Conservation of natural resources	148,992	-	-	-	-	444,535	593,527
Economic development	-	-	-	-	-	10,581,236	10,581,236
Debt Service							
Principal retirement	-	-	-	29,749,376	-	24,878	29,774,254
Interest	-	-	-	8,303,112	-	11,939	8,315,051
Bond issuance costs	-	-	-	-	-	15,000	15,000
Administrative charges	-	-	-	42,714	-	-	42,714
Capital Outlay							
General government	-	-	-	-	3,262,103	-	3,262,103
Public safety	-	-	-	-	3,230,965	-	3,230,965
Human services	-	-	-	-	68,704	-	68,704
Sanitation	-	-	-	-	176,767	-	176,767
Culture and recreation	-	-	-	-	1,082,883	-	1,082,883
Intergovernmental							
Highways and streets	-	32,935	-	-	-	-	32,935
Total Expenditures	99,526,479	45,300,346	78,019,414	38,095,202	13,166,729	25,714,865	299,823,035
Excess of Revenues Over (Under)							
Expenditures	9,665,674	2,974,417	3,033,292	(17,878,373)	(9,077,486)	3,162,931	(8,119,545)
Other Financing Sources (Uses)							
Transfers in	316,439	-	93,628	5,568,985	10,566,853	561,138	17,107,043
Transfers out	(8,904,642)	(55,000)	(1,662,110)	(2,049,606)	(177,512)	(4,183,076)	(17,031,946)
Total Other Financing Sources (Uses)	(8,588,203)	(55,000)	(1,568,482)	3,519,379	10,389,341	(3,621,938)	75,097
Net Change in Fund Balances	1,077,471	2,919,417	1,464,810	(14,358,994)	1,311,855	(459,007)	(8,044,448)
Fund Balances - January 1	46,974,775	(4,962,775)	30,030,751	59,646,182	30,459,217	21,847,385	183,995,535
Increase (decrease) in inventories	-	444,623	-	-	-	(10,084)	434,539
Fund Balances - December 31	\$ 48,052,246	\$ (1,598,735)	\$ 31,495,561	\$ 45,287,188	\$ 31,771,072	\$ 21,378,294	\$ 176,385,626

FUTURE PROJECTS, CAPITAL IMPROVEMENTS FUNDING

Several important maintenance projects and building and equipment upgrades are included in Anoka County's 2015 Capital Improvements Budget (CIB). The CIB for 2015 has \$2 million planned to remodel the courts area, elevator upgrades for \$700 thousand, jail boilers and locks for \$300 thousand and other maintenance projects. Anoka County will fund ten Information Technology projects totaling \$5.9 million in the 2015 CIB, which includes the Property Tax STAR system migration of \$4 million.

There are nine highway projects in the 2015 CIB for a total of \$61 million. The most significant project is the TH 10 Interchange with CSAH 83 (Armstrong Blvd.) for nearly \$38 million. In addition there are two projects for roundabouts (\$4.2 million), annual pavement rehabilitation program (\$6.7 million), CSAH 14 from Radisson to Harpers (\$6.7 million), CSAH 11 from Egret to Northdale Blvd. (\$3 million), and CSAH 116 from Crane to Jefferson (\$1.7 million).



Reconstruction of the Armstrong Blvd./Hwy. 10 interchange in Ramsey is underway.

ANOKA COUNTY'S RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT 6

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

Net change in fund balances - total governmental funds (Exhibit 5)

\$ (8,044,448)

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

Expenditures for general capital assets, infrastructure, and other related
capital assets adjustment
Current year depreciation

\$ 28,150,951
(17,811,937)

10,339,014

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Prior to the current year, issuance costs were required to be deferred and amortized. Because of this change, all previously deferred issuance costs are being expensed in the statement of activities in the current year. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issued:
Loans
Principal repayments:
Debt service principal retirement
Current year amortization of discounts and premiums

\$ (167,181)

29,774,254
488,143

30,095,216

The effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, transfers and retirements) is to decrease net position.

(718,145)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. Earned but unavailable revenue reported in the governmental funds net of current year delinquent tax collections.

Unavailable revenue - December 31
Unavailable revenue - January 1

\$ 7,241,272
(10,559,526)

(3,318,254)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the change in compensated absences (-\$12,186), change in interest payable (-\$463,955), and changes in inventories (-\$434,539).

910,680

Current year net change in other postemployment benefits (OPEB) obligation.

(294,550)

An internal service fund is used to charge the insurance costs to the individual funds. The decrease in net position of the internal service fund is reported in the government-wide statement of activities.

(568,749)

Changes in net position of governmental activities (Exhibit 2)

\$ 28,400,764

DELIVERY OF SERVICES

The Board of Commissioners is committed to providing a full range of services for county residents. Those services are as listed:

Law Enforcement - The Sheriff provides patrol of county highways, a crime lab and criminal investigation unit, water patrol and incarceration of prisoners in the county jail.

Public Works - The Highway Department plans, designs, builds, and maintains county highways and bridges. The Parks and Recreation Department operates several county and regional parks, a golf course and an aquatic center which provide recreational opportunities for county residents.

Library Services - Two main resource libraries along with several regional and neighborhood branch libraries offer all residents the opportunity for access to a wide range of books, computers, and resource materials.

Community Corrections - Probation and parole counseling, work release, adult DWI school and juvenile detention services are provided to those who have been adjudicated of crimes.

Property Records and Taxation - The county maintains records of all property transactions, calculates assessed property value and bills and collects property taxes for the county, cities, townships, schools and special taxing districts within the county.

Legal Services - The County Attorney's Office investigates and prosecutes civil and criminal matters and pursues judgements of paternity and support in child support cases. Legal support is also provided in all county business functions.

Human Services - The Economic Assistance Department determines eligibility for cash assistance, medical care and food stamps. Social Services and Mental Health purchase and provide services for the mentally ill, mentally retarded and chemically dependent and provide adoptive and foster care services. Public Health provides services for pregnant teens, new parents, the elderly who require home care and well-child clinics to promote healthier children.

Other Government Services - Services to veterans, election services, voter registration, selling license plates and tabs, and hunting and fishing licenses are all provided to residents. The county's Central Communications unit operates a state-of-the-art 911 emergency dispatch center for all police, fire and medical emergency needs in the county.

Administrative Services - Support services are provided to the other departments by County Administration, the Finance and Central Services Division, Information Technology and Human Resources departments.

Anoka County has been able to provide all of the above services, and more, and still maintains one of the lowest per capita county tax burdens in the state. A key factor is Anoka County's commitment to controlling the county's property tax levy. This factor shows that Anoka County is a leader in providing government services to its constituents, while keeping the cost of those services affordable. The County Board's attention to the fiscal affairs of the County is directly responsible for these cost controls.

ANOKA COUNTY'S STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2014

EXHIBIT 7

	Business-Type Activities	Governmental Activities
	Aquatic Center Enterprise Fund	Pooled Insurance Internal Service Fund
Assets		
Current Assets:		
Cash and pooled investments	\$ 998,228	\$ 3,552,733
Accounts receivable	859	-
Total current assets	999,087	3,552,733
Noncurrent Assets:		
Capital assets	8,529,682	-
Less: accumulated depreciation	(2,747,096)	-
Total capital assets (net of accumulated depreciation)	5,782,586	-
Total noncurrent assets	5,782,586	-
Total Assets	6,781,673	3,552,733
Liabilities		
Current Liabilities:		
Accounts payable	798	-
Salaries payable	7,547	-
Due to other governments	1,057	9,611
Compensated absences	685	-
Outstanding claims payable	-	216,477
Total current liabilities	10,087	226,088
Noncurrent Liabilities:		
Compensated absences	13,027	-
Outstanding claims payable	-	2,676,740
Total noncurrent liabilities	13,027	2,676,740
Total Liabilities	23,114	2,902,828
Net Position		
Net investment in capital assets	5,782,586	-
Unrestricted	975,973	649,905
Total Net Position	\$ 6,758,559	\$ 649,905

ANOKA COUNTY'S STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT 8

	Business-Type Activities	Governmental Activities
	Aquatic Center Enterprise Fund	Pooled Insurance Internal Service Fund
Operating Revenues		
Charges for services	\$ 1,144,115	\$ -
Concessions	316,262	-
Insurance fees	-	741,358
Miscellaneous	6,276	1,921
Total Operating Revenues	1,466,653	743,279
Operating Expenses		
Personal services	515,063	-
Other services and charges	239,424	-
Supplies	173,661	-
Professional services	-	20,508
Insurance	-	1,291,545
Depreciation	241,739	-
Total Operating Expenses	1,169,887	1,312,053
Operating Income (Loss)	296,766	(568,774)
Nonoperating Revenues (Expenses)		
Investment income	-	25
Net Income (Loss) Before Transfers and Contributions	296,766	(568,749)
Transfers		
Transfers in	379,903	-
Transfers out	(455,000)	-
Total Transfers	(75,097)	-
Increase (Decrease) in Net Position	221,669	(568,749)
Net position - January 1	6,536,890	1,218,654
Net position - December 31	\$ 6,758,559	\$ 649,905

