

# ANOKA COUNTY SUMMARY FINANCIAL STATEMENT

## FOR THE YEAR ENDED DECEMBER 31, 2015

### OFFICIAL PUBLICATION

To the Honorable Board of County Commissioners:

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

Respectfully submitted,



Cory Kampf  
Division Manager  
Finance and Central Services Division

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

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



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

## COUNTY OFFICIALS

Matt Look, (Vice Chair 2015)  
Commissioner, District 1  
(763) 323-5700

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

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

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

Tony Palumbo  
Attorney  
(763) 323-5550

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

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

Rhonda Sivarajah, (Chair 2015)  
Commissioner, District 6  
(763) 323-5700

Jerry Soma  
County Administrator  
(763) 323-5700

James Stuart  
County Sheriff  
(763) 323-5020

# A PROFILE OF ANOKA COUNTY

## County Statistical Information

Key Indicator	Total 2015	Total 2014	Percent Increase/Decrease
Population *	339,534	341,864	(.68%)
Total Estimated Market Value of all Taxable Property (in thousand's)	\$27,762,110	\$26,788,900	3.63%
Percent of Property Taxes Collected	99.32%	99.38%	(.06%)
Total Revenues (All Governmental Funds)	\$319,688,912	\$291,703,490	9.59%
Total Current County Expenditures (All Governmental Funds)	\$347,008,464	\$299,823,035	15.74%
Total Debt Applicable to Legal Debt Limit	\$115,914,482	\$134,797,035	(14.01%)
Bond Rating on Most Recent General Obligation Bond Issue	AA+ Aa1	AA+ Aa1	Standard & Poor's** Moody's
Total Number of Full Time Employees	1819.5	1789.3	1.69%

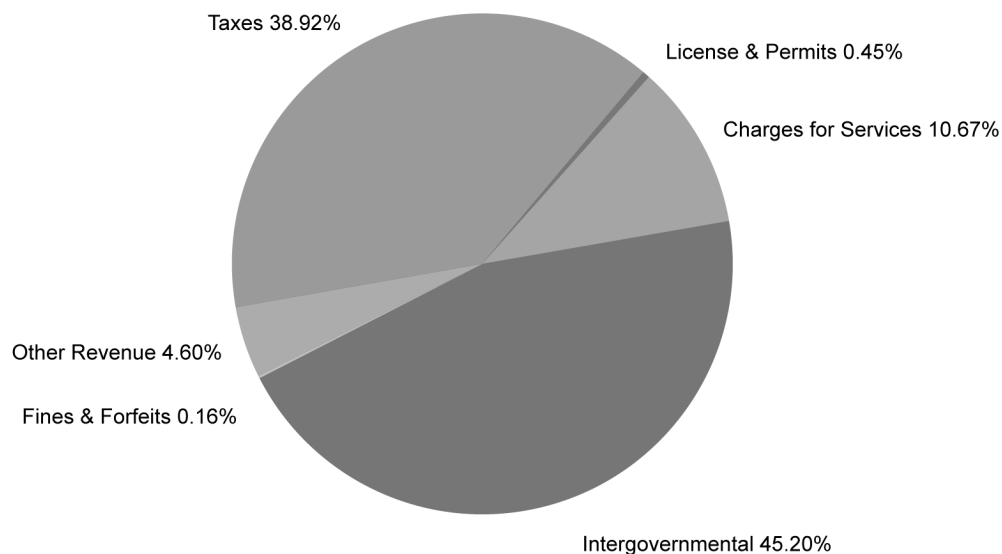
\* The population amount for 2015 is an estimate, whereas 2013 population is

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

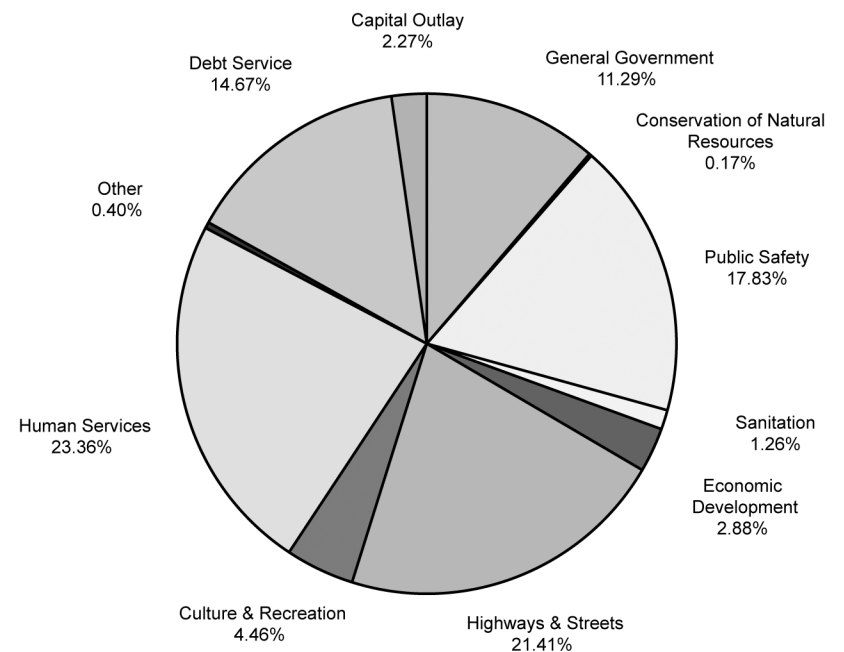
The demand for county services continues to rise. Yet, the Anoka County Board of Commissioners is committed to keeping county taxes reasonable and affordable. For example, Anoka County leads the way in the State of Minnesota in protecting the property taxpayer. Anoka County's taxes on a per capita basis were among the lowest in the metropolitan area in 2015. Additionally, Anoka County's tax levy, on a per capita basis, is among the lowest of all 87 counties in the entire state.

# Anoka County 2015 Finances

## Governmental Funds WHERE THE FUNDS COME FROM...



## Governmental Funds WHERE THE FUNDS GO...



## A USER'S GUIDE TO COUNTY FINANCIAL STATEMENTS

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

## COUNTY GOVERNMENTAL FUND TYPES

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

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

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

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

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

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

## COUNTY PROPRIETARY FUND TYPES

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

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

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

— Continued on next page.

## ANOKA COUNTY'S STATEMENT OF NET POSITION DECEMBER 31, 2015

EXHIBIT 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
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
<b>Total Assets</b>	<b>1,036,033,661</b>	<b>6,737,448</b>	<b>1,042,771,109</b>
<b>Deferred Outflows of Resources</b>			
Deferred pension outflows	15,245,653	23,299	15,268,952
<b>Liabilities</b>			
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
<b>Total Liabilities</b>	<b>355,774,868</b>	<b>180,526</b>	<b>355,955,394</b>
<b>Deferred Inflows of Resources</b>			
Advances from other governments	3,000,710	-	3,000,710
Deferred pension inflows	11,843,562	20,015	11,863,577
<b>Total Deferred Inflows of Resources</b>	<b>14,844,272</b>	<b>20,015</b>	<b>14,864,287</b>
<b>Net Position</b>			
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)
<b>Total net position</b>	<b>\$ 680,660,174</b>	<b>\$ 6,560,206</b>	<b>\$ 687,220,380</b>

## MAJOR CATEGORIES OF COUNTY EXPENDITURES

The functions of government as shown in Exhibit 5:

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

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

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

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

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

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

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

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

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

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

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

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

### ANOKA COUNTY'S STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT 2

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	\$ 267,592,185	\$ 41,864,046	\$ 103,884,945	\$ 27,566,324			
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					624,885,636	6,602,713	631,488,349
Net position--December 31					\$ 680,660,174	\$ 6,560,206	\$ 687,220,380

**ANOKA COUNTY'S BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

**EXHIBIT 3**

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>							
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
<b>Total Assets</b>	<b>64,317,784</b>	<b>8,792,062</b>	<b>39,320,997</b>	<b>56,086,082</b>	<b>36,455,930</b>	<b>30,981,562</b>	<b>235,954,417</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>							
<b>Liabilities</b>							
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
<b>Total Liabilities</b>	<b>16,698,618</b>	<b>7,733,579</b>	<b>5,825,772</b>	<b>132,798</b>	<b>1,096,613</b>	<b>3,433,361</b>	<b>34,920,741</b>
<b>Deferred Inflows of Resources</b>							
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
<b>Total Deferred Inflows of Resources</b>	<b>1,381,525</b>	<b>5,301,162</b>	<b>555,526</b>	<b>314,112</b>	<b>6,319</b>	<b>4,272,014</b>	<b>11,830,658</b>
<b>Fund Balances</b>							
Nonspendable in:							
General Fund	85,170	-	-	-	-	-	85,170
Special revenue funds	-	2,353,190	-	-	-	28,813	2,382,003
Restricted in:							
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:							
Special revenue funds	-	-	-	-	-	4,221,032	4,221,032
Assigned in:							
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
<b>Total Fund Balances</b>	<b>46,237,641</b>	<b>(4,242,679)</b>	<b>32,939,699</b>	<b>55,639,172</b>	<b>35,352,998</b>	<b>23,276,187</b>	<b>189,203,018</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 64,317,784</b>	<b>\$ 8,792,062</b>	<b>\$ 39,320,997</b>	<b>\$ 56,086,082</b>	<b>\$ 36,455,930</b>	<b>\$ 30,981,562</b>	<b>\$ 235,954,417</b>

## ANOKA COUNTY COLLABORATION AND VISION

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

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

### ANOKA COUNTY'S RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2015

### EXHIBIT 4

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>

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.

**ANOKA COUNTY'S STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**EXHIBIT 5**

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>							
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
<b>Total Revenues</b>	<b>111,102,481</b>	<b>72,889,876</b>	<b>84,641,782</b>	<b>17,141,807</b>	<b>3,663,453</b>	<b>30,249,513</b>	<b>319,688,912</b>
<b>Expenditures</b>							
<b>Current</b>							
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
<b>Debt Service</b>							
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
<b>Capital Outlay</b>							
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
<b>Intergovernmental</b>							
Highways and streets	-	1,400,670	-	-	-	-	1,400,670
<b>Total Expenditures</b>	<b>102,985,496</b>	<b>75,683,901</b>	<b>80,230,473</b>	<b>50,854,831</b>	<b>11,126,794</b>	<b>26,126,969</b>	<b>347,008,464</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>8,116,985</b>	<b>(2,794,025)</b>	<b>4,411,309</b>	<b>(33,713,024)</b>	<b>(7,463,341)</b>	<b>4,122,544</b>	<b>(27,319,552)</b>
<b>Other Financing Sources (Uses)</b>							
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
<b>Total Other Financing Sources (Uses)</b>	<b>(9,931,590)</b>	<b>(8,800)</b>	<b>(2,967,171)</b>	<b>44,065,008</b>	<b>11,045,267</b>	<b>(2,227,326)</b>	<b>39,975,388</b>
<b>Net Change in Fund Balances</b>	<b>(1,814,605)</b>	<b>(2,802,825)</b>	<b>1,444,138</b>	<b>10,351,984</b>	<b>3,581,926</b>	<b>1,895,218</b>	<b>12,655,836</b>
<b>Fund Balances - January 1</b>	<b>48,052,246</b>	<b>(1,598,735)</b>	<b>31,495,561</b>	<b>45,287,188</b>	<b>31,771,072</b>	<b>21,378,294</b>	<b>176,385,626</b>
<b>Increase (decrease) in inventories</b>	<b>-</b>	<b>158,881</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,675</b>	<b>161,556</b>
<b>Fund Balances - December 31</b>	<b>\$ 46,237,641</b>	<b>\$ (4,242,679)</b>	<b>\$ 32,939,699</b>	<b>\$ 55,639,172</b>	<b>\$ 35,352,998</b>	<b>\$ 23,276,187</b>	<b>\$ 189,203,018</b>

## 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).

*Anoka County has been recognized with three National Association of Counties (NACO) Achievement Awards. The awards recognize innovative, cost-effective county government programs that enhance services for residents. Pictured (from left) Anoka County Commissioners Scott Schulte, Julie Braastad, and Jim Kordiak; Jody Shanilec, program coordinator, Anoka County Job Training Center; Anoka County Commissioner Matt Look; Jerry Vitzthum, director, Anoka County Economic Assistance and Job Training Center; Anoka County Commissioners Robyn West, Rhonda Sivarajah, and Mike Gamache*



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

### EXHIBIT 6

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

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

\$ 12,655,836

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

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

\$ 60,785,593  
(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  
Refunding limited tax bonds  
Capital leases  
Loans  
Discounts and premiums  
Principal repayments:  
Debt service principal retirement  
Current year amortization of discounts and premiums

\$ (10,790,000)  
(27,155,000)  
(112,183)  
(487,042)  
(1,463,205)  
  
43,264,559  
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)

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

Unavailable revenue - December 31  
Unavailable revenue - January 1

\$ 8,829,948  
(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)

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

(136,716)

Current year net change in deferred pension outflows, net pension liability, and deferred pension inflows.

(1,858,163)

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

Changes in net position of governmental activities (Exhibit 2)

\$ 55,774,538



## DELIVERY OF SERVICES

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

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

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

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

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

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

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

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

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

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

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

### ANOKA COUNTY'S STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2015

EXHIBIT 7

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

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

EXHIBIT 8

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





