



Anoka County
MINNESOTA

Respectful, Innovative, Fiscally Responsible

Comprehensive Annual Financial Report

Year Ended December 31, 2015

Prepared by Finance & Central Services Division of Anoka County, Minnesota
Cory Kampf, Division Manager



Anoka County

FINANCE & CENTRAL SERVICES DIVISION

Enriching Community | Quality Service | Financial Integrity

Finance

Central Services

General Operations

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF

**ANOKA COUNTY,
MINNESOTA**

PREPARED BY

THE
FINANCE AND CENTRAL SERVICES DIVISION OF ANOKA COUNTY
CORY KAMPF, DIVISION MANAGER

YEAR ENDED DECEMBER 31, 2015
Issued June 2016

To the Honorable Board of County Commissioners:

I herewith submit to you a full and accurate statement of revenues and expenditures for the year 2015, together with an accurate statement of financial position of the County on December 31, 2015, including debts and liabilities, and the assets to discharge the same.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jerry Soma". The signature is fluid and cursive, with a large initial "J" and "S".

**Jerry Soma
County Administrator**

**ANOKA COUNTY
ANOKA, MINNESOTA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2015**

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ANOKA, MINNESOTA**

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**ANOKA COUNTY
ANOKA, MINNESOTA**

INTRODUCTORY SECTION



Anoka County

FINANCE & CENTRAL SERVICES DIVISION

Respectful, Innovative, Fiscally Responsible

Central Accounting

Budget

Treasury &
Collections

Human Services
Accounting

Central Services

Facilities Mgmt. &
Construction

June 16, 2016

The Citizens of Anoka County
The Honorable Chair and Commissioners
Anoka County Board of Commissioners
Anoka County Government Center
2100 Third Avenue
Anoka, Minnesota 55303

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of Anoka County is herewith submitted for the fiscal year ended December 31, 2015. This report has been produced in compliance with Governmental Accounting Standards Board, Statement No. 34, as amended. The County's Finance and Central Services Division prepared this report in conformity with generally accepted accounting principles (GAAP). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

Copies of this report will be sent to elected officials, County management, bond rating agencies, financial institutions, and others who have expressed an interest in Anoka County's financial affairs. The report is also available on the Anoka County web site at www.anokacounty.us.

GOVERNMENTAL ORGANIZATION AND SERVICES

The Anoka County Board of Commissioners consists of seven commissioners elected from the seven districts in the County. All commissioners serve overlapping four-year terms of office. Each member of the County Board serves on various committees. The major committees are Management, Transportation, Finance and Capital Improvements, Public Safety, Information Technology, Human Services, Parks and Community Services, Intergovernmental and Community Relations, Property Tax and Waste Management and Energy.

The Board appoints the County Administrator who is the chief administrative officer of the County. Duties include responsibility for the administration of Board policy and for the management of the various County divisions and departments.

The County's functions and employees are divided among statutory offices, five divisions and several departments. During 2015, the elected County Attorney and County Sheriff managed their respective statutory offices. The division managers and remaining department heads and other County officials (such as Medical Examiner) are appointed by the County Board, with the exception of the Cooperative Extension Agent, who is appointed by the University of Minnesota.

The County provides a full range of services mandated by state statute. This includes public safety, recreation, public works, health services, judicial, cultural, human services, vital statistics, tax assessment and tax collection.

THE FINANCIAL REPORTING ENTITY

This report includes Anoka County and its component units, the Anoka County Regional Railroad Authority and the Anoka County Housing and Redevelopment Authority. The criteria used in determining the financial reporting entity are consistent with Statement No. 14 of the Governmental Accounting Standards Board (GASB), "The Financial Reporting Entity," and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34."

FINANCIAL MANAGEMENT

Anoka County's strong financial position continues to offer the people of the County very positive financial benefits. Several initiatives, which are designed to maintain or enhance the County's strong financial position, include:

1. Investing funds not immediately needed for expenditures to maximize non-tax revenue;
2. Using advice and recommendations from the general public to improve productivity in the delivery of County services;
3. Allocating County resources to those areas that meet community needs as determined by the Board of County Commissioners; and
4. Closely monitoring performance and expenditures to ensure that functions are carried out within authorized levels.

NOTES TO THE FINANCIAL STATEMENTS

The Notes to the Financial Statements, presented in the Financial Section, are an integral part of this Comprehensive Annual Financial Report and should be read for a more complete understanding of the statements and information presented herein.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Generally accepted accounting principles (GAAP) require 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. Anoka County's MD&A can be found immediately following the report of the independent auditors.

GENERAL INFORMATION CONCERNING THE COUNTY

Anoka County, established May 23, 1857, is located in the northwestern portion of the Minneapolis/Saint Paul metropolitan area. It encompasses more than 440 square miles (approximately 272,960 useable acres) and includes all or portions of 20 cities and one township. The County offers urban amenities in a friendly, small town atmosphere. With award-winning schools and several post-secondary educational institutions, Anoka County residents are well-educated and take pride in their work and community. Anoka County is Minnesota's fourth most populous county with a 2015 U.S. Census population estimate of 339,534.

INDUSTRY LEADERS IN EMERGING TECHNOLOGIES AND INNOVATION

For more than 150 years, Anoka County has taken great care to foster its abundance of economic, cultural, and natural resources. Anoka County is home to well-recognized industry leaders such as Medtronic Corporation, Infinite Campus, Vista Outdoor Sporting (Federal Premium Ammunition), BAE Systems, Honeywell Commercial Flight Systems, Aveda Corporation, Onan Corporation, and Pentair Technical Products. These companies, along with other existing and emerging companies, caused total employment in the County to grow more rapidly than the Twin Cities metropolitan area as a whole between 1990 and 2010.

The County's emphasis on attracting technology-based companies has resulted in new companies locating in the area's business development centers. Two of these centers, the Minnesota Medical Enterprise Park in the City of Coon Rapids and the Development Center in the City of Columbia Heights, have focused on attracting and assisting developing medical and high technology companies to the County. Technology based companies located in the County include SarTec, Infinite Campus, Parametric Technology, N.T. International, Dymedix, Comedicus, Visual Circuits, Bioenergy, Inc., and BioVest International.

The Medtronic facility, located adjacent to Anoka County at the juncture of Highway 10 and I-35W, is Medtronic's largest campus encompassing 1.5 million square feet on 85 acres. The facility employs approximately 11,000 people and consolidates the Cardiac Rhythm Disease division.

A recent infrastructure investment in sewer by the City of East Bethel will add additional building opportunities over the next decade. This investment has already attracted Advanced Hydraulics to the community.

ANOKA COUNTY COLLABORATION & 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.

Greater MSP, a regional economic development organization, is a proven partner in growing businesses in Anoka County. To date \$37.35 million in new business investments and expansions and 1,026 jobs have been created through the partnership with Greater MSP. A talent attraction initiative launched in 2015 is helping to attract young professionals from across the country.

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 were on time 96 percent of the time and ridership continues to grow. Northstar carries 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 nineteen 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.

FUTURE PROJECTS, CAPITAL IMPROVEMENTS FUNDING

Several important maintenance projects and building and equipment upgrades are included in Anoka County's 2016 Capital Improvements Budget (CIB). The CIB for 2016 has \$8 million planned to remodel the courts area, elevator upgrades for \$400 thousand, jail locks for \$530 thousand and \$1.7 million for other maintenance projects. Anoka County will fund eleven Information Technology projects totaling \$6.8 million in the 2016 CIB, which includes the Property Tax STAR system migration of \$1 million, a Unified Communications infrastructure of \$2.4 million and an upgrade to 800 MHz equipment of \$1.4 million.

There are eleven highway projects in the 2016 CIB for a total of \$34.5 million. There are several railroad grade separation projects (\$7.6 million), annual pavement rehabilitation program (\$8 million), CSAH 11 from Egret to Northdale Blvd. (\$3.7 million), CSAH 116 from Crane to Jefferson (\$8 million), CSAH 23/TH97 (Lake Dr.) interchange at I-35 (\$2.4 million), CSAH 12 (109th Ave.) realignment at Sunset Ave. (\$2 million), and CSAH 9 (Lake George Blvd.) at Viking Blvd. (\$1.2 million).

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 Anoka County Government operates. Along with the previous discussion about major industries and future development in the County, it is important to look at the impact of changes in population, employment and market value within the County.

Over the last few years, the Anoka County Board has taken an increasing interest in the area's development and is taking on the role of a responsible partner to the communities within the County. Growth has become a consistent condition with a variety of challenges and possibilities and Anoka County is actively seeking opportunities to partner with local governments and those interested in locating and developing in the area.

The growth pattern of the County has brought other pressures to bear on the County and its communities. The influx of residents has brought a variety of demands: more houses and more people mean more services and more infrastructure. Today's Anoka County residents have high expectations of their government and its ability to provide for their needs.

A growing Anoka County citizenry, and by extension, its elected County Board members, have a keen and vested interest in transportation and public safety, assigning these two key issues their highest priorities. Transportation infrastructure improvements will be funded by federal, state and local government dollars.

The other project related to high priority initiatives is the Sheriff's Office and Tri-County Regional Forensics Laboratory.

Still these critical initiatives are planned with fiscal control. Anoka County continues budget restraint, maintaining a moderate level of debt, and control over the number of County employees. The number of full-time equivalents (FTE) employed by Anoka County government per 1,000 residents has only increased from 5.2 FTE to 5.4 FTE over the last ten years.

When looking at the employment within the County, the average number of employees has remained level in the ten-year comparison. Anoka County's unemployment rate is 3.6 percent for 2015, compared to the State of Minnesota rate of 3.7 percent and United States rate of 5.3 percent. The County's unemployment has been at or below both the State and Federal rates for six of the last ten years. Over the last few years, the County's market values have been rebounding steadily. In 2014 and 2015, the County experienced a total increase in estimated market value of just over 16 percent. The Statistical Section of this financial report provides more detailed ten-year data on unemployment, market value in the County, demographics, employment and estimated payroll by industry.

ACCOUNTING SYSTEM, INTERNAL AND BUDGETARY CONTROL

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: the safeguarding of assets against loss from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper authorization and recording of financial transactions.

The County's system of internal controls is supported by written policies and procedures and is continually reviewed, evaluated, and modified to meet current needs. The County Board authorized funding in the 1993 budget and for each year since for the creation of an Internal Auditor position, which will further ensure that internal control is adequate to safeguard assets and provide reasonable assurance of proper authorization and recording of financial transactions.

The County's accounting system is organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures/expenses. The basic accounting period is the month, in that various reports are issued monthly. Once each year at December 31 the books are closed.

Anoka County uses the modified accrual basis of accounting for accounting and budgeting its governmental funds, which means that the determining factor for recording expenditures is when the service or material has been delivered and the County has incurred a liability for payment. Revenues are recorded when received or when measurable and available to pay liabilities of the current period. The Fund Financial Statements report these activities of the governmental funds. The Government-wide Financial Statements are reported using the accrual basis of accounting. This means that revenues are recorded when earned and expenses are recorded when a liability is incurred.

The annual budgeting process provides the primary mechanism by which key decisions are made regarding the levels and types of services to be provided, given the anticipated level of available resources. The County utilizes a "priority based" service level approach to resource allocation. Each program will prioritize services and allocate resources according to highest priority and greatest need. The County will attempt to maintain its present service level for all priority and essential services within available revenues. The budgeting process integrates and authorizes, for a given year, the decisions of the Board of Commissioners, management and the County's Capital Improvement Budget. The legal level of budgetary control is at the fund level, pursuant to Minnesota Statutes. However, Anoka County's financial policies provide that budgetary control is to be maintained at the program level, and further monitored within each program by the major account groupings of personal services, operating expenses, program expenses, and capital outlay. Orders for services or materials in the form of purchase orders are considered obligated, for management and budget control purposes, against the budget at the time of issue of the purchase order. This recording of the obligation reserves that portion of the applicable appropriation and thereby maintains the integrity of the current year budget and subsequent budgets.

All departments and divisions submit budget requests in May of each year. In preparation of the request, each division/department performs a priority based service analysis to determine what services are being provided and assess any needed adjustments based on resources, laws and County policy. The service priorities are presented to the Committees of Jurisdiction for approval in advance of the presentation to the Board of Commissioners in August. There is a discretionary period in which the departments/divisions may adjust their budgets prior to the County Board's adoption of the proposed budget and certification of proposed tax levy in September. The County Board conducts a meeting in early December, after which the final budget is adopted for the subsequent calendar year.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. This comparison for the General Fund and Anoka County's special revenue funds is included in the Required Supplementary Information section of this report.

BUDGET FACTORS

For the 2016 budget, Anoka County took several steps to offset the cost of doing business: (1) reduce debt service due by paying cash instead of bonding for projects, (2) a voluntary separation incentive for higher paid, long term employees, and (3) reduction in operating expenses. The County Board also took into consideration the property value shift from commercial to residential meaning an increase without an increase to the levy. With this factor, the Board balanced the fiscal needs of the County and the continued effort to contain property taxes.

CASH MANAGEMENT

The County-appointed Finance and Central Services Division Manager is responsible for investing County funds. All funds were invested in securities in accordance with requirements set forth in Minnesota statutes. After adjustments in fair market value, the County had investment income in all governmental and proprietary funds of \$1,543,448 in 2015. This is a result of Governmental Accounting Standards Board (GASB), Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" which requires reporting the fair value of investments as opposed to the book value. The variance between fair value and book value of investments held on December 31, 2015 was (\$104,002), which must be recognized in the financial statements.

All cash and investments are deposited or invested in accordance with applicable statutes governing safekeeping options and requirements. The average rate of return for the past several years can be found in the Statistical Section, Table 19.

DEBT ADMINISTRATION

The ratio of net bonded debt to tax capacity and to market value and the amount of bonded debt per capita are useful indicators of the County's debt position. These indicators for the County at the end of the 2015 fiscal year were (see Table 10 in the Statistical Section of this report):

<u>Net Bonded Debt Amount</u>	<u>Net Bonded Debt Per Capita</u>	<u>Ratio of Net Bonded Debt to Market Value</u>	<u>Ratio of Net Bonded Debt to Tax Capacity</u>
\$ 139,717,386	\$ 412	0.50%	47.0%

Outstanding bonds and notes payable at December 31, 2015, totaled \$198,917,535 of which \$119,811,329 is G. O. Bonds and Notes supported by Anoka County tax levy, \$53,226,507 Limited Tax bonds supported by Anoka Regional Rail Authority levy, \$3,560,977 Lease Revenue Obligations and \$22,318,722 G.O. Bonds Supported by Revenue for which there is no County tax levy. The amount available in debt service and capital projects funds applicable to this debt is \$55,639,172, which leaves a net direct bonded debt, excluding the Lease Revenue Obligations, of \$139,717,386 (see Table 10 in the Statistical Section of this report).

Total bonded debt applicable to debt limit is \$170,551,284 less amounts available in funds of \$54,636,802 which leaves a net debt applicable to debt limit of \$115,914,482, which is approximately 13.9 percent of the County's statutory legal debt limit of \$834,052,067 (see Table 12 in the Statistical Section of this report).

INSURANCE

Anoka County has insurance coverage(s) in place to insure County property and assets against loss. In addition, the County self-insures against possible losses for general liability and workers' compensation. Table 21 in the Statistical Section provides detailed information on the levels and types of coverage in place.

CAPITAL PROJECTS FUND

The County's capital projects are financed with grants from the Metropolitan Council, federal and state grant funds, and County tax levy. Completed projects and uncompleted construction in progress at year-end are capitalized. Additionally, funds in the Capital Projects Fund may be appropriated for general County building projects and other capital improvements and/or equipment.

INDEPENDENT AUDIT

Minnesota state law requires an annual examination of the books of account, financial records and transactions of the County by the State Auditor. This requirement has been complied with and the Auditor's report is included in the Financial Section of this report.

The State Auditor's Office will issue a management and compliance letter covering the review, made as a part of its examination of the County's system of internal control and compliance with applicable legal provisions. The management and compliance letter will not modify or affect, in any way, this Comprehensive Annual Financial Report.

SINGLE AUDIT

As a recipient of federal, state and local financial assistance, the County is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the internal staff of the County.

Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) sets forth the audit requirements for state and local governments receiving federal assistance. It provides for a single independent audit of the financial operations, including the compliance with certain provisions of federal laws and regulations. The requirements have been established to ensure that audits are made on an organizational wide basis rather than a grant-by-grant basis. The grants for which these requirements applied are identified in the Schedule of Expenditures of Federal Awards.

As a part of the government's single audit, tests are performed to determine the adequacy of the internal controls, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Anoka County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. This is the 28th consecutive year that the County has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports 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 this report for 2015 continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for consideration.

ACKNOWLEDGMENTS

I wish to acknowledge the professional contribution and hard work put forth by the entire Accounting and Budget staff and others in the Finance and Central Services Division throughout the year and during the preparation of this report. I also would like to thank the County Board of Commissioners for its interest and support in planning and conducting the financial activities of Anoka County in a responsible and progressive manner. The County's excellent financial status is a tribute to that involvement.

Respectfully submitted,

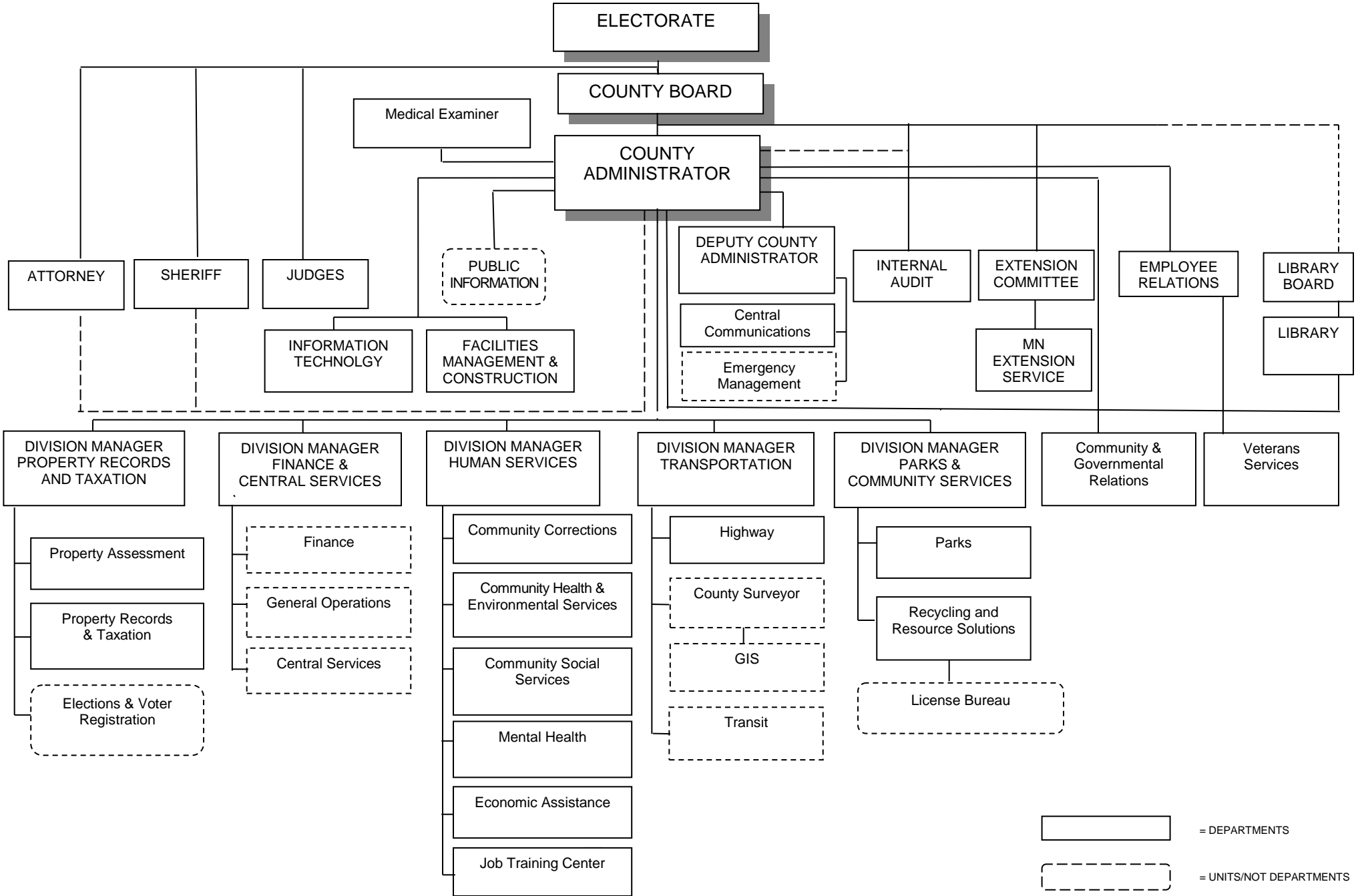


Cory Kampf, Division Manager
Finance and Central Services Division

CK:

cc: Jerry Soma,
County Administrator

ANOKA COUNTY GOVERNMENT ORGANIZATIONAL CHART



ANOKA, MINNESOTA

**LIST OF PUBLIC OFFICIALS
2015**

Office	Name	Term Expires
County Board of Commissioners		
District #1	Matt Look, Vice-Chair*	January 2017
District #2	Julie Braastad	January 2017
District #3	Robyn West	January 2017
District #4	Jim A. Kordiak	January 2019
District #5	Mike Gamache	January 2019
District #6	Rhonda Sivarajah, Chair*	January 2017
District #7	Scott Schulte	January 2019
Elected County Officials		
Attorney	Tony Palumbo	January 2019
Sheriff	James Stuart	January 2019
Appointed County Officials		
County Administrator	Jerry Soma	Indefinite
Medical Examiner	Quinn Strobl, M.D.	December 31, 2018
Extension Service Agent **	Kim Boyce	Indefinite
Library Director	Marlene Moulton Janssen, retired	December 30, 2015
Library Director	Maggie Snow, appointed	May 24, 2016
Deputy County Administrator	Tim Yantos	Indefinite
Division Managers		
Finance and Central Services	Cory Kampf	Indefinite
Human Services	Cindy Cesare	Indefinite
Property Records and Taxation	Jonell Sawyer	Indefinite
Parks and Community Service	John VonDeLinde	Indefinite
Transportation	Doug Fischer	Indefinite
Employee Relations Director	Mike Roff	Indefinite

* During 2015

** Appointed by the University of Minnesota



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Anoka County
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

**ANOKA COUNTY
ANOKA, MINNESOTA**

FINANCIAL SECTION



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Anoka County
Anoka, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Anoka County, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements 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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, each major fund, and the aggregate remaining fund information of Anoka County as of December 31, 2015, 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.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 1.E. to the financial statements, in 2015 the County adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and GASB Statement No. 82, *Pension Issues*, which represents a change in accounting principles. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the GASB, 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Anoka County's basic financial statements. The introductory section, the combining and individual fund financial statements, the other supplementary information, and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

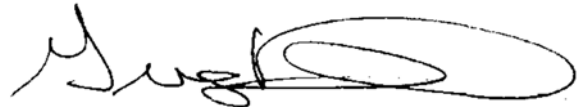
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2016, on our consideration of Anoka County'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 Anoka County's internal control over financial reporting and compliance.



REBECCA OTTO
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 16, 2016

ANOKA COUNTY
ANOKA, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2015

(Unaudited)

As management of Anoka County, we offer readers of Anoka County's financial statements this narrative overview and analysis of the financial activities of Anoka County for the fiscal year ended December 31, 2015. 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 vi to xi of this report.

Financial Highlights

- The assets of Anoka County exceeded its liabilities at the close of the fiscal year by \$687 million (net position). Of this amount, the County has (\$65.9) million in unrestricted net position.
- The County's total net position decreased by \$29.0 million or about 3.9 percent.
- As of the close of the current fiscal year, Anoka County's governmental funds reported combined ending fund balances of \$189 million. Approximately 51.6 percent of this total amount, \$98 million, is available for spending at the County's discretion (committed, assigned, and unassigned fund balances). Nearly \$76 million of these funds are committed or assigned for specific purposes.
- Combined assigned and unassigned fund balance for the General Fund was \$37.3 million or 36.3 percent of total General Fund expenditures.
- Anoka County's bonded debt decreased by \$5.3 million (2.7 percent) during the current fiscal year, primarily due to the retirement of previously refunded debt.
- The County acquired three parcels of land for \$2.25 million adjacent to the jail for future expansion purposes.
- The County issued three refunding bonds during the year for a reduction of total debt service payments of \$2.8 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Anoka County's basic financial statements, which are comprised of 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* provide readers with a broad overview of Anoka County's finances, in a manner similar to private-sector businesses.

The *Statement of Net Position* presents information on all of Anoka County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Anoka County is improving or deteriorating.

The *Statement of Activities* presents information showing how Anoka County'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 compensated absences).

Both the Statement of Net Position and the Statement of Activities distinguish functions of Anoka County 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 Anoka County include general government, public safety, highways and streets, human services, sanitation, culture and recreation, including Chomonix Golf Course, conservation of natural resources and economic development. The business-type activity of Anoka County includes Bunker Beach Aquatic Center.

The government-wide financial statements can be found on pages 16 and 17 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. Anoka County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Anoka County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balance of spendable resources* available at the end of the fiscal year. In particular, committed, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Anoka County maintains fifteen individual 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, the Road and Bridge and Human Services Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund, all of which are considered major governmental funds. Data from the other ten funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Anoka County adopts annual appropriated budgets for the General Fund, and the Road and Bridge, Human Services, County Library, Parks and Recreation, Cooperative Extension, Law Library, Regional Railroad Authority, Housing and Redevelopment Authority, and Leasehold Properties Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 18 to 21 of this report.

Proprietary funds. Anoka County maintains two different types of proprietary funds. *Enterprise funds* report the same functions presented as *business-type activities* in the government-wide financial statements. Anoka County uses an enterprise fund to account for its Aquatic Center. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Anoka County's various functions. Anoka County uses an internal service fund to account for its pooled insurance operations. These services benefit governmental functions, and have been allocated to *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Bunker Beach Aquatic Center is considered a major proprietary fund of Anoka County.

The basic proprietary fund financial statements can be found on pages 22 to 24 of this report.

Fiduciary funds. Fiduciary funds account for resources held for the benefit of parties outside the government. Anoka County reports two fiduciary funds. The Other Postemployment Benefits Trust Fund is used to report contributions to an irrevocable trust fund and other postemployment benefits (OPEB) activity. The Agency Fund is used to report activity for programs that Anoka County acts as a fiscal agent. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Anoka County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 25 and 26 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 can be found on pages 27 to 64 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents other information, including: a) required supplementary information, other than Management’s Discussion and Analysis (MD&A), that includes budgetary comparison schedules, which can be found on pages 66 to 75; b) combining and individual fund statements referred to earlier in connection with nonmajor governmental funds, which can be found on pages 79 to 87 of this report; c) the Statement of Changes in Assets and Liabilities for the Agency Fund, which can be found on page 88; and d) Other Supplementary Information, including schedules on various financial aspects of the County, which can be found on pages 89 to 101.

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 Anoka County, assets exceeded liabilities by \$687 million at the close of the most recent fiscal year.

Anoka County Net Position
(in Thousands)

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 235,585	\$ 221,188	\$ 1,206	\$ 999	\$ 236,791	\$ 222,187
Capital assets	800,448	760,945	5,532	5,783	805,980	766,728
Total assets	1,036,033	982,133	6,738	6,782	1,042,771	988,915
Deferred outflows of resources	15,246	-	23	-	15,269	-
Long-term liabilities outstanding	306,268	194,474	177	13	306,445	194,487
Other liabilities	49,507	74,918	4	10	49,511	74,928
Total liabilities	355,775	269,392	181	23	355,956	269,415
Deferred inflows of resources	14,844	3,291	20	-	14,864	3,291
Net position:						
Net investment in capital assets	696,920	645,450	5,531	5,783	702,451	651,233
Restricted	50,711	48,583	-	-	50,711	48,583
Unrestricted	(66,971)	15,417	1,029	976	(65,942)	16,393
Total net position	\$ 680,660	\$ 709,450	\$ 6,560	\$ 6,759	\$ 687,220	\$ 716,209

By far the largest portion of Anoka County’s net position, \$702 million, reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related outstanding debt used to acquire those assets. Anoka County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Anoka County’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. An additional portion of Anoka County’s net position of \$50.7 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(65.9) million is unrestricted net position.

The increase in net investment in capital assets portion of net position of \$51.2 million is due to the completion of various highway projects, which includes the reconstruction of CSAH 14 from Crane Street to Ulysses Street of \$39.2 million.

There was an increase of \$2.1 million in restricted net position in connection with Anoka County’s governmental activities, primarily in the capital projects fund for future capital improvements for sanitation.

Due to the implementation of Governmental Accounting Standards Board (GASB) Statements No. 68, 71, and 82, the County is reporting an increase in liabilities of \$90 million for a net pension liability (NPL). In addition to the NPL, the County is reporting deferred pension outflows of \$15.2 million and deferred pension inflows of \$11.9 million. For additional information, see note 3.E on page 55 to 61.

Additional details are outlined in the table, “Anoka County Changes in Net Position”, and the discussion that follows.

Governmental activities. Governmental activities contributed \$55.7 million of the increase in Anoka County's total net position. Key elements of this increase are as follows:

Revenues from charges for services increased by \$1.9 million primarily related to an increase of \$705 thousand for a rate increase and additional contracted services provided to other counties and cities, a \$543 thousand increase in transportation services provided for the U.S. Marshals, and a \$334 thousand increase in property deed registrations.

Operating grants and contributions increased by \$17.9 million. The most significant changes occurred with a \$15.4 million increase in Highway's revenues for funding of various road projects that were completed during 2015, an increase of \$3.5 million in Human Services revenues related to the MN Choices program and a decrease of \$1.7 million in General Government revenues due to additional receipts in 2014 revenues related to reimbursement for debt service expenditures from a local government.

Capital grants and contributions increased by \$11.6 million in 2015. The increase from the prior year is primarily related to the completion of various projects during 2015 but also including the receipt of \$6.4 million in for rail improvements.

Property tax revenue increased by \$2.3 million (1.7 percent) during the year and reflects the amounts collected for debt service payments and an increase in the property tax collection rate of the current year levy. Anoka County had planned for an increase in levy of \$2.2 million.

Other revenues decreased by \$1 million primarily due to the effect of Governmental Accounting Standards Board (GASB), Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires reporting the fair value of investments as opposed to the book value as well as a reimbursement received related to completion of the Ramsey rail station.

Anoka County Changes in Net Position

(in Thousands)

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues						
Charges for services	\$ 40,093	\$ 38,165	\$ 1,771	\$ 1,467	\$ 41,864	\$ 39,632
Operating grants and contributions	103,885	85,943	-	-	103,885	85,943
Capital grants and contributions	27,566	15,931	-	-	27,566	15,931
General revenues:						
Property and wheelage taxes	140,572	138,229	-	-	140,572	138,229
Other	9,437	10,470	-	-	9,437	10,470
Total revenues	321,553	288,738	1,771	1,467	323,324	290,205
Expenses:						
General government	45,037	44,437	-	-	45,037	44,437
Public safety	64,661	66,142	-	-	64,661	66,142
Highway and streets	35,292	31,192	-	-	35,292	31,192
Human services	81,886	79,493	-	-	81,886	79,493
Sanitation	4,562	3,869	-	-	4,562	3,869
Culture and recreation	16,168	15,843	1,359	1,170	17,527	17,013
Conservation of natural resources	599	593	-	-	599	593
Economic development	10,381	10,919	-	-	10,381	10,919
Interest on long-term debt	7,648	7,924	-	-	7,648	7,924
Total expenses	266,234	260,412	1,359	1,170	267,593	261,582
Increase (Decrease) in net position before transfers	55,319	28,326	412	297	55,731	28,623
Transfers	455	75	(455)	(75)	-	-
Increase (Decrease) in net position	55,774	28,401	(43)	222	55,731	28,623
Net position - January 1:						
As previously reported	709,450	681,049	6,759	6,537	716,209	687,586
Change in accounting principal *	(84,564)	-	(156)	-	(84,720)	-
Net position - January 1, as restated	624,886	-	6,603	-	631,489	-
Net position -December 31	\$ 680,660	\$ 709,450	\$ 6,560	\$ 6,759	\$ 687,220	\$ 716,209

* This is the first year the County implemented the new pension accounting and financial reporting standards GASB Statements 68, 71, and 82. The County had to make a prior year change in accounting principles to record the County's net pension liability and related deferred outflows and deferred inflows of resources.

In 2007 Anoka County implemented Governmental Accounting Standards Board (GASB), Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. During 2015, the net Other Postemployment Benefits (OPEB) obligation was increased by \$137 thousand. That increase was allocated among various functions of governmental activities. General government, public safety and human services each averaged a \$38 thousand increase in OPEB expenses for 2015. In 2015, Anoka County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The related pension expense for 2015 was \$2 million and was allocated among the various functions of governmental activities. General government, public safety and human services each averaged \$569 thousand in pension expenses for 2015.

General government expenses (excluding annual OPEB and pension costs) remained level with a minor increase of \$229 thousand or 0.52 percent.

Public safety expenses decreased \$2.2 million (excluding annual OPEB and pension costs) primarily due to the completion of several maintenance and improvement projects during 2015. Reducing this decrease was three new positions and the associated salary and benefits, and increased service fees related to Sheriff programs during 2015.

Highway expenses (excluding OPEB and pension costs) increased \$4.0 million. This change is due to increased activity related to transportation projects; for example those for the CSAH 83 interchange which was finalized during 2015 and the Armstrong interchange on Highway 10 which will be finalized at a later date. Because of this, the change in highway expenses is a timing issue rather than a significant change in expenses or spending.

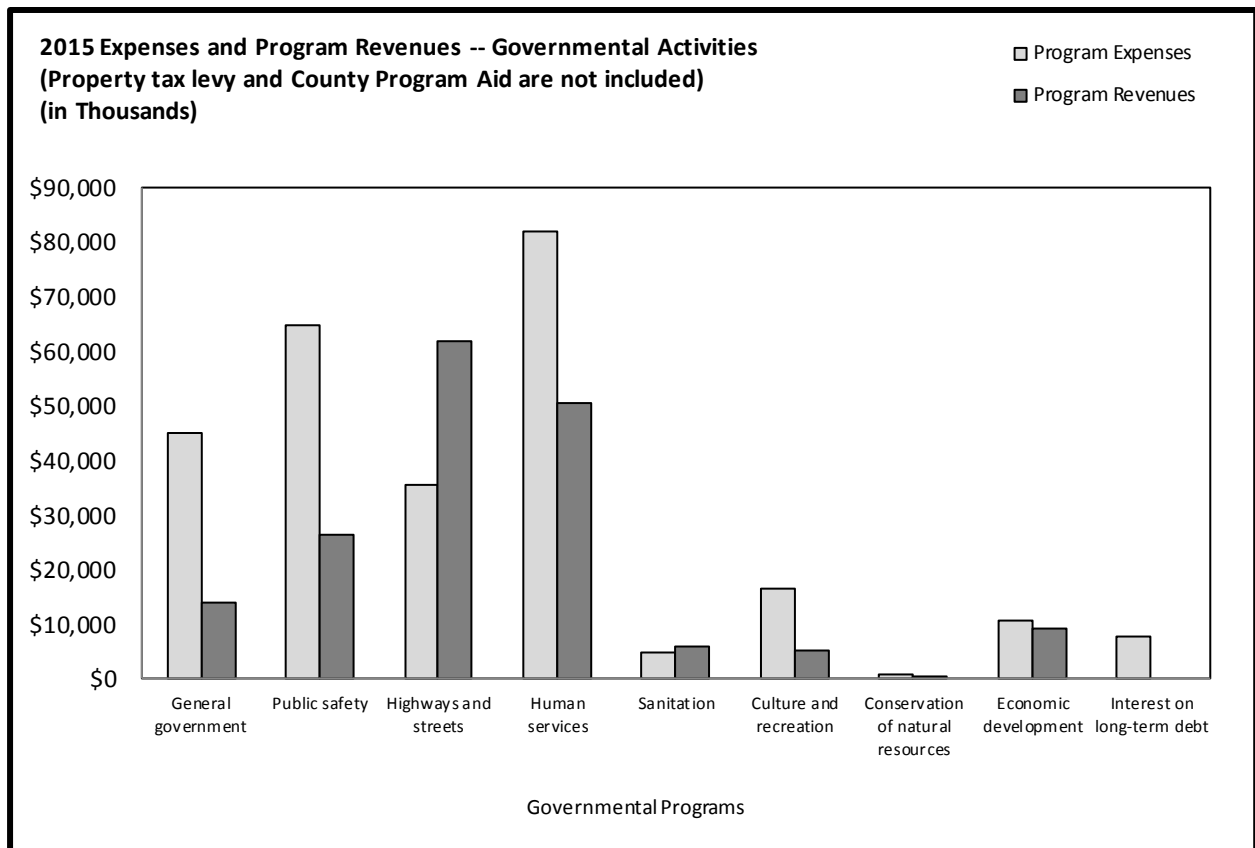
There was a \$1.9 million increase in human service expenses (excluding OPEB and pension costs) largely due to increased personnel costs related to legislative changes.

Sanitation expenses increased by \$685 thousand (excluding OPEB and pension costs) offset by increased programmatic revenues.

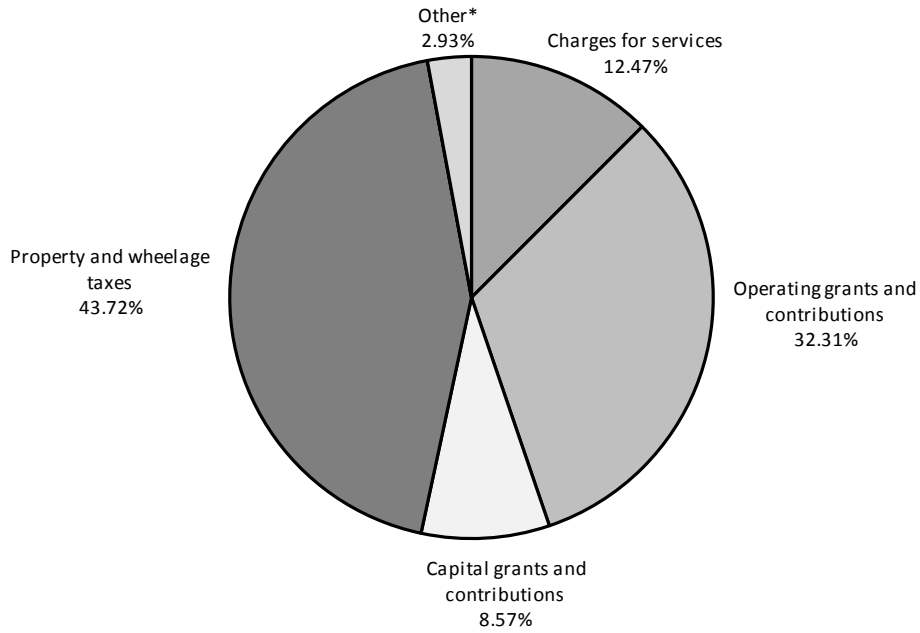
Culture and recreation expenses remained level with a minor increase of only \$237 thousand or 1.50 percent.

Economic development expenses decreased by \$580 thousand in 2015 due to the 2014 completion of the Ramsey Northstar rail station.

The graph below reflects the program expenses and program revenues. Property tax levy and County Program Aid are not exhibited at the program level, but rather as general revenues, which are not displayed in this graph. General revenues are a significant portion of general government, public safety, human services, and interest on long-term debt, therefore the gap between the program expenses and revenues for those functions are greater than the gap between expenses and revenues for economic development and culture and recreation. These programs are funded in large part with grant revenues, requiring a smaller portion of total expenditures to be covered with general revenues. Highways and streets received more outside revenue in 2015 than program expenses. Infrastructure capital asset additions, which are funded in large part by grant revenues, are not included as expenses but are instead capitalized on the statement of net position. Sanitation also received more outside revenue in 2015 than program expenses. These funds are used in future years for various capital projects.



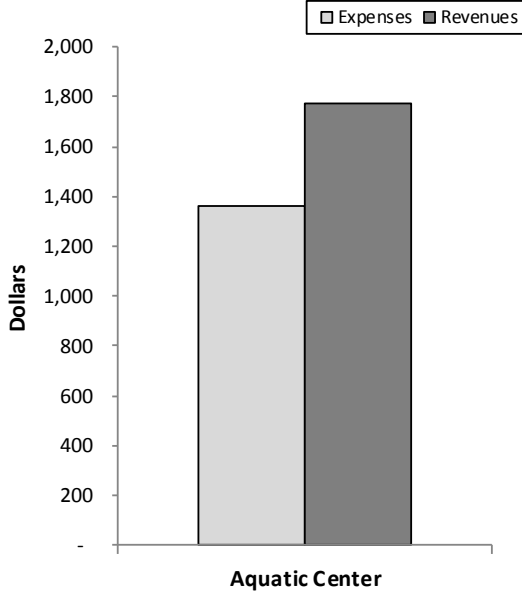
2015 Revenues by Source -- Governmental Activities



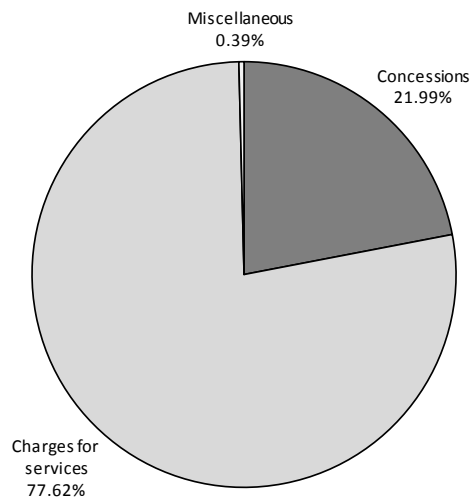
* Other includes grants and contributions not restricted to specific programs.

Business-type activities. Business-type activities decreased Anoka County's net position by \$42.5 thousand. The season for Bunker Beach Activity Center is from Memorial Day to Labor Day. Above average temperatures for the summer of the prior year allowed for increased activity resulting in a decrease for the current year.

2015 Expenses and Revenues -- Business-type Activities (in Thousands)



2015 Revenues by Source -- Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, Anoka County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of 2015, Anoka County's governmental funds reported combined ending fund balances of \$189.2 million. This is a \$12.8 million increase from 2014. The operating funds, excluding capital projects and debt service funds, for the County reflect a \$1.1 million decrease in fund balances. Approximately 51.6 percent, or \$97.7 million of the combined fund balance total, represents a combination of *committed, assigned and unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is *nonspendable or restricted* to indicate that it is not available for new spending because it has already been dedicated: a) to cover inventories and prepaid items (\$2.5 million); b) for amounts held by escrow agents, including highway right-of-way (\$42.5 million); c) for funds held in an OPEB revocable trust account (\$438 thousand); d) for grants, donations, and revolving loans received but not yet fully expended (\$1.3 million); e) for debt service (\$18 million); f) for recorder's compliance (\$6.1 million); g) for sanitation (\$18.2 million); and h) for a variety of other statutorily restricted purposes.

The General Fund is the chief operating fund of Anoka County. At the end of the current fiscal year, combined assigned and unassigned fund balance of the General Fund was \$37.3 million, while total fund balance was \$46.2 million. As a measure of the General Fund's liquidity, it may be useful to compare assigned and unassigned fund balance to total fund expenditures. Combined assigned and unassigned fund balance represents 36.3 percent of total General Fund expenditures.

The fund balance of Anoka County's major funds increased by \$10.9 million as a result of planned actions of the County. The key factors contributing to this change in fund balance are as follows:

- Fund balance in the General Fund decreased by \$1.8 million. Most revenues categories came in better than budgeted while miscellaneous income is significantly under budget due to revenues related to a leases receivable not coming in due to a debt refunding. The effect of Governmental Accounting Standards Board (GASB), Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires reporting the fair value of investments as opposed to the book value decreased total revenues with a loss of \$744 thousand. This amount is required to be recognized in the financial statements. Sanitation had actual expenditures \$1.3 million less than budgeted, due to not implementing some planned recycling programs. Corrections came in under budgeted expenditures by \$1.1 million due to prudent spending in all areas of the budget. These budgetary gains were not enough to offset the budgetary losses of several departments, which came in over budget by marginal amounts, and fund balance transfers to other funds that also exceeded the expected amount.
- The Road and Bridge Fund showed a \$2.6 million decrease in fund balance due to the increased project related expenditures where project related grant revenues had been made available to the County in the previous year.
- Human Services' Fund balance increased \$1.4 million due to increased funding for legislative changes and judicious spending with budget savings transferred to other funds for future capital projects.
- The Debt Service Fund balance increased by \$10.3 million due to the issuances of refunded bonds.
- Fund balance in the Capital Projects Fund increased by \$3.6 million due to transfers from other funds for future projects.

The 2015 variance between the final budget and actual expenditures in the General Fund was a positive \$3.3 million due to prudent spending in all areas of the budget.

Proprietary funds. Anoka County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Aquatic Center Enterprise Fund at the end of the current year was \$1 million. The Pooled Insurance Internal Service Fund has an unrestricted net position of \$1.2 million.

General Fund Budgetary Highlights

The difference between the original adopted budget and the final amended budget for expenditures in the General Fund was \$948 thousand which reflects changes to additional grant funding received and transfers to other funds for future capital purposes.

Capital Asset and Debt Administration

Capital assets. The total increase in Anoka County's capital assets, net of depreciation, for the current fiscal year was \$40.3 million. Investment in capital assets includes land, buildings and structures, improvements, machinery and equipment, park facilities, roads, bridges, and software. The total increase in Anoka County's investment in capital assets for the current fiscal year was 5.3 percent.

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

- There were land purchases of \$4.4 million for infrastructure.
- Infrastructure values (net of depreciation) increased by \$69.5 million resulting from the completion of several highway reconstruction projects. The completion of the reconstruction of CSAH 14 from Crane Street to Ulysses Street contributed \$39.2 million of the increase.
- The \$29.3 million decrease in construction in progress reflects the completion of several projects (road construction projects, jail security improvements, elevator improvements, and various parks projects.)

Anoka County Capital Assets (Net of Depreciation, in Thousands)

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 211,271	\$ 206,157	\$ -	\$ -	\$ 211,271	\$ 206,157
Buildings and structures	155,180	155,896	4,125	4,234	159,305	160,130
Improvements other than buildings	13,368	12,990	919	1,007	14,287	13,997
Machinery and equipment	19,878	18,623	487	542	20,365	19,165
Infrastructure	330,953	267,523	-	-	330,953	267,523
Software	4,745	5,337	-	-	4,745	5,337
Construction in progress	65,054	94,419	-	-	65,054	94,419
Total	\$ 800,449	\$ 760,945	\$ 5,531	\$ 5,783	\$ 805,980	\$ 766,728

Additional information on Anoka County's capital assets can be found in note 3.A.3 on pages 38 and 39 of this report.

Long-term debt. At the end of the current fiscal year, Anoka County had total bonded debt outstanding of \$192.8 million. Of this amount, \$170.5 million comprises debt backed by the full faith and credit of the County and \$22.3 million represents bonds secured solely by specified revenue sources, which are currently general obligation bonds supported by revenues.

Anoka County Outstanding Debt General Obligation and Revenue Bonds (in Thousands)

	Governmental activities	
	2015	2014
General obligation bonds and notes	\$ 114,410	\$ 139,035
Lease revenue obligations	3,541	8,736
General obligation bonds supported by revenues	22,275	23,880
Limited tax bonds	52,600	26,460
Total	\$ 192,826	\$ 198,111

Anoka County's total bonded debt decreased by \$5.28 million (2.7 percent) during the current fiscal year, resulting from debt retirements and defeasance of refunded bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to three percent of its total estimated market value. The current debt limitation for Anoka County is \$834.1 million. The current general debt obligation is \$170.6 million, or approximately 20.4 percent of the general obligation debt limit allowed.

Additional information on Anoka County's long-term debt can be found in the Notes to the Financial Statements, notes 3.C.6 through 3.C.8 on pages 46 to 53 of this report.

Economic Factors and Next Year's Budgets and Rates

- Inflationary trends in the region compare favorably to national indices.
- Anoka County ranks fourth in size of Minnesota Counties.

These and other factors were considered in preparing Anoka County's budget for the 2016 fiscal year.

During the current fiscal year, the total fund balance in the major governmental funds increased by \$10.9 million. Debt service and capital project funds comprise \$91 million of the total available fund balance to be used for future debt payments and completion of current capital projects. The Anoka County Financial Policies delegate authority to the Division Manager of Finance and Central Services to assign fund balance for a specific purpose to be spent in future years.

Request for Information

This financial report is designed to provide a general overview of Anoka County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Division Manager, Finance and Central Services, Anoka County, 2100 3rd Avenue, Suite 300, Anoka, Minnesota 55303. You may also contact us via email at finance@co.anoka.mn.us or visit our website at www.anokacounty.us.

BASIC FINANCIAL STATEMENTS

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 1

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, cash equivalents, and pooled investments	\$ 154,969,094	\$ 1,205,867	\$ 156,174,961
Cash and investments with escrow agents	42,504,686	-	42,504,686
Investments with trust account	437,793	-	437,793
Delinquent taxes receivable	2,263,968	-	2,263,968
Accounts receivable, net of allowance for doubtful accounts	5,533,940	-	5,533,940
Accrued interest receivable	847,993	-	847,993
Land held for resale	266,408	-	266,408
Loans receivable			
Due within one year	367,971	-	367,971
Due in more than one year	3,864,110	-	3,864,110
Leases receivable			
Due within one year	1,027,689	-	1,027,689
Due in more than one year	8,783,619	-	8,783,619
Due from other governments	12,250,661	-	12,250,661
Inventories	2,382,003	-	2,382,003
Prepaid items	85,170	-	85,170
Capital assets not being depreciated:			
Land	211,270,948	-	211,270,948
Construction in progress	65,053,454	-	65,053,454
Capital assets, net of accumulated depreciation:			
Buildings and structures	155,179,834	4,125,280	159,305,114
Improvements other than buildings	13,368,293	918,898	14,287,191
Machinery and equipment	19,878,086	487,403	20,365,489
Infrastructure	330,953,297	-	330,953,297
Software	4,744,644	-	4,744,644
Total Assets	1,036,033,661	6,737,448	1,042,771,109
Deferred Outflows of Resources			
Deferred pension outflows	15,245,653	23,299	15,268,952
Liabilities			
Accounts payable	3,266,066	388	3,266,454
Salaries payable	3,011,627	2,742	3,014,369
Contracts payable	5,420,717	-	5,420,717
Due to other governments	4,782,542	-	4,782,542
Matured interest payable	3,146,623	-	3,146,623
Unearned revenue	14,079,013	-	14,079,013
Noncurrent Liabilities:			
Due within one year			
Bonds and notes payable	15,050,873	-	15,050,873
Compensated absences	477,475	776	478,251
Outstanding claims payable	206,153	-	206,153
Capital leases payable	29,379	-	29,379
Loans payable	36,570	-	36,570
Due in more than one year			
Bonds and notes payable	183,866,662	-	183,866,662
Compensated absences	9,072,033	14,755	9,086,788
Outstanding claims payable	2,484,259	-	2,484,259
Capital leases payable	56,889	-	56,889
Loans payable	613,219	-	613,219
Net pension liability	89,824,381	161,865	89,986,246
Other postemployment benefits (OPEB) liability	20,350,387	-	20,350,387
Total Liabilities	355,774,868	180,526	355,955,394
Deferred Inflows of Resources			
Advances from other governments	3,000,710	-	3,000,710
Deferred pension inflows	11,843,562	20,015	11,863,577
Total Deferred Inflows of Resources	14,844,272	20,015	14,864,287
Net Position			
Net investment in capital assets	696,920,272	5,531,581	702,451,853
Restricted for:			
Debt service	17,269,178	-	17,269,178
General government	6,659,710	-	6,659,710
Public safety	2,375,202	-	2,375,202
Highway	3,981,448	-	3,981,448
Sanitation	18,219,190	-	18,219,190
Culture and recreation	291,624	-	291,624
Conservation of natural resources	67,958	-	67,958
Economic development	1,847,047	-	1,847,047
Unrestricted (deficit)	(66,971,455)	1,028,625	(65,942,830)
Total net position	\$ 680,660,174	\$ 6,560,206	\$ 687,220,380

The notes to the financial statements are an integral part of this statement.

**ANOKA COUNTY
ANOKA, MINNESOTA**

EXHIBIT 2

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 45,036,661	\$ 9,068,198	\$ 4,529,956	\$ -	\$ (31,438,507)	\$ -	\$ (31,438,507)
Public safety	64,660,585	18,192,743	8,052,751	-	(38,415,091)	-	(38,415,091)
Highways and streets	35,292,215	433,599	35,425,332	25,967,786	26,534,502	-	26,534,502
Human services	81,886,194	2,989,297	47,212,899	-	(31,683,998)	-	(31,683,998)
Sanitation	4,562,129	4,298,962	1,381,314	-	1,118,147	-	1,118,147
Culture and recreation	16,168,478	2,554,037	689,376	1,598,538	(11,326,527)	-	(11,326,527)
Conservation of natural resources	598,548	44,172	12,000	-	(542,376)	-	(542,376)
Economic development	10,381,003	2,511,793	6,581,317	-	(1,287,893)	-	(1,287,893)
Interest expense and fiscal charges on long-term debt	7,647,620	-	-	-	(7,647,620)	-	(7,647,620)
Total governmental activities	266,233,433	40,092,801	103,884,945	27,566,324	(94,689,363)	-	(94,689,363)
Business-type activities:							
Aquatic center	1,358,752	1,771,245	-	-	-	412,493	412,493
Total primary government	<u>\$ 267,592,185</u>	<u>\$ 41,864,046</u>	<u>\$ 103,884,945</u>	<u>\$ 27,566,324</u>			
General Revenues:							
Property taxes collected for general purposes					124,668,438	-	124,668,438
Property taxes collected for debt service					15,902,486	-	15,902,486
Wheelage tax collected for highways and streets					653	-	653
Unrestricted investment earnings					2,135,736	-	2,135,736
Gain on sale of capital assets					41,977	-	41,977
Miscellaneous					7,259,611	-	7,259,611
Transfers					455,000	(455,000)	-
Total general revenues and transfers					150,463,901	(455,000)	150,008,901
Change in net position					55,774,538	(42,507)	55,732,031
Net position--January 1, as restated (Note 1.E.)					624,885,636	6,602,713	631,488,349
Net position--December 31					<u>\$ 680,660,174</u>	<u>\$ 6,560,206</u>	<u>\$ 687,220,380</u>

The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 3

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General Fund	Road and Bridge	Human Services	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and pooled investments	\$ 44,351,792	\$ 84,162	\$ 30,039,523	\$ 17,967,437	\$ 34,975,105	\$ 23,645,881	\$ 151,063,900
Cash and investments with escrow agents	-	3,981,448	-	37,637,267	-	885,971	42,504,686
Investments with trust account	437,793	-	-	-	-	-	437,793
Delinquent taxes receivable	947,334	185,147	555,526	314,112	6,319	255,530	2,263,968
Accounts receivable, net of allowance for doubtful accounts	2,223,463	30,297	3,225,259	26,672	-	28,249	5,533,940
Accrued interest receivable	707,399	-	-	140,594	-	-	847,993
Land held for resale	-	-	-	-	-	266,408	266,408
Loans receivable	333,663	-	-	-	-	3,898,418	4,232,081
Leases receivable	9,811,308	-	-	-	-	-	9,811,308
Due from other funds	2,800,000	-	-	-	-	-	2,800,000
Due from other governments	2,619,862	2,157,818	5,500,689	-	-	1,972,292	12,250,661
Advances to other funds	-	-	-	-	1,474,506	-	1,474,506
Inventories	-	2,353,190	-	-	-	28,813	2,382,003
Prepaid items	85,170	-	-	-	-	-	85,170
Total Assets	64,317,784	8,792,062	39,320,997	56,086,082	36,455,930	30,981,562	235,954,417
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	1,220,049	895,026	850,894	11,650	16,946	271,501	3,266,066
Salaries payable	2,200,030	104,623	595,105	-	1,318	110,551	3,011,627
Contracts payable	326,672	2,924,158	913,062	-	1,073,846	182,979	5,420,717
Due to other funds	-	2,500,000	-	-	-	300,000	2,800,000
Due to other governments	1,428,138	1,299,214	1,921,903	34,612	-	98,409	4,782,276
Advance from other funds	508,632	-	-	-	-	965,874	1,474,506
Matured interest payable	-	-	-	86,536	-	-	86,536
Unearned revenue	11,015,097	10,558	1,544,808	-	4,503	1,504,047	14,079,013
Total Liabilities	16,698,618	7,733,579	5,825,772	132,798	1,096,613	3,433,361	34,920,741
Deferred Inflows of Resources							
Advance from other governments	-	3,000,710	-	-	-	-	3,000,710
Unavailable revenue	1,381,525	2,300,452	555,526	314,112	6,319	4,272,014	8,829,948
Total Deferred Inflows of Resources	1,381,525	5,301,162	555,526	314,112	6,319	4,272,014	11,830,658
Fund Balances							
Nonspendable in (Note 3.D.):							
General Fund	85,170	-	-	-	-	-	85,170
Special revenue funds	-	2,353,190	-	-	-	28,813	2,382,003
Restricted in (Note 3.D.):							
General Fund	8,808,730	-	-	-	-	-	8,808,730
Special revenue funds	-	3,981,448	-	-	-	2,583,849	6,565,297
Debt Service Fund	-	-	-	55,639,172	-	-	55,639,172
Capital Projects Fund	-	-	-	-	18,068,152	-	18,068,152
Committed in (Note 3.D.):							
Special revenue funds	-	-	-	-	-	4,221,032	4,221,032
Assigned in (Note 3.D.):							
General Fund	4,798,259	-	-	-	-	-	4,798,259
Special revenue funds	-	-	32,939,699	-	-	16,442,493	49,382,192
Capital Projects Fund	-	-	-	-	17,284,846	-	17,284,846
Unassigned	32,545,482	(10,577,317)	-	-	-	-	21,968,165
Total Fund Balances	46,237,641	(4,242,679)	32,939,699	55,639,172	35,352,998	23,276,187	189,203,018
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 64,317,784	\$ 8,792,062	\$ 39,320,997	\$ 56,086,082	\$ 36,455,930	\$ 30,981,562	\$ 235,954,417

The notes to the financial statements are an integral part of this statement.

**ANOKA COUNTY
ANOKA, MINNESOTA**

EXHIBIT 4

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2015**

Total fund balances for governmental funds (Exhibit 3)	\$	189,203,018
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.		800,448,556
Deferred outflows resulting from pension obligations are not available resources and, therefore, are not reported in governmental funds.		15,245,653
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.		1,214,516
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	\$	(198,917,535)
Compensated absences		(9,549,508)
Capital leases payable		(86,268)
Loans payable		(649,789)
Net pension liability		(89,824,381)
Other postemployment benefits		<u>(20,350,387)</u>
Total long term liabilities		(319,377,868)
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	\$	(3,146,623)
Matured interest payable reported on Exhibit 3		<u>86,536</u>
		(3,060,087)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		8,829,948
Deferred inflows resulting from pension obligations are not due and payable in the current period and, therefore, are not reported in governmental funds.		<u>(11,843,562)</u>
Net position of governmental activities (Exhibit 1)	\$	<u><u>680,660,174</u></u>

The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	Road and Bridge	Human Services	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 54,474,189	\$ 10,518,605	\$ 30,418,532	\$ 15,984,627	\$ 133	\$ 13,023,709	\$ 124,419,795
Licenses and permits	287,437	79,700	1,061,688	-	-	1,920	1,430,745
Intergovernmental	20,710,096	61,882,899	49,673,635	8,031	3,428,171	8,822,484	144,525,316
Charges for services	29,173,773	-	2,977,104	-	-	1,949,906	34,100,783
Fines and forfeits	-	-	-	-	-	517,584	517,584
Investment income	2,152,577	22,130	-	(606,162)	46,251	32,636	1,647,432
Net change in fair value of investments	(744,160)	-	-	640,158	-	-	(104,002)
Miscellaneous	5,048,569	386,542	510,823	1,115,153	188,898	5,901,274	13,151,259
Total Revenues	111,102,481	72,889,876	84,641,782	17,141,807	3,663,453	30,249,513	319,688,912
Expenditures							
Current							
General government	37,184,051	-	-	-	1,652,530	327,122	39,163,703
Public safety	60,757,078	-	-	-	1,097,222	5,854	61,860,154
Highways and streets	-	74,283,231	-	-	-	-	74,283,231
Human services	383,567	-	80,230,473	-	450,642	-	81,064,682
Sanitation	4,359,185	-	-	-	19,781	-	4,378,966
Culture and recreation	152,623	-	-	-	7,953	15,301,442	15,462,018
Conservation of natural resources	148,992	-	-	-	-	445,610	594,602
Economic development	-	-	-	-	-	9,993,573	9,993,573
Debt Service							
Principal retirement	-	-	-	43,229,997	-	34,562	43,264,559
Interest	-	-	-	6,906,836	-	18,806	6,925,642
Bond issuance costs	-	-	-	622,583	-	-	622,583
Administrative charges	-	-	-	95,415	-	-	95,415
Capital Outlay							
General government	-	-	-	-	4,766,435	-	4,766,435
Public safety	-	-	-	-	2,594,396	-	2,594,396
Sanitation	-	-	-	-	195,223	-	195,223
Culture and recreation	-	-	-	-	342,612	-	342,612
Intergovernmental							
Highways and streets	-	1,400,670	-	-	-	-	1,400,670
Total Expenditures	102,985,496	75,683,901	80,230,473	50,854,831	11,126,794	26,126,969	347,008,464
Excess of Revenues Over (Under) Expenditures	8,116,985	(2,794,025)	4,411,309	(33,713,024)	(7,463,341)	4,122,544	(27,319,552)
Other Financing Sources (Uses)							
Transfers in	23,050	-	32,829	4,656,803	11,092,346	493,083	16,298,111
Transfers out	(9,954,640)	(8,800)	(3,000,000)	-	(47,079)	(2,832,592)	(15,843,111)
Refunding bonds issued	-	-	-	37,945,000	-	-	37,945,000
Premium on bonds	-	-	-	1,463,205	-	-	1,463,205
Capital leases	-	-	-	-	-	112,183	112,183
Total Other Financing Sources (Uses)	(9,931,590)	(8,800)	(2,967,171)	44,065,008	11,045,267	(2,227,326)	39,975,388
Net Change in Fund Balances	(1,814,605)	(2,802,825)	1,444,138	10,351,984	3,581,926	1,895,218	12,655,836
Fund Balances - January 1	48,052,246	(1,598,735)	31,495,561	45,287,188	31,771,072	21,378,294	176,385,626
Increase (decrease) in inventories	-	158,881	-	-	-	2,675	161,556
Fund Balances - December 31	\$ 46,237,641	\$ (4,242,679)	\$ 32,939,699	\$ 55,639,172	\$ 35,352,998	\$ 23,276,187	\$ 189,203,018

The notes to the financial statements are an integral part of this statement.

**ANOKA COUNTY
ANOKA, MINNESOTA**

EXHIBIT 6

**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, 2015**

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

Net change in fund balances - total governmental funds (Exhibit 5)	\$	12,655,836
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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	\$	60,785,593	
Current year depreciation		(18,661,440)	
			42,124,153

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. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issued:			
Refunding general obligation (GO) bonds	\$	(10,790,000)	
Refunding limited tax bonds		(27,155,000)	
Capital leases		(112,183)	
Loans		(487,042)	
Discounts and premiums		(1,463,205)	
Principal repayments:			
Debt service principal retirement		43,264,559	
Current year amortization of discounts and premiums		580,770	
			3,837,899

The effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, transfers and retirements) is to decrease net position.		(2,620,909)
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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	\$	8,829,948	
Unavailable revenue - January 1		(7,241,272)	
			1,588,676

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 (-\$553,528), change in interest payable (\$11,123), and changes in inventories (\$161,556).		(380,849)
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Current year net change in other postemployment benefits (OPEB) obligation.		(136,716)
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Current year net change in deferred pension outflows, net pension liability, and deferred pension inflows.		(1,858,163)
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An internal service fund is used to charge the insurance costs to the individual funds. The increase in net position of the internal service fund is reported in the government-wide statement of activities.		564,611
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Changes in net position of governmental activities (Exhibit 2)	\$	55,774,538
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The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 7

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-Type Activities	Governmental Activities
	Aquatic Center Enterprise Fund	Pooled Insurance Internal Service Fund
<u>Assets</u>		
Current Assets:		
Cash and pooled investments	\$ 1,205,867	\$ 3,905,194
Total current assets	1,205,867	3,905,194
Noncurrent Assets:		
Capital assets	8,529,682	-
Less: accumulated depreciation	(2,998,101)	-
Total capital assets (net of accumulated depreciation)	5,531,581	-
Total noncurrent assets	5,531,581	-
Total Assets	6,737,448	3,905,194
<u>Deferred Outflows of Resources</u>		
Deferred pension outflows	23,299	-
	23,299	-
<u>Liabilities</u>		
Current Liabilities:		
Accounts payable	388	-
Salaries payable	2,742	-
Due to other governments	-	266
Compensated absences	776	-
Outstanding claims payable	-	206,153
Total current liabilities	3,906	206,419
Noncurrent Liabilities:		
Compensated absences	14,755	-
Outstanding claims payable	-	2,484,259
Net pension liability	161,865	-
Total noncurrent liabilities	176,620	2,484,259
Total Liabilities	180,526	2,690,678
<u>Deferred Inflows of Resources</u>		
Deferred pension inflows	20,015	-
	20,015	-
<u>Net Position</u>		
Net investment in capital assets	5,531,581	-
Unrestricted	1,028,625	1,214,516
Total Net Position	\$ 6,560,206	\$ 1,214,516

The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 8

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Aquatic Center Enterprise Fund</u>	<u>Pooled Insurance Internal Service Fund</u>
<u>Operating Revenues</u>		
Charges for services	\$ 1,374,947	\$ -
Concessions	389,447	-
Insurance fees	-	767,713
Miscellaneous	6,851	1,808
Total Operating Revenues	1,771,245	769,521
<u>Operating Expenses</u>		
Personal services	615,742	-
Other services and charges	271,061	-
Supplies	220,944	-
Insurance	-	204,928
Depreciation	251,005	-
Total Operating Expenses	1,358,752	204,928
Operating Income (Loss)	412,493	564,593
<u>Nonoperating Revenues (Expenses)</u>		
Investment income	-	18
Total Nonoperating Revenues (Expenses)	-	18
Net Income (Loss) Before Transfers and Contributions	412,493	564,611
<u>Transfers</u>		
Transfers out	(455,000)	-
Total Transfers	(455,000)	-
Increase (Decrease) in Net Position	(42,507)	564,611
Net position - January 1, as restated (Note 1.E.)	6,602,713	649,905
Net position - December 31	\$ 6,560,206	\$ 1,214,516

The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 9

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
Increase (Decrease) in Cash and Cash Equivalents

	Business-Type Activities	Governmental Activities
	Aquatic Center Enterprise Fund	Pooled Insurance Internal Service Fund
Cash Flows from Operating Activities:		
Receipts from customers	\$ 1,772,104	\$ 769,521
Payments to suppliers	(493,472)	(417,078)
Payments to employees	(615,993)	-
Net cash provided (used) by operating activities	662,639	352,443
Cash Flows from Noncapital Financing Activities:		
Transfer to other funds	(455,000)	-
Cash Flows from Investing Activities:		
Interest received	-	18
Net increase (decrease) in cash and cash equivalents	207,639	352,461
Cash and cash equivalents, January 1	998,228	3,552,733
Cash and cash equivalents, December 31	\$ 1,205,867	\$ 3,905,194
Reconciliation of operating income to net cash provided (used) by operating activities:		
Net operating income (loss)	\$ 412,493	\$ 564,593
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	251,005	-
(Increase) decrease in Accounts receivable	859	-
Increase (decrease) in Accounts payable	(410)	-
Increase (decrease) in Salaries payable	(4,805)	-
Increase (decrease) in Due to other governments	(1,057)	(9,345)
Increase (decrease) in Deferred pension outflows	(16,626)	-
Increase (decrease) in Deferred pension inflows	20,015	-
Increase (decrease) in Net pension liability	(654)	-
Increase (decrease) in Compensated absences	1,819	-
Increase (decrease) in Outstanding claims payable	-	(202,805)
Total adjustments	250,146	(212,150)
Net cash provided (used) by operating activities	\$ 662,639	\$ 352,443

The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 10

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2015

	<u>Other Postemployment Benefits Trust Fund</u>	<u>Agency Fund</u>
<u>Assets</u>		
Cash and pooled investments	\$ -	\$ 8,646,551
Investments, at fair value		
Index Funds	51,357,376	-
Accounts receivable	-	6
Due from other governments	-	331,630
	<u>51,357,376</u>	<u>8,978,187</u>
Total Assets		
	51,357,376	8,978,187
<u>Liabilities</u>		
Accounts payable	1,600,000	1,485,144
Due to other governments	-	7,493,043
	<u>1,600,000</u>	<u>8,978,187</u>
Total Liabilities		
	1,600,000	\$ 8,978,187
<u>Net Position</u>		
Held in trust for postemployment benefits	<u>\$ 49,757,376</u>	

The notes to the financial statements are an integral part of this statement.

ANOKA COUNTY
ANOKA, MINNESOTA

EXHIBIT 11

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
OTHER POSTEMPLOYMENT BENEFITS TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Other Postemployment Benefits Trust Fund</u>
<u>Additions</u>	
Investment earnings	\$ 752,784
Less investment expense	3,820
	<hr/>
Net investment earnings	748,964
	<hr/>
Total Additions	748,964
	<hr/>
<u>Deductions</u>	
Benefits	1,600,000
	<hr/>
Change in net position	(851,036)
	<hr/>
Net position - January 1	50,608,412
	<hr/>
Net position - December 31	\$ 49,757,376
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

**ANOKA COUNTY
ANOKA, MINNESOTA**

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015

1. Summary of Significant Accounting Policies

Anoka County was established May 23, 1857, and is an organized county having the powers, duties and privileges granted counties by Minn. Stat. ch. 373. Anoka County is governed by a seven-member board of commissioners elected from districts within the County for four-year terms. The Board is organized with a chair and vice-chair elected at the organizational meeting in January of each year. The County Board appoints the County Administrator for an indefinite term. The County Administrator has no vote in the decisions of the County Board.

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

A. Financial Reporting Entity

For financial reporting purposes, Anoka County has included all funds, organizations, agencies, boards, commissions, and authorities, and has considered all potential component units for which the County is financially accountable, and other organizations whose nature and the significance of their relationship with the County are such that exclusion would cause Anoka County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.

As required by generally accepted accounting principles, these financial statements present Anoka County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

The County participates in several joint ventures which are described in Note 3.G.

See Note 4.B. for the description of a related organization.

Blended Component Units

Blended component units are entities, which are legally separate from the County, but are so intertwined that they are, in substance, the same as the County. They are reported as part of the primary government.

The **ANOKA COUNTY REGIONAL RAILROAD AUTHORITY** is governed by a seven-member board consisting of the Anoka County Commissioners, and has the power to levy taxes, issue bonds, and enter into contracts. The Authority was established for the preservation and improvement of local rail service. Although it is legally separate from the County, the activity of the Regional Railroad Authority is included in the Anoka County reporting entity as the Regional Railroad Authority Special Revenue Fund because the Authority's governing body is substantively the same as the governing body of Anoka County and management of Anoka County has operational responsibility for the component unit. Separate financial statements are not available for the Anoka County Regional Railroad Authority.

The **ANOKA COUNTY HOUSING AND REDEVELOPMENT AUTHORITY** is governed by a seven-member board consisting of the Anoka County Commissioners, and has the power to levy taxes, issue bonds, and enter into contracts. The Authority was established to assist with the implementation of a redevelopment plan to promote economic development within Anoka County. Although it is legally separate from the County, the activity of the Housing and Redevelopment Authority is included in the Anoka County reporting entity as the Housing and Redevelopment Authority Special Revenue Fund because the Authority's governing body is substantively the same as the governing body of Anoka County and management of Anoka County has operational responsibility for the component unit. Separate financial statements are not available for the Anoka County Housing and Redevelopment Authority.

B. Basic Financial Statements

1. Government-Wide Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the primary government and its component units. These statements include the financial activities of the overall County government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These activities are not eliminated in the process of consolidation. 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 to external parties for support.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts—net investment in capital assets; restricted net position; and unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

1. Summary of Significant Accounting Policies

B. Basic Financial Statements

1. Government-Wide Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of each function of the County's governmental activities and business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include 1) fees, fines, and charges paid by the recipients of goods, services, or privileges provided by a given function or activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of governmental and proprietary fund financial statements is on major individual governmental and enterprise funds, with each displayed as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or incidental activities.

Operating expenses for enterprise funds and internal service funds include services, supplies, insurance, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County reports the following major governmental funds:

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

The Road and Bridge Special Revenue Fund accounts for operations of the County Highway Department, which constructs and maintains roads, bridges, road signals and signs, and other projects affecting the roadways. Financing comes primarily from intergovernmental revenue from the State and Federal Governments and an annual property tax levy.

The Human Services Special Revenue Fund accounts for all costs of human services. This includes the cost of Economic Assistance programs, social and mental health services provided by the Human Services Division or purchased through contract, and the County's support to the Community Action Program. Financing comes primarily from an annual property tax levy and intergovernmental revenue from the State and Federal Governments.

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

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

The County reports the following major enterprise fund:

The Aquatic Center Fund is used to account for the operation and maintenance of the Bunker Beach Aquatic Center.

Additionally, the County reports the following fund types:

The Pooled Insurance Internal Service Fund accounts for the County's self-insurance activities.

The Trust Fund accounts for an irrevocable trust established for funding other postemployment benefits for eligible retired employees under a single employer defined benefit plan.

The Agency Fund is used to account for assets held by the County as a trustee or agent for individuals, private organizations, other governments, or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The fiduciary fund financial statements are reported using the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Shared revenues are generally recognized in the period the appropriation goes into effect. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. Summary of Significant Accounting Policies

C. Measurement Focus and Basis of Accounting (Continued)

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. Anoka County considers all revenues to be *available* if they are collected within 60 days after the end of the current period, except for reimbursement (expenditure driven) grants for which the period is 120 days. Property and other taxes, shared revenues, licenses, and interest are all considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and the unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity

1. Cash and Investments

Anoka County maintains a cash and investment pool that is used essentially as a demand deposit account. This pool is available for use by all funds of the County and each fund type's portion of this pool is displayed on the Statement of Net Position within "Cash, cash equivalents, and pooled investments."

Cash and cash equivalents are identified only for the purpose of the Statement of Cash Flows reporting by the proprietary funds. Pooled investments, which have the characteristics of demand deposits, are considered to be cash and cash equivalents on the Statement of Cash Flows.

Pooled (in lieu of cash) investments are stated at fair value. Investment earnings are allocated to the Road and Bridge and Regional Railroad Authority Special Revenue Funds, agency funds, and to the Capital Projects Fund, based on cash balances set aside for specific purposes within those funds. Pursuant to Minn. Stat. § 385.07, investment income on unallocated cash and pooled investments are credited to the General Fund.

Investments with escrow agents and trust accounts are stated at fair value. Investment earnings on cash and investments with escrow agents and investments in trust accounts are credited to the funds in which they are held.

Anoka County invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which is created under a joint powers agreement pursuant to Minn. Stat. § 471.59. The investment in the pool is measured at the net asset value per share provided by the pool.

Minn. Stat. § 118A.04 and 118A.05 authorize the following types of investments that are available to the County:

- a. Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. § 118A.04, subd. 6.
- b. Mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments.
- c. General obligations of the State of Minnesota and its municipalities; and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service.
- d. Bankers' acceptances issued by United States banks.
- e. Commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized ratings agencies and matures in 270 days or less.
- f. With certain restrictions, as identified by statutes, repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables, including those of the blended component units are shown net of an allowance for doubtful accounts.

1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity

2. Receivables and Payables (Continued)

Property Taxes

Property tax levies are set by the County Board in December each year following a public "truth in taxation" hearing. The levy is reduced by State paid aids referred to as County Program Aid. The remaining net levy is spread on all taxable real and personal property. Taxes which remain unpaid at December 31 are delinquent. Such taxes become a lien on January 1 and are recorded as receivables by the County at that date. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material. Revenues are accrued and recognized in the year collectible, net of delinquencies.

Property taxes are payable in two installments for real estate and one payment for personal property. The dates are listed below:

Real Estate	- first half	- May 15
	- second half	- October 15
Personal Property	- one payment	- May 15

Loans

Loans may be made to private enterprises or individuals as per the parameters of the specific programs. The Community Development Special Revenue Fund provides rehabilitation loans and septic system revolving loans to individuals. The General Fund has forfeited tax sale contracts for repurchase and a loan for temporary delay of rental revenues.

Leases

The County has issued lease revenue obligation debt for organizations. A long term lease exists between the County and the organization which matches the term of the debt.

3. Land Held for Resale

Property is acquired by the Neighborhood Stabilization Program for subsequent resale for redevelopment purposes and not as an investment program. In order to encourage development, the land is often resold at prices substantially lower than cost and cannot be sold for more than expended. Land Held for Resale is reported as an asset at the lower of cost or net realizable value in the fund that acquired it. Unearned revenue of an equal amount is also reported on the respective governmental fund balance sheet. In governmental funds, in order to satisfy federal grant reporting requirements, land acquired is reported as an expenditure in the amount of the acquisition cost and as federal revenue for the same amount. When the land is subsequently sold, miscellaneous program income is recognized for the sale amount. Future drawdowns from the federal government for reimbursement of expenditures incurred are adjusted by program income available at that date.

4. Inventories and Prepaid Items

Inventory: Inventory is valued at cost, using the first-in, first-out (FIFO) method. The inventory in the Road and Bridge Special Revenue Fund consists of expendable supplies held for consumption. The inventory in the Parks and Recreation Special Revenue Fund consists of items held for resale. The cost of the inventory is recorded as an expenditure in the governmental fund statements at the time individual inventory items are purchased. Reported inventories are equally offset by nonspendable fund balance to indicate that they do not constitute "available spendable resources."

Inventories at the government-wide level are recorded as expenses when consumed.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are equally offset by nonspendable fund balance to indicate that they do not constitute "available spendable resources."

Prepaid items are expensed using the consumption method for both the government-wide and fund financial statements.

5. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), and intangible assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, excluding infrastructure, are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Infrastructure assets are capitalized when the cost of the individual items or projects are greater than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current period, the County did not have any capitalized interest.

1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity

5. Capital Assets (Continued)

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Buildings	50 years
Infrastructure	50 years
Land improvements	20 years
Furniture and fixtures	20 years
Machinery and tools	15 years
Intangible assets	12 years
Office machines and equipment	10 years
Licensed vehicles	8 years
Unmarked vehicles	5 years
Marked vehicles	3 years
Information and technology management equipment	5 years

6. Compensated Absences

The liability for compensated absences reported in the financial statements consists of unpaid, accumulated annual vacation and sick leave and flexible time off balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The current portion of the compensated absences liability is calculated at five percent of the total liability.

7. Deferred Inflows/Outflows of Resources / Unearned Revenue

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. This item, deferred pension outflows, is discussed below in Note 1.D.9.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three such items that qualify for reporting in this category. The first item, unavailable revenue, arises only under the modified accrual basis of accounting; however, the second item, advance from other governments, arises under both the modified accrual and the full accrual basis of accounting. Unavailable revenue and the advance from other governments are reported in the governmental funds balance sheet, while the advance from other government is also reported in the statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The third item, deferred pension inflows, is discussed below in Note 1.D.9.

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned.

8. 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 obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received and discounts taken on debt issuances are reported as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Because the rates of interest paid on tax exempt debt are normally lower than those paid on taxable securities, it is sometimes possible for state and local governments to profit from this disparity in interest rates by temporarily reinvesting unexpended proceeds of lower interest tax exempt borrowings in higher yielding taxable securities. When the proceeds of tax-exempt debt are reinvested in this manner, the profits realized are referred to as "arbitrage earnings", which must be rebated to the federal government. The County has no such earnings during the current year.

1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

9. Pensions

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 except that PERA's fiscal year end is June 30. 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. Plan investments are reported at fair value.

Actual payments of the net pension liability are made directly from the same governmental funds that incurred the salary expenditures. Prior years net pension liabilities were paid from the General fund, Special Revenue Funds and the Enterprise Fund.

10. Fund Equity

Classification of Net Position

Net position in the government-wide and proprietary fund financial statements are classified in the following categories:

1. Net investment in capital assets: the amount of net position representing capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.
2. Restricted net position: the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted net position: the amount of net position that does not meet the definition of restricted or net investment in capital assets.

Classification of Fund Balances

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are as follows:

1. Nonspendable: Fund balances classified as nonspendable include assets that will never convert to cash, such as prepaid items and inventories of supplies.
2. Spendable: All fund balances that are not classified as nonspendable are deemed spendable. The statement provides for classifications within the spendable category based upon the relative strength of the constraints that control how specific amounts can be spent. Those classifications are as follows:
 - a. Restricted: Net fund resources that are subject to externally enforceable legal restrictions are deemed to be restricted. These restrictions are either 1) externally imposed by creditors (via bond or loan covenants), grantors, contributors or laws and regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation.
 - b. Committed: Net fund balances that represent resources that can be used only for the specific purposes determined by formal action of the Board are deemed to be committed. The County's formal actions, or board resolutions, are the highest decision making level and remain binding unless removed in the same manner. Additionally, any Board action, either binding or unbinding, need be taken prior to the end of the calendar year.
 - c. Assigned: Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board has by resolution authorized the Finance and Central Services Division Manager to assign fund balance.
 - d. Unassigned: The residual classification of the County's General Fund not contained in the other classifications is deemed to be unassigned. In other governmental funds, the unassigned classification is used only to report deficit balances resulting from overspending for specific purposes for which amounts had been restricted or committed.

It is the policy of the County to spend fund balance in the following order: *restricted, committed, assigned* and then *unassigned*.

Minimum Fund Balance Policy

Anoka County has adopted a minimum fund balance policy to address cash flow or working capital needs and contingencies in the General Fund, which is heavily reliant on property tax revenues to fund current operations. However, current property tax revenues are not available for distribution until June. Therefore, the County Board has determined they need to maintain an unassigned fund balance in the General Fund equaling 35-50% of the next year's operations, which is calculated as total budgeted operating expenditures less total budgeted operating (non-tax) revenues.

1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

11. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

E. Change in Accounting Principles

During the year ended December 31, 2015, the County adopted new accounting guidance by implementing the provisions of GASB Statements 68, 71, and 82. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, requires governments providing defined benefit pensions to employees through pension plans administered through trusts to record their proportionate share of the net pension obligation as a liability on their financial statements along with related deferred outflows of resources, deferred inflows of resources, and pension expense. This statement also requires additional note disclosures and schedules in the required supplementary information.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, addresses an issue regarding amounts associated with contributions made to a pension plan after the measurement date of the net pension liability.

GASB Statement No. 82, *Pension Issues - an amendment of GASB Statement No. 67, No. 68, and No. 73*, modifies the measure of payroll that is presented in the required supplementary information schedules.

GASB Statements 68 and 71 require the County to report its proportionate share of the PERA total employers' unfunded pension liability. As a result, beginning net position has been restated to record the County's net pension liability and related deferred outflows of resources.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Position, January 1, as previously reported	\$ 709,449,763	\$ 6,758,559
Change in accounting principles	<u>(84,564,127)</u>	<u>(155,846)</u>
Net Position, January 1, as restated	<u>\$ 624,885,636</u>	<u>\$ 6,602,713</u>

2. Stewardship, Compliance, and Accountability

A. Deficit Fund Balance

At December 31, 2015, the Road and Bridge Special Revenue Fund had a deficit fund balance of \$4,242,679. The deficit will be eliminated with future State Aid highway allotments.

B. Excess of Expenditures Over Budget

The following nonmajor governmental funds have expenditures in excess of budget for the year ended December 31, 2015:

<u>Special Revenue Fund</u>	<u>Expenditures</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
Cooperative Extension			
Current			
Conservation of natural resources	\$ 391,301	\$ 445,610	\$ 54,309
Housing and Redevelopment Authority			
Current			
Economic development	2,762,691	2,808,101	45,410
Debt Service	-	15,243	15,243

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

a. Deposits

Minn. Stat. Sec. 118A.02 and 118A.04 authorize the County to deposit its cash and to invest in certificates of deposit in financial institutions designated by the County Board. Minnesota Statute 118A.03 requires that all County deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better, revenue obligations rated "AA" or better, irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to it. County policy requires collateral coverage for all deposit balances exceeding the FDIC insured levels. Federal Home Loan Bank irrevocable letters of credit may be substituted for qualifying government securities at some institutions. Depository balances are monitored as necessary, to assure the coverage in place, meets or exceeds statutory requirements as specified in Minn. Stat. 118A.03. As of December 31, 2015, the County's deposits were exposed to custodial credit risk, being insufficiently covered through collateral agreements with designated depositories.

b. Investments

The County invests available cash in various securities in accordance with requirements set forth in Minnesota Statutes. All investments are stated at fair value. The following is a summary of the fair values of the County's investments, at December 31, 2015:

Primary government

Cash, cash equivalents and pooled investments	\$	156,174,961
Cash and investments with escrow agents		42,504,686
Investments with trust account		437,793

Fiduciary funds

Cash, cash equivalents and pooled investments		
Agency Fund		8,646,551
Investments		
Trust Fund		51,357,376
		<hr/>
Total cash and investments	\$	259,121,367

Minn. Stat. § 118A.06 authorizes the following safekeeping options for the County's investments:

- (1) Any federal reserve bank.
- (2) Any bank authorized under the laws of the United States or any state to exercise corporate trust powers, including but not limited to the bank from which the investment is purchased.
- (3) A primary reporting dealer in United States government securities to the Federal Reserve Bank of New York.
- (4) A securities broker-dealer, registered under Minn. Stat. ch. 80A, regulated by the Securities and Exchange Commission and maintaining SIPC insurance and excess SIPC insurance on the value of County securities held.

The County's ownership of all securities must be evidenced by written acknowledgements identifying the securities by the names of issuers, maturity dates, interest rates, CUSIP numbers, or other distinguishing marks.

Anoka County contracts with an authorized third party institution for safekeeping. All County investment securities were properly safe kept, at December 31, 2015.

Interest Rate Risk. Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The County minimizes their exposure to interest rate risk by investing in both shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. County policy limits maximum maturity/average life to fifteen years for individual investments and ten years for the total portfolio.

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

b. Investments (Continued)

Credit Risk. Generally credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the County's policy to invest only in securities that meet the ratings requirements set by State Statute. Minnesota State Statute permits the following investments: United States securities; state or local government general obligation securities rated "A" or better; state or local government revenue obligation securities rated "AA" or better; Minnesota Housing Finance Agency general obligation securities rated "A" or better; highest rated commercial paper issued by United States corporations; time deposits insured by Federal Deposit Insurance Corporation (FDIC); specified mortgage-backed securities; and temporary general bonds.

Custodial Credit Risk. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County's policy states all investment securities purchased by the County shall be held in safekeeping by a third-party designated institution as agency for the County. As of December 31, 2015, the County's investments were not exposed to custodial credit risk.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss to the portfolio related to the volume/quantity of the investments with a single issuer should that issuer fail. The investment policy of Anoka County limits concentration by security type to encourage a properly diversified portfolio.

Investments in any one issuer that represent 5% or more of the County's investments are as follows:

<u>Issuer</u>	<u>Reported Amount</u>
U.S. Treasury Securities (UST)	\$ 19,268,953
Federal National Mortgage Association Note (FNMA)	19,406,046

The primary objective of the County investment policy is capital preservation and liquidity. To achieve this goal, while enhancing returns and improving diversification, the portfolio is divided into multiple liquidity pools consisting of short, medium and core investment portfolios. The pools are assigned differing maturity and duration requirements, with the most liquid portions of the portfolio administered in-house and the core reserve portfolio assigned to select asset managers.

- (1) The core reserve portfolio pool will have a longer time horizon and will not be needed to fund current operations. The funds in this pool are comprised of reserve funds, which are managed on a total return basis.
- (2) The liquidity reserve portfolio is a pool comprised of investments of shorter maturities, which may be needed to fund temporary shortfalls in operating cashflows. The pool size is varied to meet changing liquidity circumstances and laddered to assure even maturities over time to supplement short liquidity positions.
- (3) The current cash flow or liquidity portion of the portfolio is intended to balance cash flow timing with current and statutory payment obligations. Investment maturities are matched with current liabilities and payables.

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

b. Investments (Continued)

The following table presents the County's investment balances at December 31, 2015, and information relating to potential investment risks:

Investment Type	Credit Rating	Rating Agency	Custodial Risk	% to Total Portfolio	% to Total		
					Less than 1 year	1 to 5 years	More than 5 years
U.S. Government Agency securities							
Farmer Mac USDA (FAMC)	N/a		Custody	1.21%	-	1,975,460	663,423
Financial Assistanced Corporation (FAC)	Aaa/AA+	M, S&P	Custody	0.91%	-	1,997,260	-
Federal Farm Credit Bank (FFCB)	Aaa/AA+	M, S&P	Custody	2.04%	689,441	1,492,131	2,286,525
Federal Home Loan Bank (FHLB)	Aaa/AA+	M, S&P	Custody	1.99%	687,601	1,232,561	2,422,840
Federal Home Loan Mortgage Corporation (FHLMC)	Aaa/AA+	M, S&P	Custody	3.97%	498,589	4,488,495	3,677,597
Federal National Mortgage Association Note (FNMA)	Aaa/AA+	M, S&P	Custody	8.89%	490,807	12,279,317	6,635,922
Small Business Association (SBA)	Aaa/AA+	M, S&P	Custody	0.14%	273	299,812	-
Financing Corporation (FICO)	Aaa/AA+	M, S&P	Custody	0.23%	-	496,129	-
Government National Mortgage Association (GNMA)	Aaa/AA+	M, S&P	Custody	0.23%	-	-	495,703
National Credit Union Association (NCUA)	Aaa/AA+	M, S&P	Custody	0.00%	-	-	-
Tennessee Valley Authority (TVA)	Aaa/AA+	M, S&P	Custody	2.11%	-	2,290,597	2,314,065
Veterans Administration Vendee Mortgage	Aaa/AA+	M, S&P	Custody	0.05%	-	-	110,733
Total U.S. Government Agency Securities				21.75%	2,366,711	26,551,762	18,606,808
U.S. Treasury Securities (UST)							
	Aaa/AA+	M, S&P	Custody	8.82%	-	10,579,929	8,689,024
Municipal securities							
State of Connecticut	Aa3/AA	M, S&P	Custody	1.13%	-	153,116	2,326,720
State of California	Aa2/NR	M, S&P	Custody	0.13%	-	279,362	-
State of Georgia	Aaa/AAA	M, S&P	Custody	1.16%	-	2,009,760	519,056
State of Hawaii	Aa2/AA	M, S&P	Custody	1.05%	-	2,003,980	292,888
State of Massachusetts	Aa1/AA+	M, S&P	Custody	0.43%	-	503,865	433,127
State of Michigan	Aa2/AA-	M, S&P	Custody	0.22%	258,145	226,892	-
State of Minnesota	Aa1/AA+	M, S&P	Custody	1.21%	-	1,195,534	1,440,576
State of Mississippi	Aa2/AA	M, S&P	Custody	0.16%	-	351,596	-
State of Montana	Aa3/A+	M, S&P	Custody	0.21%	-	456,673	-
State of Nevada	Aa2/AA-	M, S&P	Custody	0.84%	-	-	1,845,015
State of Ohio	Aa1/AA+	M, S&P	Custody	0.16%	-	349,989	-
State of Pennsylvania	Aa3/AA-	M, S&P	Custody	0.25%	-	-	541,530
State of Texas	Aaa/AAA	M, S&P	Custody	0.08%	-	180,347	-
State of Washington	Aa1/AA+	M, S&P	Custody	0.92%	-	2,000,100	-
Baltimore County, Maryland	Aaa/AAA	M, S&P	Custody	0.10%	-	-	209,438
Harrahs County, Texas	Aaa/AAA	M, S&P	Custody	0.21%	-	-	451,236
Hubbard County, MN	Aa3/NA	M, S&P	Custody	0.89%	-	-	1,941,393
King County, Washington	Aa1/AAA	M, S&P	Custody	0.08%	-	174,755	-
Monroe County, Michigan	NR/AA	M, S&P	Custody	0.05%	-	-	101,012
Travis County, Texas	Aaa/AAA	M, S&P	Custody	0.16%	-	-	347,399
Ouachita Parish, LA	NR/AA-	M, S&P	Custody	0.12%	-	254,028	-
City of Albuquerque, New Mexico	Aa2/AAA	M, S&P	Custody	0.15%	-	-	329,581
City of Akron, Ohio	NR/AA-	M, S&P	Custody	0.08%	169,752	-	-
City of Bloomington, Illinois	Aa2/NR	M, S&P	Custody	0.16%	-	357,938	-
City of Boston, Massachusetts	AAA/AAA	M, S&P	Custody	0.05%	-	108,534	-
City of Bridgewater, New Jersey	NA/AA+	M, S&P	Custody	0.12%	-	273,062	-
City of Cincinnati, Ohio	Aa2/AA-	M, S&P	Custody	0.23%	-	511,332	-
City of Columbus, Minnesota	A1/NR	M, S&P	Custody	0.43%	-	-	936,830
City of Columbus, Ohio	Aaa/AAA	M, S&P	Custody	0.19%	245,135	-	166,304
City of Dallas, Texas	Aa1/AA+	M, S&P	Custody	0.07%	-	151,017	-
City of Danville, VA	Aa2/AA	M, S&P	Custody	0.15%	-	329,193	-
City of Desert Sands, California	Aa2/AA-	M, S&P	Custody	0.16%	-	-	349,783
City of Duluth, Minnesota	Aa2/AA	M, S&P	Custody	0.54%	-	474,265	707,404
City of Fargo, North Dakota	Aa1/NR	M, S&P	Custody	0.64%	-	886,485	502,844
City of Honolulu, Hawaii	Aa2/NR	M, S&P	Custody	0.29%	-	-	628,669
City of Lubbock, Texas	Aa2/AA+	M, S&P	Custody	0.19%	-	-	406,468
City of Moline, Illinois	Aa2/NR	M, S&P	Custody	0.05%	119,905	-	-
City of Morgan Hill, California	Aa1/NR	M, S&P	Custody	0.14%	-	299,229	-
City of New Orleans, Louisiana	A2/AA	M, S&P	Custody	0.45%	-	-	981,600
City of Owensboro Kentucky	Aa2/AA	M, S&P	Custody	0.83%	-	-	1,813,939
City of Portsmouth, Virginia	Aa2/AA	M, S&P	Custody	0.95%	-	-	2,075,240
City of Reeths-Puffer, Michigan	Aa1/NR	M, S&P	Custody	0.21%	-	451,566	-
City of Richmond, Virginia	Aa2/AA+	M, S&P	Custody	0.06%	135,310	-	-
City of Seattle, Washington	Aa1/AAA	M, S&P	Custody	0.19%	-	-	425,918
City of St. Paul, Minnesota	Aa2/AA+	M, S&P	Custody	0.93%	-	2,025,630	-
New York City, New York	Aa1/AAA	M, S&P	Custody	0.89%	-	-	1,949,580
California University Revenue Bonds	Aa2/AA	M, S&P	Custody	0.11%	-	250,595	-
Crosby Ironton, Minnesota School District	NR/AA+	M, S&P	Custody	0.20%	-	446,459	-
Hurst Euleess Bedford Texas School District	NR/AAA	M, S&P	Custody	0.32%	-	-	696,451
Los Angeles Community College	Aa1/AA+	M, S&P	Custody	0.09%	-	201,044	-
Olentangy ISD, Ohio	Aa1/AA+	M, S&P	Custody	0.09%	203,788	-	-
Sioux Falls, South Dakota School District No 49-5	NR/AA-	M, S&P	Custody	0.09%	201,800	-	-
Texas Tech University	Aaa/AA+	M, S&P	Custody	0.18%	-	401,912	-
East Bay Waste Water, California	Aa2/AAA	M, S&P	Custody	0.15%	-	333,291	-
Las Vegas Valley, Nevada, Water District	Aa2/AA+	M, S&P	Custody	0.09%	-	204,764	-
Upper Oconee Water District, Georgia	Aa2/NR	M, S&P	Custody	0.19%	-	413,120	-
Metropolitan Council, Minnesota	AAA/AAA	M, S&P	Custody	0.14%	-	304,695	-
Metropolitan Government Nashville, Tennessee	Aa1/AA	M, S&P	Custody	0.12%	-	254,725	-
Total Municipal Securities				19.48%	1,333,835	18,818,853	22,420,001
Commercial Paper				12.57%	27,457,670	-	-
Repurchase Agreements				2.11%	4,604,694	-	-
Certificates of Deposits				1.36%	2,969,000	-	-
Money Market Funds				0.50%	1,090,985	-	-
Local Government Investment Pools				9.71%	21,206,137	-	-
Index Fund							
Other Postemployment Benefit (OPEB) Trust Accounts			Custody	23.71%	51,795,169	-	-
Portfolio Total				100.00%	218,490,578		

3. Detailed Notes on All Funds

A. Assets (Continued)

2. Receivables

a. Property Tax Receivable

Taxes which remain unpaid at December 31 are delinquent. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material.

Current property tax collections for the year ended December 31, 2015, were 99.32 percent (Table 8) of the current levy, which was a sufficient amount to finance the 2015 budget. Each year, the County tax levy for debt service on bonded indebtedness is set at 105 percent of the debt service required for that year, less available debt service reserves.

b. Accounts Receivable

Accounts receivable include an allowance for doubtful accounts. Total accounts receivable for the year ended December 31, 2015, were \$6,719,676 and the allowance for doubtful accounts was \$1,185,736 resulting in a net effect of \$5,533,940.

c. Loans Receivable

The following is a summary of outstanding loans made to private enterprises and individuals as of December 31, 2015:

	Original Loan Amount	Balance Repaid at December 31, 2015	Outstanding Balance - December 31, 2015	Term (Years)	Interest Rate (%)
General Fund					
Anoka County/Blaine Airport - Northwest Building	\$ 209,392	\$ 30,778	\$ 178,614	20	5.00
Various forfeited tax sale contracts for repurchase	389,784	234,735	155,049	Various	Various
Total General Fund	599,176	265,513	333,663		
Special Revenue Funds					
Community Development Loan programs	4,641,502	743,084	3,898,418	Various	Various
Total Loans Receivable	<u>\$ 5,240,678</u>	<u>\$ 1,008,597</u>	<u>\$ 4,232,081</u>		
Due within one year			<u>\$ 367,971</u>		

d. Leases Receivable

Anoka County has leased portions of the Anoka County Human Service Center to the State of Minnesota and various community-based non-profit organizations to be used for office space. There are six lease agreements, which expire June 30, 2017, with an automatic 2-year extension. Tenants pay rent in monthly installments, in advance, on the first day of every month during the term of their lease. Rent is recorded as revenue when received.

Anoka County has subleased portions of the Northwest Building Area at the Anoka County/Blaine Airport from the Metropolitan Airports Commission (MAC). There are several lease agreements, with various expiration dates at a rate determined by MAC. Rent is recorded as revenue when received.

Anoka County has leased the Head Start Facility to the Anoka County Community Action Program, Incorporated, (ACCAP) for approximately twenty-five years starting October 1, 1993, and ending June 1, 2018. ACCAP pays annual lease amounts that equal the annual debt service (principal plus interest) for the certificates of participation less any accrued interest earnings from the trust account, which has a portion of the original issue proceeds in reserve, plus any trustee expenses incurred.

Anoka County has leased the Ice Arena to the National Sports Center Foundation (NSCF) for twenty years starting March 15, 2006, and ending March 15, 2026. NSCF pays annual lease amounts that equal the annual debt service (principal plus interest) for the lease revenue bonds less any accrued interest earnings from the trust account, which has a portion of the original issue proceeds in reserve, plus any trustee expenses incurred, and an annual payment to a repair and replacement fund, directly to the trustee. Taxes and other governmentally imposed fees or charges imposed on the leased property are paid to the County as assessed.

Anoka County has leased the Metropolitan Mosquito Control District Project to the Metropolitan Mosquito Control District (MMCD) for approximately fifteen years starting November 27, 2007, and ending February 1, 2023. MMCD pays annual lease amounts that equal the annual debt service (principal plus interest) for the certificates of participation less any accrued interest earnings from the trust account, which has a portion of the original issue proceeds in reserve, plus any trustee expenses, rebate fees and payments, taxes or other charges, and fees for any administrative costs incurred.

3. Detailed Notes on All Funds

A. Assets

2. Receivables

d. Leases Receivable (Continued)

Anoka County has leased the ACCAP residences to the Anoka County Community Action Program, Incorporated, for eighteen years starting July 1, 2010, and ending June 1, 2028. ACCAP pays annual lease amounts that equal the annual debt service (principal plus interest) for the certificates of participation less any accrued interest earnings from the trust account, which has a portion of the original issue proceeds in reserve, plus any trustee expenses incurred.

Amounts due under the Head Start Facility, Ice Arena, Metropolitan Mosquito Control District Project, and ACCAP residences lease agreements have been recorded as leases receivable and unearned revenue in the General Fund at December 31, 2015. The amounts for 2016 are considered current and due within one year. Amounts remaining to be paid are as follows:

Year Due	Head Start Facility	Ice Arena	MMCD Project	ACCAP Residences	Total
2016	\$ 150,074	\$ 464,900	\$ 248,250	\$ 164,465	\$ 1,027,689
2017	150,074	465,975	245,494	160,996	1,022,539
2018	75,037	467,000	247,419	162,065	951,521
2019	-	466,963	243,975	162,836	873,774
2020	-	460,887	245,081	163,253	869,221
2021-2025	-	2,305,925	736,906	812,836	3,855,667
2026-2028	-	727,200	-	483,697	1,210,897
Total	\$ 375,185	\$ 5,358,850	\$ 1,967,125	\$ 2,110,148	\$ 9,811,308
Due within one year	\$ 150,074	\$ 464,900	\$ 248,250	\$ 164,465	\$ 1,027,689

3. Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 206,157,000	\$ 5,396,802	\$ (282,854)	\$ 211,270,948
Construction in progress	94,419,530	55,497,961	(84,864,037)	65,053,454
Total capital assets, not being depreciated	300,576,530	60,894,763	(85,146,891)	276,324,402
Capital assets, being depreciated:				
Buildings and structures	223,697,195	4,011,837	(182,937)	227,526,095
Improvements other than buildings	25,563,151	1,521,498	-	27,084,649
Machinery and equipment	48,252,851	6,107,189	(1,748,078)	52,611,962
Infrastructure	380,792,694	73,114,343	(3,588,650)	450,318,387
Software	7,898,120	-	-	7,898,120
Total capital assets being depreciated	686,204,011	84,754,867	(5,519,665)	765,439,213
Less accumulated depreciation for:				
Buildings and structures	(67,801,568)	(4,591,126)	46,433	(72,346,261)
Improvements other than buildings	(12,573,130)	(1,143,226)	-	(13,716,356)
Machinery and equipment	(29,629,699)	(4,718,830)	1,614,653	(32,733,876)
Infrastructure	(113,269,760)	(7,615,854)	1,520,524	(119,365,090)
Software	(2,561,072)	(592,404)	-	(3,153,476)
Total accumulated depreciation	(225,835,229)	(18,661,440)	3,181,610	(241,315,059)
Total capital assets, being depreciated, net	460,368,782	66,093,427	(2,338,055)	524,124,154
Governmental activities capital assets, net	\$ 760,945,312	\$ 126,988,190	\$ (87,484,946)	\$ 800,448,556

3. Detailed Notes on All Funds

A. Assets

3. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activity:				
Buildings and structures	\$ 5,429,337	\$ -	\$ -	\$ 5,429,337
Improvements other than buildings	1,879,575	-	-	1,879,575
Machinery and equipment	1,220,770	-	-	1,220,770
 Total capital assets being depreciated	 8,529,682	 -	 -	 8,529,682
Less accumulated depreciation for:				
Buildings and structures	(1,195,470)	(108,587)	-	(1,304,057)
Improvements other than buildings	(872,558)	(88,119)	-	(960,677)
Machinery and equipment	(679,068)	(54,299)	-	(733,367)
 Total accumulated depreciation	 (2,747,096)	 (251,005)	 -	 (2,998,101)
 Business-type activity capital assets, net	 \$ 5,782,586	 \$ (251,005)	 \$ -	 \$ 5,531,581

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 3,609,530
Public safety	3,319,603
Highways and streets, including depreciation of general infrastructure assets	9,151,967
Human services	170,674
Sanitation	13,699
Culture and recreation	2,073,889
Economic development	322,078
Total depreciation expense-governmental activities	<u>\$ 18,661,440</u>

Business-type activity:

Aquatic Center	<u>\$ 251,005</u>
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Construction in progress at December 31, 2015, comprises the to-date costs of the following projects:

Highway infrastructure	\$ 59,298,980
Elevator upgrades	1,682,433
Parks/Library improvement projects	1,314,350
Courtroom remodel	1,093,267
800 MHZ upgrade	787,279
Tri-Tech jail management system	590,000
Miscellaneous building remodels	138,547
Jail security and hvac	115,280
Sheriffs squad	33,318
	<u>\$ 65,053,454</u>

3. Detailed Notes on All Funds (Continued)

B. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2015 was as follows:

1. Due From and To Other Funds

	<u>Receivable</u>	<u>Payable</u>	<u>Description</u>
Major Governmental Funds			
General Fund	\$ 2,800,000	\$ -	Short term loan
Road and Bridge	-	2,500,000	Short term loan
Total Major Governmental Funds	2,800,000	2,500,000	
Nonmajor Governmental Funds			
Special Revenue Funds			
Job Training Center	-	300,000	Short term loan
Total Governmental Funds	2,800,000	2,800,000	
Total Due From and To Other Funds	<u>\$ 2,800,000</u>	<u>\$ 2,800,000</u>	

2. Advances To and From Other Funds

Advances to the Parks and Recreation Special Revenue Fund include loans for golf course operations and a land purchase. Advances to the General Fund include the purchase of voting equipment for the Elections department. Advances to the Housing and Redevelopment Authority Fund include loans as part of a debt restructure. Departments repay these advances annually as part of their operating budget at a specified interest rate and term.

	<u>Advances To</u>	<u>Advances From</u>
Capital Projects Fund	\$ 1,474,506	\$ -
General Fund	-	508,632
Housing and Redevelopment Authority Fund	-	745,676
Parks and Recreation Special Revenue Fund	-	220,198
Total Advances To and From Other Funds	<u>\$ 1,474,506</u>	<u>\$ 1,474,506</u>

3. Detailed Notes on All Funds

B. Interfund Receivables, Payables and Transfers (Continued)

3. Interfund Transfers

Interfund transfers for the year ended December 31, 2015, consisted of the following:

	<u>Transfers in</u>	<u>Description</u>
Major Governmental Funds		
Transfers to General Fund from:		
Road and Bridge	\$ 8,800	Vehicle purchase
Capital Projects	<u>14,250</u>	Vehicle purchase
Total General Fund	<u>23,050</u>	
Transfers to Human Services Fund from:		
Capital Projects	<u>32,829</u>	CIP projects
Transfers to Debt Service Fund from:		
General Fund	1,657,211	Lease revenue debt payments
General Fund	167,000	Transfer for debt service
Regional Railroad Authority	1,830,721	Transfer for debt service
Housing and Redevelopment Authority	<u>1,001,871</u>	Debt service allocation from operations
Total Debt Service Fund	<u>4,656,803</u>	
Transfers to Capital Projects Fund from:		
General Fund	4,877,670	Approved use of reserves Building Fund
General Fund	867,369	Recorder's technology and compliance fees
General Fund	2,130,013	Approved use of reserves
General Fund	217,294	Broadband project
Human Services	<u>3,000,000</u>	Approved use of reserves
Total Capital Projects Fund	<u>11,092,346</u>	
Transfers to other governmental funds from:		
Various funds	<u>493,083</u>	Miscellaneous
Total Transfers In: Governmental Funds	<u>\$ 16,298,111</u>	

3. Detailed Notes on All Funds (Continued)

C. Liabilities and Deferred Inflows of Resources

1. Payables

Payables at December 31, 2015, were as follows:

	Governmental Activities	Business-type Activities
Accounts	\$ 3,266,066	\$ 388
Salaries	3,011,627	2,742
Contracts	5,420,717	-
Due to other governments	4,782,542	-
Matured interest payable	3,146,623	-
	<u>\$ 19,627,575</u>	<u>\$ 3,130</u>
Total payables	<u>\$ 19,627,575</u>	<u>\$ 3,130</u>

2. Unearned Revenues/ Deferred Inflows of Resources

Unearned revenues and deferred inflows of resources consist of unavailable revenue arising from taxes receivable, state and federal grants, installment loans and other items that are not collected soon enough after year-end to pay liabilities of the current year as well as state and federal grants, leases, and other items that have been received but not yet earned. Unearned revenues and deferred inflows of resources, at December 31, 2015, are summarized below by fund:

	Taxes	Grants	Installment Loans	Leases	Advances From Other Governments	Other	Total
Major Governmental Funds							
General	\$ 1,047,862	\$ 785,846	\$ 333,663	\$ 9,811,308	\$ -	\$ 417,943	\$ 12,396,622
Road and Bridge	185,147	147,154	-	-	3,000,710	1,978,709	5,311,720
Human Services	555,526	1,101,569	-	-	-	443,239	2,100,334
Debt Service	314,112	-	-	-	-	-	314,112
Capital Projects	6,319	-	-	-	-	4,503	10,822
Total Major Governmental Funds	2,108,966	2,034,569	333,663	9,811,308	3,000,710	2,844,394	20,133,610
Nonmajor Governmental Funds	255,530	1,300,181	3,898,418	-	-	321,932	5,776,061
Total All Funds	<u>\$ 2,364,496</u>	<u>\$ 3,334,750</u>	<u>\$ 4,232,081</u>	<u>\$ 9,811,308</u>	<u>\$ 3,000,710</u>	<u>\$ 3,166,326</u>	<u>\$ 25,909,671</u>
Liability							
Unearned revenue	\$ -	\$ 3,099,723	\$ -	\$ 9,811,308	\$ -	\$ 1,167,982	\$ 14,079,013
Deferred Inflow of Resources							
Advances from other governments	-	-	-	-	3,000,710	-	3,000,710
Unavailable revenue	2,364,496	235,027	4,232,081	-	-	1,998,344	8,829,948
Total Deferred Inflow of Resources	2,364,496	235,027	4,232,081	-	3,000,710	1,998,344	11,830,658
	<u>\$ 2,364,496</u>	<u>\$ 3,334,750</u>	<u>\$ 4,232,081</u>	<u>\$ 9,811,308</u>	<u>\$ 3,000,710</u>	<u>\$ 3,166,326</u>	<u>\$ 25,909,671</u>

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources (Continued)

3. Contract Commitments

The County has entered into several contract commitments which have not been completed as of December 31, 2015. Following is a list of these projects and the corresponding amounts to be completed:

Major Governmental Funds

Special Revenue Funds

Road and Bridge

Various road projects	\$ 20,932,557
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Capital Projects Fund

Building projects	1,370,239
Courthouse remodel	5,968,095
Elevators	190,937
Financial system projects	120,389
Security systems	312,415
Public Safety Data System	2,386,719
System projects	<u>1,251,412</u>

Total Capital Projects Fund	<u>11,600,206</u>
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Total All Funds	<u>\$ 32,532,763</u>
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4. Employment and Other Postemployment Benefits

a. Other Postemployment Benefits (OPEB)

Plan Description

In addition to providing a pension benefits plan, the County provides postemployment health care and life insurance benefits (OPEB) for eligible retired employees, spouses and dependents through a single employer defined benefit plan. The benefits, benefits level, employee contribution and employer contribution are administered by the County Commissioners and can be amended by the County through its personnel manual and union contracts. The plan is accounted for as an irrevocable trust fund. A separate, audited GAAP basis benefits plan report is not issued. The activity of the plan is not reported in the government-wide financial statements.

Benefits Provided

Pursuant to Minn. Stat. Sec 471.61, subd 2a, Anoka County provides postemployment health care and life insurance benefits to retired employees, disabled retirees or survivors of deceased employees who were hired prior to January 6, 2007. To be eligible for benefits, a participant must qualify for retirement under the County's retirement plan. The County contribution is graduated based on the employee's years of service. The minimum contribution is based on ten years of service and the maximum contribution is achieved at more than 30 years of service.

All medical health care benefits are provided through the County's health insurance provider and are the same as those afforded to active employees. Benefits include medical services and prescriptions. A \$2,000 group-term life insurance coverage is provided for the retiree and is fully paid for by the County.

Participants

Participants of the plan consisted of the following at December 31, 2013, the date of the actuarial valuation:

Active employees	1,633
Retired employees and spouses	<u>689</u>
	<u><u>2,322</u></u>

Trust Fund

Anoka County established both an OPEB revocable trust and an irrevocable trust, pursuant to MN Statutes, ch. 471.6175, to prefund a portion of the OPEB liability. The Public Employees Retirement Association (PERA) serves as the trust administrator for both of the trust accounts.

The OPEB revocable trust is reported in the General Fund as investments with trust account, using the modified accrual basis of accounting. The irrevocable trust is reported in the Statement of Fiduciary Net Position, Other Postemployment Benefits Trust Fund. This financial statement is prepared using the accrual basis of accounting.

Contributions to the plan are recognized when due and the County has made a commitment to provide the contributions. The fair value of investments for both trusts are determined by the Minnesota State Board of Investment.

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

4. Employment and Other Postemployment Benefits

a. Other Postemployment Benefits (OPEB) (Continued)

Funding Policy and Contributions

The County negotiates the contribution percentage between the County and employees through the union contracts and personnel policy. All eligible retirees with less than 10 years of service contribute 100% of the premium to the plan. For retirees with 10 to 15 years of service, the County contributes 50% of the single contribution made for active employees plus \$2.65 per month towards family coverage for each year of service of the retiree. For retirees with more than 16 years of service, the County contributes 100% of the single contribution made for active employees plus a graduated dollar amount towards family coverage based on the retiree's years of service. For the fiscal year ending December 31, 2015, the retirees contributed \$1,056,506 toward the cost of their healthcare coverage.

Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for 2015, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution (ARC)	\$ 3,067,501
Interest on net OPEB obligations	1,495,465
Adjustments to ARC	<u>(1,687,795)</u>
Annual OPEB Cost	2,875,171
Contributions to medical and life insurance on behalf of retirees	<u>(2,738,455)</u>
Increase (decrease) in net OPEB obligation	136,716
Net OPEB beginning of year	<u>20,213,671</u>
Net OPEB end of year	<u><u>\$ 20,350,387</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the years ended December 31, 2011 through 2015 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
12/31/11	\$ 6,461,225	\$ 3,639,729	56.33%	\$ 15,243,285
12/31/12	5,783,122	4,083,305	70.61%	16,943,102
12/31/13	5,734,838	2,758,819	48.11%	19,919,121
12/31/14	2,918,325	2,623,775	89.91%	20,213,671
12/31/15	2,875,171	2,738,455	95.24%	20,350,387

The net OPEB liability is liquidated by the General Fund, Special Revenue Funds and the Enterprise Fund.

Funding Status

The County issued bonds in September 2009, for the purpose of partially funding its OPEB liability. These funds are reported in the Other Postemployment Benefits Trust Fund and are included in the actuarial valuations presented in the table below.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2009	\$ 21,376,934	\$ 71,980,996	\$ 50,604,062	29.70%	\$ 104,014,943	48.65%
12/31/2011	29,290,357	69,623,253	40,332,896	42.07%	105,150,429	38.36%
12/31/2011	29,290,357	69,623,253	40,332,896	42.07%	104,554,188	38.58%
12/31/2013	46,532,793	60,464,918	13,932,125	76.96%	107,417,920	12.97%
12/31/2013	46,532,793	60,464,918	13,932,125	76.96%	110,785,411	12.58%

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

4. Employment and Other Postemployment Benefits

a. Other Postemployment Benefits (OPEB) (Continued)

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the December 31, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.5% discount rate, which is based on the estimated long-term investment yield on the general assets of the County. An inflation rate of 3.0% is an implicit assumption within the report. The report states health care costs rates are trending down from 8.0% in 2015 to 5.0% in 2021. The unfunded actuarial accrued liability is amortized as a level dollar amount with an open 30 year amortization period.

b. Vacation and Sick Leave

County employees represented by bargaining units are granted vacation, in varying amounts, depending on contractual agreement and length of service. All union employees accumulate one day of sick leave per month.

Unused accumulated vacation and vested sick leave are paid to employees upon termination. Unvested sick leave, valued at \$723,041 at December 31, 2015, is available to union employees in the event of illness-related absences, and is not paid to them at termination.

c. Flexible Time Off and Extended Medical Benefit

Non-organized employees vacation and sick time was converted to Flexible Time Off (FTO), and Extended Medical Benefit (EMB) hours as part of the October 2001 implementation of the Anoka County Preferred Benefit Plan.

Vacation hours were converted to FTO hours and are vested. The amount of FTO hours a full time employee earns ranges from 24 to 33 days per year depending on years of service performed. Part time employees are pro-rated based on their scheduled hours and years of service.

The unvested sick leave hours were converted to EMB hours. These hours are not vested and are valued at \$18,917,322 on December 31, 2015. EMB hours are available for use in times of illness, after using 40 FTO or leave without pay hours. Full time employees accrue eight days of EMB per year, and part time employees receive a pro-rated amount based on their schedule.

5. Operating Leases

The County currently has 12 operating leases. The County made operating lease payments totaling \$392,944 in 2015. The following is a schedule of future minimum operating lease payments:

<u>Year Due</u>	<u>Lease Payments</u>
2016	\$ 373,892
2017	352,567
2018	283,631
2019	87,598
2020-2024	64,818
2025-2027	9
Total	<u>\$ 1,162,515</u>

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources (Continued)

6. Long-Term Debt - Bonds and Notes

The following is a summary of Anoka County's long-term bonded debt transactions for its governmental activities for the year ended December 31, 2015:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Lease Revenue Obligations	\$ 8,736,281	\$ -	\$ (5,194,997)	\$ 3,541,284	\$ 405,873
General Obligation Bonds and Notes	139,035,000	10,790,000	(35,415,000)	114,410,000	10,400,000
General Obligation Bonds Supported by Revenue	23,880,000	-	(1,605,000)	22,275,000	1,630,000
Limited Tax Bonds	26,460,000	27,155,000	(1,015,000)	52,600,000	2,615,000
Total Bonded Debt	198,111,281	37,945,000	(43,229,997)	192,826,284	15,050,873
Issuance premiums	5,425,784	1,463,205	(595,873)	6,293,116	-
Issuance discounts	(216,968)	-	15,103	(201,865)	-
Net Bonded Debt	\$ 203,320,097	\$ 39,408,205	\$ (43,810,767)	\$ 198,917,535	\$ 15,050,873

Refunding Bond and Note Disclosures

On March 24, 2015, the County Issued \$8,040,000 General Obligation Capital Improvement Refunding Bonds, Series 2015B; with an average interest rate of 2.91 percent to refund \$8,255,000 of outstanding General Obligation Capital Improvement Bonds, Series 2007D with an average interest rate of 4.74 percent. The refunding of the 2007D bonds will be conducted by means of a crossover refunding mechanism. The County will continue to make principal and interest payments on the refunded bonds through the call date of February 1, 2017. The County refunded the bonds to reduce its total debt service payments by \$974,277 and to obtain an economic gain (difference between the present values of the debt service payment on the old and new debt) of \$921,870.

On March 24, 2015, the County Issued \$2,750,000 General Obligation Airport Refunding Bonds, Series 2015A; with an average interest rate of 3.47 percent to refund \$2,785,000 of outstanding General Obligation Airport Improvement Bonds, Series 2006C with an average interest rate of 5.00 percent. The net proceeds of the 2015A bonds were used to refund the 2006C bonds on May 1, 2015. The County refunded the Series 2006C bonds to reduce its total debt service payments by \$475,738 and to obtain an economic gain (difference between the present values of the debt service payment on the old and new debt) of \$406,827.

On June 16, 2015, the County issued \$27,155,000 General Obligation Limited Tax Refunding Bonds, Series 2015A; with an average interest rate of 3.26 percent to refund \$25,445,000 of outstanding Limited Tax Bonds, Series 2007A with an average interest rate of 4.41 percent. The net proceeds of the 2015A bonds will be used to refund the 2007A bonds on February 1, 2017. The County refunded the Series 2007A bonds to reduce its total debt service payments by \$1,335,629 and to obtain an economic gain (difference between the present values of the debt service payment on the old and new debt) of \$1,074,091.

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

6. Long-Term Debt - Bonds and Notes (Continued)

Bonds and notes payable at December 31, 2015 comprise the following individual issues:

a. Lease Revenue Obligations:

\$2,705,000 November 28, 2007 Metropolitan Mosquito Control District Project Certificates of Participation. These certificates mature in amounts ranging from \$115,000 to \$240,000 each February 1 in the years 2010 to 2023 with interest due each February 1 and August 1 at rates from 4.25 to 4.50 percent. Certificates maturing on or after February 1, 2018 are subject to redemption on February 1, 2017, and on any date thereafter at a price of par plus accrued interest. The bond was issued to fund new building construction and improvements to be used by the Metropolitan Mosquito Control District.

\$ 1,660,000

\$1,205,000 July 8, 2008 Anoka County Community Action Program Annual Appropriation (ACCAP) Lease and Refunding of Certificates of Participation. These certificates mature in amounts ranging from \$49,304 to \$73,396 each June 1 and December 1 in the years 2009 to 2018 with interest due each June 1 and December 1 at a rate of 4.47 percent. The bond was issued for building improvements.

351,284

\$1,930,000 July 22, 2010 Taxable Refunding Certificates of Participation. These certificates mature in amounts ranging from \$70,000 to \$155,000 each June 1 in the years 2011 to 2028 with interest due each June 1 and December 1 at rates from 1.72 to 5.67 percent. Certificates maturing on or after June 1, 2018, are subject to redemption on June 1, 2019, and on any day thereafter at a price of par plus accrued interest. The original bond was issued to refinance group homes and low income housing located in the City of Fridley.

1,530,000

Total Lease Revenue Obligations

3,541,284

b. General Obligation Bonds and Notes:

\$4,285,000 February 15, 2006 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$370,000 to \$500,000 each February 1 in the years 2007 to 2016 with interest due each February 1 and August 1 at rates from 3.25 to 4.00 percent. Bonds maturing on or after February 1, 2015, are subject to redemption on February 1, 2014, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund the restoration of the Blaine Work Force Center, construction of an interchange (TH 242/TH 65) in Blaine, and reconstruction of Hanson Boulevard (CSAH 78).

500,000

\$12,255,000 July 16, 2007 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$360,000 to \$905,000 each February 1 in the years 2010 to 2029 with interest due each February 1 and August 1 at a rate of 4.25 to 5.00 percent. Bonds maturing on or after February 1, 2018, are subject to redemption on February 1, 2017, and on any day thereafter at a price of par plus accrued interest. The bond was issued for the reconstruction of Hanson Boulevard (CSAH 11/TH 10) interchange.

8,900,000

\$16,505,000 February 28, 2008 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$380,000 to \$1,220,000 each February 1 in the years 2010 to 2028 with interest due each February 1 and August 1 at a rate of 3.00 to 5.00 percent. Bonds maturing on or after February 1, 2019, are subject to redemption on February 1, 2018, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund the reconstruction of Hanson Boulevard (CSAH 11/TH 10) interchange.

\$ 11,325,000

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

6. Long-Term Debt - Bonds and Notes

b. General Obligation Bonds and Notes: (Continued)

\$13,195,000 July 17, 2008 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$435,000 to \$980,000 each February 1 in the years 2011 to 2030 with interest due each February 1 and August 1 at a rate of 4.00 to 5.00 percent. Bonds maturing on or after February 1, 2019, are subject to redemption on February 1, 2018, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund the construction of an interchange (TH 242/TH 65) in Blaine, reconstruction of Main Street (CSAH 14) from I-35W to I-35E, reconstruction of Radisson Road (CSAH 52) and Bunker Lake Boulevard (CSAH 116 from Main Street (CSAH 14) to TH 65.

\$ 10,850,000

\$1,395,000 July 17, 2008 General Obligation Airport Improvement Bonds (AMT); serial bonds maturing in amounts ranging from \$65,000 to \$125,000 each February 1 in the years 2010 to 2024 with interest due each February 1 and August 1 at a rate of 4.50 to 5.00 percent. Bonds maturing on or after February 1, 2019, are subject to redemption on February 1, 2018, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund improvements to the Anoka County/Blaine Airport.

755,000

\$18,310,000 February 19, 2009 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$1,000,000 to \$1,620,000 each February 1 in the years 2010 to 2024 with interest due each February 1 and August 1 at a rate of 2.00 to 5.00 percent. Bonds maturing on or after February 1, 2020, are subject to redemption on February 1, 2019, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund building repair and maintenance, energy management improvements, library repair and rehabilitation, reconstruction of interchange of Main Street (CSAH 14) at I-35E, construction of interchange on TH 242/CSAH 14 from Ulysses Street to Aberdeen Street, reconstruction of Radisson Road (CSAH 52) and Bunker Lake Boulevard (CSAH 116) from Main Street (CSAH 14) to TH 65.

12,160,000

\$3,000,000 July 9, 2009 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$280,000 to \$330,000 each February 1 in the years 2010 to 2019 with interest due each February 1 and August 1 at a rate of 3.50 to 4.00 percent. Bonds maturing on or after February 1, 2018, are subject to redemption on February 1, 2017, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund the construction of a Public Safety Campus facility.

1,265,000

\$20,000,000 September 22, 2009 Taxable General Obligation OPEB Bonds: serial bonds maturing in amounts ranging from \$1,430,000 to \$2,235,000 each February 1, in the years 2011 to 2021 with interest due each February 1 and August 1 at a rate of 1.25 to 4.81 percent. Bonds maturing on or after February 1, 2020, are subject to redemption on February 1, 2019, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund a portion of the County's actuarial determined liabilities to pay other post employment benefits under GASB Statement No. 45.

11,980,000

\$6,680,000 December 9, 2009 General Obligation Bonds: serial bonds maturing in amounts ranging from \$405,000 to \$495,000 each August 1 in the years 2010 to 2024 with interest due each February 1 and August 1 at a rate of 3.00 to 4.00 percent. Bonds maturing on or after August 1, 2018, are subject to redemption on August 1, 2017, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund a portion of the construction of TH 242/CSAH 14 interchange from Ulysses Street to Aberdeen Street and library building improvements.

4,095,000

\$1,485,000 December 9, 2009 General Obligation Recreational Refunding Bonds: serial bonds maturing in amounts ranging from \$105,000 to \$145,000 each February 1 in the years 2012 to 2023 with interest due each February 1 and August 1 at a rate of 3.00 to 4.00 percent. Bonds maturing on or after February 1, 2018, are subject to redemption on February 1, 2017, and on any day thereafter at a price of par plus accrued interest. The original bond was issued to fund improvements to the County's Bunker Hills Aquatic Center.

\$ 1,050,000

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

6. Long-Term Debt - Bonds and Notes

b. General Obligation Bonds and Notes: (Continued)

<p>\$4,030,000 July 14, 2010 General Obligation Bonds: serial bonds maturing in amounts ranging from \$250,000 to \$560,000 each February 1 in the years 2011 to 2020 with interest due each February 1 and August 1 at a rate of 2.00 to 3.00 percent. Bonds maturing on or after February 1, 2019, are subject to redemption on February 1, 2018, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund building repair and maintenance, and energy management improvements, parking ramp and pavement restoration.</p>	\$ 1,290,000
<p>\$8,180,000 September 29, 2011 General Obligation Bonds: serial bonds maturing in amounts ranging from \$370,000 to \$680,000 each February 1 in the years 2013 to 2027 with interest due each February 1 and August 1 at a rate of 2.00 to 3.125 percent. Bonds maturing on or after February 1, 2021, are subject to redemption on February 1, 2020, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund building repair and maintenance, renovation of the law enforcement range, construction of St. Francis Library, and expansion of the Highway Campus facility.</p>	6,880,000
<p>\$795,000 September 29, 2011 General Obligation Capital Notes: serial notes maturing in amounts ranging from \$145,000 to \$170,000 each February 1 in the years 2013 to 2017 with interest due each February 1 and August 1 at a rate of 2.00 to 3.00 percent. The notes were issued to fund Information Technology server room mechanical upgrades.</p>	335,000
<p>\$13,880,000 February 23, 2012 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$785,000 to \$1,155,000 each February 1 in the years 2013 to 2027 with interest due each February 1 and August 1 at a rate of 2.00 to 5.00 percent. Bonds maturing on or after February 1, 2021, are subject to redemption on February 1, 2020, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund reconstruction of Lexington Avenue (CSAH 17) from Main Street (CSAH 14) to north of Bunker Lake Boulevard (CSAH 116), reconstruction of Bunker Lake Boulevard (CSAH 116) from Sunfish Lake Boulevard (CSAH 57) to Germanium Street, expansion of the Highway Campus facility, and pavement reclamation and overlay.</p>	11,515,000
<p>\$4,320,000 February 23, 2012 General Obligation Refunding Bonds: serial bonds maturing in amounts ranging from \$195,000 to \$1,235,000 each February 1 in the years 2013 to 2018 with interest due each February 1 and August 1 at a rate of 2.00 to 2.50 percent. No redemption option is available. The original bonds were issued to fund the construction of a Senior Rental Housing facility, building repair and maintenance, a portion of construction for the Public Safety Campus facility, construction of Lino Lakes emergency powerhouse, parking ramp restoration, resurface road and parking lots, and land purchase of a future Library.</p>	575,000
<p>\$20,145,000 February 5, 2013 General Obligation Refunding Bonds: serial bonds maturing in amounts ranging from \$905,000 to \$2,280,000 each February 1 in the years 2016 to 2029 with interest due each February 1 and August 1 at a rate of 3.00 percent. No redemption option is available. The original bonds were issued to fund airport safety improvements, energy management improvements, construction of a Public Safety Campus facility, purchase of land for the County morgue, reconstruction of Main Street (CSAH 14) from I-35W to I-35E, and bridge and highway reconstruction.</p>	20,145,000
<p>\$2,750,000 March 24, 2015 General Obligation Refunding Bonds: serial bonds maturing in amounts ranging from \$130,000 to \$220,000 each February 1 and August 1 in the years 2018 to 2033 with interest due each February 1 and August 1 in the years of 2015 to 2033 at a rate of 3.00 to 4.00 percent. Bonds maturing on or after February 1, 2025, are subject to redemption on February 1, 2024, and on any day thereafter at a price of par plus accrued interest. The original bond was issued to fund airport land improvements.</p>	\$ 2,750,000

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

6. Long-Term Debt - Bonds and Notes

b. General Obligation Bonds and Notes: (Continued)

\$8,040,000 March 24, 2015 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$385,000 to \$940,000 each February 1 and August 1 in the years 2018 to 2029 with interest due each February 1 and August 1 in the years of 2015 to 2029 at a rate of 2.00 to 4.00 percent. Bonds maturing on or after February 1, 2025, are subject to redemption on February 1, 2024, and on any day thereafter at a price of par plus accrued interest. The original bond was issued to fund reconstruction of Hanson Boulevard (CSAH 11)/TH 10 interchange.

\$ 8,040,000

Total General Obligation Bonds and Notes

114,410,000

c. General Obligation Bonds Supported by Revenue:

For each of the following bond issues, 100 percent of rental income equaling the amount of principal and interest payments due, has been pledged for debt retirement. These pledges extend throughout the life of each debt issuance. All General Obligation Bonds Supported by Revenues were issued for the purpose of constructing facilities. Below is a table of the terms relevant to each issuance which describes the pledged revenue coverages during 2015:

Debt Issuance	Available Revenue	Operating Expenditures	Available Revenues	Principal	Interest	Total	Coverage *
\$1,600,000 General Obligation Revenue Refunding Bonds, Series 2005E	\$ 2,894,608	\$ 2,734,918	\$ 159,690	\$ 175,000	\$ 21,270	\$ 196,270	0.81
\$2,770,000 Ham Lake Senior Housing Refunding Bonds, Series 2008A	507,994	337,787	170,207	140,000	84,015	224,015	0.76
\$3,200,000 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds, Series 2009A	561,535	290,830	270,705	145,000	89,058	234,058	1.16
\$5,750,000 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds, Series 2011A	534,167	284,875	249,292	75,000	93,814	168,814	1.48
\$3,170,000 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds, Series 2011A	709,751	394,034	315,717	180,000	167,843	347,843	0.91
\$5,230,000 Anoka County Housing and Redevelopment Authority Taxable General Obligation Refunding Bonds, Series 2012A **	532,739	-	532,739	500,000	77,536	577,536	0.92
\$5,655,000 Anoka County Housing and Redevelopment Authority General Obligation Refunding Bonds, Series 2012B**	447,818	-	447,818	390,000	78,800	468,800	0.96

* Coverage is the ratio of Net Available Revenues to Debt Service Total

** Expenditures information is not available

\$1,600,000 June 28, 2005 General Obligation Revenue Refunding Bonds: serial bonds maturing in amounts ranging from \$135,000 to \$190,000 each December 1 in the years 2009 to 2017 with interest due each June 1 and December 1 at rates from 3.00 to 4.00 percent. Bonds maturing on or after December 1, 2014, are subject to redemption on December 1, 2013, and on any date thereafter at a price of par plus accrued interest. The bond was issued to fund construction of the juvenile detention and treatment facility.

370,000

\$2,770,000 September 29, 2008 Ham Lake Senior Housing Refunding Bonds: serial bonds maturing in amounts ranging from \$40,000 to \$200,000 each January 1 in the years 2010 to 2024 with interest due each January 1 and July 1 at rates from 4.00 to 4.50 percent. Bonds maturing January 1, 2019, and thereafter are subject to redemption on January 1, 2018, and on any date thereafter at a price of par. The original bond was issued to fund acquiring, constructing, and equipping a senior rental housing facility in the City of Ham Lake.

\$ 1,965,000

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

6. Long-Term Debt - Bonds and Notes

c. General Obligation Bonds Supported by Revenue: (Continued)

\$3,200,000 February 25, 2009 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds: serial bonds maturing in amounts ranging from \$105,000 to \$230,000 each January 1 in the years 2010 to 2028 with interest due each January 1 and July 1 at a rate of 2.00 to 4.20 percent. No redemption option is available. The original bonds were issued to fund acquiring, constructing, and equipping senior rental housing facilities in the City of Ramsey and Coon Rapids.

\$ 2,400,000

\$5,750,000 October 27, 2011 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds: serial bonds maturing in amounts ranging from \$30,000 to \$405,000 each February 1 in the years 2012 to 2036 with interest due each February 1 and August 1 at a rate of 2.00 to 3.70 percent. Bonds maturing February 1, 2021, and thereafter are subject to redemption on February 1, 2020, and on any date thereafter at a price of par. The original bond was issued to fund acquiring, constructing, and equipping a senior rental housing facility in the City of Oak Grove.

5,490,000

\$3,170,000 October 27, 2011 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds: serial bonds maturing in amounts ranging from \$30,000 to \$285,000 each February 1 in the years 2012 to 2034 with interest due each February 1 and August 1 at a rate of 2.00 to 3.70 percent. Bonds maturing February 1, 2021, and thereafter are subject to redemption on February 1, 2020, and on any date thereafter at a price of par. The original bonds were issued to fund acquiring, constructing, and equipping a senior rental housing facility in the City of Centerville, and to finance the addition on the Centerville senior rental housing facility.

3,005,000

\$5,230,000 December 27, 2012 Anoka County Housing and Redevelopment Authority Taxable General Obligation Refunding Bonds: serial bonds maturing in amounts ranging from \$530,000 to \$560,000 each February 1 in the years 2014 to 2023 with interest due each February 1 and August 1 at a rate of 0.50 to 2.60 percent. No redemption option is available. The original bond was issued to fund a portion of the cost of designing and constructing an ice arena and associated improvements.

4,200,000

\$5,655,000 December 27, 2012 Anoka County Housing and Redevelopment Authority General Obligation Refunding Bonds: serial bonds maturing in amounts ranging from \$420,000 to \$720,000 each February 1 in the years 2014 to 2026 with interest due each February 1 and August 1 at a rate of 1.00 to 2.00 percent. Bonds maturing February 1, 2022, and thereafter are subject to redemption on February 1, 2021, and on any date thereafter at a price of par. The original bond was issued to fund a portion of the cost of designing and constructing an ice arena and associated improvements.

4,845,000

Total General Obligation Bonds Supported by Revenue 22,275,000

d. Limited Tax Bonds:

\$32,510,000 January 16, 2007 Limited Tax Bonds: serial bonds maturing in amounts ranging from \$715,000 to \$2,065,000 each February 1 in the years 2009 to 2032 with interest due each February 1 and August 1 at a rate of 4.00 to 4.50 percent. Bonds maturing on or after February 1, 2018, are subject to redemption on February 1, 2017, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund the remainder of Anoka County and Sherburne County's Regional Rail Authorities and their correlating portion of the Northstar Commuter Rail and extension of the Hiawatha Light Rail Transit Line.

\$ 25,445,000

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

6. Long-Term Debt - Bonds and Notes

d. Limited Tax Bonds: (Continued)

\$27,155,000 June 16, 2015 General Obligation Refunding Bonds: serial bonds maturing in amounts ranging from \$1,285,000 to \$2,010,000 each February 1 in the years 2016 to 2032 with interest due each February 1 and August 1 at a rate of 2.00 to 4.00 percent. Bonds maturing on or after February 1, 2025, are subject to redemption on February 1, 2024, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund bridge reconstruction and land for the new County morgue facility.

	<u>\$ 27,155,000</u>
Total Limited Tax Bonds	<u>52,600,000</u>
Total Bonds and Notes Payable	<u><u>\$ 192,826,284</u></u>

7. Debt Service Requirements

Year Due	Lease Revenue Obligations	General Obligation Bonds and Notes	Obligation Bonds Supported By Revenue	Limited Tax Bonds	Total	
					Principal	Interest
2016	\$ 562,789	\$ 14,819,608	\$ 2,212,510	\$ 4,604,508	\$ 15,050,873	\$ 7,148,542
2017	556,564	14,177,526	2,225,482	4,200,007	14,722,014	6,437,565
2018	484,520	14,902,321	2,020,891	4,204,107	15,693,397	5,918,442
2019	406,811	14,648,434	2,025,666	4,194,158	15,905,000	5,370,069
2020	408,334	14,059,065	2,026,781	4,183,698	15,890,000	4,787,878
2021-2025	1,549,742	49,208,517	8,978,433	20,921,369	65,025,000	15,633,061
2026-2030	483,698	18,420,884	4,727,188	20,828,200	38,800,000	5,659,970
2031-2035	-	668,341	3,025,170	8,313,300	11,335,000	671,811
2036	-	-	412,493	-	405,000	7,493
Total payments	4,452,458	140,904,696	27,654,614	71,449,347		
less interest	(911,174)	(26,494,696)	(5,379,614)	(18,849,347)		<u>\$ 51,634,831</u>
Total principal due	<u>\$ 3,541,284</u>	<u>\$ 114,410,000</u>	<u>\$ 22,275,000</u>	<u>\$ 52,600,000</u>	<u>\$ 192,826,284</u>	

The annual liquidation of these debt obligations are reported in the Debt Service fund.

8. Long-Term Obligations – Other

Changes in long-term obligations, other than bonds, for the year ended December 31, 2015, are summarized as follows:

	Long-Term Obligations			
	Governmental Activities			Business-Type Activities
	Capital Leases	Compensated Absences	Loans Payable	Compensated Absences
	\$	\$	\$	\$
Payable, January 1	4,213	8,995,980	167,181	13,712
Additions	112,183	13,686,631	487,042	23,839
Deletions	(30,128)	(13,133,103)	(4,434)	(22,020)
Payable, December 31	<u>86,268</u>	<u>9,549,508</u>	<u>649,789</u>	<u>15,531</u>
Due within one year	<u>29,379</u>	<u>477,475</u>	<u>36,570</u>	<u>776</u>

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

8. Long-Term Obligations – Other (Continued)

Capital Leases

The County currently has a capital lease-to-purchase agreement for 70 golf carts at Chomonix Golf Course. The golf carts are less than the County's threshold for capitalization and therefore are not in the capital assets. The County financed a total of \$112,183 at 2.75 percent interest. The capital lease liability is reported in the Parks and Recreation Special Revenue Fund.

The following is a schedule of future minimum lease payments with the present value of the net minimum lease payments:

<u>Year Due</u>	<u>Golf Carts</u>
2016	\$ 29,379
2017	29,379
2018	<u>29,379</u>
Total payments	88,137
Less interest	<u>(1,869)</u>
Present Value of Net Minimum Payments	<u>\$ 86,268</u>

Compensated Absences

Actual payments of the compensated absences liability are made directly from the same governmental funds that incurred the salary expenditures.

Prior years compensated absence liabilities were paid from the General Fund, Special Revenue Funds and the Enterprise Fund.

Loans Payable

Loans payable are related to a zero-interest revolving loan available through the State of Minnesota Agricultural Best Management Practices Loan Program (AgBMP). Loan payments are made from the Community Development Fund.

The following is a schedule of future loan payments:

<u>Year Due</u>	<u>AgBMP</u>
2016	\$ 36,570
2017	174,667
2018	117,118
2019	120,661
2020	110,992
2021-2025	79,679
2026	<u>10,102</u>
Total payments	<u>\$ 649,789</u>

9. HRA Recovery Zone Economic Development Bonds

The Housing and Redevelopment Authority (HRA) has issued Recovery Zone Economic Development Bonds to facilitate the development of both healthcare and medical facilities. The bonds are secured by the financed property and are payable solely from the revenues of the healthcare facility or medical center.

The bonds do not constitute a charge, lien, or encumbrance, legal or equitable, upon any property or funds of the HRA, nor is the HRA subject to any liability thereon. Accordingly the bonds are not reported as a liability in the accompanying financial statements.

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

9. HRA Recovery Zone Economic Development Bonds (Continued)

The recovery zone bonds have an outstanding principal balance of \$14,250,000 at December 31, 2015. There are four recovery zone bond issuances at December 31, 2015:

	<u>Issue</u>	<u>Principal Balance</u>
Fridley Medical Center Project	2010A	\$ 10,925,000
Fridley Medical Center Project	2010B	340,000
Park River Estate Care Center	2010D	2,915,000
Park River Estate Care Center	2010E	70,000
		<u>\$ 14,250,000</u>

10. Conduit Debt

The County has issued lease revenue bonds to provide financial assistance to a private sector entity for the acquisition and construction of a charter school facility. These bonds and notes are secured by the property financed and are payable solely from revenue derived from the loan agreements. Upon repayment of the bonds, ownership of the acquired facilities or equipment transfers to the private sector entity served by the bond issuance. The County is not obligated in any manner for repayment of the bonds or notes. Accordingly, they are not reported as a liability in the accompanying financial statements.

As of December 31, 2015, there are four issues outstanding with an aggregate principal amount payable of \$15,065,000.

	<u>Issue</u>	<u>Principal Balance</u>
Spectrum Building Company	2012A	\$ 11,000,000
Spectrum Building Company	2014A	3,880,000
Spectrum Building Company	2014B	185,000
		<u>\$ 15,065,000</u>

D. Fund Balances

The summary of fund balance classifications is as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Nonspendable for:					
Inventories	\$ -	\$ 2,382,003	\$ -	\$ -	\$ 2,382,003
Prepaid items	85,170	-	-	-	85,170
Total Nonspendable	<u>\$ 85,170</u>	<u>\$ 2,382,003</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,467,173</u>
Restricted for:					
911 capital expenditures	\$ 1,533,722	\$ -	\$ -	\$ -	\$ 1,533,722
Conceal and Carry law	610,802	-	-	-	610,802
Investments with trust account	437,793	-	-	-	437,793
Narcotics program	5,000	-	-	-	5,000
Solid waste abatement (recycling)	750,000	-	-	-	750,000
Household Hazardous Waste program	750,000	-	-	12,004,646	12,754,646
SCORE program	1,500,000	-	-	-	1,500,000
Solid waste cleanup	618,911	-	-	-	618,911
Waste processing	1,494,913	-	-	-	1,494,913
Solid waste	1,100,720	-	-	-	1,100,720
Dedicated donations	6,869	-	-	-	6,869
Drug and narcotics enforcement	-	25,045	-	-	25,045
Economic development grants	-	811,076	-	-	811,076
Revolving loans	-	150,000	-	-	150,000
Edith P. Wargo estate	-	291,624	-	-	291,624
Ag Preservation programs	-	67,958	-	-	67,958
Law library	-	157,748	-	-	157,748
Law enforcement	-	194,427	-	-	194,427
Amounts with escrow agents	-	4,867,419	37,637,267	-	42,504,686
Debt service	-	-	18,001,905	-	18,001,905
Recorders compliance	-	-	-	6,063,506	6,063,506
Total Restricted	<u>\$ 8,808,730</u>	<u>\$ 6,565,297</u>	<u>\$ 55,639,172</u>	<u>\$ 18,068,152</u>	<u>\$ 89,081,351</u>

(Continued)

3. Detailed Notes on All Funds

D. Fund Balances (Continued)

	General	Special Revenue	Debt Service	Capital Projects	Total
Committed for:					
Library	\$ -	\$ 4,027,369	\$ -	\$ -	\$ 4,027,369
Cooperative Extension programs	-	193,663	-	-	193,663
Total Committed	<u>\$ -</u>	<u>\$ 4,221,032</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,221,032</u>
Assigned for:					
	General	Special Revenue	Debt Service	Capital Projects	Total
Self insurance liabilities	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000
Secured juvenile facility	982,248	-	-	-	982,248
Drug and narcotics enforcement	130,658	-	-	-	130,658
Medical examiner operations and building	685,353	-	-	-	685,353
Computer system upgrades	-	100,000	-	-	100,000
Space remodel	-	369,519	-	-	369,519
Walker/Sandford remodel	-	40,000	-	-	40,000
Human service programs	-	32,430,180	-	-	32,430,180
Economic development	-	6,746,031	-	-	6,746,031
Parks	-	1,793,029	-	-	1,793,029
Future capital improvements	-	7,794,889	-	-	7,794,889
Willows operations	-	57,732	-	-	57,732
Savannah Oaks operations	-	44,661	-	-	44,661
Oaks of Lake George operations	-	6,151	-	-	6,151
Advances to other funds	-	-	-	1,474,506	1,474,506
Allocated capital projects	-	-	-	913,473	913,473
One time capital projects	-	-	-	2,333,786	2,333,786
IT capital projects	-	-	-	2,815,879	2,815,879
Innovative capital projects	-	-	-	190,072	190,072
Blade server capital projects	-	-	-	152,251	152,251
County building capital projects	-	-	-	1,958,580	1,958,580
Library building capital projects	-	-	-	1,764,149	1,764,149
Asset preservation	-	-	-	5,682,150	5,682,150
Total Assigned	<u>\$ 4,798,259</u>	<u>\$ 49,382,192</u>	<u>\$ -</u>	<u>\$ 17,284,846</u>	<u>\$ 71,465,297</u>

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plan

a. Plan Description

All full-time and certain part-time employees of Anoka County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund (the Public Employees Correctional Fund), which are cost-sharing multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Fund members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan, for which benefits vest after five years of credited service.

Police officers, firefighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Fund. For members first hired after June 30, 2010, but before July 1, 2014, benefits vest on a graduated schedule starting with 50 percent after 5 years and increasing 10 percent for each year of service until fully vested after 10 years. Benefits for members first hired after June 30, 2014, vest on a prorated basis from 50 percent after 10 years and increasing 5 percent for each year of service until fully vested after 20 years.

Local government employees of a county-administered facility who are responsible for the direct security, custody, and control of the county correctional facility and its inmates are covered by the Public Employees Correctional Fund. For members hired after June 30, 2010, benefits vest on a graduated schedule starting with 50 percent after 5 years and increasing 10 percent for each year of service until fully vested after 10 years.

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans (Continued)

b. Benefits Provided

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefit provisions are established by state statute and can be modified only by the state legislature. Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Benefit recipients receive a future annual 1.0 percent post-retirement benefit increase. If the funding ratio reaches 90 percent for two consecutive years, the benefit increase will revert to 2.5 percent. If, after reverting to a 2.5 percent benefit increase, the funding ratio declines to less than 80 percent for one year or less than 85 percent for two consecutive years, the benefit increase will decrease to 1.0 percent.

The benefit provisions stated in the following paragraph of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

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 Employees Retirement Fund Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years of service and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For Public Employees Police and Fire Fund members, the annuity accrual rate is 3.0 percent of average salary for each year of service. For Public Employees Correctional Fund members, the annuity accrual rate is 1.9 percent of average salary for each year of service.

For General Employees Retirement Fund members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90, and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. For Public Employees Police and Fire Fund and Public Employees Correctional Fund members who were hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90, and normal retirement age is 55. Disability benefits are available for vested members and are based on years of service and average high-five salary.

c. Contributions

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the state legislature. General Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.50 percent, respectively, of their annual covered salary in 2015. Public Employees Police and Fire Fund members were required to contribute 10.80 percent of their annual covered salary in 2015. Public Employees Correctional Fund members were required to contribute 5.83 percent of their annual covered salary in 2015.

In 2015, the County was required to contribute the following percentages of annual covered salary:

General Employees Retirement Fund	
Basic Plan members	11.78%
Coordinated Plan members	7.50
Public Employees Police and Fire Fund	16.20
Public Employees Correctional Fund	8.75

The General Employees Retirement Fund Coordinated Plan member and employer contribution rates each reflect a 0.25 percent increase from 2014. The Public Employees Police and Fire Fund member and employer contribution rates increased 0.60 percent and 0.90 percent, respectively, from 2014.

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

c. Contributions (Continued)

The County's contributions for the year ended December 31, 2015, to the pension plans were:

General Employees Retirement Fund	\$	6,781,097
Public Employees Police and Fire Fund		1,758,815
Public Employees Correctional Fund		1,010,709

The contributions are equal to the contractually required contributions as set by state statute.

d. Pension Costs

General Employees Retirement Fund

At December 31, 2015, the County reported a liability of \$76,199,920 for its proportionate share of the General Employees Retirement Fund's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County's proportion was 1.47 percent. It was 1.63 percent measured as of June 30, 2014. For the year ended June 30, 2015, the County recognized pension expense of \$8,270,914 for its proportionate share of the General Employees Retirement Fund's pension expense.

At June 30, 2015, the County reported its proportionate share of the General Employees Retirement 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	\$ -	\$ 3,841,771
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	7,213,493	-
Changes in proportion	-	5,579,725
Contributions paid to PERA subsequent to the measurement date	3,510,778	-
Total	\$ 10,724,271	\$ 9,421,496

A total of \$3,510,778 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. 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
2016	\$ (1,337,125)
2017	(1,337,125)
2018	(1,337,125)
2019	1,803,373

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

d. Pension Costs (Continued)

Public Employees Police and Fire Fund

At December 31, 2015, the County reported a liability of \$12,850,807 for its proportionate share of the Public Employees Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County's proportion was 1.13 percent. It was 1.12 percent measured as of June 30, 2014. For the year ended June 30, 2015, the County recognized pension expense of \$2,229,754 for its proportionate share of the Public Employees Police and Fire Fund's pension expense.

The County also recognized \$100,980 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's on-behalf contribution to the Public Employees Police and Fire Fund. Legislation requires the State of Minnesota to contribute \$9 million to the Public Employees Police and Fire Fund each year, starting in fiscal year 2014, until the plan is 90 percent funded.

At June 30, 2015, the County's reported its proportionate share of the Public Employees 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	\$ -	\$ 2,083,981
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	2,239,041	-
Changes in proportion	81,003	-
Contributions paid to PERA subsequent to the measurement date	919,372	-
Total	\$ 3,239,416	\$ 2,083,981

A total of \$919,372 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. 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
2016	\$ (107,899)
2017	(107,899)
2018	(107,899)
2019	559,760

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

d. Pension Costs (Continued)

Public Employees Correctional Fund

At December 31, 2015, the County reported a liability of \$935,330 for its proportionate share of the Public Employees Correctional Fund's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County's proportion was 6.05 percent. It was 6.04 percent measured as of June 30, 2014. For the year ended June 30, 2015, the County recognized pension expense of \$1,009,097 for its proportionate share of the Public Employees Correctional Fund's pension expense.

At June 30, 2015, the County reported its proportionate share of the Public Employees Correctional Fund's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 358,100
Changes in actuarial assumptions	-	-
Difference between projected and actual investment earnings	779,664	-
Changes in proportion	566	-
Contributions paid to PERA subsequent to the measurement date	<u>525,035</u>	<u>-</u>
Total	<u>\$ 1,305,265</u>	<u>\$ 358,100</u>

A total of \$525,035 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2016	\$ 75,738
2017	75,738
2018	75,738
2019	194,916

Total Pension Expense

The total pension expense for all plans recognized by the County for the year ended June 30, 2015, was \$11,509,764.

e. Actuarial Assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the individual entry age normal actuarial cost method and the following additional actuarial assumptions:

Inflation	2.75 percent per year
Active member payroll growth	3.50 percent per year
Investment rate of return	7.90 percent

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

e. Actuarial Assumptions (Continued)

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. For the General Employees Retirement Fund and the Public Employees Police and Fire Fund, cost of living benefit increases for retirees are assumed to be 1.0 percent effective every January 1 through 2035 and 2037, respectively, and 2.5 percent thereafter. Cost of living benefit increases for retirees are assumed to be 2.5 percent for all years for the Public Employees Correctional Fund.

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of actuarial experience studies. The experience study in the General Employees Retirement Fund was for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014. The experience study for the Public Employees Police and Fire Fund was for the period July 1, 2004, through June 30, 2009. The experience study for the Public Employees Correctional Fund was for the period July 1, 2006, through June 30, 2011.

In 2015, an updated experience study was done for PERA's General Employees Retirement Fund for the six-year period ending June 30, 2014, which would result in a larger pension liability. However, PERA will not implement the changes in assumptions until its June 30, 2016, estimate of pension liability.

The long-term expected rate of return on pension plan investments is 7.9 percent. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis 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 arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic stocks	45%	5.50%
International stocks	15	6.00
Bonds	18	1.45
Alternative assets	20	6.40
Cash	2	0.50

f. Discount Rate

The discount rate used to measure the total pension liability was 7.9 percent. The discount rate did not change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

g. Pension Liability Sensitivity

The following presents the County's proportionate share of the net pension liability calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate (6.9%)</u>	<u>Discount Rate (7.9%)</u>	<u>1% Increase in Discount Rate (8.9%)</u>
Proportionate share of the			
General Employees Retirement Fund			
net pension liability	\$ 119,813,410	\$ 76,199,920	\$ 40,181,936
Public Employees Police and Fire Fund			
net pension liability	25,046,357	12,850,807	2,775,157
Public Employees Correctional Fund			
net pension liability	6,513,793	935,330	(3,529,691)

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans (Continued)

h. Pension Plan Fiduciary Net Position

Detailed information about the 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; by writing to PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

2. Defined Contribution Plan

Seven employees of Anoka County are covered by the Public Employees Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The plan is established and administered in accordance with Minn. Stat. ch. 353D, which may be amended by the state legislature. The 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. For those qualified personnel who elect to participate, Minn. Stat. § 353D.03 specifies plan provisions, including the employee and employer contribution rates. An eligible elected official who decides to participate contributes 5.00 percent of salary, which is matched by the employer. Employee and employer 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 2.00 percent of employer contributions and 0.25 percent of the assets in each member account annually.

Total contributions by dollar amount and percentage of covered payroll made by the County during the year ended December 31, 2015, were:

	<u>Employee</u>	<u>Employer</u>
Contribution amount	\$ 33,677	\$ 33,677
Percentage of covered payroll	5%	5%

F. Risk Management

The County is exposed to various losses resulting from tort related claims, theft, damage and destruction of assets, and injuries to employees. The County self-funds for general liability and workers' compensation. The County purchases commercial insurance to cover the risk exposures outside of our self-funded programs. There were no significant reductions in insurance from the prior year. Settled claims from these risks have not exceeded available commercial insurance coverage for the past three years.

Property Insurance: Real and personal property are insured under a blanket property insurance policy. The property insurance includes structure, contents, boiler and machinery, business interruptions, extra expense, electrical data processing equipment, electrical/portable equipment, machinery and media for losses, including earthquake and flood damage.

Automobile: All automobiles are insured by an insurance policy which covers automobile liability and physical damages to all owned, leased, and non-owned vehicles.

Workers' Compensation: In 2002, the County became self-insured for workers' compensation exposure is currently contracted with SFM Risk Solutions to administer its workers' compensation claims. The means for establishing liabilities are based on the nature of the injury, occupational wage and duration of the injuries. Risk Management reports liabilities that have occurred by developing incurred loss for the year using factors established by the International Risk Management Institute and subtracts actual claims paid from the developed incurred loss amount. The difference for each of the years is added together to get the total required reserve amount. Changes in the balances of claim liabilities for the past two years are:

	<u>2015</u>	<u>2014</u>
Unpaid claims, January 1	\$ 2,893,217	\$ 1,821,443
Self-funded claims	474,663	237,903
Adjustments	(277,460)	1,047,186
Claim payments	<u>(400,008)</u>	<u>(213,315)</u>
Unpaid claims, December 31	<u>\$ 2,690,412</u>	<u>\$ 2,893,217</u>
Due within one year	<u>\$ 206,153</u>	

Adjustments include differences between the estimated claim liability of unpaid claims at the beginning of the year and actual claim payments made. The entire claims liability is reported in the Pooled Insurance Internal Service Fund and will be liquidated by that fund.

3. Detailed Notes on All Funds

F. Risk Management (Continued)

Anoka County has elected lower self-insurance retention since becoming self-insured in 2002. The self-insurance retention limit for 2015 workers' compensation claims is \$490,000 per occurrence for all claims occurring in 2015. Once this limit is met, the Workers' Compensation Reinsurance Association (WCRA) becomes liable.

Liability: Anoka County has been self-insured for General Liability (including law enforcement, public officials and errors and omissions liability) since September 1, 1986. The County Attorney's Office and the Risk Management department administer all liability claims internally. Risk Management pays out all claims from the Pooled Insurance Internal Service Fund dedicated to liability claims. Risk Management allocated costs to each division based on modified exposure and experience rating plan. Anoka County fully utilizes Minn. Stat. Sec. 466.04 maximum liability and thus does not purchase any excess insurance.

Minn. Stat. Sec. 466.04 limits the tort exposure to:

	<u>Per Person</u>	<u>Per Occurrence</u>
All claims before 01/01/1998	\$ 200,000	\$ 600,000
Claims from 01/01/1998 to 12/31/1999	300,000	750,000
Claims from 01/01/2000 to 12/31/2007	300,000	1,000,000
Claims from 01/01/2008 to 07/01/2009	400,000	1,200,000
Claims on or after 07/01/2009	500,000	1,500,000

Health and Dental: The County fully insures medical insurance through Blue Cross Blue Shield. The County fully insures dental insurance through HealthPartners.

G. Joint Ventures

Anoka County, in conjunction with other governmental entities, has formed the joint ventures listed below:

1. Metropolitan Emergency Services Board. The Metropolitan Emergency Services Board was established by a joint powers agreement pursuant to Minn. Stat. sec. 471.59 between the Counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and the City of Minneapolis, for the implementation and administration of a regional 911 system. Chisago County entered this agreement effective October 1, 2006. Isanti County later joined the joint powers agreement effective January 1, 2010.

Anoka County paid annual dues of \$129,040 in 2015. Except for annual dues the County has no other financial obligations. Current financial statements of the Metropolitan Emergency Services Board are available at the 911 Board Office, 2099 University Avenue, West Saint Paul, Minnesota 55104-3431.

2. Metropolitan Library Service Agency (MELSA). Anoka County entered into a joint powers agreement with the other six metropolitan area counties and the Cities of St. Paul and Minneapolis to improve public library services within the various jurisdictions. One member of each entity comprises the Board of Directors of MELSA. Financing is provided by gifts, grants and programs of the federal government, the State of Minnesota, and other governmental and private sources. The MELSA agency handles the accounting function of the Board. Current financial statements are available from the MELSA office, 1619 Dayton Avenue, Suite 314, St. Paul, Minnesota 55104-6276.
3. Northstar Corridor Development Authority (NCDA). Anoka County entered into a joint powers agreement with 32 counties, regional rail authorities, cities and townships along the Northstar Corridor to create the Northstar Corridor Development Authority, in May 1997. Six participants have since withdrawn from the NCDA, leaving 26 members in the joint powers agreement. The joint powers board consists of one elected official each from the member governmental units.

The NCDA was created to develop the Northstar commuter rail project from St. Cloud, Minnesota to Minneapolis, Minnesota. Grant monies, member county contributions and the regional railroad authorities' agreement to allocate the initial contributions of capital has provided funding for the NCDA. Members pay annual dues to NCDA. In 2015 Anoka County paid dues of \$36,172 to the NCDA, which is reflected as an expenditure in the Regional Railroad Authority Special Revenue Fund. The dues for 2016 are anticipated to be \$44,685

The NCDA Board has the authority to make all administrative decisions regarding the Northstar Commuter Rail. The NCDA does not have the authority to levy taxes nor issue bonds. The NCDA does have the authority to enter into contracts, acquire, hold and dispose of real and personal property. Upon termination of the joint powers agreement, NCDA has the authority to dispose of any property. The joint powers agreement does not authorize the NCDA to operate or finance the operations of the Northstar commuter rail.

Sherburne County, in an agency capacity, reports the cash transactions of the NCDA in an agency fund on its financial statements. Current financial statements are available from the NCDA office, 13880 Business Center Dr. NW, Elk River, Minnesota 55330.

3. Detailed Notes on All Funds

G. Joint Ventures (Continued)

4. Metropolitan Airports Commission (MAC). In August 2005, Anoka County entered into a joint powers agreement with the Metropolitan Airports Commission (MAC) relating to improvements at the Anoka County/Blaine airport (Jane's Field) Northwest Building Area. The joint powers board is named "Anoka County/Blaine Airport (Jane's Field) Northwest Building Area Joint Powers Board", pursuant to Section 360.042 of the Act.

The governing body of the Board has two members, one each from Anoka County and MAC. MAC owns and operates the airport, and the agreement sets forth rights, proportionate interests, duties and payment obligations.

During 2005, the County issued \$15.715 million in general obligation airport improvement bonds for the project and the County's share of those bonds is 100%. The bonds are reflected in the long-term debt of Anoka County and reported in the County's financial statement. The County's share with respect to capital improvement expenditures is equal to the principal amount of the bonds. Those expenditures are reported in Anoka County's Capital Projects Fund. The County will levy property taxes to repay the bonds. MAC's share of the bonds is 0%, and their share of the capital improvement expenditures is equal to the amount of federal funds that MAC receives, plus any unreimbursed costs incurred by MAC. The federal funds will be used by MAC for capital improvements and will not be transferred to the County, nor pledged for payment of the bonds. MAC is not obligated to contribute funds or property from the operation of the airport for payment of the bonds.

In consideration of the County for issuing bonds, MAC has agreed to allow the County the right to sublease the Northwest Building Area and the County will use lease revenues to offset the cost of County issued general obligation bonds for capital improvements at the airport.

5. Rush Line Corridor Task Force. The Rush Line Corridor Joint Powers Agreement was established in March 1999, pursuant to Minn. Stat. ch. 398A and § 471.59, as a joint powers entity. The Rush Line Corridor is a transit way corridor that originates in St. Paul and extends north to Duluth. The Rush Line Corridor consists of the cities, counties, and towns from St. Paul to Duluth and was created to preserve the corridor for future multi-modal transportation improvements including highway, rail transit, and multi-use paths. In April 2007, Anoka County entered into a joint powers agreement with Carlton County, Chisago County Regional Railroad Authority, Pine County, Ramsey County Regional Railroad Authority, St. Louis and Lake Counties Regional Railroad Authority, Washington County Regional Railroad Authority, and 39 cities and 6 townships therein.

As part of the agreement, a joint powers board called the Rush Line Corridor Task Force was created to make the decisions needed to carry out the terms of the joint powers agreement. This Task Force consists of one member and one alternate appointed from each member, with membership terms beginning on January 15 and ending on January 14 of the next succeeding year, or until a successor is appointed.

The Task Force has the authority to adopt budgets; enter into transactions, contracts, and leases; incur debts, liabilities, and obligations; employ agents and employees; and enter into legal claims. The Task Force is also a separate entity from its members, and the members are not liable for the Task Force's actions. Funding for the Rush Line Corridor Task Force is comprised of federal and state grant monies and contributions from the member organizations based on corridor county population for the most recent census year or state demographer data available. During 2015, Anoka County did not make any contributions or payments. Current financial statements for the Rush Line Corridor Task Force are not available.

6. Counties Transit Improvement Board (CTIB). CTIB was created on April 1, 2008, as required by Minn. Statute Section 297A.992, by joint powers agreement between the counties of Anoka, Dakota, Hennepin, Ramsey, and Washington. Its purpose is to receive and distribute a ¼ cent transit sales tax for the development, construction and operation of transit ways serving the five-county area. Hennepin County is the fiscal agent. Financial statements are available from Hennepin County, Department of Finance, 300 South Sixth Street, A-2301 Government Center, Minneapolis, Minnesota 55487.
7. Anoka-Hennepin Narcotics and Violent Crimes Task Force. The Anoka-Hennepin Narcotics and Violent Crimes Task Force was established in 1996 under the authority of the Joint Powers Act, pursuant to Minn. Stat. § 471.59, and includes the cities of Anoka, Blaine, Champlin, Columbia Heights, Fridley and Maple Grove along with Anoka County. The primary responsibility of the task force is to detect, investigate, gather evidence, and apprehend drug traffickers, as well as assist in violent crimes and gang related investigation within the geographic boundaries of the entities that comprise the task force.

Control of the Task Force is vested in a Board of Directors, which consists of the Chief of Police or Sheriff, or his or her designee, from each party to the agreement.

Fiscal agent responsibilities for the Task Force are with Anoka County. Anoka County provided \$15,375 to this organization in 2015. Separate financial statements for the Anoka-Hennepin Narcotics and Violent Crimes Task Force are not available.

8. Agricultural Best Management Practices Loan Program. The County has entered into an agreement with the Minnesota Department of Agriculture and a local lending institution to jointly administer a loan program to individuals to implement projects that prevent or mitigate nonpoint sources water pollution. While the County is not liable for the repayment of the loans in any manner, it does have certain responsibilities under the agreement. The County has met those responsibilities for 2015.

4. Summary of Significant Contingencies and Other Items

A. Claims and Litigation

Anoka County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial position of the County.

Based on the information that Anoka County presently has, the County's total exposure for these cases would not exceed the statutory limit, with the evaluation of an unfavorable outcome varying with each case. Accordingly, in the remote case of an unfavorable outcome, the provision for loss in the financial statements for resolution of these matters may require an adjustment to the financial statements.

B. Related Organization

The Coon Creek Watershed District is governed by a Watershed District Board appointed by the Anoka County Board of Commissioners from a given list of nominees. A watershed district is comprised of a geographic area, which is affected by the watershed from a particular source. The Watershed District Board in each district is responsible for initiating and overseeing certain actions such as ditching, ditch maintenance, engineering, and ditch repair. The costs of these actions, plus the associated administrative costs, must be borne by the "benefited" property owners within each district, through a special assessment against the benefited property. There is no corresponding financial accountability necessary for including this organization as a component unit of Anoka County. Financial statements are available upon request at the Coon Creek Watershed District Office, 12301 Central Avenue Northeast, Suite 100, Blaine, Minnesota 55434.

C. Subsequent Event

On April 19, 2016, the County Board issued \$8,780,000 General Obligation Capital Improvement Plan Bonds, Series 2016A.

REQUIRED SUPPLEMENTARY INFORMATION

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 54,016,539	\$ 54,016,539	\$ 54,474,189	\$ 457,650
Licenses and permits	106,522	187,649	287,437	99,788
Intergovernmental	19,659,231	19,833,774	20,710,096	876,322
Charges for services	27,770,426	27,770,426	29,173,773	1,403,347
Fines and forfeits	7,000	7,000	-	(7,000)
Investment income	1,585,000	1,585,000	2,152,577	567,577
Net change in fair value of investments	-	-	(744,160)	(744,160)
Miscellaneous	3,257,249	10,539,108	5,048,569	(5,490,539)
Total Revenues	106,401,967	113,939,496	111,102,481	(2,837,015)
Expenditures				
Current				
General government				
Management appropriations	885,500	885,500	834,892	50,608
Information technology	4,361,753	4,328,970	3,955,271	373,699
Government relations	210,151	210,151	225,530	(15,379)
Countywide services	(1,319,806)	(1,019,806)	(382,140)	(637,666)
County administration	1,002,319	1,002,319	796,633	205,686
Employee relations	1,358,136	1,467,352	1,275,650	191,702
Property tax administration and collection	6,530,284	6,530,284	6,557,764	(27,480)
License bureau	3,002,768	3,040,268	2,864,909	175,359
Internal audit	149,502	149,502	150,359	(857)
Election services	566,124	566,124	577,473	(11,349)
Attorney	8,620,424	8,833,019	8,174,356	658,663
Surveyor	1,088,989	1,118,239	1,007,734	110,505
Facilities management and construction	1,077,305	1,097,305	1,119,654	(22,349)
Veterans services	527,220	557,604	552,420	5,184
Geographic information system	240,624	240,624	240,498	126
Transit and volunteer transportation	3,293,984	3,293,991	3,173,147	120,844
Accounting and central services	3,970,837	3,973,037	3,527,087	445,950
Courts administration	1,434,439	1,434,439	1,474,813	(40,374)
Public information	532,706	504,706	489,839	14,867
Miscellaneous	339,032	339,032	568,162	(229,130)
Total general government	37,872,291	38,552,660	37,184,051	1,368,609
Public safety				
Sheriff	31,906,155	32,184,325	32,088,983	95,342
Central communications	3,986,543	3,892,259	4,166,083	(273,824)
Emergency management	277,864	281,936	459,970	(178,034)
Corrections	22,667,678	22,561,836	21,454,622	1,107,214
Medical examiner	2,445,121	2,446,849	2,587,420	(140,571)
Total public safety	\$ 61,283,361	\$ 61,367,205	\$ 60,757,078	\$ 610,127

(Continued)

The notes to the required supplementary information are an integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 1
(Continued)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current				
Human services				
Community action program	\$ 383,567	\$ 383,567	\$ 383,567	\$ -
Sanitation				
Solid waste	5,485,441	5,668,852	4,359,185	1,309,667
Culture and recreation				
Historical society/Fair grounds	167,623	167,623	152,623	15,000
Conservation of natural resources				
Soil and water conservation district	151,492	151,492	148,992	2,500
Total Expenditures	105,343,775	106,291,399	102,985,496	3,305,903
Excess of Revenues Over (Under)				
Expenditures	1,058,192	7,648,097	8,116,985	468,888
Other Financing Sources (Uses)				
Transfers in	940,536	940,536	23,050	(917,486)
Transfers out	(2,050,168)	(9,224,575)	(9,954,640)	(730,065)
Total Other Financing Sources (Uses)	(1,109,632)	(8,284,039)	(9,931,590)	(1,647,551)
Net Change in Fund Balance	(51,440)	(635,942)	(1,814,605)	(1,178,663)
Fund Balance - January 1	48,052,246	48,052,246	48,052,246	-
Fund Balance - December 31	\$ 48,000,806	\$ 47,416,304	\$ 46,237,641	\$ (1,178,663)

The notes to the required supplementary information are an integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ROAD AND BRIDGE
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 10,538,258	\$ 10,538,258	\$ 10,518,605	\$ (19,653)
Licenses and permits	53,000	53,000	79,700	26,700
Intergovernmental	29,573,403	29,573,403	61,882,899	32,309,496
Investment income	30,000	30,000	22,130	(7,870)
Miscellaneous	190,000	190,000	386,542	196,542
Total Revenues	40,384,661	40,384,661	72,889,876	32,505,215
Expenditures				
Current				
Highways and streets				
Administration	1,301,565	1,475,510	1,284,221	191,289
Maintenance	9,347,417	9,347,417	7,544,010	1,803,407
Construction	33,600,307	33,600,307	62,479,699	(28,879,392)
Equipment maintenance and shop	2,998,228	2,998,228	2,975,301	22,927
Intergovernmental				
Highways and streets	29,264	29,264	1,400,670	(1,371,406)
Total Expenditures	47,276,781	47,450,726	75,683,901	(28,233,175)
Excess of Revenues Over (Under) Expenditures	(6,892,120)	(7,066,065)	(2,794,025)	4,272,040
Other Financing Sources (Uses)				
Transfers out	-	-	(8,800)	(8,800)
Net Change in Fund Balance	(6,892,120)	(7,066,065)	(2,802,825)	4,263,240
Fund Balance - January 1	(1,598,735)	(1,598,735)	(1,598,735)	-
Increase (Decrease) in inventories	-	-	158,881	158,881
Fund Balance - December 31	\$ (8,490,855)	\$ (8,664,800)	\$ (4,242,679)	\$ 4,422,121

The notes to the required supplementary information are an integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HUMAN SERVICES
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 30,476,009	\$ 30,476,009	\$ 30,418,532	\$ (57,477)
Licenses and permits	1,002,779	1,002,779	1,061,688	58,909
Intergovernmental	48,220,358	48,220,358	49,673,635	1,453,277
Charges for services	3,199,144	3,199,144	2,977,104	(222,040)
Fines And Forfeits	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	446,109	446,109	510,823	64,714
Total Revenues	83,344,399	83,344,399	84,641,782	1,297,383
Expenditures				
Current				
Human services				
Economic assistance	28,490,725	28,428,124	28,184,457	243,667
Social services	46,810,317	46,744,863	45,149,792	1,595,071
Mental health	25,363	25,363	11,389	13,974
Community health	7,314,458	7,293,977	6,884,835	409,142
Intergovernmental	-	-	-	-
Total Expenditures	82,640,863	82,492,327	80,230,473	2,261,854
Excess of Revenues Over (Under) Expenditures	703,536	852,072	4,411,309	3,559,237
Other Financing Sources (Uses)				
Transfers in	-	-	32,829	32,829
Transfers out	-	-	(3,000,000)	(3,000,000)
Total Other Financing Sources (Uses)	-	-	(2,967,171)	(2,967,171)
Net Change in Fund Balance	703,536	852,072	1,444,138	592,066
Fund Balance - January 1	31,495,561	31,495,561	31,495,561	-
Fund Balance - December 31	\$ 32,199,097	\$ 32,347,633	\$ 32,939,699	\$ 592,066

The notes to the required supplementary information are an integral part of this schedule.

**ANOKA COUNTY
ANOKA, MINNESOTA**

Schedule 4

**SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
December 31, 2015**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (b)</u>	<u>Unfunded Actuarial Accrued Liability (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/31/2009	\$ 21,376,934	\$ 71,980,996	\$ 50,604,062	29.70%	\$ 104,014,943	48.65%
12/31/2011	29,290,357	69,623,253	40,332,896	42.07%	105,150,429	38.36%
12/31/2011	29,290,357	69,623,253	40,332,896	42.07%	104,554,188	38.58%
12/31/2013	46,532,793	60,464,918	13,932,125	76.96%	107,417,920	12.97%
12/31/2013	46,532,793	60,464,918	13,932,125	76.96%	110,785,411	12.58%

The notes to the required supplementary information are in integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 5

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA GENERAL EMPLOYEES RETIREMENT FUND
DECEMBER 31, 2015**

Measurement Date	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.470%	\$ 76,199,920	\$ 89,464,339	85.17%	78.19%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

**SCHEDULE OF CONTRIBUTIONS
PERA GENERAL EMPLOYEES RETIREMENT FUND
DECEMBER 31, 2015**

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b-a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2015	\$ 6,781,097	\$ 6,841,501	\$ 60,404	\$ 91,314,453	7.49%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

The notes to the required supplementary information are an integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 6

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES POLICE AND FIRE FUND
DECEMBER 31, 2015**

Measurement Date	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.131%	\$ 12,850,807	\$ 10,645,170	120.72%	86.61%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

**SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES POLICE AND FIRE FUND
DECEMBER 31, 2015**

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b-a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2015	\$ 1,758,815	\$ 1,706,627	\$ (52,188)	\$ 10,564,162	16.15%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

The notes to the required supplementary information are an integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 7

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES CORRECTIONAL FUND
DECEMBER 31, 2015**

Measurement Date	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	6.050%	\$ 935,330	\$ 10,946,199	8.54%	96.95%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

**SCHEDULE OF CONTRIBUTIONS
PERA PUBLIC EMPLOYEES CORRECTIONAL FUND
DECEMBER 31, 2015**

Year Ending	Statutorily Required Contributions (a)	Actual Contributions in Relation to Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (b-a)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2015	\$ 1,010,710	\$ 980,999	\$ (29,711)	\$ 11,177,048	8.78%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

The notes to the required supplementary information are an integral part of this schedule.

**ANOKA COUNTY
ANOKA, MINNESOTA**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2015

1. Budgetary Information

General Budget Policies: The County Board adopts calendar-year budgets for the General and Special Revenue Funds by the final County Board meeting in December of the previous year. The Community Development Block Grant Fund and the Job Training Center Fund, for which expenditures are 100 percent reimbursed from the State or Federal government, are not budgeted. For these exceptions, program changes and the resulting expenditures cannot be determined on an annual basis. Similarly, a budget is not adopted for the Forfeiture Funds Special Revenue Fund because it accounts for the proceeds from forfeited property, which cannot be determined on an annual basis.

Each appropriation lapses at the close of the fiscal year to the extent it has not been expended. The County maintains a budgetary control system that compares actual revenues and expenditures to budgeted amounts by division/department. Appropriations are monitored at the major account code level within each division/department. Minnesota County Financial Accounting and Reporting Standards require the County to report the revenues and expenditures by function, without regard to the budgeted division/department adopted by the County Board. One division/department may have budget and actual expenditures in various functions and on various lines of the financial statement. County Board authorization is required for budget adjustments or transfers, which increase the division/department's adopted net (appropriations less non-tax revenues) budget.

Budget Basis of Accounting: Budgets are adopted on a basis consistent with generally accepted accounting principles.

2. Excess of Expenditures Over Budget

The following departments/divisions have expenditures in excess of budget for the year ended December 31, 2015:

	Expenditures		
	Final Budget	Actual	Excess
<u>Major Governmental Funds</u>			
General Fund			
Current			
General Government			
Government relations	\$ 210,151	\$ 225,530	\$ 15,379
Countywide services	(1,019,806)	(382,140)	637,666
Property tax administration and collector	6,530,284	6,557,764	27,480
Internal audit	149,502	150,359	857
Election services	566,124	577,473	11,349
Facilities management and construction	1,097,305	1,119,654	22,349
Courts administration	1,434,439	1,474,813	40,374
Miscellaneous	339,032	568,162	229,130
Public Safety			
Central communications	3,892,259	4,166,083	273,824
Emergency management	281,936	459,970	178,034
Medical examiner	2,446,849	2,587,420	140,571
Road and Bridge	47,450,726	75,683,901	28,233,175

**ANOKA COUNTY
ANOKA, MINNESOTA**

3. Other Postemployment Benefits Funding Status

Beginning in 2007, Anoka County implemented Governmental Accounting Standards Board (GASB), Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. In 2009, the County established both a revocable and an irrevocable trust, pursuant to MN statutes, ch. 471.6175, to prefund a portion of the liability of the plan. The County issued bonds in September 2009, for the purpose of partially funding its OPEB liability. These funds are reported in the Other Postemployment Benefits Trust Fund and are included in the December 31, 2013, actuarial valuation.

4. Employer Contributions to Other Postemployment Benefits

For 2015, employer contributions include \$2.6 million in direct payments to insurance carriers for benefits.

<u>Year Ended December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2013	\$ 2,758,819	\$ 5,873,925	46.97%
2014	2,623,775	3,110,459	84.35%
2015	2,738,455	3,067,501	89.27%

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes.

Job Training Center – to account for the financial transactions pertaining to job training and employment opportunities as financed by federal and state governments for economically disadvantaged, under-employed and unemployed persons, and youthful persons in both the private and public sectors. This activity was authorized by the Job Training Partnership Act (JTPA) and Workforce Investment Act (WIA).

County Library – to account for costs associated with providing library services to Anoka County residents. Financing comes primarily from an annual property tax levy and intergovernmental revenue from the State Government.

Parks and Recreation – to account for the cost of constructing, improving and maintaining the county parks in Anoka County, and operation of Chomonix Golf Course. Financing comes primarily from an annual property tax levy, intergovernmental revenue from local, State and Federal Governments, and user fees.

Cooperative Extension – to account for financial transactions pertaining to educational programs which emphasize decision making skills for individuals, families, and youth through home economics, horticulture, 4-H youth development, and agriculture. Cooperative Extension is the County's link to research-based information from the University of Minnesota. Financing comes primarily from an annual property tax levy and intergovernmental revenue from the State Government.

Law Library – to account for the operations and finances of the law library. Revenues are derived from fees collected from certain litigants, and expenditures are primarily law books and administrative and personal service costs.

Community Development – to account for the financial operations of federal grants for public building projects, environment improvement, housing rehabilitation, business and individual economic development, and other public purposes. Financing comes primarily from intergovernmental revenues from the State and Federal Governments.

Regional Railroad Authority – to account for the revenues and expenditures resulting from the creation of a Commuter Rail Transit System within the County. The Regional Railroad Authority is governed by a seven-member board and has independent taxing authority.

Housing and Redevelopment Authority – to account for the revenues and expenditures resulting from the implementation of a redevelopment plan to promote economic development within Anoka County. The Housing and Redevelopment Authority is governed by a seven-member board and has independent taxing authority.

Leasehold Properties – to account for the revenues and expenditures resulting from leasehold activities.

Forfeiture Funds – to account for the proceeds from forfeited property, which is used by the County Attorney and the Sheriff's Department for the purpose of prosecution and narcotics enforcement.

ANOKA COUNTY
ANOKA, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

Statement 1

	Special Revenue									Total Nonmajor Governmental Funds	
	Job Training Center	County Library	Parks and Recreation	Cooperative Extension	Law Library	Community Development	Regional Railroad Authority	Housing and Redevelopment Authority	Leasehold Properties		Forfeiture Funds
Assets											
Cash and pooled investments	\$ 37,278	\$ 4,903,157	\$ 1,979,239	\$ 262,261	\$ 141,716	\$ 586,029	\$ 7,796,632	\$ 7,739,175	\$ 10,856	\$ 189,538	\$ 23,645,881
Cash and investments with escrow agents	-	-	-	-	-	-	-	885,971	-	-	885,971
Delinquent taxes receivable	-	121,387	44,331	5,458	-	-	52,707	31,647	-	-	255,530
Accounts receivable, net	-	12,895	13,596	-	-	-	-	1,758	-	-	28,249
Land held for resale	-	-	-	-	-	266,408	-	-	-	-	266,408
Loans receivable	-	-	-	-	-	3,898,418	-	-	-	-	3,898,418
Due from other governments	290,752	8,792	1,124,066	2,313	26,346	489,673	-	-	-	30,350	1,972,292
Inventories	-	28,813	-	-	-	-	-	-	-	-	28,813
Total Assets	328,030	5,046,231	3,190,045	270,032	168,062	5,240,528	7,849,339	8,658,551	10,856	219,888	30,981,562
Liabilities, Deferred Inflows of Resources and Fund Balances											
Liabilities											
Accounts payable	-	34,796	63,740	621	7,431	19,001	-	144,206	1,290	416	271,501
Salaries payable	-	63,462	39,373	1,703	2,683	-	468	2,862	-	-	110,551
Contracts payable	-	17,372	146,212	-	-	12,600	3,870	-	2,925	-	182,979
Due to other funds	300,000	-	-	-	-	-	-	-	-	-	300,000
Due to other governments	-	5,749	90,445	629	200	115	-	-	1,271	-	98,409
Advance from other funds	-	-	220,198	-	-	-	-	745,676	-	-	965,874
Unearned revenue	21,644	776,096	384,407	-	-	319,125	-	-	2,775	-	1,504,047
Total Liabilities	321,644	897,475	944,375	2,953	10,314	350,841	4,338	892,744	8,261	416	3,433,361
Deferred Inflows of Resources											
Unavailable revenue	-	121,387	132,204	5,458	-	3,928,611	52,707	31,647	-	-	4,272,014
Total Deferred Inflows of Resources	-	121,387	132,204	5,458	-	3,928,611	52,707	31,647	-	-	4,272,014
Fund Balances											
Nonspendable	-	-	28,813	-	-	-	-	-	-	-	28,813
Restricted	-	-	291,624	67,958	157,748	961,076	-	885,971	-	219,472	2,583,849
Committed	-	4,027,369	-	193,663	-	-	-	-	-	-	4,221,032
Assigned	6,386	-	1,793,029	-	-	-	7,792,294	6,848,189	2,595	-	16,442,493
Total Fund Balances	6,386	4,027,369	2,113,466	261,621	157,748	961,076	7,792,294	7,734,160	2,595	219,472	23,276,187
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 328,030	\$ 5,046,231	\$ 3,190,045	\$ 270,032	\$ 168,062	\$ 5,240,528	\$ 7,849,339	\$ 8,658,551	\$ 10,856	\$ 219,888	\$ 30,981,562

ANOKA COUNTY
ANOKA, MINNESOTA

Statement 2

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue										Total Nonmajor Governmental Funds
	Job Training Center	County Library	Parks and Recreation	Cooperative Extension	Law Library	Community Development	Regional Railroad Authority	Housing and Redevelopment Authority	Leasehold Properties	Forfeiture Funds	
Revenues											
Taxes	\$ -	\$ 6,097,528	\$ 2,461,138	\$ 297,744	\$ -	\$ -	\$ 2,828,656	\$ 1,338,643	\$ -	\$ -	\$ 13,023,709
Licenses and permits	-	-	1,920	-	-	-	-	-	-	-	1,920
Intergovernmental	3,093,957	927,325	2,276,382	39,362	-	2,482,453	1,583	1,422	-	-	8,822,484
Charges for services	14,924	85,704	1,696,326	42,358	-	13,216	-	97,378	-	-	1,949,906
Fines and forfeits	-	184,909	-	-	310,590	-	-	-	-	22,085	517,584
Investment income	-	-	5,443	-	-	3,960	10,775	12,458	-	-	32,636
Miscellaneous	45,379	134,775	516,529	13,813	2,115	1,475,019	1,128,823	2,567,070	17,751	-	5,901,274
Total Revenues	3,154,260	7,430,241	6,957,738	393,277	312,705	3,974,648	3,969,837	4,016,971	17,751	22,085	30,249,513
Expenditures											
Current											
General government	-	-	-	-	308,174	-	-	-	15,156	3,792	327,122
Public safety	-	-	-	-	-	-	-	-	-	5,854	5,854
Culture and recreation	-	7,551,968	7,749,474	-	-	-	-	-	-	-	15,301,442
Conservation of natural resources	-	-	-	445,610	-	-	-	-	-	-	445,610
Economic development	3,154,260	-	-	-	-	3,587,480	443,732	2,808,101	-	-	9,993,573
Debt service											
Principal retirement	-	-	30,128	-	-	4,434	-	-	-	-	34,562
Interest	-	-	3,563	-	-	-	-	15,243	-	-	18,806
Total Expenditures	3,154,260	7,551,968	7,783,165	445,610	308,174	3,591,914	443,732	2,823,344	15,156	9,646	26,126,969
Excess of Revenues Over (Under)											
Expenditures	-	(121,727)	(825,427)	(52,333)	4,531	382,734	3,526,105	1,193,627	2,595	12,439	4,122,544
Other Financing Sources (Uses)											
Transfers in	-	-	455,000	38,083	-	-	-	-	-	-	493,083
Transfers out	-	-	-	-	-	-	(1,830,721)	(1,001,871)	-	-	(2,832,592)
Capital leases	-	-	112,183	-	-	-	-	-	-	-	112,183
Total Other Financing Sources (Uses)	-	-	567,183	38,083	-	-	(1,830,721)	(1,001,871)	-	-	(2,227,326)
Net Change in Fund Balances	-	(121,727)	(258,244)	(14,250)	4,531	382,734	1,695,384	191,756	2,595	12,439	1,895,218
Fund Balances - January 1	6,386	4,149,096	2,369,035	275,871	153,217	578,342	6,096,910	7,542,404	-	207,033	21,378,294
Increase (decrease) in inventories	-	-	2,675	-	-	-	-	-	-	-	2,675
Fund Balances - December 31	\$ 6,386	\$ 4,027,369	\$ 2,113,466	\$ 261,621	\$ 157,748	\$ 961,076	\$ 7,792,294	\$ 7,734,160	\$ 2,595	\$ 219,472	\$ 23,276,187

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 8

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY LIBRARY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes	\$ 6,397,798	\$ 6,397,798	\$ 6,097,528	\$ (300,270)
Intergovernmental	1,059,354	1,059,354	927,325	(132,029)
Charges for services	88,500	88,500	85,704	(2,796)
Fines and forfeits	190,000	190,000	184,909	(5,091)
Miscellaneous	111,600	111,600	134,775	23,175
Total Revenues	7,847,252	7,847,252	7,430,241	(417,011)
<u>Expenditures</u>				
Current				
Culture and recreation	<u>7,847,252</u>	<u>7,791,888</u>	<u>7,551,968</u>	<u>239,920</u>
Net Change in Fund Balance	-	55,364	(121,727)	(177,091)
Fund Balance - January 1	<u>4,149,096</u>	<u>4,149,096</u>	<u>4,149,096</u>	-
Fund Balance - December 31	<u>\$ 4,149,096</u>	<u>\$ 4,204,460</u>	<u>\$ 4,027,369</u>	<u>\$ (177,091)</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 9

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS AND RECREATION
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 2,424,370	\$ 2,424,370	\$ 2,461,138	\$ 36,768
Licenses and permits	2,400	2,400	1,920	(480)
Intergovernmental	2,474,563	2,617,803	2,276,382	(341,421)
Charges for services	1,696,500	1,696,500	1,696,326	(174)
Investment income	4,000	4,000	5,443	1,443
Miscellaneous	495,750	525,750	516,529	(9,221)
Total Revenues	<u>7,097,583</u>	<u>7,270,823</u>	<u>6,957,738</u>	<u>(313,085)</u>
<u>Expenditures</u>				
Current				
Culture and recreation	7,368,596	7,816,853	7,749,474	67,379
Debt Service				
Principal retirement	80,437	80,437	30,128	50,309
Interest	3,000	3,000	3,563	(563)
Total Expenditures	<u>7,452,033</u>	<u>7,900,290</u>	<u>7,783,165</u>	<u>117,125</u>
Excess of Revenues Over (Under) Expenditures	<u>(354,450)</u>	<u>(629,467)</u>	<u>(825,427)</u>	<u>(195,960)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	483,640	483,640	455,000	(28,640)
Transfers out	(123,640)	(123,640)	-	123,640
Capital leases	-	112,183	112,183	-
Total Other Financing Sources (Uses)	<u>360,000</u>	<u>472,183</u>	<u>567,183</u>	<u>95,000</u>
Net Change in Fund Balance	5,550	(157,284)	(258,244)	(100,960)
Fund Balance - January 1	2,369,035	2,369,035	2,369,035	-
Increase (decrease) in inventories	-	-	2,675	2,675
Fund Balance - December 31	<u>\$ 2,374,585</u>	<u>\$ 2,211,751</u>	<u>\$ 2,113,466</u>	<u>\$ (98,285)</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 10

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COOPERATIVE EXTENSION
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 298,335	\$ 298,335	\$ 297,744	\$ (591)
Intergovernmental	39,383	39,383	39,362	(21)
Charges for services	3,500	3,500	42,358	38,858
Miscellaneous	12,000	12,000	13,813	1,813
Total Revenues	353,218	353,218	393,277	40,059
<u>Expenditures</u>				
Current				
Conservation of natural resources	<u>391,301</u>	<u>391,301</u>	<u>445,610</u>	<u>(54,309)</u>
Excess of Revenues Over (Under) Expenditures	(38,083)	(38,083)	(52,333)	(14,250)
<u>Other Financing Sources (Uses)</u>				
Transfers in	<u>38,083</u>	<u>38,083</u>	<u>38,083</u>	<u>-</u>
Net Change in Fund Balance	-	-	(14,250)	(14,250)
Fund Balance - January 1	<u>275,871</u>	<u>275,871</u>	<u>275,871</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 275,871</u>	<u>\$ 275,871</u>	<u>\$ 261,621</u>	<u>\$ (14,250)</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 11

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LAW LIBRARY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Fines and forfeits	\$ 300,000	\$ 300,000	\$ 310,590	\$ 10,590
Miscellaneous	1,000	1,000	2,115	1,115
Total Revenues	301,000	301,000	312,705	11,705
<u>Expenditures</u>				
Current				
General government	322,738	328,342	308,174	20,168
Net Change in Fund Balance	(21,738)	(27,342)	4,531	31,873
Fund Balance - January 1	153,217	153,217	153,217	-
Fund Balance - December 31	\$ 131,479	\$ 125,875	\$ 157,748	\$ 31,873

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 12

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
REGIONAL RAILROAD AUTHORITY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 2,831,910	\$ 2,831,910	\$ 2,828,656	\$ (3,254)
Intergovernmental	-	-	1,583	1,583
Investment income	-	-	10,775	10,775
Miscellaneous	-	-	1,128,823	1,128,823
Total Revenues	2,831,910	2,831,910	3,969,837	1,137,927
<u>Expenditures</u>				
Current				
Economic development	<u>991,585</u>	<u>991,585</u>	<u>443,732</u>	<u>547,853</u>
Excess of Revenues Over (Under) Expenditures	1,840,325	1,840,325	3,526,105	1,685,780
<u>Other Financing Sources (Uses)</u>				
Transfers out	<u>(2,154,651)</u>	<u>(2,154,651)</u>	<u>(1,830,721)</u>	<u>323,930</u>
Net Change in Fund Balance	(314,326)	(314,326)	1,695,384	2,009,710
Fund Balance - January 1	<u>6,096,910</u>	<u>6,096,910</u>	<u>6,096,910</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 5,782,584</u>	<u>\$ 5,782,584</u>	<u>\$ 7,792,294</u>	<u>\$ 2,009,710</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 13

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOUSING AND REDEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 1,335,945	\$ 1,335,202	\$ 1,338,643	\$ 3,441
Intergovernmental	1,422	1,422	1,422	-
Charges for services	78,384	93,384	97,378	3,994
Investment income	10,132	11,972	12,458	486
Miscellaneous	2,240,095	2,225,095	2,567,070	341,975
Total Revenues	3,665,978	3,667,075	4,016,971	349,896
<u>Expenditures</u>				
Current				
County	591,493	514,840	910,922	(396,082)
Cities	927,172	927,172	604,896	322,276
Willows Senior Housing	242,500	279,123	337,787	(58,664)
Chauncey-Barett Gardens Senior Housing	264,383	307,870	269,632	38,238
Savannah Oaks Senior Housing	283,757	323,539	290,830	32,709
Oaks of Lake George Senior Housing	360,692	410,147	394,034	16,113
Debt service				
Interest	-	-	15,243	(15,243)
Administrative charges	9,569	-	-	-
Total Expenditures	2,679,566	2,762,691	2,823,344	(60,653)
Excess of Revenues Over (Under) Expenditures	986,412	904,384	1,193,627	289,243
<u>Other Financing Sources (Uses)</u>				
Transfers out	(1,113,299)	(1,122,868)	(1,001,871)	120,997
Net Change in Fund Balance	(126,887)	(218,484)	191,756	410,240
Fund Balance - January 1	7,542,404	7,542,404	7,542,404	-
Fund Balance - December 31	\$ 7,415,517	\$ 7,323,920	\$ 7,734,160	\$ 410,240

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 14

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LEASEHOLD PROPERTIES
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Miscellaneous	\$ -	\$ -	\$ 17,751	\$ 17,751
<u>Expenditures</u>				
Current				
General government	-	-	15,156	15,156
Net Change in Fund Balance	-	-	2,595	2,595
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,595</u>	<u>\$ 2,595</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Statement 3

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>Assets</u>				
Cash and pooled investments	\$ 8,733,166	\$ 336,830,028	\$ 336,916,643	\$ 8,646,551
Accounts receivable	5,059	11,760	16,813	6
Due from other governments	117,584	4,443,893	4,229,847	331,630
Total Assets	<u>8,855,809</u>	<u>341,285,681</u>	<u>341,163,303</u>	<u>8,978,187</u>
<u>Liabilities</u>				
Accounts payable	1,544,578	9,553,684	9,613,118	1,485,144
Contracts payable	10,895	-	10,895	-
Due to other governments	7,300,336	331,731,997	331,539,290	7,493,043
Total Liabilities	<u>\$ 8,855,809</u>	<u>\$ 341,285,681</u>	<u>\$ 341,163,303</u>	<u>\$ 8,978,187</u>

OTHER SUPPLEMENTARY INFORMATION

**ANOKA COUNTY
ANOKA, MINNESOTA**

Schedule 15

**SCHEDULE OF DEPOSITS AND INVESTMENTS
DECEMBER 31, 2015**

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Fair Value</u>
Pooled Deposits and Investments			
Checking Accounts			
Non-Interest Bearing			
Wells Fargo Bank			\$ (2,465,092)
US Bank			232,825
Northeast State Bank			(1,205)
Village Bank			67,865
21st Century Bank			87,563
US Bank			28,281
Bank of the West			54,484
Total Checking Accounts			<u>(1,995,279)</u>
Savings Accounts			
Village Bank	0.01%		22,978
21st Century Bank	0.02%		19,461
US Bank	Variable		18,958
Bank of the West	0.03%		19,878
Wells Fargo Bank - escrow	Variable		3,981,448
Total Savings Accounts			<u>4,062,723</u>
Money Market Accounts with Brokers			
US Bank Institutional Custody	Varies		<u>1,090,985</u>
Commercial Paper			
US Bank Cash Portal	Varies		<u>27,457,670</u>
MAGIC Funds			
PFM Asset Management, LLC	Varies		11,206,137
Magic Term Investments	Varies		10,000,000
Magic CD Investments	Varies		2,969,000
Total MAGIC Funds			<u>24,175,137</u>
Government Securities			
US Bank - County Treasury	Varies	Various	44,835,568
US Bank - RBCGAMUS	Varies	Various	34,397,231
US Bank - Nuveen	Varies	Various	30,134,125
US Bank - Inst Trust Escrow	Varies	Various	38,102,752
Wells Fargo Bank Trust Escrow	Varies	Various	420,486
Total Government Securities			<u>147,890,162</u>
Trust Accounts			
PERA OPEB Trust Accounts	Varies		<u>51,795,169</u>
Repurchase Agreements			
Wells Fargo Bank	Varies	Various	<u>4,604,694</u>
Total Pooled Deposits and Investments			<u>\$ 259,081,261</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 16

COMBINED SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	Special Revenue Funds Schedule 12	Debt Service Fund	Capital Projects Fund	Total All Funds
Shared Revenue					
State					
Highway users tax	\$ -	\$ 24,264,404	\$ -	\$ -	\$ 24,264,404
Market value credit - agriculture	26,831	28,014	8,031	-	62,876
County program aid	7,052,389	6,589,536	-	3,211,041	16,852,966
Aquatic species aid	-	33,720	-	-	33,720
Temporary maintenance of effort aid	73,259	-	-	-	73,259
Disparity reduction credit aid	126	-	-	-	126
Police state aid	1,011,573	-	-	-	1,011,573
Enhanced 911 aid	535,688	-	-	-	535,688
Local performance aid	25,000	-	-	-	25,000
Local recycling development program	253,916	-	-	-	253,916
SCORE	1,051,986	-	-	-	1,051,986
PERA aid	406,581	-	-	-	406,581
Payments in lieu of tax	106,292	-	-	-	106,292
Total Shared Revenue	10,543,641	30,915,674	8,031	3,211,041	44,678,387
Reimbursement for Services					
State					
Human Services	281,515	6,402,545	-	-	6,684,060
Grants					
State					
Agriculture	8,282	-	-	-	8,282
Commerce	16,550	-	-	-	16,550
Health	-	987,456	-	-	987,456
Public Safety	262,417	-	-	-	262,417
Employment and Economic Development	-	1,368,428	-	-	1,368,428
Natural Resources	20,818	66,253	-	-	87,071
Transportation	-	10,172,038	-	-	10,172,038
Human Services	750	14,859,869	-	-	14,860,619
Housing Finance	-	303,571	-	-	303,571
Corrections	4,933,103	-	-	-	4,933,103
Education	4,200	-	-	150,000	154,200
Pollution Control Agency	-	-	-	67,130	67,130
Veterans Affairs	29,878	-	-	-	29,878
Peace Officer Board	43,980	-	-	-	43,980
Total State	5,319,978	27,757,615	-	217,130	33,294,723
Federal Department / Agency					
Agriculture	492,317	3,814,773	-	-	4,307,090
Housing and Urban Development	-	2,295,116	-	-	2,295,116
Justice	128,233	-	-	-	128,233
Labor	-	1,690,977	-	-	1,690,977
Transportation	169,032	18,357,895	-	-	18,526,927
Education	-	22,078	-	-	22,078
Health and Human Services	776,065	19,438,610	-	-	20,214,675
Corporation for National and Community Service	-	33,079	-	-	33,079
Social Security Administration	-	172	-	-	172
Homeland Security	297,192	-	-	-	297,192
Total Federal	1,862,839	45,652,700	-	-	47,515,539
Local					
Other	-	13,900	-	-	13,900
Cities / Counties	46,125	1,356,572	-	-	1,402,697
Counties Transit Improvement Board	-	6,375,000	-	-	6,375,000
Metropolitan Council	2,655,998	1,821,729	-	-	4,477,727
Metropolitan Library Service Agency (MELSA)	-	83,283	-	-	83,283
Total Local	2,702,123	9,650,484	-	-	12,352,607
Total Grants	9,884,940	83,060,799	-	217,130	93,162,869
Total Intergovernmental Revenue	\$ 20,710,096	\$ 120,379,018	\$ 8,031	\$ 3,428,171	\$ 144,525,316

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 17

COMBINING SCHEDULE OF INTERGOVERNMENTAL REVENUE
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Major Governmental Funds		Nonmajor Governmental Funds						Total	
	Road and Bridge	Human Services	Job Training Center	County Library	Parks and Recreation	Cooperative Extension	Community Development	Regional Railroad Authority		Housing and Redevelopment Authority
Shared Revenue										
State										
Highway users tax	\$ 24,264,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,264,404
Market value credit - agriculture	5,270	15,240	-	3,138	1,212	149	-	1,583	1,422	28,014
County program aid	1,385,111	4,005,657	-	840,904	318,651	39,213	-	-	-	6,589,536
Aquatic species aid	-	-	-	-	33,720	-	-	-	-	33,720
Total Shared Revenue	25,654,785	4,020,897	-	844,042	353,583	39,362	-	1,583	1,422	30,915,674
Reimbursement for Services										
State										
Human Services	-	6,402,545	-	-	-	-	-	-	-	6,402,545
Grants										
State										
Health	-	987,456	-	-	-	-	-	-	-	987,456
Employment and Economic Development	-	-	1,368,428	-	-	-	-	-	-	1,368,428
Natural Resources	-	-	-	-	66,253	-	-	-	-	66,253
Transportation	10,172,038	-	-	-	-	-	-	-	-	10,172,038
Human Services	-	14,859,869	-	-	-	-	-	-	-	14,859,869
Housing Finance	-	116,234	-	-	-	-	187,337	-	-	303,571
Total State	10,172,038	15,963,559	1,368,428	-	66,253	-	187,337	-	-	27,757,615
Federal Department / Agency										
Agriculture	-	3,814,773	-	-	-	-	-	-	-	3,814,773
Housing and Urban Development	-	-	-	-	-	-	2,295,116	-	-	2,295,116
Labor	-	-	1,690,977	-	-	-	-	-	-	1,690,977
Transportation	18,324,504	-	12,474	-	20,917	-	-	-	-	18,357,895
Education	-	-	22,078	-	-	-	-	-	-	22,078
Health and Human Services	-	19,438,610	-	-	-	-	-	-	-	19,438,610
Corporation for National and Community Service	-	33,079	-	-	-	-	-	-	-	33,079
Social Security Administration	-	172	-	-	-	-	-	-	-	172
Total Federal	18,324,504	23,286,634	1,725,529	-	20,917	-	2,295,116	-	-	45,652,700
Local										
Other	-	-	-	-	13,900	-	-	-	-	13,900
Cities / Counties	1,356,572	-	-	-	-	-	-	-	-	1,356,572
Counties Transit Improvement Board	6,375,000	-	-	-	-	-	-	-	-	6,375,000
Metropolitan Council	-	-	-	-	1,821,729	-	-	-	-	1,821,729
Metropolitan Library Service Agency (MELSA)	-	-	-	83,283	-	-	-	-	-	83,283
Total Local	7,731,572	-	-	83,283	1,835,629	-	-	-	-	9,650,484
Total Grants	36,228,114	39,250,193	3,093,957	83,283	1,922,799	-	2,482,453	-	-	83,060,799
Total Intergovernmental Revenue	\$ 61,882,899	\$ 49,673,635	\$ 3,093,957	\$ 927,325	\$ 2,276,382	\$ 39,362	\$ 2,482,453	\$ 1,583	\$ 1,422	\$ 120,379,018

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 18

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor Pass Through Agency Program or Cluster Title	Federal CFDA/Project Number	Pass-through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed through Minnesota Department of Education:				
Child Nutrition Cluster				
School Breakfast Program	10.553	Not provided	\$ 62,912	\$ -
National School Lunch Program	10.555	Not provided	96,945	-
(Total expenditures for Child Nutrition Cluster \$159,857)				
Passed through Minnesota Department of Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	16162MN004W1003	1,198,942	-
Passed through Minnesota Department of Human Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	15152MN101S2514	2,317,871	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	15152MN101S2520	1,300	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	15152MN127Q7503	54,449	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	16162MN101S2514	573,071	-
(Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program 10.561 \$2,946,691)				
Passed through Minnesota Department of Agriculture:				
WIC Farmers' Market Nutrition Program (FMNP)	10.572	14142MN992Y8607	1,600	-
Total U.S. Department of Agriculture			4,307,090	-
U.S. Department of Housing and Urban Development				
Direct:				
Community Development Block Grants - Entitlement Grants	14.218		1,689,597	1,627,960
Continuum of Care Program	14.267		16,000	-
Passed through Dakota County Community Development Agency:				
Home Investment Partnerships Program	14.239	Not provided	589,519	567,396
Total U.S. Department of Housing and Urban Development			2,295,116	2,195,356
U.S. Department of Justice				
Direct:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590		110,547	-
State Criminal Alien Assistance Program	16.606		16,960	-
Passed through Minnesota Department of Public Safety:				
Juvenile Accountability Block Grants	16.523	Not Provided	726	-
Total U.S. Department of Justice			128,233	-
U.S. Department of Labor				
Passed through Minnesota Department of Employment and Economic Development:				
Employment Service / Wagner-Peyser Funded Activities	17.207	4127100	135,934	-
Senior Community Service Employment Program	17.235	5125100	102,740	-
Senior Community Service Employment Program	17.235	6125100	82,175	-
(Total Senior Community Service Employment Program 17.235 \$403,723)				
Workforce Investment Act (WIA) Cluster				
WIA/WIOA Adult Program	17.258	4123100	382,850	-
WIA/WIOA Adult Program	17.258	5123100	22,615	-
WIA/WIOA Adult Program	17.258	4123400	7,103	-
(Total WIA/WIOA-Adult Program 17.258 \$412,568)				
WIA/WIOA Youth Activities	17.259	5123600	121,056	-
WIA/WIOA Youth Activities	17.259	3123600	246,997	-
(Total WIA/WIOA Youth Activities 17.259 \$368,053)				
WIA/WIOA Dislocated Worker Formula Grants	17.278	3128000	10,792	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	4128000	307,799	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	5128000	47,050	-
(Total WIA/WIOA Dislocated Worker Formula Grants 17.278 \$365,641)				
(Workforce Investment Act (WIA) Cluster \$1,146,262)				
Passed through Senior Service America Inc.:				
Senior Community Service Employment Program	17.235	320	218,808	-
(Total Senior Community Service Employment Program 17.235 \$403,723)				
Passed through Anoka Ramsey Community College:				
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	50713	5,058	-
Total U.S. Department of Labor			1,690,977	-
U.S. Department of Transportation				
Passed through Minnesota Department of Transportation:				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	0214036	4,635,724	-
Highway Planning and Construction	20.205	0214039	1,257,310	-
Highway Planning and Construction	20.205	0214069	1,485	-
Highway Planning and Construction	20.205	H130001	380,639	-
Highway Planning and Construction	20.205	09ES169	139,981	-
Highway Planning and Construction	20.205	0215210	10,000,000	-
Highway Planning and Construction	20.205	0214150	31,120	-
Highway Planning and Construction	20.205	0214223	229,266	-
Highway Planning and Construction	20.205	0215090	207,194	-
Highway Planning and Construction	20.205	0215119	929,717	-
Highway Planning and Construction	20.205	0212052	29,593	-
(Total Highway Planning and Construction 20.205 \$17,842,029)				
(Total expenditures for Highway Planning and Construction Cluster \$17,862,946)				

(Continued)

The notes to the Schedule of Expenditure of Federal Awards are an integral part of this schedule.

**ANOKA COUNTY
ANOKA, MINNESOTA**

*Schedule 18
(Continued)*

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA/Project Number	Pass-through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation (continued)				
Passed through Minnesota Department of Natural Resources: Highway Planning and Construction Cluster Recreational Trails Program (Total expenditures for Highway Planning and Construction Cluster \$17,862,946)	20.219	Not provided	\$ 20,917	\$ -
Passed through Metropolitan Council: Federal Transit Formula Grants Federal Transit Formula Grants Federal Transit Formula Grants (Total Federal Transit Formula Grants 20.507 \$460,791) Job Access and Reverse Commute Program	20.507 20.507 20.507 20.516	131064 SG-2014-080 SG-2015-125 SG-2011-077	372,501 80,441 7,849 12,474	- - - -
Passed through the City of Coon Rapids: Highway Safety Cluster State and Community Highway Safety (Total State and Community Highway Safety 20.600 \$ 26,664) National Priority Safety Programs (Total National Priority Safety Programs 20.616 \$35,143) (Total expenditures Highway Safety Cluster \$61,807) Minimum Penalties for Repeat Offenders for Driving While Intoxicated (Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$107,225)	20.600 20.616 20.608	A-ENFRC15-2015-CNRPDSPD-00068 A-ENFRC15-2015-CNRPDSPD-00068 A-ENFRC15-2015-CNRPDSPD-00068	21,647 3,400 26,669	- - -
Passed through Minnesota Department of Public Safety: Highway Safety Cluster State and Community Highway Safety State and Community Highway Safety (Total State and Community Highway Safety 20.600 \$ 26,664) National Priority Safety Programs National Priority Safety Programs National Priority Safety Programs (Total National Priority Safety Programs 20.616 \$35,143) (Total expenditures Highway Safety Cluster \$61,807) Minimum Penalties for Repeat Offenders for Driving While Intoxicated Minimum Penalties for Repeat Offenders for Driving While Intoxicated Minimum Penalties for Repeat Offenders for Driving While Intoxicated (Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$107,225)	20.600 20.600 20.616 20.616 20.616 20.608 20.608 20.608	A-ENFRC15-2015-CNRPDSPD-00068 A-OFFICR15-2015-ANOKASO-00016 A-ENFRC15-2015-CNRPDSPD-00068 A-ENFRC15-2015-CNRPDSPD-00068 A-OFFICR16-2016-ANOKASO-0009 A-OFFICR15-2015-ANOKASO-00016 A-ENFRC15-2015-CNRPDSPD-00068 A-OFFICR16-2016-ANOKASO-0009 A-OFFICR15-2015-ANOKASO-00016	2,066 2,951 14,851 5,465 11,427 46,262 11,095 23,199	- - - - - - - -
Total U.S. Department of Transportation			18,505,243	-
U.S. Department of Education				
Passed through Minnesota Department of Employment and Economic Development: Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	Not Provided	22,078	-
U.S. Department of Health and Human Services				
Passed through National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008	HITeP150026-01-00	1,492	-
Passed through Metropolitan Area Agency on Aging: National Family Caregiver Support, Title III, Part E Alzheimer's Disease Initiative: Specialized Supportive Services Project (ADI-SSS) thru Prevention and Public Health Funds (PPHF)	93.052 93.763	311-15-003E-331 62222-15-01-110	72,226 1,404	- -
Passed through Minnesota Department of Human Services: State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges Promoting Safe and Stable Families Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$3,814,287) Child Support Enforcement Child Support Enforcement Child Support Enforcement (Total Child Support Enforcement 93.563 \$5,729,375) Child Care and Development Block Grant Child Care and Development Block Grant (Total Child Care and Development Block Grant 93.575 \$189,831) Community-Based Child Abuse Prevention Grants Stephanie Tubbs Jones Child Welfare Services Program Foster Care - Title IV-E Social Services Block Grant Chafee Foster Care Independence Program Medical Assistance Program Medical Assistance Program (Total Medical Assistance Program 93.778 \$7,211,394)	93.525 93.556 93.558 93.563 93.563 93.563 93.575 93.575 93.590 93.645 93.658 93.667 93.674 93.778 93.778	Not provided 1501MNFPS 1502MNTANF 1604MNCES 1604MNCSES 1504MNCSES 1501MNCDF 1601MNCDF 1402MNFPRG 1501MNCDF 1501MNFOST 1501MNSQSR 1501MNCILP 1605MNSADM 1505MNSADM	7,840 103,590 3,498,766 4,681,574 677,945 369,856 174,481 15,350 22,889 37,411 584,639 1,398,491 21,837 4,057,130 3,154,264	- - - - - - - - - - - - - - - -
Passed through Minnesota Department of Health: Public Health Emergency Preparedness Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Universal Newborn Hearing Screening Immunization Cooperative Agreements Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$3,814,287) Maternal and Child Health Services Block Grant to the States	93.069 93.074 93.251 93.268 93.314 93.505 93.558 93.994	U90TP999029 U90TP999029 12-700-00054 H23IP000737 12-700-00054 D89MC23539 2015G996115 12-700-00054	268,239 14,496 5,450 13,430 600 421,688 315,521 294,066	- - - - - - - -
Total U.S. Department of Health and Human Services			20,214,675	84,798
Corporation for National and Community Service				
Direct: Retired and Senior Volunteer Program	94.002		33,079	-
U.S. Social Security Administration				
Passed through Minnesota Department of Employment and Economic Development: Social Security Disability Insurance	96.001	Not Provided	\$ 172	\$ -

(Continued)

ANOKA COUNTY
ANOKA, MINNESOTA

*Schedule 18
(Continued)*

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA/Project Number	Pass-through Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security				
Passed through Minnesota Department of Natural Resources: Boating Safety Financial Assistance	97.012	R29G4CGSFY15	\$ 15,439	\$ -
Passed through Minnesota Department of Public Safety: Emergency Management Performance Grants	97.042	A-EMPG-2015-ANOKACO-00002	116,234	-
Homeland Security Grant Program	97.067	A-UASI-2014-ANOKACO-00002	86,231	-
Homeland Security Grant Program	97.067	A-UASI-2013-ANOKACO-00003	79,288	-
(Total Homeland Security Grant Program 97.067 \$165,519)			<u>297,192</u>	<u>-</u>
Total U.S. Department of Homeland Security			\$ 47,493,855	\$ 2,280,154
Total Federal Awards			\$ 47,493,855	\$ 2,280,154

The notes to the Schedule of Expenditure of Federal Awards are an integral part of this schedule.

**ANOKA COUNTY
ANOKA, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Anoka County. The County's reporting entity is defined in Note 1.A to the financial statements.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Anoka County under programs of the federal government for the year ended December 31, 2015. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Anoka County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Anoka County.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Anoka County has contracted with an independent consultant to obtain an allowable indirect cost rate under the Uniform Guidance.

4. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 47,515,539
Grants received more than 120 days after year-end, unavailable in 2015	
Highway Planning and Construction	147,154
Grants unavailable in 2014, recognized as revenue in 2015	
Highway Planning and Construction	<u>(168,838)</u>
Expenditures per Schedule of Expenditures of Federal Awards	<u><u>\$ 47,493,855</u></u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 19

SCHEDULE OF CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION
DECEMBER 31, 2015

Function	Total	Land	Buildings and Structures	Improvements Other than Buildings	Machinery and Equipment	Infrastructure	Software	Construction in Progress
General government	\$ 124,442,202	\$ 3,861,850	\$ 99,246,128	\$ 1,374,069	\$ 9,689,236	\$ -	\$ 7,298,231	\$ 2,972,688
Public safety	86,608,555	784,914	63,277,649	381,294	20,697,262	-	-	1,467,436
Highways and streets	713,446,978	170,715,746	18,769,899	775,522	13,568,444	450,318,387	-	59,298,980
Human services	4,862,342	-	3,792,034	67,932	402,487	-	599,889	-
Sanitation	972,528	403,119	514,000	-	55,409	-	-	-
Culture and recreation	89,765,688	29,949,390	25,822,471	24,485,832	8,193,645	-	-	1,314,350
Economic development	21,665,322	5,555,929	16,103,914	-	5,479	-	-	-
Total capital assets allocated to functions	\$ 1,041,763,615	\$ 211,270,948	\$ 227,526,095	\$ 27,084,649	\$ 52,611,962	\$ 450,318,387	\$ 7,898,120	\$ 65,053,454

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 20

SCHEDULE OF CHANGES IN CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION
DECEMBER 31, 2015

<u>Function</u>	<u>Capital Assets Jan. 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Capital Assets Dec. 31, 2015</u>
General government	\$ 119,415,388	\$ 9,602,494	\$ 4,575,680	\$ 124,442,202
Public safety	83,260,626	6,078,400	2,730,471	86,608,555
Highways and streets	668,413,159	125,734,347	80,700,528	713,446,978
Human services	4,891,723	15,226	44,607	4,862,342
Sanitation	947,972	24,556	-	972,528
Culture and recreation	88,186,351	4,194,607	2,615,270	89,765,688
Economic development	21,665,322	-	-	21,665,322
Total capital assets	\$ 986,780,541	\$ 145,649,630	\$ 90,666,556	\$ 1,041,763,615

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 21

SCHEDULE OF FUND TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2015

Funds	Transfer In	Transfer Out	Description
<u>General Fund</u>			
Road and Bridge	\$ 8,800	\$ -	Vehicle purchase
Capital Projects	14,250	-	Vehicle purchase
Cooperative Extension	-	38,083	2014 AG Preserve credit
Debt Service	-	1,657,211	Lease revenue debt payments
Debt Service	-	167,000	East Central Juvenile Center bonds
Capital Projects	-	4,877,670	Approved use of reserves Building Fund
Capital Projects	-	2,130,013	Approved use of reserves
Capital Projects	-	867,369	Recorder's technology and compliance fees
Capital Projects	-	217,294	Broadband project
Total General Fund	23,050	9,954,640	
<u>Special Revenue Funds</u>			
Road and Bridge			
General Fund	-	8,800	Vehicle purchase
Human Services			
Capital Projects	32,829	-	CIP projects
Capital Projects	-	3,000,000	Approved use of reserves
Total Human Services	32,829	3,000,000	
Parks and Recreation			
Aquatic Center Fund	300,000	-	Recreational facility bonds
Aquatic Center Fund	155,000	-	Coon Rapids Dam purchase
Total Parks and Recreation	455,000	-	
Cooperative Extension			
General Fund	38,083	-	2014 AG Preserve credit
Regional Railroad Authority			
Debt Service	-	1,830,721	Transfer for debt service
Housing and Redevelopment Authority			
Debt Service	-	231,745	Debt service allocation from operations
Debt Service	-	174,821	Debt service allocation from operations
Debt Service	-	241,557	Debt service allocation from operations
Debt Service	-	353,748	Debt service allocation from operations
Total Housing and Redevelopment Authority	-	1,001,871	
Total Special Revenue Funds	\$ 525,912	\$ 5,841,392	

(Continued)

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 21
(Continued)

SCHEDULE OF FUND TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2015

Funds	Transfer In	Transfer Out	Description
<u>Debt Service Fund</u>			
General Fund	\$ 1,657,211	\$ -	Lease revenue debt payments
General Fund	167,000	-	East Central Juvenile Center bonds
Regional Railroad Authority	1,830,721	-	Transfer for debt service
Housing and Redevelopment Authority	231,745	-	Debt service allocation from operations
Housing and Redevelopment Authority	174,821	-	Debt service allocation from operations
Housing and Redevelopment Authority	241,557	-	Debt service allocation from operations
Housing and Redevelopment Authority	353,748	-	Debt service allocation from operations
Total Debt Service Fund	<u>4,656,803</u>	<u>-</u>	
<u>Capital Projects Fund</u>			
General Fund	4,877,670	-	Approved use of reserves Building Fund
General Fund	867,369	-	Recorder's technology and compliance fees
General Fund	2,130,013	-	Approved use of reserves
General Fund	217,294	-	Broadband project
General Fund	-	14,250	Vehicle purchase
Human Services	3,000,000	-	Approved use of reserves
Human Services	-	32,829	CIP projects
Total Capital Projects Fund	<u>11,092,346</u>	<u>47,079</u>	
<u>Proprietary Funds</u>			
Aquatic Center Fund			
Parks and Recreation	-	300,000	Recreational facility bonds
Parks and Recreation	-	155,000	Coon Rapids Dam purchase
Total Aquatic Center Fund	<u>-</u>	<u>455,000</u>	
Total All Funds	<u>\$ 16,298,111</u>	<u>\$ 16,298,111</u>	

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 22

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
HOUSING AND REDEVELOPMENT AUTHORITY SPECIAL REVENUE FUND PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Economic Development</u>	<u>Willows Senior Housing</u>	<u>Chauncey- Barett Gardens Senior Housing</u>	<u>Savannah Oaks Senior Housing</u>	<u>Oaks of Lake George Senior Housing</u>	<u>Total</u>
Revenues						
Taxes	\$ 1,338,643	\$ -	\$ -	\$ -	\$ -	\$ 1,338,643
Intergovernmental	1,422	-	-	-	-	1,422
Charges for services	15,000	20,840	18,228	20,604	22,706	97,378
Investment income	12,384	26	5	19	24	12,458
Miscellaneous	336,075	487,128	515,934	540,912	687,021	2,567,070
Total Revenues	1,703,524	507,994	534,167	561,535	709,751	4,016,971
Expenditures						
Salaries	157,925	58,175	49,641	60,061	49,450	375,252
Other services and charges	1,357,893	279,612	235,234	230,769	344,584	2,448,092
Total Expenditures	1,515,818	337,787	284,875	290,830	394,034	2,823,344
Excess of Revenues Over (Under) Expenditures	187,706	170,207	249,292	270,705	315,717	1,193,627
Other Financing Sources (Uses)						
Transfers in	-	-	28,446 *	-	128,836 *	157,282
Transfers out	257,209 *	(315,844)	(204,581) *	(490,430)	(405,507) *	(1,159,153)
Total Other Financing Sources (Uses)	257,209	(315,844)	(176,135)	(490,430)	(276,671)	(1,001,871)
Net Change in Fund Balances	444,915	(145,637)	73,157	(219,725)	39,046	191,756
Fund Balances - January 1	7,262,745	449,376	(749,017)	550,789	28,511	7,542,404
Fund Balances - December 31	\$ 7,707,660	\$ 303,739	\$ (675,860)	\$ 331,064	\$ 67,557	\$ 7,734,160

* Transfers between Economic Development and the senior housing projects of \$157,282 is eliminated on the Combining Statement of Revenues, Expenditures and Changes in Fund Balances.

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STATISTICAL SECTION

**ANOKA COUNTY
ANOKA, MINNESOTA**

**STATISTICAL SECTION
DECEMBER 31, 2015**

This part of Anoka County's comprehensive annual 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 County's overall financial health.

Contents

Tables

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

1 to 4

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

5 to 8

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

9 to 13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

14 to 16

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

17 to 21

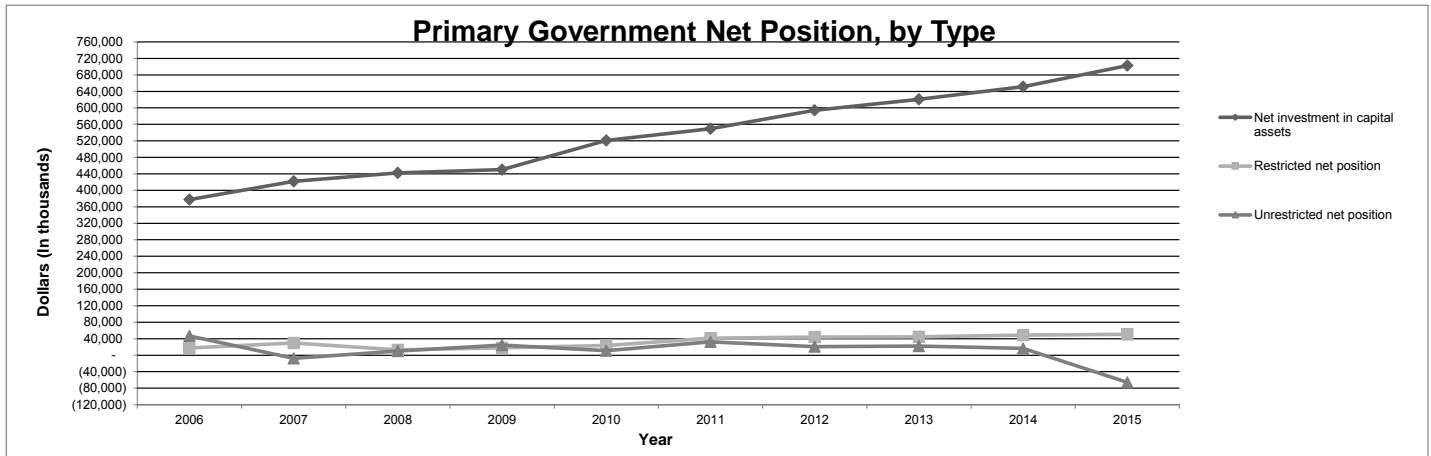
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

**ANOKA COUNTY
ANOKA, MINNESOTA**

**NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)**

Table 1

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities:										
Net investment in capital assets	\$ 375,996,475	\$ 420,167,840	\$ 440,834,527	\$ 449,076,665	\$ 514,773,617	\$ 543,248,118	\$ 588,085,098	\$ 615,176,935	\$ 645,449,746	\$ 696,920,272
Restricted for:										
Capital projects	5,429,369	4,021,520	1,703,345	3,289,973	650,968	470,498	328,249	-	-	-
Debt service	3,575,360	2,544,937	2,177,640	3,747,431	3,726,492	23,363,273	24,817,693	25,081,017	16,835,978	17,269,178
General government	-	-	-	2,059,116	243,718	5,420,783	5,964,412	6,190,801	6,384,912	6,659,710
Public safety	-	-	-	-	-	1,030,895	1,367,378	1,768,392	2,037,362	2,375,202
Highway	7,805,980	22,322,267	8,194,081	8,196,850	17,904,466	3,714,707	3,461,023	2,038,102	4,781,684	3,981,448
Sanitation	-	-	-	-	-	5,962,323	6,747,120	7,946,263	16,680,742	18,219,190
Culture and recreation	-	90,592	318,687	335,087	339,900	321,809	332,177	329,068	286,181	291,624
Conservation of natural resources	-	56,181	58,613	37,992	41,659	42,201	54,766	72,606	76,355	67,958
Economic development	754,693	651,551	526,006	483,289	590,417	741,672	1,029,513	1,032,798	1,499,968	1,847,047
Unrestricted	46,366,707	(8,339,270)	9,639,978	24,125,485	10,376,493	31,784,128	19,911,968	21,413,017	15,416,835	(66,971,455)
Sub-total Governmental Activities	439,928,584	441,515,618	463,452,877	491,351,888	548,647,730	616,080,407	652,099,397	681,048,999	709,449,763	680,660,174
Change from prior year	2.70%	0.36%	4.97%	6.02%	11.66%	12.29%	5.85%	4.44%	4.17%	-4.06%
Business-type Activities:										
Net investment in capital assets	1,471,918	1,430,365	1,364,550	1,302,721	6,287,747	6,105,048	5,877,313	5,644,422	5,782,586	5,531,581
Unrestricted (deficit)	337,703	474,109	593,723	577,757	517,224	542,481	724,041	892,468	975,973	1,028,625
Sub-total Business-type Activities	1,809,621	1,904,474	1,958,273	1,880,478	6,804,971	6,647,529	6,601,354	6,536,890	6,758,559	6,560,206
Change from prior year	4.57%	5.24%	2.82%	-3.97%	261.87%	-2.31%	-0.69%	-0.98%	3.39%	-2.93%
Primary Government:										
Net investment in capital assets	377,468,393	421,598,205	442,199,077	450,379,386	521,061,364	549,353,166	593,962,411	620,821,357	651,232,332	702,451,853
Restricted for:										
Capital projects	5,429,369	4,021,520	1,703,345	3,289,973	650,968	470,498	328,249	-	-	-
Debt service	3,575,360	2,544,937	2,177,640	3,747,431	3,726,492	23,363,273	24,817,693	25,081,017	16,835,978	17,269,178
General government	-	-	-	2,059,116	243,718	5,420,783	5,964,412	6,190,801	6,384,912	6,659,710
Public safety	-	-	-	-	-	1,030,895	1,367,378	1,768,392	2,037,362	2,375,202
Highway	7,805,980	22,322,267	8,194,081	8,196,850	17,904,466	3,714,707	3,461,023	2,038,102	4,781,684	3,981,448
Sanitation	-	-	-	-	-	5,962,323	6,747,120	7,946,263	16,680,742	18,219,190
Culture and recreation	-	90,592	318,687	335,087	339,900	321,809	332,177	329,068	286,181	291,624
Conservation of natural resources	-	56,181	58,613	37,992	41,659	42,201	54,766	72,606	76,355	67,958
Economic development	754,693	651,551	526,006	483,289	590,417	741,672	1,029,513	1,032,798	1,499,968	1,847,047
Unrestricted	46,704,410	(7,865,161)	10,233,701	24,703,242	10,893,717	32,306,609	20,636,009	22,305,485	16,392,808	(65,942,830)
Total Primary Government Net Position	\$ 441,738,205	\$ 443,420,092	\$ 465,411,150	\$ 493,232,366	\$ 555,452,701	\$ 622,727,936	\$ 658,700,751	\$ 687,585,889	\$ 716,208,322	\$ 687,220,380
Change from prior year	2.71%	0.38%	4.96%	5.98%	12.61%	12.11%	5.78%	4.39%	4.16%	-4.05%



Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 3

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Prior to GASB #54										
Reserved	\$ 138,878	\$ 658,195	\$ 165,209	\$ 2,186,610	\$ 358,995	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	30,507,696	36,214,238	41,423,182	43,435,882	46,789,211	-	-	-	-	-
After GASB #54										
Nonspendable	-	-	-	-	-	106,939	115,221	23,082	88,191	85,170
Restricted	-	-	-	-	-	12,044,111	13,689,641	15,538,497	11,722,812	8,808,730
Assigned	-	-	-	-	-	4,903,766	4,659,222	3,353,129	5,191,846	4,798,259
Unassigned	-	-	-	-	-	29,545,493	28,704,982	28,060,067	31,049,397	32,545,482
Total General Fund	30,646,574	36,872,433	41,588,391	45,622,492	47,148,206	46,600,309	47,169,066	46,974,775	48,052,246	46,237,641
General Fund change from prior year	8.46%	20.32%	12.79%	9.70%	3.34%	-1.16%	1.22%	-0.41%	2.29%	-3.78%
Other Governmental Funds										
Prior to GASB #54										
Reserved	19,747,427	31,732,562	14,977,372	18,279,740	25,589,823	-	-	-	-	-
Unreserved	46,782,691	44,410,790	60,724,334	79,479,906	72,403,556	-	-	-	-	-
After GASB #54										
Nonspendable	-	-	-	-	-	2,761,804	2,725,292	2,914,695	2,220,498	2,382,003
Restricted	-	-	-	-	-	32,214,783	44,718,410	63,485,715	65,311,580	80,272,621
Committed	-	-	-	-	-	5,407,567	6,722,520	4,165,048	4,348,612	4,221,032
Assigned	-	-	-	-	-	86,149,888	86,142,696	75,205,864	65,027,417	66,667,038
Unassigned	-	-	-	-	-	-	(11,827,509)	(8,750,562)	(8,574,727)	(10,577,317)
Total Other Governmental Funds	66,530,118	76,143,352	75,701,706	97,759,646	97,993,379	126,534,042	128,481,409	137,020,760	128,333,380	142,965,377
Other Governmental Funds change from prior year	-5.76%	14.45%	-0.58%	29.14%	0.24%	29.13%	1.54%	6.65%	-6.34%	11.40%
Total Governmental Funds	\$ 97,176,692	\$ 113,015,785	\$ 117,290,097	\$ 143,382,138	\$ 145,141,585	\$ 173,134,351	\$ 175,650,475	\$ 183,995,535	\$ 176,385,626	\$ 189,203,018
Total Governmental Funds change from prior year	-1.70%	16.30%	3.78%	22.25%	1.23%	19.29%	1.45%	4.75%	-4.14%	7.27%

Notes:

(1) The Governmental Accounting Standards Board (GASB) Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions, was implemented in 2011. Statement #54 recategorized fund balances going from two to five classifications with different requirements and parameters. There are no parallel classifications between categories of reserved or unreserved and the GASB #54 categories.

Unaudited

ANOKA COUNTY
ANOKA, MINNESOTA

Table 5

ESTIMATED MARKET VALUE, TAXABLE MARKET VALUE AND NET TAX CAPACITY
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Real Estate Property								Personal Property	Total Estimated Market Value	Total Taxable Market Value	Total Net Tax Capacity Value	Total Net Tax Capacity as a Percentage of Taxable Market Value	Total Direct Tax Rate
	Residential Homestead Non-AG	Residential Non Homestead	Commercial & Residential Seasonal	Commercial & Industrial	Agricultural	Public Utility	Railroad							
2006	\$ 22,620,038	\$ 2,933,814	\$ 44,658	\$ 3,783,068	\$ 565,022	\$ 32,289	\$ 23,938	\$ 222,048	\$ 30,224,875	\$ 29,567,533	\$ 336,349	1.14%	35.184	
2007	23,355,973	3,313,508	48,915	4,253,498	633,287	33,147	24,034	222,519	31,884,881	31,316,413	358,963	1.15%	33.688	
2008	23,136,264	3,433,029	46,359	4,660,143	623,340	34,144	30,322	231,988	32,195,589	31,710,911	367,066	1.16%	35.397	
2009	21,403,847	3,259,121	42,983	4,589,486	578,626	35,078	33,559	255,786	30,198,486	29,871,966	348,048	1.17%	34.969	
2010	19,309,920	2,929,711	36,293	4,181,347	500,806	37,965	32,265	272,391	27,300,698	27,025,523	315,214	1.17%	38.609	
2011	18,611,726	2,818,962	33,447	3,937,270	471,829	38,190	31,557	271,044	26,214,025	24,028,138	282,472	1.18%	43.492	
2012	17,036,780	2,721,244	29,198	3,548,678	415,432	43,438	35,376	280,091	24,110,237	21,845,050	256,725	1.18%	43.948	
2013	16,819,959	2,789,991	24,743	3,449,548	412,432	43,948	40,346	271,093	23,852,060	21,583,951	253,041	1.17%	47.215	
2014	19,210,085	3,205,637	25,626	3,568,921	423,523	45,203	40,958	268,947	26,788,900	24,689,832	285,532	1.16%	46.165	
2015	19,830,926	3,393,127	27,622	3,705,613	427,149	49,318	44,540	283,815	27,762,110	25,685,050	297,330	1.16%	41.865	

Source: Anoka County Property Tax Division

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 6

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF TAX CAPACITY)
LAST TEN ASSESSMENT YEARS**

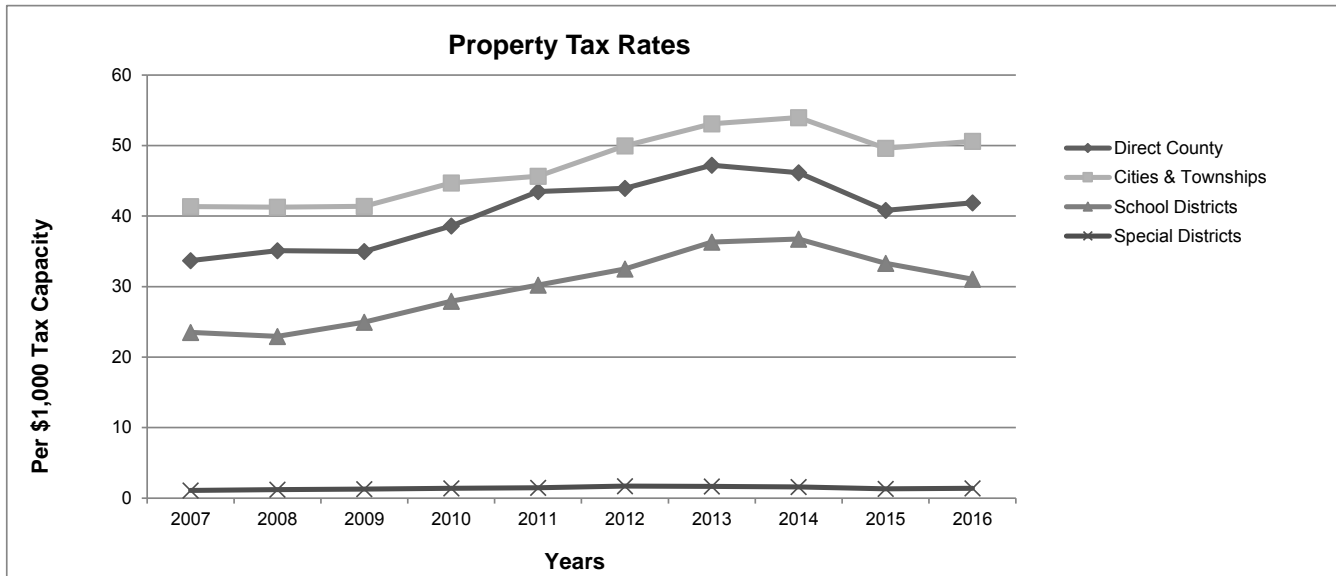
Tax Year	Anoka County						Average rates within each classification		
	General	Bonds	Regional Railroad Authority	Regional Railroad Authority Bonds	Housing and Redevelopment Authority	Total	Cities/Townships	School Districts	Special Districts
2007	27.096	3.998	1.297	0.000	1.297	33.688	41.358	23.511	1.101
2008	26.930	4.523	2.435	0.000	1.509	35.397	41.267	22.945	1.230
2009	27.409	5.036	0.562	0.586	1.376	34.969	41.381	24.950	1.299
2010	30.170	5.404	0.767	0.514	1.754	38.609	44.710	27.922	1.393
2011	33.890	6.486	0.748	0.584	1.784	43.492	45.670	30.218	1.493
2012	35.334	6.281	0.008	0.642	1.683	43.948	49.957	32.498	1.717
2013	38.098	6.663	0.085	0.692	1.677	47.215	53.109	36.321	1.676
2014	37.477	6.136	0.209	0.673	1.670	46.165	53.981	36.752	1.592
2015	33.490	4.953	0.354	0.587	1.438	40.822	49.626	33.312	1.437
2016	34.626	4.772	0.331	0.520	1.616	41.865	50.610	31.056	1.418

Tax Year 2016

Number of taxing districts	21	9	14
Minimum levy rate	28.749	24.902	0.501
Maximum levy rate	94.976	54.252	2.480

Note: Special Districts include City Housing and Redevelopment Authority, Hospitals, Watershed Districts, Mosquito Control, Regional Transit and Metropolitan Council

Source: Anoka County Property Tax Division



Unaudited

ANOKA COUNTY
ANOKA, MINNESOTA

Table 7

TEN LARGEST TAXPAYERS
CURRENT YEAR AND NINE YEARS PRIOR

2015 TAX CAPACITY VALUE - PAYABLE 2016

Taxpayer	Type of Business	Rank	Estimated Market Value	2015 Tax Capacity Value	Percentage of Total Tax Capacity Value
Medtronic, Inc.	Manufacturing	1	\$ 106,833,500	\$ 2,133,670	0.72%
Minnegasco, Inc.	Utility	2	89,273,400	1,782,907	0.60%
Connexus Energy	Utility	3	79,180,300	1,579,464	0.53%
Northern States Power Co.	Utility	4	75,099,000	1,500,245	0.50%
BRE DDR Riverdale Village Outer Ring, LLC	Retail	5	62,611,800	1,251,486	0.42%
Glimcher Realty Trust	Mall	6	47,219,600	943,642	0.32%
Target Corporation	Retail	7	45,562,600	907,402	0.31%
BRE DDR Riverdale Village Inner Ring, LLC	Retail	8	45,142,200	900,729	0.30%
Burlington Northern	Industrial	9	42,523,500	849,515	0.29%
Dayton-Hudson Corp.	Retail	10	40,745,400	813,408	0.27%
TOTALS			\$ 634,191,300	\$ 12,662,468	4.26%
Total Tax Capacity Value				\$ 297,329,628	

2006 TAX CAPACITY VALUE - PAYABLE 2007

Taxpayer	Type of Business	Rank	Estimated Market Value	2006 Tax Capacity Value	Percentage of Total Tax Capacity Value
Medtronic, Inc.	Manufacturing	1	\$ 112,037,100	\$ 2,236,990	0.67%
Connexus Energy	Utility	2	86,023,000	1,714,688	0.51%
Northern States Power Co.	Utility	3	60,254,100	1,203,408	0.36%
Target Corporation	Retail	4	57,180,300	1,139,856	0.34%
Minnegasco, Inc.	Utility	5	53,265,500	1,061,788	0.32%
Glimcher Realty Trust	Mall	6	52,463,000	1,048,510	0.31%
DDR MDT Riverdale Vill Outer Ring LLC	Retail	7	43,577,200	870,794	0.26%
Dayton Hudson Corp.	Retail	8	36,987,700	738,254	0.22%
Wal Mart Stores, Inc.	Retail	9	33,278,100	664,062	0.20%
CRRV Central LLC	Retail	10	32,480,500	647,225	0.19%
TOTALS			\$ 567,546,500	\$ 11,325,575	3.38%
Total Tax Capacity Value				\$ 336,349,347	

Source: Anoka County Property Tax Division

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 8

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

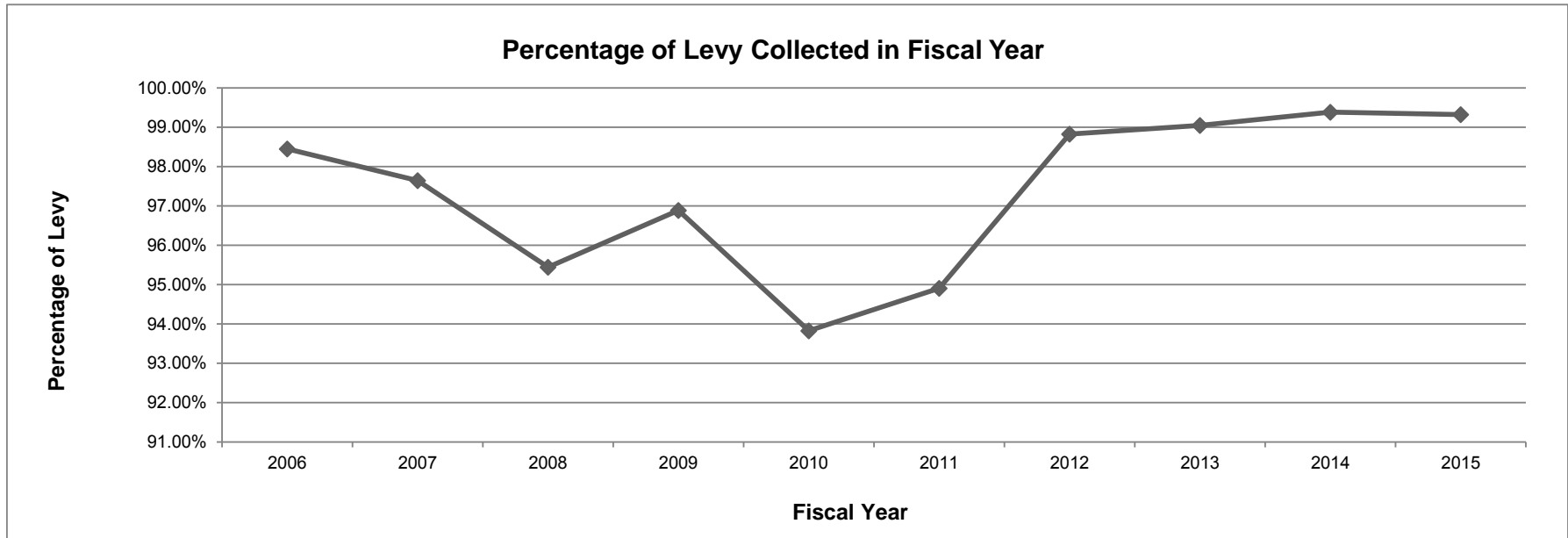
Fiscal Year	Tax Levied for the Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent (net of abatements)	
		Amount (1)	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2006	\$ 114,271,812	\$ 112,498,149	98.45%	\$ 1,508,727	\$ 114,006,876	99.77%	\$ 8,151	0.01%
2007	123,135,436	120,235,177	97.64%	2,066,744	122,301,921	99.32%	12,463	0.01%
2008	136,112,356	129,909,128	95.44% (2)	2,372,601	132,281,729	97.19%	25,859	0.02%
2009	139,702,338	135,349,593	96.88%	2,130,356	137,479,949	98.41%	44,856	0.03%
2010	145,151,888	136,193,948	93.83% (2)	1,655,361	137,849,309	94.97%	80,836	0.06%
2011	147,665,592	140,146,703	94.91% (2)	1,215,964	141,362,667	95.73%	116,478	0.08%
2012	137,162,350	135,556,093	98.83%	738,299	136,294,392	99.37%	171,366	0.12%
2013	134,407,455	133,122,700	99.04%	853,501	133,976,201	99.68%	263,739	0.20%
2014	138,332,621	137,481,497	99.38%	666,387	138,147,884	99.87%	356,552	0.26%
2015	140,502,780	139,553,245	99.32%	-	139,553,245	99.32%	954,122	0.68%

Notes:

(1) Includes state paid credits.

(2) Tax Aids and Credits from the State of Minnesota were reduced significantly in an attempt to balance the State budget.

Source: Anoka County Property Tax Division
Anoka County Finance and Central Services Division



Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 9

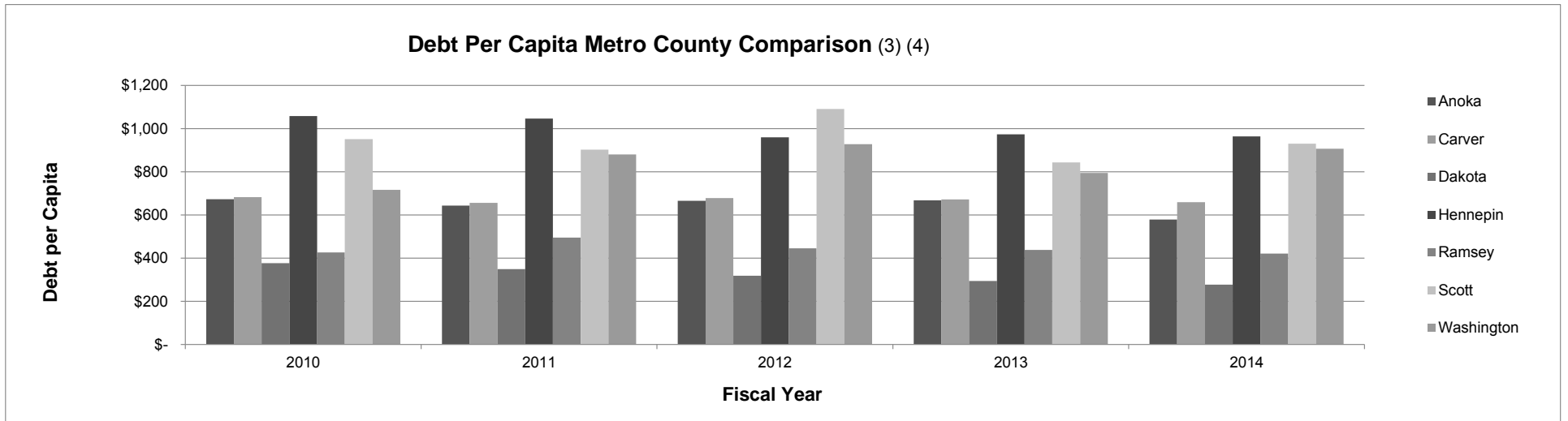
**RATIOS OF OUTSTANDING DEBT TO PERSONAL INCOME
AND DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities							Total Primary Government	Personal Income (1)	Ratio of Debt To Personal Income	Population (2)	Debt Per Capita
	Lease Revenue Obligations	General Obligation Bonds and Notes	General Obligation Bonds Supported by Revenue	Limited Tax Bonds	Capital Leases	Revolving Loans	Economic Development Loan					
2006	\$ 13,615,111	\$ 84,083,726	\$ 26,945,581	\$ -	\$ 810,374	\$ -	\$ 96,162	\$ 125,550,954	\$ 11,785,125,000	1.07%	328,614	\$ 382
2007	15,135,528	114,055,133	24,762,716	32,510,000	849,862	-	-	187,313,239	12,434,681,000	1.51%	331,246	565
2008	13,936,519	128,943,701	24,026,464	31,795,000	806,442	-	-	199,508,126	12,763,948,000	1.56%	332,751	600
2009	12,813,161	172,293,731	23,530,025	30,990,000	756,416	-	-	240,383,333	12,440,174,000	1.93%	335,308	717
2010	11,605,296	161,335,487	22,615,613	30,155,000	703,449	-	-	226,414,845	12,704,109,000	1.78%	330,844	684
2011	10,907,721	147,121,217	30,530,527	29,285,000	75,882	-	-	217,920,347	13,499,611,000	1.61%	334,045	652
2012	10,180,223	149,630,836	40,342,575	28,380,000	52,967	-	-	228,586,601	14,082,943,000	1.62%	336,748	679
2013	9,427,600	157,475,392	39,214,624	27,440,000	29,091	-	-	233,586,707	14,340,458,000	1.63%	339,765	687
2014	8,759,600	144,173,823	23,926,674	26,460,000	4,213	167,181	-	203,491,491	14,840,833,000	1.37%	341,864	595
2015	3,560,977	119,811,329	22,318,722	53,226,507	86,268	649,789	-	199,653,592	*	*	339,534	588

Notes:

- (1) Source: U.S. Bureau of Economic Analysis
- (2) Source: U.S. Census Bureau
- (3) Source: Minnesota State Auditor (2014 is the most recent information available)
- (4) Graph shows the most recent five years available

* not available or estimated



Unaudited

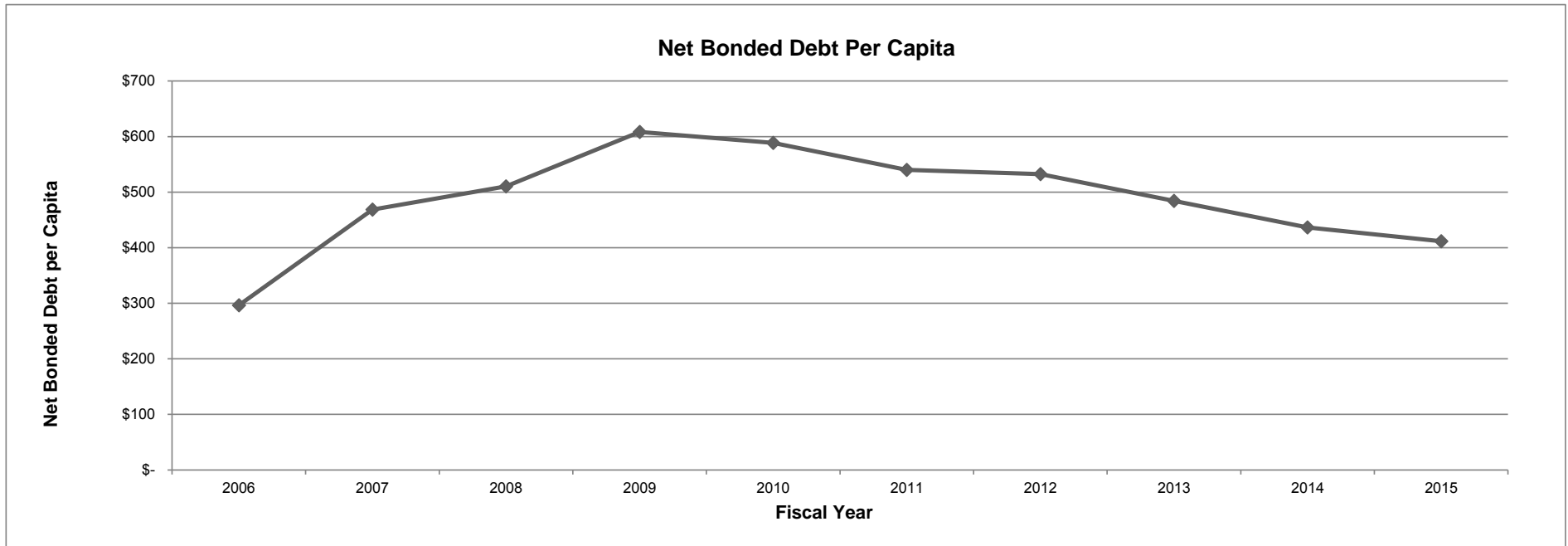
**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 10

**RATIOS OF NET BONDED DEBT TO ESTIMATED MARKET VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Governmental Activities										
Fiscal Year	General Obligation Bonds and Notes	General Obligation Bonds Supported by Revenue	Limited Tax Bonds	Total Bonded Debt	Amounts Available in Funds	Net Bonded Debt	Estimated Market Value (1)	Net Bonded Debt of Estimated Market Value	Population (2)	Net Bonded Debt Per Capita
2006	\$ 84,083,726	\$ 26,945,581	\$ -	\$ 111,029,307	\$ 13,626,640	\$ 97,402,667	\$ 30,224,874,700	0.32%	328,614	\$ 296
2007	114,055,133	24,762,716	32,510,000	171,327,849	16,136,192	155,191,657	31,884,880,900	0.49%	331,246	469
2008	128,943,701	24,026,464	31,795,000	184,765,165	14,964,804	169,800,361	32,195,588,700	0.53%	332,751	510
2009	172,293,731	23,530,025	30,990,000	226,813,756	22,860,813	203,952,943	30,198,485,700	0.68%	335,308	608
2010	161,335,487	22,615,613	30,155,000	214,106,100	19,402,447	194,703,653	27,300,698,200	0.71%	330,844	589
2011	147,121,217	30,530,527	29,285,000	206,936,744	26,554,006	180,382,738	26,214,024,800	0.69%	334,045	540
2012	149,630,836	40,342,575	28,380,000	218,353,411	39,123,413	179,229,998	24,110,238,400	0.74%	336,748	532
2013	157,475,392	39,214,624	27,440,000	224,130,016	59,646,182	164,483,834	23,852,062,600	0.69%	339,765	484
2014	144,173,823	23,926,674	26,460,000	194,560,497	45,287,188	149,273,309	26,788,899,100	0.56%	341,864	437
2015	119,811,329	22,318,722	53,226,507	195,356,558	55,639,172	139,717,386	27,762,109,400	0.50%	339,534	411

Notes:
 (1) Source: Anoka County Property Tax Division
 (2) Source: U.S. Census Bureau



Unaudited

ANOKA COUNTY
ANOKA, MINNESOTA

Table 11

COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING
LONG-TERM DEBT
DECEMBER 31, 2015

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percent Applicable to County (1)</u>	<u>County's Share of Debt</u>
Direct:			
Anoka County	\$ 199,653,593	100.0%	\$ 199,653,593
Overlapping:			
Metropolitan Council	1,419,891,649	9.1%	129,295,846
Underlying:			
City of Andover	25,050,000	100.0%	25,050,000
City of Anoka	10,685,000	100.0%	10,685,000
City of Bethel	740,000	100.0%	740,000
City of Blaine	34,770,000	99.3%	34,521,946
City of Centerville	7,615,000	100.0%	7,615,000
City of Circle Pines	15,405,000	100.0%	15,405,000
City of Columbia Heights	22,335,000	100.0%	22,335,000
City of Columbus	16,379,000	100.0%	16,379,000
City of Coon Rapids	53,974,751	100.0%	53,974,751
City of East Bethel	20,863,589	100.0%	20,863,589
City of Fridley	9,600,000	100.0%	9,600,000
City of Ham Lake	3,790,000	100.0%	3,790,000
City of Lexington	1,895,000	100.0%	1,895,000
City of Lino Lakes	24,611,250	100.0%	24,611,250
City of Nowthen	906,171	100.0%	906,171
City of Oak Grove	1,810,000	100.0%	1,810,000
City of Ramsey	28,370,000	100.0%	28,370,000
City of St. Francis	39,323,000	97.3%	38,280,402
City of Spring Lake Park	5,518,000	99.9%	5,512,329
School District #11	58,620,000	79.5%	46,584,426
School District #12	96,173,685	100.0%	96,173,685
School District #13	15,705,000	100.0%	15,705,000
School District #14	35,155,000	100.0%	35,155,000
School District #15	35,300,000	93.0%	32,824,381
School District #16	168,780,000	100.0%	168,780,000
School District #624	93,420,000	3.3%	3,097,231
School District #728	287,380,000	6.2%	17,866,430
School District #831	30,325,000	31.6%	9,567,880
Total Underlying	1,144,499,446		748,098,472
Grand Total	\$ 2,764,044,688		\$ 1,077,047,911

Notes:

(1) Determined by the portion of the long-term debt which is secured by taxable real estate located within Anoka County.

Source: Anoka County Property Tax Division

Unaudited

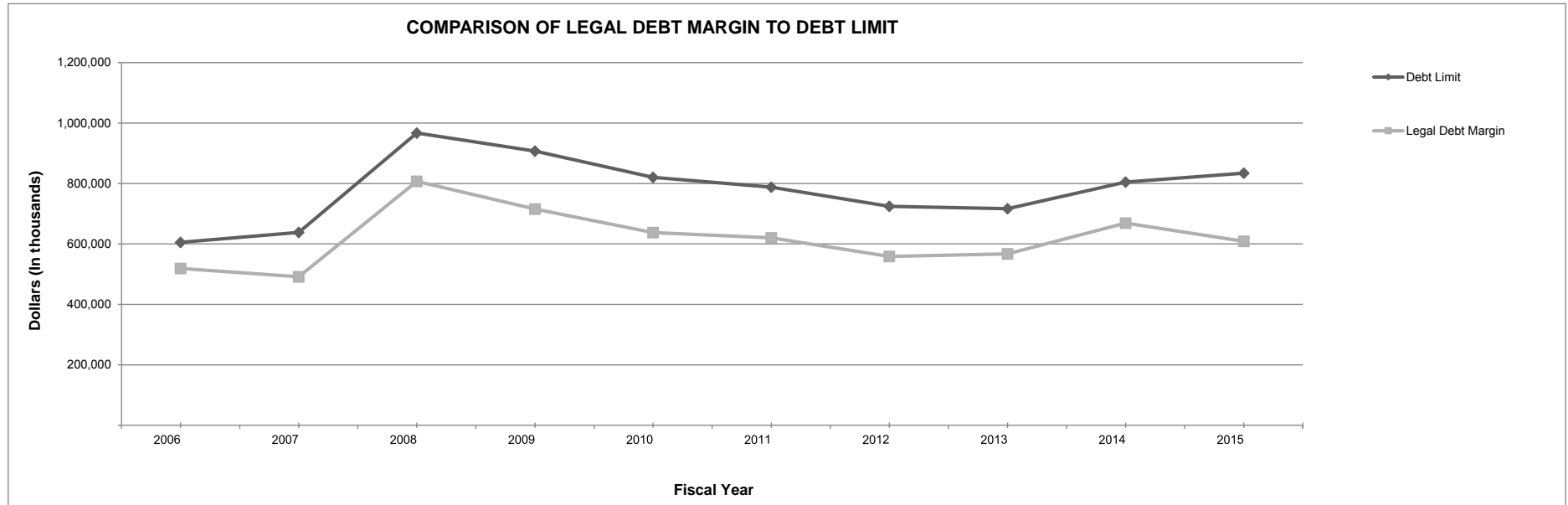
**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 12

**LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Estimated market value (EMV) (1)	\$ 30,224,874,700	\$ 31,884,880,900	\$ 32,195,588,700	\$ 30,198,485,700	\$ 27,300,698,200	\$ 26,214,025,000	\$ 24,110,238,400	\$ 23,852,062,600	\$ 26,788,899,100	\$ 27,762,109,400
Add: Estimated market value of certain property exempt from taxation at its 1966 valuation, Extra session laws 1967, Chapter 32, Article 15	39,626,178	39,626,178	39,626,178	39,626,178	39,626,178	39,626,178	39,626,178	39,626,178	39,626,178	39,626,178
Net estimated market value (EMV)	<u>30,264,500,878</u>	<u>31,924,507,078</u>	<u>32,235,214,878</u>	<u>30,238,111,878</u>	<u>27,340,324,378</u>	<u>26,253,651,178</u>	<u>24,149,864,578</u>	<u>23,891,688,778</u>	<u>26,828,525,278</u>	<u>27,801,735,578</u>
Debt limit as a percentage of EMV (2)										
Amount of debt applicable to debt limit	605,290,018	638,490,142	967,056,446	907,143,356	820,209,731	787,609,535	724,495,937	716,750,663	804,855,758	834,052,067
Total bonded debt (3)	97,835,000	161,695,000	173,546,359	213,076,649	200,262,432	184,333,505	183,899,654	188,695,657	174,231,281	170,551,284
Less: Amount available in funds (3)	(11,089,737)	(14,551,225)	(13,501,452)	(21,353,266)	(17,874,475)	(16,605,532)	(18,139,377)	(40,132,711)	(39,434,246)	(54,636,802)
Total debt applicable to debt limit	<u>86,745,263</u>	<u>147,143,775</u>	<u>160,044,907</u>	<u>191,723,383</u>	<u>182,387,957</u>	<u>167,727,973</u>	<u>165,760,277</u>	<u>148,562,946</u>	<u>134,797,035</u>	<u>115,914,482</u>
Legal Debt Margin	<u>\$ 518,544,755</u>	<u>\$ 491,346,367</u>	<u>\$ 807,011,539</u>	<u>\$ 715,419,973</u>	<u>\$ 637,821,774</u>	<u>\$ 619,881,562</u>	<u>\$ 558,735,661</u>	<u>\$ 568,187,717</u>	<u>\$ 670,058,723</u>	<u>\$ 718,137,585</u>
Legal debt margin as a percentage of debt limit:	85.67%	76.95%	83.45%	78.87%	77.76%	78.70%	77.12%	79.27%	83.25%	86.10%

- Notes:
 (1) Source: Anoka County Property Tax Division
 (2) Minnesota Stat. Sec. 475.53, subd. 1, Limit on Net Debt: Except as otherwise provided in sections 475.51 to 475.74, no municipality except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the estimated market value (EMV), beginning in 2008. Prior to 2008, the debt limit was two percent of the EMV.
 (3) Does not include bonds supported by revenue.



Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 13

**PLEGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

City of Ham Lake Gross Revenue Bonds							
Funding Source: Senior Housing Rental Income, Allocated Property Tax Revenue from City of Ham Lake and Interest Income from Escrow and Miscellaneous Accounts.							
Fiscal Year	Available Revenue	Operating Expenditures	Net Available Revenues	Principal	Interest	Total	Coverage *
2006	\$ 454,652	\$ 277,941	\$ 176,711	\$ 10,000	\$ 177,000	\$ 187,000	0.94
2007	448,579	175,711	272,868	30,000	176,175	206,175	1.32
2008	549,184	303,911	245,273	85,000	172,928	257,928	0.95
2009	451,681	194,260	257,421	40,000	87,007	127,007	2.03
2010	470,824	233,727	237,097	115,000	112,315	227,315	1.04
2011	479,434	203,579	275,855	120,000	107,615	227,615	1.21
2012	472,279	252,714	219,565	125,000	102,715	227,715	0.96
2013	487,255	261,271	225,984	130,000	97,615	227,615	0.99
2014	501,781	274,177	227,604	135,000	92,315	227,315	1.00
2015	507,994	337,787	170,207	140,000	84,015	224,015	0.76

City of Centerville Gross Revenue Bonds							
Funding Source: Senior Housing Rental Income, Allocated Property Tax Revenue from City of Centerville and Interest Income from Escrow and Miscellaneous Accounts.							
Fiscal Year	Available Revenue	Operating Expenditures	Net Available Revenues	Principal	Interest	Total	Coverage *
2006	\$ 473,726	\$ 207,366	\$ 266,360	\$ 25,000	\$ 210,531	\$ 235,531	1.13
2007	487,804	186,224	301,580	70,000	195,590	265,590	1.14
2008	777,617	564,345	213,272	70,000	194,120	264,120	0.81
2009	468,961	241,181	227,780	80,000	192,275	272,275	0.84
2010	462,576	278,429	184,147	85,000	189,960	274,960	0.67
2011	484,910	238,662	246,248	90,000	187,245	277,245	0.89
2012	474,969	245,531	229,438	95,000	184,024	279,024	0.82
2013	516,282	259,608	256,674	105,000	180,379	285,379	0.90
2014	526,690	328,599	198,091	140,000	197,370	359,121	0.55
2015	534,167	284,875	249,292	75,000	93,814	168,814	1.48

City of Ramsey Gross Revenue Bonds							
Funding Source: Senior Housing Rental Income, Allocated Property Tax Revenue from City of Ramsey and Interest Income from Escrow and Miscellaneous Accounts.							
Fiscal Year	Available Revenue	Operating Expenditures	Net Available Revenues	Principal	Interest	Total	Coverage *
2006	\$ 640,054	\$ 451,554	\$ 188,500	\$ -	\$ 148,332	\$ 148,332	1.27
2007	490,949	348,002	142,947	-	148,332	148,332	0.96
2008	501,911	412,467	89,444	-	148,332	148,332	0.60
2009	494,617	810,397	(315,780)	-	185,610	185,610	(1.70)
2010	515,900	275,423	240,477	105,000	105,458	210,458	1.14
2011	519,944	276,011	243,933	135,000	103,058	238,058	1.02
2012	524,622	274,228	250,394	135,000	100,358	235,358	1.06
2013	541,644	255,793	285,851	140,000	97,608	237,608	1.20
2014	552,271	279,451	272,820	140,000	93,408	233,408	1.17
2015	561,535	290,830	270,705	145,000	89,058	234,058	1.16

City of Oak Grove Gross Revenue Bonds							
Funding Source: Senior Housing Rental Income, Allocated Property Tax Revenue from City of Oak Grove and Interest Income from Escrow and Miscellaneous Accounts.							
Fiscal Year	Available Revenue	Operating Expenditures	Net Available Revenues	Principal	Interest	Total	Coverage *
2006	\$ 98,042	\$ 109,211	\$ (11,169)	\$ -	\$ 272,353	\$ 272,353	(0.04)
2007	410,872	238,704	172,168	90,000	271,498	361,498	0.48
2008	354,497	274,336	80,161	90,000	269,608	359,608	0.22
2009	357,493	283,996	73,497	100,000	267,273	367,273	0.20
2010	425,607	280,279	145,328	110,000	264,323	374,323	0.39
2011	455,686	307,906	147,780	115,000	260,833	375,833	0.39
2012	484,137	330,939	153,198	125,000	256,649	381,649	0.40
2013	550,374	301,534	248,840	135,000	251,909	386,909	0.64
2014	668,770	355,493	313,277	170,000	294,649	464,649	0.67
2015	709,751	394,034	315,717	180,000	167,843	347,843	0.91

* Coverage is the ratio of Net Available Revenues to Debt Service Total

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**ANOKA COUNTY
ANOKA, MINNESOTA**

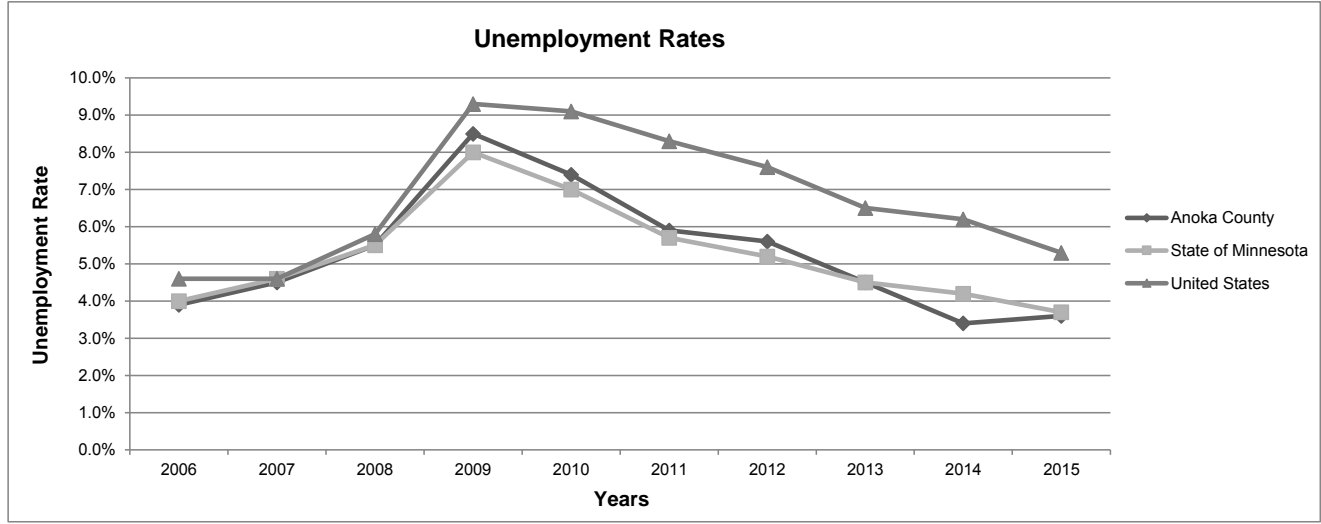
Table 14

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

Fiscal Year	Population					Anoka County						
	State of Minnesota (3) (7)	Mpls.-St. Paul Metropolitan Area (1)	Anoka County			Personal Income (2)	Percent of Change	Per Capita Income (9)	Percent of Change	Median Age (3)(6)	Education Level in years of Formal Schooling (4)	School Enrollment (K thru 12) (5)
			Population (3)	Percent of Change	Rank in Size of Minnesota Counties (7)							
2006	5,231,106	2,821,779	328,614	0.7%	4th	\$ 11,785,125,000	4.5%	\$ 35,863	3.8%	35.3	13.4	65,900
2007	5,263,493	2,849,003	331,246	0.8%	4th	12,434,681,000	5.5%	37,539	4.7%	35.8	13.5	63,113
2008	5,287,976	2,870,250	332,751	0.5%	4th	12,763,948,000	2.6%	38,359	2.2%	36.2	13.2	62,901
2009	5,300,942	2,881,812	335,308	0.8%	4th	12,440,174,000	-2.5%	37,101	-3.3%	37.2	13.4	63,985
2010	5,303,925	2,849,567	330,844	-1.3%	4th	12,704,109,000	2.1%	38,399	3.5%	36.8	13.5	62,372
2011	5,379,646	2,873,444	334,045	1.0%	4th	13,499,611,000	6.3%	40,413	5.2%	37.7	13.5	62,256
2012	5,420,380	2,909,001	336,748	0.8%	4th	14,082,943,000	4.3%	41,820	3.5%	37.6	13.6	62,064
2013	5,422,060	2,950,885	339,765	0.9%	4th	14,340,458,000	1.8%	42,207	0.9%	37.8	13.6	63,127
2014	5,457,173	2,979,343	341,864	0.6%	4th	14,840,833,000	3.5%	43,412	2.9%	38.2	13.6	63,581
2015	5,489,594	*	339,534	-0.7%	4th	*	*	*	*	*	*	*

Fiscal Year	Anoka County Employment (8)				Unemployment (8)				State of Minnesota		United States	
	Labor Force	Percent of Change	Employment	Percent of Change	Unemployment	Percent of Change	Unemployment Rate	Percent of Change	Unemployment Rate	Percent of Change	Unemployment Rate	Percent of Change
2006	193,461	0.1%	185,994	0.1%	7,467	-15.3%	3.9%	0.1%	4.0%	0.0%	4.6%	-0.5%
2007	193,818	0.2%	185,111	-0.5%	8,707	16.6%	4.5%	0.6%	4.6%	0.6%	4.6%	0.0%
2008	191,087	-1.4%	180,630	-2.4%	10,457	20.1%	5.5%	1.0%	5.5%	0.9%	5.8%	1.2%
2009	192,530	0.8%	176,075	-2.5%	16,455	57.4%	8.5%	3.0%	8.0%	2.5%	9.3%	3.5%
2010	188,381	-2.2%	174,533	-0.9%	13,848	-15.8%	7.4%	-1.1%	7.0%	-1.0%	9.1%	-0.2%
2011	190,741	1.3%	179,527	2.9%	11,214	-19.0%	5.9%	-1.5%	5.7%	-1.3%	8.3%	-0.8%
2012	187,806	-1.5%	177,616	-1.1%	10,190	-9.1%	5.6%	-0.3%	5.2%	-0.5%	7.6%	-0.7%
2013	188,200	0.2%	179,917	1.3%	8,283	-18.7%	4.5%	-1.1%	4.5%	-0.7%	6.5%	-1.1%
2014	189,696	0.8%	182,015	1.2%	7,681	-7.3%	3.4%	-1.1%	4.2%	-0.3%	6.2%	-0.3%
2015	191,432	0.9%	184,454	1.3%	6,978	-9.2%	3.6%	0.2%	3.7%	-0.5%	5.3%	-0.9%

- Notes:
- (1) Source: Metropolitan Council
(2014 population is an estimate based on past years' growth)
 - (2) Source: U. S. Bureau of Economic Analysis
 - (3) Source: U. S. Census Bureau
 - (4) Persons 25 years and over. Source: U. S. Census Bureau
 - (5) Public schools only
Source: Minnesota Department of Education
 - (6) The most recent data available is from the 2014 American Community Survey from the U. S. Census Bureau
 - (7) Source: Minnesota QuickFacts from the U. S. Census Bureau
 - (8) Annual averages
Source: Minnesota Department of Employment and Economic Development
 - (9) Calculation of Personal Income and Population
- * not available or estimated



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**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 15

**TEN LARGEST EMPLOYERS
CURRENT YEAR AND NINE YEARS PRIOR**

2015 Employers

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Rank</u>	<u>Approximate Employment</u>	<u>Percentage of Total Employment</u>
Medtronic Corporation	Electro-Medical Services	1	11,000 (1)	9.33%
Anoka-Hennepin Independent School District #11	Public Education	2	6,160 (2)	5.23%
Mercy Hospital and Unity Medical Center	Hospitals	3	2,200	1.87%
Cummins Power Generation	Generator and Diesel Manufacturer	5	2,000 (3)	1.70%
Northtown Mall	Shopping Mall	7	2,000 (2)	1.70%
Target Corporation (six stores & distribution center)	Retail	4	1,922 (2)	1.63%
Anoka County	County Government	6	1,672 (2)	1.42%
ATK Federal Premium Ammunition	Ammunition Manufacturing	8	1,400 (4)	1.19%
Pentair Technical Products	Electrical Products	9	1,225	1.04%
Walmart Corporation (three locations)	Retail	10	1,000 (2)	0.85%
Total Anoka County Employment			<u>117,876</u> (5)	

Source: Minnesota Department of Employment and Economic Development

2006 Employers

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Rank</u>	<u>Approximate Employment</u>	<u>Percentage of Total Employment</u>
Anoka-Hennepin Independent School District #11	Public Education	1	6,313 (2)	5.45%
Medtronic Corporation	Electro-Medical Services	2	3,800	3.28%
Mercy Hospital and Unity Medical Center	Hospitals	3	3,350	2.89%
Anoka County	County Government	4	1,787 (2)	1.54%
BAE Systems	Pumps/Naval Ordnance	5	1,470	1.27%
Onan Corporation	Generator and Diesel Manufacturer	6	1,500	1.30%
Hoffman Engineering Company	Electrical Products	7	1,000	0.86%
Federal Cartridge Corporation	Ammunition Manufacturer	8	962	0.83%
Burlington Northern Railroad	Transportation	9	742	0.64%
Minco Products Incorporated	Electronic Devices	10	735	0.63%
Total Anoka County Employment			<u>115,825</u> (6)	

Source: Telephone survey of individual employers by Bond Advisors, January 2015
and Anoka County Finance and Central Services Division

Notes:

- (1) Corporate-wide total is 49,000; 11,000 in Anoka County sites.
- (2) Includes full-time and part-time employees; excludes seasonal and temporary employees, and elected officials.
- (3) Former name was Onan Corporation.
- (4) Former name was Federal Cartridge Corporation.
- (5) Minnesota Department of Employment and Economic Development - NAICS, based on the average of the first two quarters of 2015.
- (6) Minnesota Department of Employment and Economic Development - NAICS.

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**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 16

**COMPARISON OF EMPLOYMENT BY INDUSTRY
2014 AND 2005**

2014

Industry	Wages	Average Number of Employees	Percent of All Employment
Natural Resources and Mining	\$ 10,139,566	372	0.32%
Construction	399,796,971	7,144	6.11%
Manufacturing	1,718,100,209	22,886	19.60%
Trade, Transportation and Utilities	1,026,763,161	25,385	21.74%
Information	26,452,179	721	0.62%
Financial Activities	198,302,151	3,721	3.19%
Professional and Business Services	408,668,824	9,639	8.25%
Education and Health Services	1,234,930,138	25,267	21.64%
Leisure and Hospitality	193,215,832	12,311	10.54%
Other Services	127,731,867	4,618	3.95%
Public Administration	232,862,179	4,723	4.04%
Total, all industries	\$ 5,576,963,077	116,787	100.0%

2005

Industry	Wages	Average Number of Employees	Percent of All Employment
Natural Resources and Mining	\$ 11,220,701	428	0.37%
Construction	455,367,363	9,887	8.64%
Manufacturing	1,412,453,632	23,544	20.57%
Trade, Transportation and Utilities	836,533,711	24,979	21.82%
Information	21,640,728	1,082	0.94%
Financial Activities	149,017,395	4,258	3.72%
Professional and Business Services	348,314,330	9,291	8.12%
Education and Health Services	841,284,837	21,797	19.04%
Leisure and Hospitality	133,416,389	10,950	9.57%
Other Services	86,651,086	3,855	3.37%
Public Administration	185,217,956	4,383	3.83%
Unclassified	80,098	14	0.01%
Total, all industries	\$ 4,481,198,226	114,468	100.0%

Note: 2014 is the most recent period that data is available for this table.

Source: Minnesota Department of Employment and Economic Development

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**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 17

**COUNTY FULL TIME EQUIVALENTS BY PROGRAM AREA (1)
LAST TEN FISCAL YEARS**

Budget Program Area/Programs	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
County General Services	89.95	94.70	95.95	95.45	97.45	96.35	97.95	93.50	95.50	97.50
Management Appropriations	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
County Administration	12.50	12.50	12.50	11.50	11.50	10.50	12.50	8.50	10.50	8.50
Misc. Appropriations & Allocations	-	-	-	-	-	-	1.00	-	-	-
Human Resources	13.35	13.85	13.85	13.35	13.35	12.85	12.45	12.00	13.00	14.00
Internal Auditor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cultural Coordination	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Univ. of Minnesota Ext. Service	2.60	2.60	2.60	2.60	2.60	2.00	2.00	2.00	2.00	2.00
Central Communications	41.00	41.00	42.00	42.00	42.00	42.00	41.00	42.00	42.00	45.00
Emergency Management	-	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Veterans Services	3.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00	6.00	6.00
Intergovernmental Relations	1.00	1.00	1.00	1.00	1.00	1.00	2.00	3.00	3.00	3.00
Community Development	4.00	5.00	5.00	6.00	7.00	6.00	6.00	5.00	4.00	4.00
Public Information	3.50	4.75	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Finance & Central Services	130.00	133.50	135.50	142.50	143.50	147.00	144.74	167.49	172.99	174.13
Information Technology	48.00	50.00	52.00	53.00	54.00	52.00	61.00	64.50	66.50	66.50
Leasehold Buildings	4.00	4.00	4.00	4.00	4.00	3.00	3.00	2.00	2.00	2.00
Facility Mgmt. and Construction	39.50	41.00	37.00	41.00	41.00	42.00	44.00	44.00	45.00	45.00
Central Services (5)	-	-	-	-	-	-	-	15.24	16.74	-
Central Accounting (5)	-	-	-	-	-	-	-	15.00	14.00	60.63
Human Service Accounting (5)	-	-	-	-	-	-	-	12.75	19.75	-
County Budget (5)	-	-	-	-	-	-	-	2.00	3.00	-
Financial Mgmt. & Central Services (5)	26.50	26.50	30.50	32.50	32.50	38.00	26.74	-	-	-
Treasury & Collections (5)	-	-	-	-	-	-	-	12.00	6.00	-
Accounting & Budget (5)	12.00	12.00	12.00	12.00	12.00	12.00	10.00	-	-	-
Property Records & Taxation (5)	86.45	86.45	87.45	83.95	83.95	82.95	85.95	82.50	82.50	78.50
Statutory Judicial & Public Safety	318.25	337.25	348.00	347.35	350.35	350.10	342.80	349.75	355.75	357.70
County Attorney	91.15	92.15	94.90	94.25	94.25	96.00	92.70	93.65	94.65	96.60
Sheriff	227.10	245.10	253.10	253.10	256.10	254.10	250.10	256.10	261.10	261.10
Public Services	215.15	213.90	220.10	214.60	214.60	213.60	207.30	205.65	208.40	211.95
Public Services Administration (5)	6.00	5.00	7.00	6.00	6.00	6.00	6.00	-	-	-
Highway	106.00	106.00	108.00	108.00	108.00	107.00	107.00	108.00	108.00	107.00
Parks & Recreation	36.65	36.15	36.15	33.85	33.85	33.85	34.85	34.95	34.95	36.25
Surveyor	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Geographic Information System	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Transit & Volunteer Transportation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Chomonix Golf Course	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	1.00	4.00
Bunker Beach Aquatic Center	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
License Bureau (5)	37.50	37.75	39.20	38.00	38.00	38.00	30.70	31.95	35.70	35.95
Recycling and Resource Solutions	6.00	6.00	6.75	6.75	6.75	6.75	6.75	7.75	9.75	9.75
Human Services	782.58	820.75	835.25	820.05	830.55	810.50	812.30	771.00	795.50	821.00
Economic Assistance	203.50	202.50	206.50	207.50	211.00	210.00	210.00	209.50	207.50	208.50
Social Service	145.75	162.75	160.75	166.00	163.00	157.75	157.55	156.45	257.20	276.70
Mental Health Services	38.23	43.50	44.50	46.50	49.50	48.50	49.50	49.50	-	-
Comm. Health & Environmental Ser.	100.10	103.60	107.10	109.10	112.10	108.80	108.80	111.55	78.80	79.80
Other Misc Human Services Prog.	-	-	-	-	4.00	4.00	4.00	4.00	10.00	10.00
Community Corrections	219.25	221.75	221.25	202.00	204.00	198.00	199.00	179.00	177.00	180.00
Job Training Center	51.00	49.00	57.50	55.00	55.00	53.00	53.00	46.00	50.00	50.00
Medical Examiner	-	9.40	9.40	10.70	10.70	10.70	10.70	10.00	10.00	11.00
HSD Administration (5)	24.75	28.25	28.25	23.25	21.25	19.75	19.75	5.00	5.00	5.00
Government Services	3.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
Government Services Administration (5)	3.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
Library Services	88.20	88.20	86.80	87.90	88.10	78.20	79.20	78.70	77.70	77.70
County Library	86.20	86.20	84.80	85.90	86.10	76.20	77.20	76.70	75.70	75.70
Law Library	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Regional Rail Authority	-	-	-	-	-	-	-	1.00	1.00	1.00
Northstar Corridor Development Authority	-	-	-	-	-	-	-	1.00	1.00	1.00
County Totals	1,713.58	1,776.75	1,811.05	1,793.80	1,810.50	1,780.70	1,770.24	1,749.59	1,789.34	1,819.48
Non-Complement (2)	39.65	24.85	19.60	19.60	20.60	13.25	15.25	38.50	37.50	35.50
Unfunded (3)	94.95	76.95	65.45	47.30	47.30	56.85	10.95	16.50	13.00	18.50
Percent Change of County Totals	-0.6%	3.7%	1.9%	-1.0%	0.9%	-1.6%	-0.6%	-1.2%	2.3%	1.7%
Population (4)	328,614	331,246	332,751	335,308	330,844	334,045	337,394	340,482	341,864	339,534
Number of FTE's per 1,000 population	5.2	5.4	5.4	5.3	5.5	5.3	5.2	5.1	5.2	5.4

Notes:

- (1) Source: Anoka County Human Resources Department and Finance & Central Services Division
- (2) Non-Complement positions are limited term and/or contingent positions that are employees of Anoka County who, in most cases, are performing duties for another governmental or non-governmental entity, and these duties would not be considered duties that are a direct responsibility of Anoka County. These employees have all the responsibilities, benefits, and rights of any other limited term or contingent employee.
- (3) Due to State and Federal funding reductions Anoka County has 18.5 unfunded positions for 2015.
- (4) Source: U.S. Census Bureau and Metropolitan Council (2015 population is based on past years' growth).
- (5) County reorganization in 2013 resulted in reassignment of programs to various program areas.

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**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 19

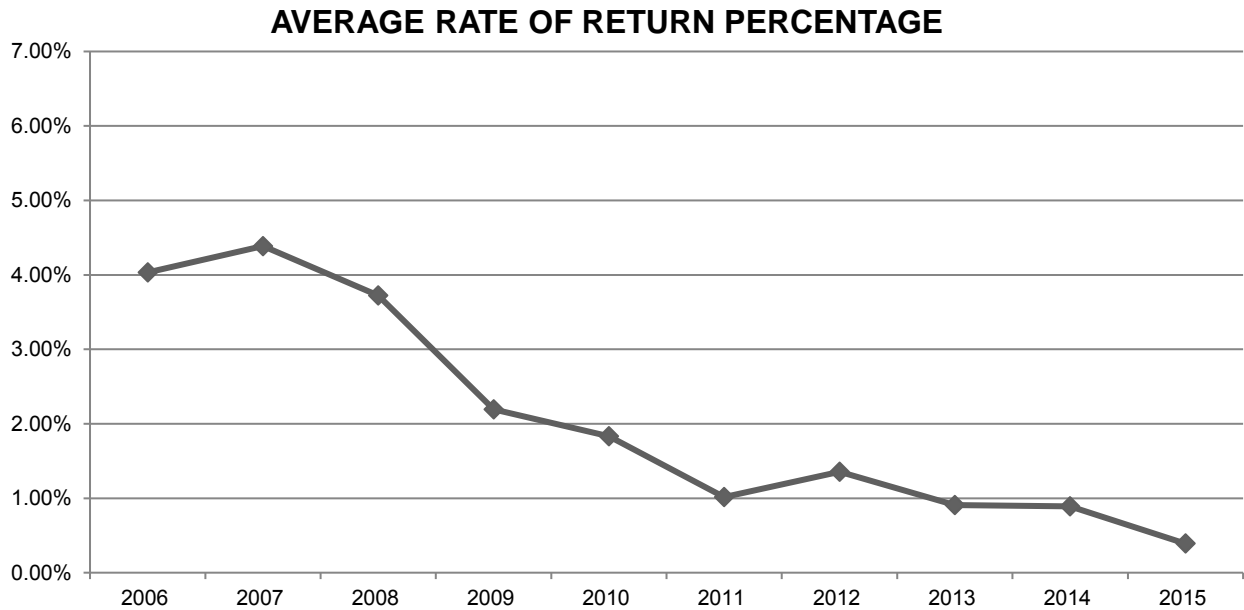
**RETURN ON INVESTMENTS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Investment Earnings (1) & (3)</u>	<u>Average Rate of Return (2)</u>
2006	\$ 5,036,273	4.03%
2007	6,355,722	4.39%
2008	6,005,153	3.72%
2009	3,709,245	2.19%
2010	3,597,811	1.83%
2011	2,263,760	1.01%
2012	3,312,528	1.35%
2013	2,176,079	0.91%
2014	2,303,704	0.89%
2015	1,041,288	0.39%

Notes:

- (1) Earnings are from investments managed by Anoka County's Finance and Central Services Division Manager and external Fiscal Agent Managers.
- (2) Average rate of return calculated on monthly cash balances.
- (3) Investment Earnings and resulting Average Rate of Return have been adjusted to eliminate changes in the fair value of investments that are required by Governmental Accounting Standards Board (GASB) Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools".

Source: Anoka County Finance and Central Services Division



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**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 20

**CAPITAL ASSETS AND INFRASTRUCTURE STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
General government										
Courthouse	1	1	1	1	1	1	1	1	1	1
Government Center	1	1	1	1	1	1	1	1	1	1
Human Service Center	1	1	1	1	1	1	1	1	1	1
License Bureau Center	1	1	1	1	1	1	1	1	1	1
Head start facility	1	1	1	1	1	1	0	0	0	0
Miscellaneous structures	3	3	3	3	3	3	3	3	3	6
Regional Treatment Center buildings	18	18	17	16	16	16	17	17	17	17
Parking ramp	1	1	1	1	1	1	1	1	1	1
Ground and maintenance equipment	9	9	10	12	13	13	12	12	13	13
Licensed vehicles/trailers	27	26	28	28	29	31	33	33	33	34
Public safety										
Adult correctional institutions	2	2	2	2	2	2	2	2	2	2
Juvenile correctional institutions	5	5	5	5	5	5	5	5	5	5
Radio repair facility, towers, and shelters	18	20	20	20	20	19	20	20	20	20
Medical Examiner building	0	0	0	1	1	1	1	1	1	1
Sheriffs Public Safety Campus	0	0	0	0	1	1	1	1	1	1
Sheriff's patrol buildings	2	2	2	2	2	2	1	1	1	1
Sheriff's rifle range buildings	6	6	6	6	4	4	3	1	1	1
Boats, motors, snowmobiles, atv	13	13	16	16	17	17	18	19	19	19
Licensed vehicles/trailers	24	25	24	24	23	28	26	29	31	29
Patrol units	88	90	93	94	95	92	96	94	95	101
Highways and streets										
Highway buildings	9	8	8	8	8	8	8	8	8	7
Contractors equipment	26	20	20	20	25	25	29	27	32	34
Licensed vehicles/trailers	74	76	80	83	83	92	94	98	93	95
Two lane (road miles)	324.92	322.96	322.21	320.64	311.81	306.37	304.81	301.23	301.23	289.65
Four plus lane (road miles)	95.43	99.61	100.36	101.93	107.09	111.53	111.54	114.44	117.11	125.02
Bridges	70	70	70	70	70	70	70	70	70	70
Human services										
Head start facility	0	0	0	0	0	0	1	1	1	1
Sanitation										
Educational trailers	2	2	2	2	2	2	2	2	2	2
Licensed vehicles/trailers	0	0	0	0	0	0	0	0	0	1
Household hazardous waste facility	1	1	1	1	1	1	1	1	1	1
Culture and recreation										
Regional parks	7	7	7	7	7	7	7	8	8	8
County parks	6	6	6	6	6	6	6	6	6	6
Regional park reserves	2	2	2	2	3	3	3	4	4	4
Regional trails	7	7	7	7	7	7	7	7	7	7
Activity center/contact stations	10	10	10	10	10	10	10	10	10	10
Anderson House	2	2	2	2	2	0	0	0	0	0
Archery range	2	2	2	2	2	2	2	2	2	2
Banfil-Locke Center for the Arts	1	1	1	1	1	1	1	1	1	1
Camp Salie	1	3	3	3	3	3	3	3	3	3
Camper cabin sites	0	0	0	0	0	4	4	4	4	4
Fairground buildings	8	8	8	8	8	8	8	8	8	8
Miscellaneous park buildings	15	16	16	21	20	21	21	21	21	21
Park shelters and restrooms	53	55	55	57	55	57	57	57	57	57
Reidel Farm Estate	1	1	1	1	1	1	1	1	1	1
Riding stable buildings	5	5	5	5	5	5	5	5	5	5
Wargo Nature Center	1	1	1	1	1	1	1	1	1	1
Chomonix Golf Course (18 hole)	1	1	1	1	1	1	1	1	1	1
Ground and maintenance equipment	74	91	89	80	87	86	84	86	89	92
Licensed vehicles/trailers	56	51	49	47	47	47	47	46	47	46
Libraries										
Regional	2	2	2	2	2	2	2	2	2	2
Branch	5	5	5	5	5	5	5	5	5	5
Economic development										
Senior housing developments	3	4	4	4	4	4	4	4	4	4
Business-type activities:										
Bunker Beach Aquatic Center	1	1	1	1	1	1	1	1	1	1

Source: Anoka County Capital Asset Master File

Unaudited

ANOKA COUNTY
ANOKA, MINNESOTA

Table 21

SUMMARY OF INSURANCE IN FORCE
YEAR ENDED DECEMBER 31, 2015

Insurance Coverage	Company	Amounts/Limit
Property Building, Contents, Boiler Machinery	Chubb Insurance Company	\$381,000,000
Crime & Faithful Performance Bond Computer Fraud, Money and Securities Forgery Faithful Performance Bond	American International Group	\$750,000
General Liability Public Officials Liability Professional Liability Law Enforcement Liability Bunker Beach Aquatic Center Liability	Anoka County Liability Indemnification Plan	\$500,000 per person/\$1,500,000 per occurrence
Professional Liability Environmental Services	Anoka County Liability Indemnification Plan	\$500,000 per person/\$1,500,000 per occurrence
General Liability General Liability - Joint Law Enforcement Gun Range Crime - Joint Law Enforcement Gun Range Petrofund - Joint Law Enforcement Gun Range	LMCIT LMCIT LMCIT	\$1,500,000 per occurrence \$250,000 \$250,000
General Liability Gun Range	Cincinnati	\$1,000,000 per occurrence/\$2,000,000 aggregate
Excess Liability Gun Range	Cincinnati	\$1,000,000 per occurrence/\$2,000,000 aggregate
General Liability PGA Special Event Golf Tournament	Philadelphia	\$1,000,000 per occurrence/\$3,000,000 aggregate
General Liability Neighborhood Stabilization Program Liability Neighborhood Stabilization Program Crime	LMCIT LMCIT	\$1,500,000 per occurrence \$250,000 per occurrence
Property Neighborhood Stabilization Program	LMCIT	\$996,500
Automobile Liability and Physical Damage	Traveler's	\$1,500,000 CSL/\$350,000 UM/\$350,000 UIM
Professional Liability Medical Examiner	Midwest Medical Insurance	\$3,000,000 each claim/\$5,000,000 aggregate
Workers' Compensation Anoka County Employees	Anoka County Workers' Comp. Self Insured Plan	Statutory
Liquor Liability Chomonix Golf Course	Founder's	\$1,000,000 per occurrence/\$2,000,000 aggregate
General Liability and Professional East Central Regional Juvenile Center	General Star	\$2,000,000 per occurrence/aggregate
General Liability Child in Need of Protection Services (CHIPS)	Auto Owners	\$1,000,000 per occurrence \$2,000,000 aggregate
<u>Anoka County Affiliated Entities:</u>		
Anoka Conservation District Property	LMCIT	\$644,938
Crime	LMCIT	\$250,000 per occurrence
Liability	LMCIT	\$1,500,000 per occurrence
Auto	LMCIT	\$1,200,000 CSL
Equipment	LMCIT	\$79,460
Workers' Compensation	State Fund Mutual	Statutory
HRA - The Willows of Ham Lake General Liability	LMCIT	\$1,500,000 per occurrence
Crime	LMCIT	\$250,000 per occurrence
Property & Contents	LMCIT	\$6,984,257
Sewer Backup	LMCIT	Included

(Continued)

ANOKA COUNTY
ANOKA, MINNESOTA

SUMMARY OF INSURANCE IN FORCE
YEAR ENDED DECEMBER 31, 2015

Table 21
(Continued)

Insurance Coverage	Company	Amounts/Limit
HRA - Chauncey-Barrett Gardens - Bldg. I of Centerville		
General Liability	LMCIT	\$1,500,000 per occurrence
Crime	LMCIT	\$250,000 per occurrence
Property & Contents	LMCIT	\$2,662,680
Sewer Backup	LMCIT	Included
HRA - Chauncey-Barrett Gardens - Bldg. II of Centerville		
General Liability	LMCIT	\$1,500,000 per occurrence
Crime	LMCIT	\$250,000 per occurrence
Property & Contents	LMCIT	\$5,493,631
Sewer Backup	LMCIT	Included
HRA - Savannah Oaks of Ramsey		
General Liability	LMCIT	\$1,500,000 per occurrence
Crime	LMCIT	\$250,000 per occurrence
Property & Contents	LMCIT	\$8,318,777
Sewer Backup	LMCIT	Included
HRA - Oaks of Lake George		
General Liability	LMCIT	\$1,500,000 per occurrence
Crime	LMCIT	\$250,000 per occurrence
Property & Contents	LMCIT	\$9,081,538
Sewer Backup	LMCIT	Included
Minnesota Youth Program		
Workers' Compensation	Berkley	Statutory
Job Training Center - Students		
Accident Medical	One Beacon America	\$25,000 per person
Job Training Center - SCSEP Program		
Workers' Compensation	RTW, Inc	Statutory
Minnesota Family Investment Program		
Workers' Compensation	State Fund Mutual	Statutory
Anoka-Hennepin Narcotics and Violent Crimes Task Force		
Liability	LMCIT	\$1,500,000 per occurrence/\$2,000,000 aggregate
Excess Liability	LMCIT	\$1,000,000 per occurrence/aggregate
Auto (Hired, non-owned)	LMCIT	\$1,500,000 CSL
Crime	LMCIT	\$250,000 per occurrence
Property	LMCIT	\$242,899
Mobile Property	LMCIT	\$162,532
Northwestern Anoka Co. Community Consortium		
Liability	LMCIT	\$1,500,000 per occurrence
Property	LMCIT	\$159,837
Mobile Property	LMCIT	\$7,288
Crime	LMCIT	\$250,000
Auto (Hired, non-owned)	LMCIT	\$1,500,000 CSL

Source: Anoka County Finance and Central Services Division

Unaudited