



Anoka County
MINNESOTA

Respectful, Innovative, Fiscally Responsible

Comprehensive Annual Financial Report

Year Ended December 31, 2016

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, 2016
Issued June 2017

To the Honorable Board of County Commissioners:

I herewith submit to you a full and accurate statement of revenues and expenditures for the year 2016, together with an accurate statement of financial position of the County on December 31, 2016, 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 a long, sweeping tail.

**Jerry Soma
County Administrator**

**ANOKA COUNTY
ANOKA, MINNESOTA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016**

TABLE OF CONTENTS

	<u>Reference</u>	<u>Page</u>
INTRODUCTORY SECTION		
Transmittal Letter		vi
Organizational Chart		xii
List of Public Officials		xiii
Certificate of Achievement		xiv
FINANCIAL SECTION		
		1
INDEPENDENT AUDITOR'S REPORT		2
MANAGEMENT'S DISCUSSION AND ANALYSIS		5
BASIC FINANCIAL STATEMENTS		15
GOVERNMENT-WIDE FINANCIAL STATEMENTS		
Statement of Net Position	Exhibit 1	16
Statement of Activities	Exhibit 2	17
FUND FINANCIAL STATEMENTS		
Balance Sheet - Governmental Funds	Exhibit 3	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	Exhibit 4	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	Exhibit 5	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	Exhibit 6	21
Statement of Net Position - Proprietary Funds	Exhibit 7	22
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	Exhibit 8	23
Statement of Cash Flows - Proprietary Funds	Exhibit 9	24
Statement of Fiduciary Net Position - Fiduciary Funds	Exhibit 10	25
Statement of Changes in Fiduciary Net Position - Other Postemployment Benefits Trust Fund	Exhibit 11	26
NOTES TO THE FINANCIAL STATEMENTS		27
REQUIRED SUPPLEMENTARY INFORMATION (OTHER THAN MD&A)		67
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual		
General Fund	Schedule 1	68
Road and Bridge Special Revenue Fund	Schedule 2	70
Human Services Special Revenue Fund	Schedule 3	71
Schedule of Funding Progress - Other Postemployment Benefits	Schedule 4	72
Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions-		
PERA General Employee Retirement Plan	Schedule 5	73
PERA Public Employees Police and Fire Plan	Schedule 6	74
PERA Public Employees Correctional Plan	Schedule 7	75
Notes to the Required Supplementary Information		76

**ANOKA COUNTY
ANOKA, MINNESOTA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016**

TABLE OF CONTENTS

	Reference	Page
FINANCIAL SECTION (Continued)		
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS		79
Description of Nonmajor Governmental Funds - Special Revenue Funds		80
Combining Balance Sheet - Nonmajor Governmental Funds	Statement 1	81
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	Statement 2	82
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual		
County Library Special Revenue Fund	Schedule 8	83
Parks and Recreation Special Revenue Fund	Schedule 9	84
Medical Examiner Special Revenue Fund	Schedule 10	85
Cooperative Extension Special Revenue Fund	Schedule 11	86
Law Library Special Revenue Fund	Schedule 12	87
Regional Railroad Authority Special Revenue Fund	Schedule 13	88
Housing and Redevelopment Authority Special Revenue Fund	Schedule 14	89
Statement of Changes in Assets and Liabilities - Agency Fund	Statement 3	90
OTHER SUPPLEMENTARY INFORMATION		91
Schedule of Deposits and Investments	Schedule 15	92
Combined Schedule of Intergovernmental Revenue	Schedule 16	93
Combining Schedule of Intergovernmental Revenue - Special Revenue Funds	Schedule 17	94
Schedule of Expenditures of Federal Awards	Schedule 18	95
Notes to the Schedule of Expenditures of Federal Awards		97
Schedule of Capital Assets Used in the Operation of Governmental Funds by Function	Schedule 19	98
Schedule of Changes in Capital Assets Used in the Operation of Governmental Funds by Function	Schedule 20	99
Schedule of Fund Transfers	Schedule 21	100
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Housing and Redevelopment Authority Special Revenue Fund Projects	Schedule 22	102
STATISTICAL SECTION		103
Statistical Section Summary		104
Net Position - Last Ten Fiscal Years	Table 1	105
Changes in Net Position- Last Ten Fiscal Years	Table 2	106
Fund Balances, Governmental Funds - Last Ten Fiscal Years	Table 3	107
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	Table 4	108
Estimated Market Value, Taxable Market Value and Net Tax Capacity - Last Ten Fiscal Years	Table 5	109
Property Tax Rates - Direct and Overlapping Governments - Last Ten Assessment Years	Table 6	110
Ten Largest Taxpayers - Current Year and Nine Years Prior	Table 7	111
Property Tax Levies and Collections - Last Ten Fiscal Years	Table 8	112
Ratios of Outstanding Debt to Personal Income and Debt per Capita - Last Ten Fiscal Years	Table 9	113
Ratios of Net Bonded Debt to Estimated Market Value and Net Bonded Debt per Capita - Last Ten Fiscal Years	Table 10	114
Computation of Direct, Overlapping, and Underlying Long-term Debt	Table 11	115
Legal Debt Margin - Last Ten Fiscal Years	Table 12	116
Pledged Revenue Coverage - Last Ten Fiscal Years	Table 13	117
Demographic and Economic Statistics - Last Ten Fiscal Years	Table 14	118
Ten Largest Employers - Current Year and Nine Years Prior	Table 15	119
Comparison of Employment by Industry - 2015 and 2006	Table 16	120
County Full Time Equivalents by Program Area - Last Ten Fiscal Years	Table 17	121
Operating Indicators by Function / Program - Last Ten Fiscal Years Available	Table 18	122
Capital Assets and Infrastructure Statistics by Function - Last Ten Fiscal Years	Table 19	123
Summary of Insurance in Force	Table 20	124

**ANOKA COUNTY
ANOKA, MINNESOTA**

INTRODUCTORY SECTION



Anoka County

FINANCE & CENTRAL SERVICES DIVISION

Respectful, Innovative, Fiscally Responsible

June 13, 2017

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, 2016. 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 accounting principles generally accepted in the United States of America (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 2016, 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.

Central Accounting

Budget

Treasury &
Collections

Human Services
Accounting

Central Services

Facilities Mgmt. &
Construction

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

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. 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 2016 U.S. Census population estimate of 345,957.

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 \$37.4 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 twenty 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

Anoka County's 2017 Capital Improvements Budget (CIB) includes several building maintenance projects to keep Anoka County buildings in excellent condition and avoiding significant unexpected repairs in the future. \$1.2 million is planned for a new roof on the Fahr Building located on the Rum River Human Services Campus. The remaining \$2.0 million cover seven other projects identified in Facilities Management's long range plan. All projects are funded by existing funds of the County.

Road and Bridge projects for 2017 are led by the CASH 78 (Hanson Blvd) Railroad Grade Separation budgeted at \$22.0 million; the Highway department's annual road and bridge preservation program has \$7.8 million budgeted, with the remaining \$6.3 million for eight other intersection and road projects creating safer roads for the residents of Anoka County. Of the \$37.7 million in Road and Bridge projects for 2017, 54% of the total costs are funded through Federal, State, City, CTIB and other funds.

A new Property Tax system for \$4.0 million dominates the Information Management projects for Anoka County in 2017. That project is funded by fees collected for recording property documents. Another \$2.0 million for several other projects provide tools and services to the employees and citizens of Anoka County allowing better information and service.

Parks and Recreation included eight projects, totaling \$2.7 million to improve and maintain the facilities at the Anoka County Parks. Most of these projects are funded with State, Met Council and other funds.

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 decreased from 5.4 FTE to 5.3 FTE from ten years ago.

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 3.8 percent for 2016, compared to the State of Minnesota rate of 4.0 percent and United States rate of 4.5 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. Since 2013, the County experienced a total increase in estimated market value of just over 23.5 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 budget 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 2017 budget, Anoka County took several steps to offset the cost of doing business: (1) Continue to manage infrastructure costs with annual levies committed to buildings and technology, thereby reducing debt service levies currently and in the future by paying cash instead of bonding for projects, (2) a voluntary separation incentive for higher paid, long term employees, and (3) looking for efficiencies to make current budgets more effective and improving services.

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 \$3,357,499 in 2016. 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, 2016 was (\$918,435), 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.

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 2016 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>
\$ 134,692,418	\$ 389	0.46%	42.3%

Outstanding bonds and notes payable at December 31, 2016, totaled \$192,345,813 of which \$117,933,909 is G. O. Bonds and Notes supported by Anoka County tax levy, \$50,574,653 Limited Tax bonds supported by Anoka Regional Rail Authority levy, \$3,151,480 Lease Revenue Obligations and \$20,685,771 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 \$54,501,915, which leaves a net direct bonded debt, excluding the Lease Revenue Obligations, of \$134,692,418 (see Table 10 in the Statistical Section of this report).

Total bonded debt applicable to debt limit is \$165,910,411 less amounts available in funds of 53,528,861 which leaves a net debt applicable to debt limit of \$112,381,550, which is approximately 12.7 percent of the County's statutory legal debt limit of \$885,116,285 (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 20 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, 2015. This is the 29th 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 2016 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 Finance 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,

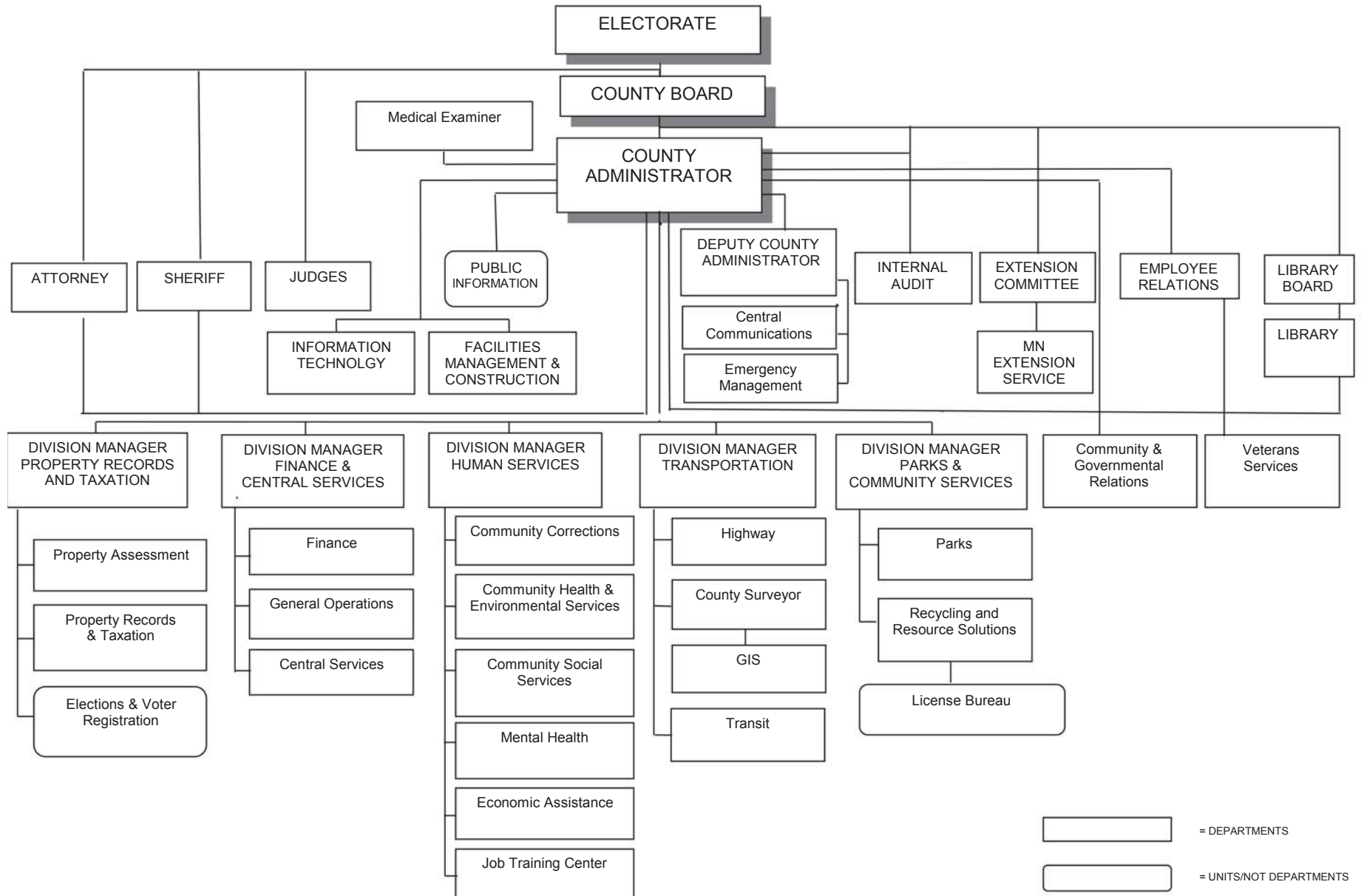
A handwritten signature in black ink, appearing to read "Cory Kampf". The signature is fluid and cursive, written in a professional style.

Cory Kampf, Division Manager
Finance and Central Services Division

CK:

cc: Jerry Soma,
County Administrator

ANOKA COUNTY GOVERNMENT ORGANIZATIONAL CHART



**ANOKA COUNTY
ANOKA, MINNESOTA**

**LIST OF PUBLIC OFFICIALS
2016**

Office	Name	Term Expires
County Board of Commissioners		
District #1	Matt Look, Vice-Chair*	January 2021
District #2	Julie Braastad	January 2021
District #3	Robyn West	January 2021
District #4	Jim A. Kordiak	January 2019
District #5	Mike Gamache	January 2019
District #6	Rhonda Sivarajah, Chair*	January 2021
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 **	Jill Eck	Indefinite
Library Director	Maggie Snow	Indefinite
Deputy County Administrator	Dee Guthman	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 2016

** 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, 2015

Executive Director/CEO

**ANOKA COUNTY
ANOKA, MINNESOTA**

FINANCIAL SECTION



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

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, 2016, 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, 2016, 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.

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 Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 13, 2017, 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 13, 2017

**ANOKA COUNTY
ANOKA, MINNESOTA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016
(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, 2016. 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 \$719.3 million (net position). Of this amount, the County has (\$59.7) million in unrestricted net position.
- The County's total net position increased by \$32.1 million or about 4.7 percent.
- As of the close of the current fiscal year, Anoka County's governmental funds reported combined ending fund balances of \$213.8 million. Approximately 53.9 percent of this total amount, \$115.3 million, is available for spending at the County's discretion (committed, assigned, and unassigned fund balances). Nearly \$85.5 million of these funds are committed or assigned for specific purposes.
- Combined assigned and unassigned fund balance for the General Fund was \$38.1 million or 36.6 percent of total General Fund expenditures.
- Anoka County's bonded debt decreased by \$6.3 million (3.3 percent) during the current fiscal year, as a result of scheduled debt service payments of \$15.1 million and the issuance of 2016A G.O. Bonds for \$8.8 million to remodel several courtrooms.

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 sixteen 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, Human Services, and Community Development 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, Medical Examiner, Cooperative Extension, Law Library, Regional Railroad Authority, and Housing and Redevelopment Authority 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 66 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 68 to 77; b) combining and individual fund statements referred to earlier in connection with nonmajor governmental funds, which can be found on pages 81 to 89 of this report; c) the Statement of Changes in Assets and Liabilities for the Agency Fund, which can be found on page 90; and d) Other Supplementary Information, including schedules on various financial aspects of the County, which can be found on pages 91 to 102.

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 \$719.3 million at the close of the most recent fiscal year.

Anoka County Net Position (in Thousands)

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 254,021	\$ 235,585	\$ 1,219	\$ 1,206	\$ 255,240	\$ 236,791
Capital assets	819,037	800,448	5,360	5,532	824,397	805,980
Total assets	1,073,058	1,036,033	6,579	6,738	1,079,637	1,042,771
Deferred outflows of resources	96,451	15,246	105	23	96,556	15,269
Long-term liabilities outstanding	391,006	306,268	265	177	391,271	306,445
Other liabilities	44,015	49,507	7	4	44,022	49,511
Total liabilities	435,021	355,775	272	181	435,293	355,956
Deferred inflows of resources	21,533	14,844	32	20	21,565	14,864
Net position:						
Net investment in capital assets	713,874	696,920	5,359	5,531	719,233	702,451
Restricted	59,798	50,711	-	-	59,798	50,711
Unrestricted	(60,717)	(66,971)	1,021	1,029	(59,696)	(65,942)
Total net position	\$ 712,955	\$ 680,660	\$ 6,380	\$ 6,560	\$ 719,335	\$ 687,220

By far the largest portion of Anoka County's net position, \$719.2 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 \$59.8 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$59.7) million is unrestricted net position.

The increase in net investment in capital assets portion of net position of \$16.8 million primarily due to the completion of the Highway 10/ Armstrong Blvd. interchange.

There was an increase of \$9.1 million in restricted net position in connection with Anoka County's governmental activities due to an increase in the capital projects fund for sanitation projects (\$2 million), proceeds from debt (\$3.7 million), child protection services due to legislative changes (\$821 thousand), and various other programs.

Due to the implementation of Governmental Accounting Standards Board (GASB) Statements No. 68, 71, and 82, the County is reporting an increase of \$90.4 million for a net pension liability (NPL) for a total NPL of \$180.4 million. This increase is due to a difference in projected and actual investment earnings and adjusted actuarial assumptions. In addition to the NPL, the County is reporting deferred pension outflows of \$96.6 million and deferred pension inflows of \$20.5 million. For additional information, see Note 3.E on page 56 to 62.

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

Governmental activities. Governmental activities contributed \$32.3 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 \$2.4 million (6.0 percent) in 2016. The reclassification of a revenue source resulted in charges for services increasing by \$1.0 million, resulting in an equal decrease in operating grants. The County's acquisition of a leasehold building resulted in a full year of revenue recognition of \$343 thousand. Additionally, an increased number of beds at the juvenile campus resulted in additional revenues of \$557 thousand.

Operating grants and contributions increased by \$5.1 million (4.9 percent) in 2016. The most significant changes occurred with a \$2.2 million increase in Highway's revenues for funding of various road projects that were completed during 2016 and an increase of \$3.3 million in Human Services revenues primarily due to a \$2 million increase in child protection funding and a \$800 thousand increase related to the MNChoices program.

Capital grants and contributions decreased by \$15.9 million (57.6 percent) in 2016. There was a \$16.5 million decrease from the prior year due to the completion of the Highway 10/ Armstrong Blvd. interchange in 2015. In addition there was a \$1.0 million increase in capital grants for Parks and Economic Development projects.

Property tax revenue increased by \$4.4 million (3.1 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 \$4.2 million.

Prior to 2016, Anoka County included grants and contributions not restricted to specific programs within property tax revenue. These grants and contributions decreased by \$244 thousand (0.1 percent) in 2016 primarily due to a reduction in County Program Aid.

Other revenues decreased by \$1.5 million (15.4 percent) 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 and the mark to market.

Anoka County Changes in Net Position
(in Thousands)

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues						
Charges for services	\$ 42,513	\$ 40,093	\$ 1,622	\$ 1,771	\$ 44,135	\$ 41,864
Operating grants and contributions	109,016	103,885	-	-	109,016	103,885
Capital grants and contributions	11,698	27,566	-	-	11,698	27,566
General revenues:						
Property and wheelage taxes	128,053	140,572	-	-	128,053	140,572
Grants and contributions not restricted to specific programs	17,211	-	-	-	17,211	-
Other	7,982	9,437	-	-	7,982	9,437
Total revenues	316,473	321,553	1,622	1,771	318,095	323,324
Expenses:						
General government	48,704	45,037	-	-	48,704	45,037
Public safety	73,736	64,661	-	-	73,736	64,661
Highway and streets	34,428	35,292	-	-	34,428	35,292
Human services	89,077	81,886	-	-	89,077	81,886
Sanitation	3,917	4,562	-	-	3,917	4,562
Culture and recreation	17,917	16,168	1,336	1,359	19,253	17,527
Conservation of natural resources	743	599	-	-	743	599
Economic development	9,127	10,381	-	-	9,127	10,381
Interest on long-term debt	6,995	7,648	-	-	6,995	7,648
Total expenses	284,644	266,234	1,336	1,359	285,980	267,593
Increase (Decrease) in net position before transfers	31,829	55,319	286	412	32,115	55,731
Transfers	466	455	(466)	(455)	-	-
Increase (Decrease) in net position	32,295	55,774	(180)	(43)	32,115	55,731
Net position - January 1	680,660	624,886	6,560	6,603	687,220	631,489
Net position - December 31	\$ 712,955	\$ 680,660	\$ 6,380	\$ 6,560	\$ 719,335	\$ 687,220

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 2016, the net Other Postemployment Benefits (OPEB) obligation was increased by \$322 thousand. That increase was allocated among various functions of governmental activities. General government, public safety and human services each averaged a \$91 thousand increase in OPEB expenses for 2016.

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 2016 was \$17.8 million and was allocated among the various functions of governmental activities. General government, public safety and human services each averaged \$5.1 million in pension expenses for 2016.

General government expenses (excluding annual OPEB and pension costs) remain relatively flat with a minor increase of \$342 thousand or 0.76 percent.

Public safety expenses increased \$3.0 million (excluding annual OPEB and pension costs) due to a 2 percent merit increase and annual maintenance costs associated with the recently implemented public safety data system.

Highway expenses (excluding OPEB and pension costs) decreased \$1.6 million primarily due the completion of various projects.

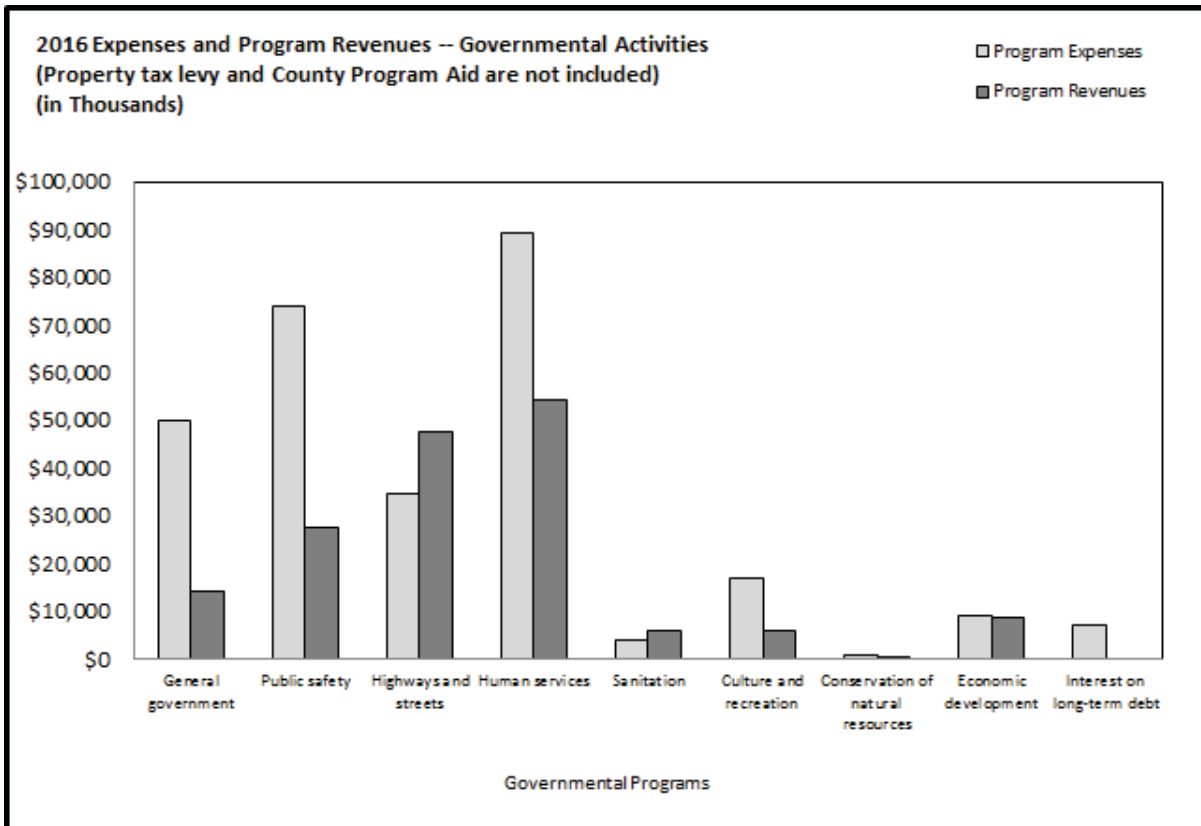
There was a \$2.8 million increase in human service expenses (excluding OPEB and pension costs) largely due to increased personnel costs related to legislative changes, expenses for child protection services and placement, and MNChoices.

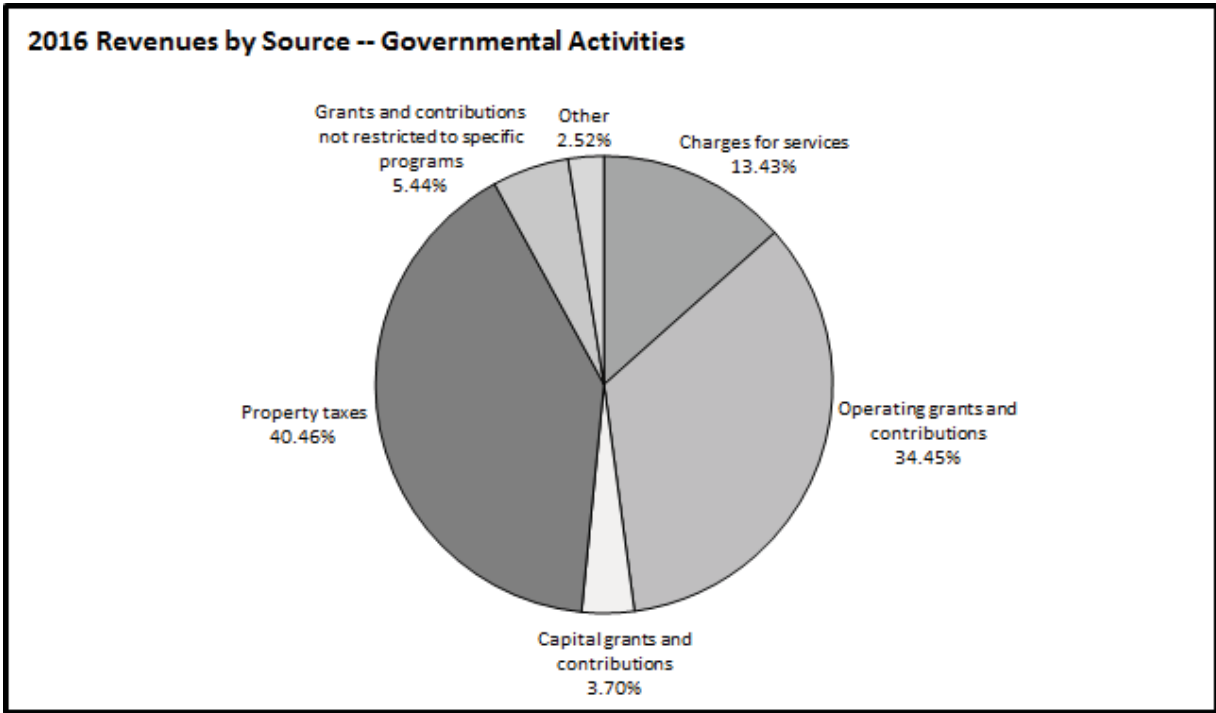
Sanitation expenses decreased by \$725 thousand (excluding OPEB and pension costs) primarily due a reduction in reimbursements to cities and municipalities for recycling initiatives.

Culture and recreation increased by \$796 thousand (excluding OPEB and pension costs) primarily due to expenses associated with the library Radio Frequency Identification (RFID) project and restoration projects in various parks.

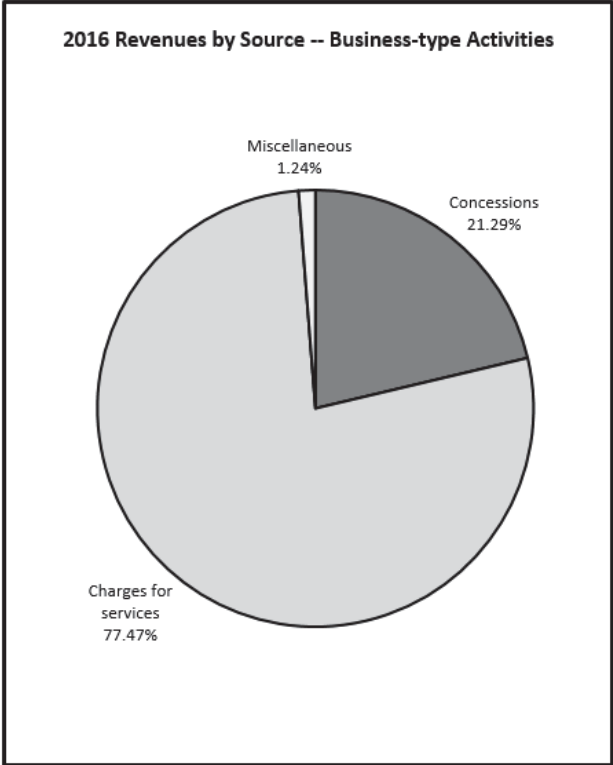
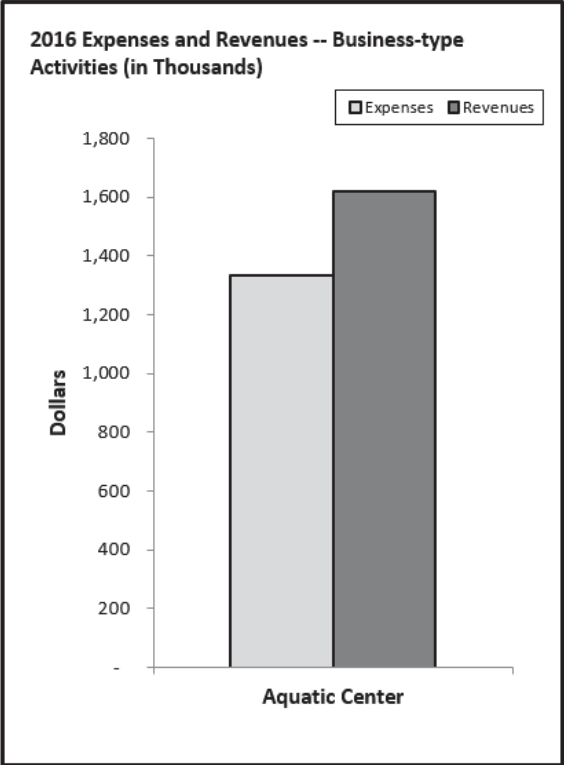
Economic development expenses decreased by \$1.6 million (excluding OPEB and pension costs) primarily due to a decreased volume of property purchases and rehabilitations with HRA and other funding in 2015.

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, culture and recreation 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. Highways and streets received more outside revenue in 2016 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 2016 than program expenses. These funds are used in future years for various projects.





Business-type activities. Business-type activities decreased Anoka County's net position by \$180 thousand. The season for Bunker Beach Activity Center is from Memorial Day to Labor Day. Above average temperatures for the summer of 2015 and above average precipitation in 2016 caused a decrease in attendance from prior year lowering the net position.



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 2016, Anoka County's governmental funds reported combined ending fund balances of \$213.8 million. This is a \$24.6 million increase (13.0 percent) from 2015. The operating funds, excluding capital projects and debt service funds, for the County reflect a \$16.2 million increase (16.5 percent) in fund balances. Approximately 53.9 percent, or \$115.3 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 (\$2.8 million); b) for amounts held by escrow agents, including highway right-of-way (\$41.3 million); c) for grants, donations, and revolving loans received but not yet fully expended (\$2.1 million); e) for debt service (\$19.0 million); f) for recorder's compliance (\$6.7 million); g) for sanitation (\$20.2 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 \$38.1 million, while total fund balance was \$48.7 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 36.6 percent of total General Fund expenditures.

The fund balance of Anoka County's major funds increased by \$22.4 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 increased by \$3.3 million and most revenue categories came in better than budget. Charges for services increased by \$475 thousand primarily due to an increase in the number of available beds at the juvenile campus. Additionally, due to the restructuring of the County's investment portfolio, investment income increased by \$810 thousand. 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 \$945 thousand. This amount is required to be recognized in the financial statements. Sanitation had actual expenditures of \$1.4 million less than budget, due to a delay in implementing various planned recycling programs. There was also a transfer of \$1 million to asset preservation for future capital projects.
- The Road and Bridge Fund showed a \$7.8 million increase in fund balance due to reimbursement of various project expenditures from 2015 including the Hwy 10/ Armstrong Blvd. interchange.
- Human Services' Fund balance increased \$2.9 million due to increased funding for legislative changes and judicious spending with \$3.5 million of budget savings transferred to asset preservation for future capital projects.
- The Debt Service Fund balance decreased by \$1.1 million due to escrow payments of crossover refunded debt that will be defeased in 2017.
- Fund balance in the Capital Projects Fund increased by \$9.6 million due to unspent bond proceeds and budget savings transferred from operating funds.

The 2016 variance between the final budget and actual expenditures in the General Fund was a positive \$2.2 million due to prudent spending in all areas of the budget and a delay in the recycling programs.

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 \$1.0 million. The Pooled Insurance Internal Service Fund has an unrestricted net position of \$1.3 million.

General Fund Budgetary Highlights

The difference between the original adopted budget and the final amended budget for expenditures in the General Fund was \$678 thousand which reflects changes to additional grant funding received for public safety and a change in budget philosophy for centralized countywide initiatives.

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 \$18.4 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 investment in capital assets for the current fiscal year was 2.3 percent.

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

- Land purchases of \$5.2 million for infrastructure.
- Infrastructure values (net of depreciation) increased by \$11.3 million resulting from the completion of several highway reconstruction projects including the reconstruction of the Highway 10/Armstrong Blvd. Interchange.
- The \$2.8 million increase in construction in progress due to several projects including the courthouse remodel.

	Anoka County Capital Assets (Net of Depreciation, in Thousands)					
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 216,520	\$ 211,271	\$ -	\$ -	\$ 216,520	\$ 211,271
Buildings and structures	153,431	155,180	4,025	4,125	157,456	159,305
Improvements other than buildings	13,807	13,368	831	919	14,638	14,287
Machinery and equipment	21,037	19,878	504	487	21,541	20,365
Infrastructure	342,266	330,953	-	-	342,266	330,953
Software	4,152	4,745	-	-	4,152	4,745
Construction in progress	67,824	65,054	-	-	67,824	65,054
Total	\$ 819,037	\$ 800,449	\$ 5,360	\$ 5,531	\$ 824,397	\$ 805,980

Additional information on Anoka County's capital assets can be found in Note 3.A.3. on pages 40 and 41 of this report.

Long-term debt. At the end of the current fiscal year, Anoka County had total bonded debt outstanding of \$186.6 million. Of this amount, \$166.0 million comprises debt backed by the full faith and credit of the County and \$20.6 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	
	2016	2015
General obligation bonds and notes	\$ 112,790	\$ 114,410
Lease revenue obligations	3,135	3,541
General obligation bonds supported by revenues	20,645	22,275
Limited tax bonds	49,985	52,600
Total	\$ 186,555	\$ 192,826

Anoka County's total bonded debt decreased by \$6.3 million (3.3 percent) during the current fiscal year, due to scheduled debt service payments of \$15.1 million and the issuance of 2016A G.O. Bonds for \$8.8 million to remodel several courtrooms.

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 \$885.1 million. The current general debt obligation is \$165.9 million, or approximately 18.7 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 47 to 54 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 2017 fiscal year.

During the current fiscal year, the total fund balance in the major governmental funds increased by \$22.4 million. Debt service and capital project funds comprise \$99.5 million of the total 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, 2016**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Cash, cash equivalents, and pooled investments	\$ 175,129,797	\$ 1,218,009	\$ 176,347,806
Cash and investments with escrow agents	36,630,781	-	36,630,781
Funds held with courts	4,650,892	-	4,650,892
Delinquent taxes receivable	2,117,242	-	2,117,242
Accounts receivable, net of allowance for doubtful	3,681,906	1,556	3,683,462
Accrued interest receivable	1,036,494	-	1,036,494
Land held for resale	159,900	-	159,900
Loans receivable			
Due within one year	510,833	-	510,833
Due in more than one year	3,940,663	-	3,940,663
Leases receivable			
Due within one year	1,022,539	-	1,022,539
Leases due in more than one year	7,761,080	-	7,761,080
Due from other governments	14,601,873	-	14,601,873
Inventories	2,653,013	-	2,653,013
Prepaid items	123,806	-	123,806
Capital assets not being depreciated			
Land	216,519,851	-	216,519,851
Construction in progress	67,824,061	-	67,824,061
Capital assets, net of accumulated depreciation:			
Buildings and structures	153,431,204	4,025,011	157,456,215
Improvements other than buildings	13,806,775	830,779	14,637,554
Machinery and equipment	21,036,561	503,746	21,540,307
Infrastructure	342,265,915	-	342,265,915
Software	4,152,240	-	4,152,240
Total Assets	1,073,057,426	6,579,101	1,079,636,527
<u>Deferred Outflows of Resources</u>			
Deferred pension outflows	96,451,233	105,520	96,556,753
<u>Liabilities</u>			
Accounts payable	3,431,953	178	3,432,131
Salaries payable	2,385,543	5,710	2,391,253
Contracts payable	2,770,964	-	2,770,964
Due to other governments	5,147,455	96	5,147,551
Matured interest payable	2,766,347	-	2,766,347
Unearned revenue	11,891,164	-	11,891,164
Noncurrent Liabilities:			
Due within one year			
Bonds and notes payable	14,722,014	-	14,722,014
Compensated absences	470,672	586	471,258
Outstanding claims payable	219,567	-	219,567
Capital leases payable	28,752	-	28,752
Loans payable	180,100	-	180,100
Due in more than one year			
Bonds and notes payable	177,623,799	-	177,623,799
Compensated absences	8,942,769	11,146	8,953,915
Outstanding claims payable	2,540,050	-	2,540,050
Capital lease payable	29,145	-	29,145
Loans payable	1,039,956	-	1,039,956
Net pension liability	180,158,119	254,260	180,412,379
Other postemployment benefits (OPEB) liability	20,672,609	-	20,672,609
Total Liabilities	435,020,978	271,976	435,292,954
<u>Deferred Inflows of Resources</u>			
Advances from other governments	1,089,931	-	1,089,931
Deferred pension inflows	20,442,868	32,356	20,475,224
Total Deferred Inflows of Resources	21,532,799	32,356	21,565,155
<u>Net Position</u>			
Net investment in capital assets	713,874,571	5,359,536	719,234,107
Restricted for:			
Debt service	18,527,238	-	18,527,238
General government	10,460,921	-	10,460,921
Public safety	2,736,926	-	2,736,926
Highway	4,650,892	-	4,650,892
Human services	821,935	-	821,935
Sanitation	20,217,943	-	20,217,943
Culture and recreation	274,332	-	274,332
Conservation of natural resources	41,202	-	41,202
Economic development	2,066,215	-	2,066,215
Unrestricted (deficit)	(60,717,293)	1,020,753	(59,696,540)
Total net position	\$ 712,954,882	\$ 6,380,289	\$ 719,335,171

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, 2016**

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	\$ 48,703,707	\$ 9,775,368	\$ 4,024,545	\$ -	\$ (34,903,794)	\$ -	\$ (34,903,794)
Public safety	73,735,782	18,900,347	8,444,645	-	(46,390,790)	-	(46,390,790)
Highways and streets	34,428,110	596,515	37,587,567	9,498,918	13,254,890	-	13,254,890
Human services	89,076,740	3,588,677	50,560,852	9,754	(34,917,457)	-	(34,917,457)
Sanitation	3,916,610	4,371,342	1,446,162	-	1,900,894	-	1,900,894
Culture and recreation	17,916,885	2,625,980	1,224,952	2,018,103	(12,047,850)	-	(12,047,850)
Conservation of natural resources	743,536	51,850	-	-	(691,686)	-	(691,686)
Economic development	9,127,325	2,602,990	5,726,949	170,958	(626,428)	-	(626,428)
Interest expense and fiscal charges on long-term debt	6,995,026	-	-	-	(6,995,026)	-	(6,995,026)
Total governmental activities	284,643,721	42,513,069	109,015,672	11,697,733	(121,417,247)	-	(121,417,247)
Business-type activities:							
Aquatic center	1,335,506	1,621,839	-	-	-	286,333	286,333
Total primary government	\$ 285,979,227	\$ 44,134,908	\$ 109,015,672	\$ 11,697,733			
General Revenues:							
Property taxes collected for general purposes					112,735,575	-	112,735,575
Property taxes collected for debt service					15,317,159	-	15,317,159
Wheelage tax collected for highways and streets					154	-	154
Grants and contributions not restricted to specific programs					17,210,735	-	17,210,735
Unrestricted investment earnings					3,144,968	-	3,144,968
Gain on sale of capital assets					243,109	-	243,109
Miscellaneous					4,594,005	-	4,594,005
Transfers					466,250	(466,250)	-
Total general revenues and transfers					153,711,955	(466,250)	153,245,705
Change in net position					32,294,708	(179,917)	32,114,791
Net position-January 1					680,660,174	6,560,206	687,220,380
Net position-December 31					\$ 712,954,882	\$ 6,380,289	\$ 719,335,171

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, 2016

	General Fund	Road and Bridge	Human Services	Community Development	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets								
Cash and pooled investments	\$ 49,885,552	\$ 145,497	\$ 30,626,242	\$ 1,131,030	\$ 18,952,726	\$ 43,863,564	\$ 26,350,828	\$ 170,955,439
Cash and investments with escrow agents	-	-	-	-	35,528,695	-	1,102,086	36,630,781
Funds held with courts	-	4,650,892	-	-	-	-	-	4,650,892
Delinquent taxes receivable	907,960	170,476	520,533	-	276,259	4,354	237,660	2,117,242
Accounts receivable, net of allowance for doubtful accounts	420,943	1,097,961	1,975,519	34	-	312	182,288	3,677,057
Accrued interest receivable	927,089	-	-	-	109,405	-	-	1,036,494
Land held for resale	-	-	-	159,900	-	-	-	159,900
Loans receivable	298,903	-	-	4,152,593	-	-	-	4,451,496
Leases receivable	8,783,619	-	-	-	-	-	-	8,783,619
Due from other funds	310,000	-	-	-	-	-	-	310,000
Due from other governments	2,862,821	2,342,332	8,223,719	-	-	-	1,173,001	14,601,873
Advances to other funds	-	-	-	-	-	1,505,586	-	1,505,586
Inventories	-	2,631,988	-	-	-	-	21,025	2,653,013
Prepaid items	116,872	-	6,934	-	-	-	-	123,806
Total Assets	64,513,759	11,039,146	41,352,947	5,443,557	54,867,085	45,373,816	29,066,888	251,657,198
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	1,314,685	730,848	817,308	286	7,525	34,937	437,973	3,343,562
Salaries payable	1,141,410	277,854	753,716	-	-	1,936	210,627	2,385,543
Contracts payable	249,585	1,414,790	509,386	-	-	370,390	226,813	2,770,964
Due to other funds	-	-	-	-	-	-	310,000	310,000
Due to other governments	1,536,796	1,317,525	2,092,887	166,649	-	458	27,475	5,141,790
Advances from other funds	410,933	-	-	-	-	-	1,094,653	1,505,586
Matured interest payable	-	-	-	-	81,386	-	-	81,386
Unearned revenues	9,891,947	10,557	862,339	159,900	-	4,593	961,828	11,891,164
Total Liabilities	14,545,356	3,751,574	5,035,636	326,835	88,911	412,314	3,269,369	27,429,995
Deferred Inflows of Resources								
Advances from other governments	-	1,089,931	-	-	-	-	-	1,089,931
Unavailable revenue	1,302,605	2,382,343	520,533	4,152,593	276,259	4,354	671,213	9,309,900
Total Deferred Inflows of Resources	1,302,605	3,472,274	520,533	4,152,593	276,259	4,354	671,213	10,399,831
Fund Balances								
Nonspendable in (Note 3.D.)								
General Fund	116,872	-	-	-	-	-	-	116,872
Special revenue funds	-	2,631,988	6,934	-	-	-	21,025	2,659,947
Restricted in (Note 3.D.)								
General Fund	10,416,958	-	-	-	-	-	-	10,416,958
Special revenue funds	-	4,650,892	821,935	964,129	-	-	1,921,251	8,358,207
Debt Service Fund	-	-	-	-	54,501,915	-	-	54,501,915
Capital Projects Funds	-	-	-	-	-	22,495,201	-	22,495,201
Committed in (Note 3.D.)								
Special revenue funds	-	-	-	-	-	-	4,291,344	4,291,344
Assigned in (Note 3.D.)								
General Fund	4,780,975	-	-	-	-	-	-	4,780,975
Special revenue funds	-	-	34,967,909	-	-	-	18,958,477	53,926,386
Capital Projects Fund	-	-	-	-	-	22,461,947	-	22,461,947
Unassigned	33,350,993	(3,467,582)	-	-	-	-	(65,791)	29,817,620
Total Fund Balances	48,665,798	3,815,298	35,796,778	964,129	54,501,915	44,957,148	25,126,306	213,827,372
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 64,513,759	\$ 11,039,146	\$ 41,352,947	\$ 5,443,557	\$ 54,867,085	\$ 45,373,816	\$ 29,066,888	\$ 251,657,198

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, 2016**

Total fund balances for governmental funds (Exhibit 3)	\$	213,827,372
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.		819,036,607
Deferred outflows resulting from pension obligations are not available resources and, therefore, are not reported in governmental funds.		96,451,233
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.		1,325,534
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	\$ (192,345,813)	
Compensated absences	(9,413,441)	
Capital leases payable	(57,897)	
Loans payable	(1,220,056)	
Net pension liability	(180,158,119)	
Other postemployment benefit liability	<u>(20,672,609)</u>	
Total long term liabilities		(403,867,935)
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	\$ (2,766,347)	
Matured interest payable reported on Exhibit 3	<u>81,386</u>	
		(2,684,961)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		9,309,900
Deferred inflows resulting from pension obligations are not due and payable in the current period and, therefore, are not reported in governmental funds.		<u>(20,442,868)</u>
Net position of governmental activities (Exhibit 1)	\$	<u><u>712,954,882</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, 2016

	General Fund	Road and Bridge	Human Services	Community Development	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues								
Taxes	\$ 57,526,244	\$ 10,406,993	\$ 32,048,106	\$ -	\$ 15,328,376	\$ 1,616	\$ 13,551,913	\$ 128,863,248
Licenses and permits	365,843	84,950	1,042,650	-	-	-	1,105	1,494,548
Intergovernmental	20,846,310	47,161,297	53,846,232	1,887,181	6,592	3,382,615	6,924,095	134,054,322
Charges for services	27,775,318	-	2,714,043	13,897	-	-	4,460,304	34,963,562
Fines and forfeitures	240	-	-	-	-	-	739,801	740,041
Investment income	2,942,455	39,948	-	17,004	245,528	28,010	84,551	3,357,496
Net change in fair value of investments	(944,690)	-	-	-	26,255	-	-	(918,435)
Miscellaneous	4,581,961	1,664,478	499,082	1,176,666	994,787	362,700	3,712,560	12,992,234
Total Revenues	113,093,681	59,357,666	90,150,113	3,094,748	16,601,538	3,774,941	29,474,329	315,547,016
Expenditures								
Current								
General government	38,541,712	-	-	-	-	2,474,157	638,525	41,654,394
Public safety	61,067,199	-	-	-	-	603,528	3,009,995	64,680,722
Highways and streets	-	50,985,326	-	-	-	1,791	-	50,987,117
Human services	418,567	-	83,502,435	-	-	255,050	-	84,176,052
Sanitation	3,811,342	-	-	-	-	-	-	3,811,342
Culture and recreation	152,623	-	-	-	-	135,799	15,836,789	16,125,211
Conservation of natural resources	148,992	-	-	-	-	-	459,198	608,190
Economic development	-	-	-	3,047,052	-	-	5,321,349	8,368,401
Debt Service								
Principal retirement	-	-	-	44,643	15,050,873	-	28,371	15,123,887
Interest	-	-	-	-	7,148,541	-	14,956	7,163,497
Bond issuance costs	-	-	-	-	-	100,808	-	100,808
Administrative charges	-	-	-	-	89,943	800	-	90,743
Capital Outlay								
General government	-	-	-	-	-	4,874,137	-	4,874,137
Public safety	-	-	-	-	-	1,486,422	-	1,486,422
Sanitation	-	-	-	-	-	1,031	-	1,031
Culture and recreation	-	-	-	-	-	1,189,917	-	1,189,917
Intergovernmental								
Highways and streets	-	295,465	-	-	-	-	-	295,465
Total Expenditures	104,140,435	51,280,791	83,502,435	3,091,695	22,289,357	11,123,440	25,309,183	300,737,336
Excess of Revenues Over (Under) Expenditures	8,953,246	8,076,875	6,647,678	3,053	(5,687,819)	(7,348,499)	4,165,146	14,809,680
Other Financing Sources (Uses)								
Transfers in	706,933	-	-	-	4,550,562	8,008,834	1,397,065	14,663,394
Transfers out	(6,347,831)	(297,696)	(3,790,599)	-	-	(133,600)	(3,627,418)	(14,197,144)
Bonds issued	-	-	-	-	-	8,780,000	-	8,780,000
Premium on bonds	-	-	-	-	-	297,415	-	297,415
Total Other Financing Sources (Uses)	(5,640,898)	(297,696)	(3,790,599)	-	4,550,562	16,952,649	(2,230,353)	9,543,665
Net Change in Fund Balances	3,312,348	7,779,179	2,857,079	3,053	(1,137,257)	9,604,150	1,934,793	24,353,345
Fund Balances - January 1, as restated (Note 2.C.)	45,353,450	(4,242,679)	32,939,699	961,076	55,639,172	35,352,998	23,199,302	189,203,018
Increase (decrease) in inventories	-	278,798	-	-	-	-	(7,789)	271,009
Fund Balances - December 31	\$ 48,665,798	\$ 3,815,298	\$ 35,796,778	\$ 964,129	\$ 54,501,915	\$ 44,957,148	\$ 25,126,306	\$ 213,827,372

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, 2016**

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

Net change in fund balances - total governmental funds (Exhibit 5) \$ 24,353,345

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	\$ 39,280,102	
Current year depreciation	<u>(20,283,627)</u>	18,996,475

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:		
General obligation bonds and notes	\$ (8,780,000)	
Loans	(614,910)	
Discounts and premiums	(297,415)	
Principal repayments:		
Debt service principal retirement	15,123,887	
Current year amortization of discounts and premiums	<u>598,264</u>	6,029,826

The effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, transfers and retirements) is to decrease net position. (408,424)

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	\$ 9,309,900	
Unavailable revenue - January 1	<u>(8,829,948)</u>	479,952

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 (\$136,067), change in interest payable (\$375,126), and changes in inventories (\$271,009). 782,202

Current year net change in other postemployment benefits (OPEB) obligation. (322,222)

Current year net change in deferred pension outflows, net pension liability, and deferred pension inflows. (17,727,464)

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. 111,018

Changes in net position of governmental activities (Exhibit 2) \$ 32,294,708

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, 2016

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Aquatic Center Enterprise Fund</u>	<u>Pooled Insurance Internal Service Fund</u>
Assets		
Current Assets:		
Cash and pooled investments	\$ 1,218,009	\$ 4,174,358
Accounts receivable	1,556	4,849
Total current assets	1,219,565	4,179,207
Noncurrent Assets:		
Capital assets	8,611,569	-
Less: accumulated depreciation	(3,252,033)	-
Total capital assets (net of accumulated depreciation)	5,359,536	-
Total Assets	6,579,101	4,179,207
Deferred Outflows of Resources		
Deferred pension outflows	105,520	-
Liabilities		
Current Liabilities:		
Account payable	178	88,391
Salaries payable	5,710	-
Due to other governments	96	5,665
Compensated absences	586	-
Outstanding claims payable	-	219,567
Total current liabilities	6,570	313,623
Noncurrent Liabilities:		
Compensated absences	11,146	-
Outstanding claims payable	-	2,540,050
Net pension liability	254,260	-
Total noncurrent liabilities	265,406	2,540,050
Total Liabilities	271,976	2,853,673
Deferred Inflows of Resources		
Deferred pension inflows	32,356	-
Net Position		
Net investment in capital assets	5,359,536	-
Unrestricted	1,020,753	1,325,534
Total Net Position	\$ 6,380,289	\$ 1,325,534

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, 2016

	Business-Type Activities	Governmental Activities
	Aquatic Center Enterprise Fund	Pooled Insurance Internal Service Fund
<u>Operating Revenues</u>		
Charges for services	\$ 1,256,407	\$ 757,123
Concessions	345,363	-
Miscellaneous	20,069	248,882
Total Operating Revenues	1,621,839	1,006,005
<u>Operating Expenses</u>		
Personal services	633,151	380,000
Other services and charges	237,789	342,839
Supplies	205,118	-
Insurance	-	172,151
Capital outlay	5,515	-
Depreciation	253,933	-
Total Operating Expenses	1,335,506	894,990
Operating Income (Loss)	286,333	111,015
<u>Nonoperating Revenues (Expenses)</u>		
Investment income	-	3
Net Income (Loss) Before Transfers and Contributions	286,333	111,018
<u>Transfers</u>		
Transfers out	(466,250)	-
Increase (Decrease) in Net Position	(179,917)	111,018
Net position - January 1	6,560,206	1,214,516
Net position - December 31	\$ 6,380,289	\$ 1,325,534

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, 2016
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	\$ 1,620,283	\$ 1,001,156
Payments to suppliers	(448,536)	(731,995)
Payments to employees	(611,467)	-
Net cash provided (used) by operating activities	560,280	269,161
Cash Flows from Noncapital Financing Activities:		
Transfer to other funds	(466,250)	-
Cash Flows from Capital and Related Financing Activities:		
Purchases of capital assets	(81,888)	-
Cash Flows from Investing Activities:		
Interest received	-	3
Net increase (decrease) in cash and cash equivalents	12,142	269,164
Cash and cash equivalents, January 1	1,205,867	3,905,194
Cash and cash equivalents, December 31	\$ 1,218,009	\$ 4,174,358
Reconciliation of operating income to net cash provided (used) by operating activities:		
Net operating income (loss)	\$ 286,333	\$ 111,015
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	253,933	-
(Increase) decrease in Accounts receivable	(1,556)	(4,849)
Increase (decrease) in Accounts payable	(210)	88,391
Increase (decrease) in Salaries payable	2,968	-
Increase (decrease) in Due to other governments	96	5,399
Increase (decrease) in Deferred pension outflows	(82,221)	-
Increase (decrease) in Deferred pension inflows	12,341	-
Increase (decrease) in Net pension liability	92,395	-
Increase (decrease) in Compensated absences	(3,799)	-
Increase (decrease) in Outstanding claims payable	-	69,205
Total adjustments	273,947	158,146
Net cash provided (used) by operating activities	\$ 560,280	\$ 269,161

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, 2016

	<u>Other Postemployment Benefits Trust Fund</u>	<u>Agency Fund</u>
<u>Assets</u>		
Cash and pooled investments	\$ -	\$ 9,585,679
Investments, at fair value		
Index Funds	54,474,702	-
Accounts receivable	-	5
Due from other governments	-	106,468
	<u>54,474,702</u>	<u>9,692,152</u>
Total Assets	54,474,702	9,692,152
<u>Liabilities</u>		
Accounts payable	-	1,163,855
Contracts payable	-	30,568
Due to other governments	-	8,497,729
	<u>-</u>	<u>8,497,729</u>
Total Liabilities	-	\$ 9,692,152
<u>Net Position</u>		
Held in trust for postemployment benefits	<u>\$ 54,474,702</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, 2016

		<u>Other Postemployment Benefits Trust Fund</u>
<u>Additions</u>		
Investment earnings	\$	5,921,714
Less: investment expense		(4,388)
		<u>5,917,326</u>
<u>Deductions</u>		
Benefits		<u>1,200,000</u>
Change in net position		4,717,326
Net position - January 1		<u>49,757,376</u>
Net position - December 31	\$	<u>54,474,702</u>

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

**ANOKA COUNTY
ANOKA, MINNESOTA**

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2016

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 accounting principles generally accepted in the United States of America (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. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange 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 Community Development Special Revenue Fund accounts 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.

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 insurance and wellness 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 Outflows/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 at December 31, 2016. 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. A market approach is used to value all investments other than external investment pools, which are measured at the net asset value.

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.

Additionally, the County invests funds held for post-employment benefits with the State Board of Investments. The fair value of the investment is the fair value per share of the underlying portfolio.

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 Outflows/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 acquisition value. 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 Outflows/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 Outflows/Inflows 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 governments 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 Outflows/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 year's 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 Outflows/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, deferred outflows of resources, liabilities, and deferred inflows of resources; 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.

2. Stewardship, Compliance, and Accountability

A. Deficit Fund Balance

The Leasehold Properties Special Revenue Fund had a deficit fund balance of \$65,791 at December 31, 2016. This deficit will be eliminated with future lease revenues.

B. Excess of Expenditures Over Budget

The following nonmajor governmental funds have expenditures in excess of budget for the year ended December 31, 2016:

Special Revenue Fund	Expenditures		
	Final Budget	Actual	Excess
Medical Examiner Current Public safety	\$ 2,981,363	\$ 3,008,495	\$ 27,132
Cooperative Extension Current Conservation of natural resources	407,713	459,198	51,485
Housing and Redevelopment Authority Debt service	-	13,948	13,948

C. Reclassification/Restatement

For the year ended December 31, 2016, activity of the Medical Examiner is reported in the Medical Examiner Special Revenue Fund. These activities were previously reported as part of the General Fund. As a result, beginning fund balance has been restated.

	General Fund	Medical Examiner Special Revenue Fund
Fund Balance, January 1, as previously reported	\$ 46,237,641	\$ -
Reclassification of Medical Examiner funds	(884,191)	884,191
Fund Balance, January 1, as restated	\$ 45,353,450	\$ 884,191

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, 2016, the County's deposits were not exposed to custodial credit risk, being fully 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, net asset value, or amortized cost, as appropriate. The following is a summary of the County's cash and investments, at December 31, 2016:

Primary government	
Cash, cash equivalents and pooled investments	\$ 176,347,806
Cash and investments with escrow agents	36,630,781
Funds held with courts	4,650,892
Fiduciary funds	
Cash, cash equivalents and pooled investments	
Agency Fund	9,585,679
Investments	
Trust Fund	54,474,702
	<hr/>
Total cash and investments	\$ 281,689,860

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, 2016.

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, 2016, 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>
Federal National Mortgage Association Note (FNMA)	\$ 13,100,265

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 cash flows. 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, 2016, and information relating to potential investment risks:

Investment Type	Credit Rating	Rating Agency	Custodial Risk	% to Total Portfolio	Less than 1 year	1 to 5 years	More than 5 years
U.S. Government Agency securities							
Farmer Mac USDA (FAMC)	N/A	N/A	Custody	3.79%	\$ -	\$ 8,892,750	\$ 364,295
Financial Assistance Corporation (FAC)	Aaa/AA+	M, S&P	Custody	0.81%	2,000,480	-	-
Federal Farm Credit Bank (FFCB)	Aaa/AA+	M, S&P	Custody	1.09%	900,096	1,768,348	-
Federal Home Loan Bank (FHLB)	Aaa/AA+	M, S&P	Custody	3.14%	650,230	7,027,238	-
Federal Home Loan Mortgage Corporation (FHLMC)	Aaa/AA+	M, S&P	Custody	4.12%	406,904	9,140,871	525,618
Federal National Mortgage Association Note (FNMA)	Aaa/AA+	M, S&P	Custody	5.36%	445,982	5,351,623	7,302,660
Small Business Association (SBA)	Aaa/AA+	M, S&P	Custody	0.10%	-	250,012	-
Financing Corporation (FICO)	Aaa/AA+	M, S&P	Custody	0.88%	-	2,138,608	-
Government National Mortgage Association (GNMA)	Aaa/AA+	M, S&P	Custody	0.32%	-	-	781,064
Tennessee Valley Authority (TVA)	Aaa/AA+	M, S&P	Custody	2.60%	141,673	4,235,760	1,971,040
Total U.S. Government Agency Securities				24.51%	4,545,365	38,805,210	10,944,677
U.S. Treasury Securities (UST)							
	Aaa/AA+	M, S&P	Custody	13.76%	1,202,417	4,372,951	1,769,584
Municipal securities							
State of Arkansas	NR/AA	M, S&P	Custody	1.05%	-	2,057,840	514,440
State of California	Aa2/NR	M, S&P	Custody	0.11%	-	280,185	-
State of Connecticut	Aa3/AA	M, S&P	Custody	1.41%	-	469,048	2,979,344
State of Georgia	Aaa/AAA	M, S&P	Custody	1.85%	-	4,009,800	512,558
State of Hawaii	Aa2/NR	M, S&P	Custody	1.04%	2,000,000	-	534,570
State of Massachusetts	Aa2/NR	M, S&P	Custody	0.59%	-	1,003,640	430,488
State of Michigan	Aa2/AA-	M, S&P	Custody	0.09%	-	222,820	-
State of Minnesota	Aa1/AA+	M, S&P	Custody	1.08%	-	1,913,472	718,668
State of Mississippi	Aa2/AA	M, S&P	Custody	0.14%	350,525	-	-
State of Montana	Aa3/A+	M, S&P	Custody	0.19%	-	455,364	-
State of Ohio	Aa1/AA+	M, S&P	Custody	0.14%	344,189	-	-
State of Pennsylvania	Aa3/AA-	M, S&P	Custody	0.22%	-	-	534,565
State of Washington	Aa1/AA+	M, S&P	Custody	0.81%	-	1,986,300	-
State of Wisconsin	Aa3/AA-	M, S&P	Custody	0.08%	-	-	193,016
Baltimore County, Maryland	Aaa/AAA	M, S&P	Custody	0.08%	-	205,910	-
Harrahs County, Texas	Aaa/AAA	M, S&P	Custody	0.18%	-	444,820	-
Hubbard County, Minnesota	Aa3/NA	M, S&P	Custody	0.79%	-	-	1,929,898
King County, Washington	Aa1/AAA	M, S&P	Custody	0.07%	-	172,467	-
Monroe County, Michigan	NR/AA	M, S&P	Custody	0.04%	-	101,136	-
Travis County, Texas	Aaa/AAA	M, S&P	Custody	0.14%	-	350,563	-
Williams County, Texas	NR/AAA	M, S&P	Custody	0.39%	-	-	942,190
Ouachita Parish, Louisiana	NR/AA-	M, S&P	Custody	0.10%	254,906	-	-
City of Albuquerque, New Mexico	Aa2/AAA	M, S&P	Custody	0.14%	-	331,264	-
City of Arlington, Texas	Aa1/AAA	M, S&P	Custody	0.20%	-	486,915	-
City of Becker, Minnesota	Aa1/NR	M, S&P	Custody	0.56%	-	659,873	697,298
City of Bloomington, Illinois	Aa2/NR	M, S&P	Custody	0.15%	-	354,588	-
City of Bloomington, Minnesota	Aaa/NR	M, S&P	Custody	0.33%	-	806,654	-
City of Boston, Massachusetts	AAA/AAA	M, S&P	Custody	0.04%	-	106,556	-
City of Bridgewater, New Jersey	NA/AA+	M, S&P	Custody	0.11%	-	273,181	-
Cincinnati Water, Ohio	Aa2/AA-	M, S&P	Custody	0.10%	-	252,270	-
City of Columbus, Minnesota	A1/NR	M, S&P	Custody	0.38%	-	-	932,730
City of Columbus, Ohio	Aaa/AAA	M, S&P	Custody	0.18%	-	448,888	-
City of Danville, Virginia	Aa2/AA	M, S&P	Custody	0.13%	-	318,548	-
City of Desert Sands, California	Aa2/AA-	M, S&P	Custody	0.14%	-	349,380	-
City of Duluth, Minnesota	Aa2/AA	M, S&P	Custody	0.48%	-	1,171,290	-
City of Fargo, North Dakota	Aa1/NR	M, S&P	Custody	0.57%	-	887,627	497,238
City of Honolulu, Hawaii	Aa2/NR	M, S&P	Custody	0.26%	-	-	631,181
City of Lino Lakes, Minnesota	NR/AA	M, S&P	Custody	0.78%	-	1,900,878	-
City of Lubbock, Texas	Aa2/AA+	M, S&P	Custody	0.17%	-	-	409,700
City of Marshfield, Wisconsin	Aa3/NR	M, S&P	Custody	0.49%	-	284,419	900,884
City of Morgan Hill, California	Aa1/NR	M, S&P	Custody	0.12%	-	301,353	-
City of Moundsview, Minnesota	NA/AA+	M, S&P	Custody	0.75%	-	-	1,822,752
City of New Orleans, Louisiana	A2/AA	M, S&P	Custody	0.40%	-	-	968,190
City of Owensboro Kentucky	Aa2/AA	M, S&P	Custody	0.74%	-	-	1,800,399
City of Portsmouth, Virginia	Aa2/AA	M, S&P	Custody	0.84%	-	-	2,055,760
City of Reeths-Puffer, Michigan	Aa1/NR	M, S&P	Custody	0.18%	-	450,927	-
City of Seattle, Washington	Aa1/AAA	M, S&P	Custody	0.17%	-	-	426,092
City of St. Paul, Minnesota	Aa2/AA+	M, S&P	Custody	0.81%	-	2,013,570	-
City of Windsor, Wisconsin	NR/AA	M, S&P	Custody	0.59%	-	1,433,578	-
New York City, New York	Aa1/AAA	M, S&P	Custody	0.80%	-	-	1,951,500
California University Revenue Bonds	Aa2/AA	M, S&P	Custody	0.10%	-	251,875	-
Dallas Texas Waterworks and Sewer	NR/AAA	M, S&P	Custody	0.20%	-	486,835	-
Denver Colorado City and County	Aa3/NR	M, S&P	Custody	0.12%	-	299,262	-
Hurst Euleess Bedford Texas School District	NR/AAA	M, S&P	Custody	0.29%	-	703,605	-
Los Angeles Community College	Aa1/AA+	M, S&P	Custody	0.08%	-	201,238	-
Texas Tech University	Aaa/AA+	M, S&P	Custody	0.16%	-	401,224	-
East Bay Waste Water, California	Aa2/AAA	M, S&P	Custody	0.14%	-	334,320	-
Upper Oconee Water District, Georgia	Aa2/NR	M, S&P	Custody	0.17%	-	412,920	-
Metropolitan Council, Minnesota	AAA/AAA	M, S&P	Custody	0.12%	304,936	-	-
Metropolitan Government Nashville, Tennessee	Aa2/AA	M, S&P	Custody	0.10%	254,863	-	-
Total Municipal Securities				22.71%	3,509,439	\$ 29,596,403	\$ 22,383,461
Commercial Paper							
Repurchase Agreements				4.66%	11,393,072	-	-
Certificates of Deposits				0.52%	1,278,856	-	-
Money Market Funds				1.11%	2,707,000	-	-
Local Government Investment Pools				0.28%	632,260	-	-
				23.22%	56,734,734	-	-
Index Fund							
Other Postemployment Benefit (OPEB) Trust Accounts			Custody	22.29%	54,474,702	-	-
Portfolio Total				100.00%	244,350,131		
Investments held in escrow							
					36,630,780		
Total Investments					\$ 280,980,911		

N/A - Not Applicable
NR - Not Rated

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

b. Investments (Continued)

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At December 31, 2016, the County had the following recurring fair value measurements:

	December 31, 2016	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt Securities				
U.S. Government agencies	\$ 54,187,870	\$ -	\$ 54,187,870	\$ -
U.S. Treasury securities	40,512,967	33,346,462	7,166,505	-
Money market funds	3,674,507	-	3,674,507	-
Municipal bonds	55,489,303	-	55,489,303	-
Corporate bonds	437,981	-	73,686	364,295
Total debt securities	<u>154,302,628</u>	<u>33,346,462</u>	<u>120,591,871</u>	<u>364,295</u>
Equity Securities				
Common Stock	49,763,391	49,763,391	-	-
Real Estate Investment Trust	1,631,181	1,631,181	-	-
Total Equity Securities	<u>51,394,572</u>	<u>51,394,572</u>	<u>-</u>	<u>-</u>
Total Investments at Fair Value	<u>\$ 205,697,200</u>	<u>\$ 84,741,034</u>	<u>\$ 120,591,871</u>	<u>\$ 364,295</u>
Investments measured at the net asset value (NAV)				
Money market fund	\$ 3,170,049			
Repurchase agreement	1,278,856			
Commercial paper	11,393,072			
MAGIC Portfolio	16,734,734			
MAGIC Term	40,000,000			
MAGIC Certificate of Deposits	<u>2,707,000</u>			
Total Investments measured at NAV	<u>75,283,711</u>			
Total Investments	<u>\$ 280,980,911</u>			

Debt and equity securities classified in Level 1 are valued using a market approach quoted in active markets for those securities. Debt and equity securities classified in Level 1 are valued using the following approaches:

- (a) U.S. Treasuries, and U.S. Agencies: a market approach by utilizing prices for identical securities in markets that are not active;
- (b) Corporate and municipal bonds: a market approach using quoted prices for similar securities in active markets;
- (c) Money Market and Equity Securities: a market approach using published fair value per share (unit) for each fund;

The Minnesota Association of Governments Investing for Counties (MAGIC) is a local government investment pool which is quoted at a net asset value (NAV). The County invests in this pool for the purpose of the joint investment of the County's money with those of other counties to enhance the investment earnings accruing to each member. The MAGIC fund currently consists of the MAGIC Portfolio and the MAGIC Term Series.

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

b. Investments (Continued)

MAGIC Portfolio is valued using amortized cost. Shares of the MAGIC Portfolio are available to be redeemed upon proper notice without restrictions under normal operating conditions. There are no limits to the number of redemptions that can be made as long as the County has a sufficient number of shares to meet their redemption request. The Fund's Board of Trustees can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical.

Shares of MAGIC Term Series are purchased to mature upon pre-determined maturity dates selected by the County at the time of purchase. Should the County need to redeem shares in a MAGIC Term Series prematurely they must provide notice at least 7 days prior to the premature redemption date. The value of a premature redemption is equal to the original price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series, less a premature redemption penalty, if any.

The County invests in money market funds for the benefit of liquid investments that can be readily re-invested. Money market funds held by the County seek a constant net asset value (NAV) of \$1.00 per share. The money market fund reserves the right to require three or more days' prior notice before permitting withdrawals. The County invests in commercial paper and repurchase agreements through the banks sweep accounts. These accounts have daily liquidity and funds can be accessed any time.

The County also holds \$54,474,702 in the Internal Equity Pool with the State Board of Investment, an external investment pool. The fair value of the investment is the fair value per share of the underlying portfolio. Pursuant to Minn. Stat. § 471.6175, the County may only redeem these funds for the use of postemployment benefits. The County invests in this pool due to the increased investment authority, historically high rate of return on investments, and the reduction of the postemployment benefit liability recorded in its financial statements.

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, 2016, were 99.54 percent (Table 8) of the current levy, which was a sufficient amount to finance the 2016 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, 2016, were \$5,330,728 and the allowance for doubtful accounts was \$1,647,266 resulting in a net effect of \$3,683,462.

c. Loans Receivable

The following is a summary of outstanding loans made to private enterprises and individuals as of December 31, 2016:

	Original Loan Amount	Balance Repaid at December 31, 2016	Outstanding Balance - December 31, 2016	Term (Years)	Interest Rate (%)
General Fund					
Anoka County/Blaine Airport - Northwest Building	\$ 209,392	\$ 38,608	\$ 170,784	20	5.00
Various forfeited tax sale contracts for repurchase	198,145	70,026	128,119	Various	Various
Total General Fund	407,537	108,634	298,903		
Special Revenue Funds					
Community Development Loan programs	5,094,393	941,800	4,152,593	Various	Various
Total Loans Receivable	<u>\$ 5,501,930</u>	<u>\$ 1,050,434</u>	<u>\$ 4,451,496</u>		
Due within one year			<u>\$ 510,833</u>		

3. Detailed Notes on All Funds

A. Assets

2. Receivables (Continued)

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.

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, 2016. The amounts for 2017 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
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	-	459,775	245,675	163,311	868,761
2022-2026	-	2,573,350	491,231	810,787	3,875,368
2027-2028	-	-	-	322,435	322,435
Total	<u>\$ 225,111</u>	<u>\$ 4,893,950</u>	<u>\$ 1,718,875</u>	<u>\$ 1,945,683</u>	<u>\$ 8,783,619</u>
Due within one year	<u>\$ 150,074</u>	<u>\$ 465,975</u>	<u>\$ 245,494</u>	<u>\$ 160,996</u>	<u>\$ 1,022,539</u>

3. Detailed Notes on All Funds

A. Assets (Continued)

3. Capital Assets

Capital asset activity for the year ended December 31, 2016, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 211,270,948	\$ 5,248,903	\$ -	\$ 216,519,851
Construction in progress	65,053,454	34,203,813	(31,433,206)	67,824,061
Total capital assets, not being depreciated	<u>276,324,402</u>	<u>39,452,716</u>	<u>(31,433,206)</u>	<u>284,343,912</u>
Capital assets, being depreciated:				
Buildings and structures	227,526,095	2,979,683	-	230,505,778
Improvements other than buildings	27,084,649	1,651,398	-	28,736,047
Machinery and equipment	52,611,962	5,982,276	(2,126,157)	56,468,081
Infrastructure	450,318,387	20,647,235	(586,080)	470,379,542
Software	7,898,120	-	-	7,898,120
Total capital assets being depreciated	<u>765,439,213</u>	<u>31,260,592</u>	<u>(2,712,237)</u>	<u>793,987,568</u>
Less accumulated depreciation for:				
Buildings and structures	(72,346,261)	(4,728,313)	-	(77,074,574)
Improvements other than buildings	(13,716,356)	(1,212,916)	-	(14,929,272)
Machinery and equipment	(32,733,876)	(4,743,626)	2,045,982	(35,431,520)
Infrastructure	(119,365,090)	(9,006,368)	257,831	(128,113,627)
Software	(3,153,476)	(592,404)	-	(3,745,880)
Total accumulated depreciation	<u>(241,315,059)</u>	<u>(20,283,627)</u>	<u>2,303,813</u>	<u>(259,294,873)</u>
Total capital assets, being depreciated, net	<u>524,124,154</u>	<u>10,976,965</u>	<u>(408,424)</u>	<u>534,692,695</u>
Governmental activities capital assets, net	<u>\$ 800,448,556</u>	<u>\$ 50,429,681</u>	<u>\$ (31,841,630)</u>	<u>\$ 819,036,607</u>
Business-type activity:				
Buildings and structures	\$ 5,429,337	\$ 8,402	\$ -	\$ 5,437,739
Improvements other than buildings	1,879,575	-	-	1,879,575
Machinery and equipment	1,220,770	73,486	-	1,294,256
Total capital assets being depreciated	<u>8,529,682</u>	<u>81,888</u>	<u>-</u>	<u>8,611,570</u>
Less accumulated depreciation for:				
Buildings and structures	(1,304,057)	(108,671)	-	(1,412,728)
Improvements other than buildings	(960,677)	(88,119)	-	(1,048,796)
Machinery and equipment	(733,367)	(57,143)	-	(790,510)
Total accumulated depreciation	<u>(2,998,101)</u>	<u>(253,933)</u>	<u>-</u>	<u>(3,252,034)</u>
Business-type activity capital assets, net	<u>\$ 5,531,581</u>	<u>\$ (172,045)</u>	<u>\$ -</u>	<u>\$ 5,359,536</u>

3. Detailed Notes on All Funds

A. Assets

3. Capital Assets (Continued)

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

Governmental activities:

General government	\$ 3,723,876
Public safety	3,175,262
Highways and streets, including depreciation of general infrastructure assets	10,646,388
Human services	179,993
Sanitation	15,234
Culture and recreation	2,220,796
Economic development	322,078
Total depreciation expense - governmental activities	<u>\$ 20,283,627</u>

Business-type activity:

Aquatic Center	<u>\$ 253,933</u>
----------------	-------------------

Construction in progress at December 31, 2016, comprises the to-date costs of the following projects:

Highway infrastructure	\$ 60,238,149
Parks/Library improvement projects	878,180
Courtroom remodel	5,114,341
800 MHZ upgrade	76,074
Tri-Tech jail management system	815,785
Miscellaneous building remodels	74,625
Jail security and HVAC	626,907
Total construction in progress	<u>\$ 67,824,061</u>

B. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2016 was as follows:

1. Due From and To Other Funds

	<u>Receivable</u>	<u>Payable</u>	<u>Description</u>
Major Governmental Funds			
General Fund	\$ 310,000	\$ -	Short term loan
Nonmajor Governmental Funds			
Special Revenue Funds			
Job Training Center	-	300,000	Short term loan
Leasehold Properties	-	10,000	Short term loan
Total Governmental Funds	<u>310,000</u>	<u>310,000</u>	
Total Due From and To Other Funds	<u>\$ 310,000</u>	<u>\$ 310,000</u>	

3. Detailed Notes on All Funds

B. Interfund Receivables, Payables and Transfers (Continued)

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.

	Advances To	Advances From
Capital Projects Fund	\$ 1,505,586	\$ -
General Fund	-	410,933
Special Revenue Funds		
Housing and Redevelopment Authority	-	678,104
Parks and Recreation	-	416,549
	<u>\$ 1,505,586</u>	<u>\$ 1,505,586</u>

3. Interfund Transfers

Interfund transfers for the year ended December 31, 2016, consisted of the following:

	Transfers in	Description
Major Governmental Funds		
Transfers to General Fund from:		
Road and Bridge	\$ 123,750	Voluntary separation program
Human Services	290,599	Voluntary separation program
Capital Projects	33,600	Vehicle purchase
Capital Projects	100,000	Building improvements
Law Library	40,000	Voluntary separation program
County Library	57,984	Voluntary separation program
Parks and Recreation	49,750	Voluntary separation program
Aquatic Center	11,250	Voluntary separation program
Total General Fund	<u>706,933</u>	
Transfers to Debt Service Fund from:		
General Fund	1,618,033	Lease revenue debt payments
General Fund	167,000	East Central Juvenile Center bonds
Regional Railroad Authority	1,762,835	Regional Railroad bonds
Housing and Redevelopment Authority	230,735	Debt service allocation from operations
Housing and Redevelopment Authority	175,774	Debt service allocation from operations
Housing and Redevelopment Authority	242,058	Debt service allocation from operations
Housing and Redevelopment Authority	354,127	Debt service allocation from operations
Total Debt Service Fund	<u>4,550,562</u>	
Transfers to Capital Projects Fund from:		
General Fund	1,255,342	Recorder's technology and compliance fees
General Fund	2,148,948	Approved use of reserves
General Fund	216,443	Broadband project
Road and Bridge	173,946	Central Fuel Station
Human Services	3,500,000	Approved use of reserves
County Library	418,527	Radio-Frequency identification project
County Library	295,628	Approved use of reserves
Total Capital Projects Fund	<u>8,008,834</u>	
Transfers to other governmental funds from:		
Various funds	1,397,065	Miscellaneous
Total Transfers In: Governmental Funds	<u>\$ 14,663,394</u>	

3. Detailed Notes on All Funds (Continued)

C. Liabilities and Deferred Inflows of Resources

1. Payables

Payables at December 31, 2016, were as follows:

	Governmental Activities	Business-type Activities
Accounts	\$ 3,431,953	\$ 178
Salaries	2,385,543	5,710
Contracts	2,770,964	-
Due to other governments	5,147,455	96
Matured interest payable	2,766,347	-
Total payables	\$ 16,502,262	\$ 5,984

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, 2016, are summarized below by fund:

	Taxes	Grants	Installment Loans	Leases	Advances From Other Governments	Other	Total
Major Governmental Funds							
General	\$ 1,003,702	\$ 798,694	\$ 298,903	\$ 8,783,619	\$ -	\$ 309,634	\$ 11,194,552
Road and Bridge	170,476	-	-	-	1,089,931	2,222,424	3,482,831
Human Services	520,533	433,812	-	-	-	428,527	1,382,872
Community Development	-	-	4,152,593	-	-	159,900	4,312,493
Debt Service	276,259	-	-	-	-	-	276,259
Capital Projects	4,354	-	-	-	-	4,593	8,947
Total Major Governmental Funds	1,975,324	1,232,506	4,451,496	8,783,619	1,089,931	3,125,078	20,657,954
Nonmajor Governmental Funds	237,660	1,359,565	-	-	-	35,816	1,633,041
Total All Funds	\$ 2,212,984	\$ 2,592,071	\$ 4,451,496	\$ 8,783,619	\$ 1,089,931	\$ 3,160,894	\$ 22,290,995
Liability							
Unearned revenue	\$ -	\$ 2,158,518	\$ -	\$ 8,783,619	\$ -	\$ 949,027	\$ 11,891,164
Deferred Inflows of Resources							
Advances from other governments	-	-	-	-	1,089,931	-	1,089,931
Unavailable revenue	2,212,984	433,553	4,451,496	-	-	2,211,867	9,309,900
Total Deferred Inflows of Resources	2,212,984	433,553	4,451,496	-	1,089,931	2,211,867	10,399,831
Totals	\$ 2,212,984	\$ 2,592,071	\$ 4,451,496	\$ 8,783,619	\$ 1,089,931	\$ 3,160,894	\$ 22,290,995

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, 2016. 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	\$ 9,093,724
Capital Projects Fund	
Building projects	663,768
Courthouse remodel	1,976,429
Elevators	42,662
Financial system projects	184,838
Security systems	661,045
Public Safety Data System	2,140,296
System projects	5,628,465
Total Capital Projects Fund	11,297,503
Total All Funds	\$ 20,391,227

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, 2015, the date of the last actuarial valuation:

Active employees	1,603
Retired employees and spouses	878
Total	2,481

Trust Fund

Anoka County established an OPEB 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 this account.

The OPEB 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 the trust is 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, 2016, the retirees contributed \$1,090,063 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 2016, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution (ARC)	\$ 3,485,598
Interest on net OPEB obligations	1,424,527
Adjustments to ARC	<u>(1,639,677)</u>
Annual OPEB Cost	3,270,448
Contributions to medical and life insurance on behalf of retirees	<u>(2,948,226)</u>
Increase (decrease) in net OPEB obligation	322,222
Net OPEB beginning of year	<u>20,350,387</u>
Net OPEB end of year	<u>\$ 20,672,609</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, 2012 through 2016 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
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
12/31/16	3,270,448	2,948,226	90.15%	20,672,609

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
12/31/2011	\$ 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%
12/31/2015	51,357,376	69,123,488	17,766,112	74.30%	110,554,701	16.07%

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, 2015, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.0% 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 8.5% in 2016 to 5.0% in 2023. 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 \$669,200 at December 31, 2016, 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 \$18,492,493 on December 31, 2016. 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 \$392,966 in 2016. The following is a schedule of future minimum operating lease payments:

<u>Year Due</u>	<u>Lease Payments</u>
2017	\$ 386,614
2018	340,801
2019	342,735
2020	326,014
2021	307,293
2022-2026	959,201
2027-3031	74,914
Total	<u>\$ 2,737,572</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, 2016:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Lease Revenue Obligations	\$ 3,541,284	\$ -	\$ (405,873)	\$ 3,135,411	\$ 417,014
General Obligation Bonds and Notes	114,410,000	8,780,000	(10,400,000)	112,790,000	10,245,000
General Obligation Bonds Supported by Revenue	22,275,000	-	(1,630,000)	20,645,000	1,675,000
Limited Tax Bonds	52,600,000	-	(2,615,000)	49,985,000	2,385,000
Total Bonded Debt	192,826,284	8,780,000	(15,050,873)	186,555,411	14,722,014
Issuance premiums	6,293,116	297,415	(613,368)	5,977,163	-
Issuance discounts	(201,865)	-	15,104	(186,761)	-
Net Bonded Debt	\$ 198,917,535	\$ 9,077,415	\$ (15,649,137)	\$ 192,345,813	\$ 14,722,014

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 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, 2016 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. \$ 1,480,000

\$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. 215,411

\$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. 1,440,000

Total Lease Revenue Obligations 3,135,411

b. General Obligation Bonds and Notes:

\$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, a Public Safety Campus, TH242/TH65 interchange, and a land purchase. 8,255,000

\$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 CSAH 14/I35W to I35E, Medical Examiner office and morgue, and Central Communications expansion. 10,355,000

\$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. 10,325,000

\$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. \$ 670,000

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>\$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.</p>	\$ 11,035,000
<p>\$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.</p>	960,000
<p>\$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.</p>	10,195,000
<p>\$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.</p>	3,675,000
<p>\$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.</p>	935,000
<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, energy management improvements, and parking ramp and pavement restoration.</p>	1,040,000
<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 at St. Francis Library, and expansion of the Highway Campus facility.</p>	\$ 6,400,000

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>\$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>	<p>\$ 170,000</p>
<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>	<p>10,700,000</p>
<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>	<p>385,000</p>
<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>	<p>18,120,000</p>
<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>	<p>2,750,000</p>
<p>\$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.</p>	<p>8,040,000</p>
<p>\$8,780,000 April 19, 2016 General Obligation Capital Improvement Bonds: serial bonds maturing in amounts ranging from \$490,000 to \$680,000 each February 1 and August 1 in the years 2019 to 2033 with interest due each February 1 and August 1 in the years of 2017 to 2033 at a rate of 2.00 to 3.00 percent. Bonds maturing on or after February 1, 2026, are subject to redemption on February 1, 2025, and on any day thereafter at a price of par plus accrued interest. The bond was issued to fund court remodeling, Coon Lake Park improvements, and jail improvements.</p>	<p>8,780,000</p>
<p>Total General Obligation Bonds and Notes</p>	<p>\$ 112,790,000</p>

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources

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

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 2016:

Debt Issuance	Available Revenue	Operating Expenditures	Net Available Revenues	Principal	Interest	Total	Coverage *
\$1,600,000 General Obligation Revenue Refunding Bonds, Series 2005E	\$ 3,001,287	\$ 2,839,794	\$ 161,493	\$ 180,000	\$ 14,620	\$ 194,620	0.83
\$2,770,000 Ham Lake Senior Housing Refunding Bonds, Series 2008A	513,957	325,917	188,040	145,000	78,215	223,215	0.84
\$3,200,000 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds, Series 2009A	577,901	297,910	279,991	150,000	84,558	234,558	1.19
\$5,750,000 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds, Series 2011A	748,552	395,468	353,084	185,000	164,193	349,193	1.01
\$3,170,000 Anoka County Housing and Redevelopment Authority Housing Development Refunding Bonds, Series 2011A	546,544	346,324	200,220	80,000	92,264	172,264	1.16
\$5,230,000 Anoka County Housing and Redevelopment Authority Taxable General Obligation Refunding Bonds, Series 2012A **	586,151	-	586,151	500,000	73,761	573,761	1.02
\$5,655,000 Anoka County Housing and Redevelopment Authority General Obligation Refunding Bonds, Series 2012B**	487,851	-	487,851	390,000	74,900	464,900	1.01

* 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 original bond was issued to fund construction of the juvenile detention and treatment facility. \$ 190,000

\$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. 1,820,000

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.

\$ 2,250,000

\$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.

5,305,000

\$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.

2,925,000

\$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.

3,700,000

\$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 a four-sheet ice facility and associated improvements.

4,455,000

Total General Obligation Bonds Supported by Revenue 20,645,000

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.

\$ 24,390,000

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 original 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.

	\$ 25,595,000
Total Limited Tax Bonds	49,985,000
Total Bonds and Notes Payable	\$ 186,555,411

7. Debt Service Requirements

Year Due	Lease Revenue Obligations	General Obligation Bonds and Notes	General Obligation Bonds Supported By Revenue	Limited Tax Bonds	Total	
					Principal	Interest
2017	\$ 556,564	\$ 14,439,740	\$ 2,225,483	\$ 4,200,007	\$ 14,722,014	\$ 6,699,780
2018	484,520	15,106,643	2,020,891	4,204,108	15,693,397	6,122,765
2019	406,811	15,335,407	2,025,666	4,194,158	16,395,000	5,567,042
2020	408,334	14,746,113	2,026,781	4,183,698	16,395,000	4,969,926
2021	408,987	14,481,055	2,019,669	4,192,780	16,745,000	4,357,491
2022-2026	1,302,018	44,212,967	8,680,302	20,893,766	61,215,000	13,874,053
2027-2031	322,435	16,740,366	3,655,165	20,819,685	36,965,000	4,572,651
2032-2036	-	1,821,711	2,793,208	4,156,637	8,425,000	346,556
Total payments less interest	3,889,669 (754,258)	136,884,002 (24,094,002)	25,447,165 (4,802,165)	66,844,839 (16,859,839)	\$ 46,510,264	
Total principal due	\$ 3,135,411	\$ 112,790,000	\$ 20,645,000	\$ 49,985,000	\$ 186,555,411	

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, 2016, are summarized as follows:

	Long-Term Obligations			
	Capital Leases	Governmental Activities		Business-Type Activities
		Compensated Absences	Loans Payable	Compensated Absences
Payable, January 1	\$ 86,268	\$ 9,549,508	\$ 649,789	\$ 15,531
Additions	-	13,278,326	614,910	14,208
Deletions	(28,371)	(13,414,393)	(44,643)	(18,007)
Payable, December 31	\$ 57,897	\$ 9,413,441	\$ 1,220,056	\$ 11,732
Due within one year	\$ 28,752	\$ 470,672	\$ 180,100	\$ 586

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>
2017	\$ 29,379
2018	29,379
Total payments	58,758
Less interest	(861)
Present Value of Net Minimum Payments	<u>\$ 57,897</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 absences 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 Special Revenue Fund.

The following is a schedule of future loan payments:

<u>Year Due</u>	<u>AgBMP</u>
2017	\$ 180,100
2018	289,969
2019	225,258
2020	219,970
2021	140,152
2022-2026	159,482
2027	5,125
Total payments	<u>\$ 1,220,056</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.

The recovery zone bonds have an outstanding principal balance of \$14,025,000 at December 31, 2016. There are four recovery zone bond issuances at December 31, 2016:

	<u>Issue</u>	<u>Principal Balance</u>
Fridley Medical Center Project	2010A	\$ 10,925,000
Fridley Medical Center Project	2010B	175,000
Park River Estate Care Center	2010D	2,915,000
Park River Estate Care Center	2010E	10,000
		<u>\$ 14,025,000</u>

3. Detailed Notes on All Funds

C. Liabilities and Deferred Inflows of Resources (Continued)

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, 2016, there are three issues outstanding with an aggregate principal amount payable of \$14,835,000.

	<u>Issue</u>	<u>Principal Balance</u>
Spectrum Building Company	2012A	\$ 10,790,000
Spectrum Building Company	2014A	3,880,000
Spectrum Building Company	2014B	165,000
		<u>\$ 14,835,000</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	\$ -	\$ 2,653,013	\$ -	\$ -	\$ 2,653,013
Prepaid items	116,872	6,934	-	-	123,806
Total Nonspendable	<u>\$ 116,872</u>	<u>\$ 2,659,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,776,819</u>
Restricted for:					
911 capital expenditures	\$ 1,627,540	\$ -	\$ -	\$ -	\$ 1,627,540
Conceal and Carry law	728,944	-	-	-	728,944
Narcotics program	5,000	-	-	-	5,000
Solid waste abatement (recycling)	750,000	-	-	-	750,000
Household Hazardous Waste program	750,000	-	-	12,230,057	12,980,057
SCORE program	1,500,000	-	-	-	1,500,000
Solid waste cleanup	620,364	-	-	-	620,364
Waste processing	2,997,158	-	-	-	2,997,158
Solid waste	1,370,364	-	-	-	1,370,364
Dedicated donations	67,588	1,613	-	-	69,201
Child protection	-	821,935	-	-	821,935
Drug and narcotics enforcement	-	28,654	-	-	28,654
Economic development grants	-	814,129	-	-	814,129
Revolving loans	-	150,000	-	-	150,000
Edith P. Wargo estate	-	272,719	-	-	272,719
Ag Preservation programs	-	41,202	-	-	41,202
Law library	-	195,777	-	-	195,777
Law enforcement	-	279,200	-	-	279,200
Amounts with escrow agents	-	5,752,978	35,528,695	-	41,281,673
Debt service	-	-	18,973,220	-	18,973,220
Debt proceeds restricted for capital projects	-	-	-	3,567,307	3,567,307
Recorders compliance	-	-	-	6,697,837	6,697,837
Total Restricted	<u>\$ 10,416,958</u>	<u>\$ 8,358,207</u>	<u>\$ 54,501,915</u>	<u>\$ 22,495,201</u>	<u>\$ 95,772,281</u>
Committed for:					
Library	\$ -	\$ 4,083,213	\$ -	\$ -	\$ 4,083,213
Cooperative Extension programs	-	208,131	-	-	208,131
Total Committed	<u>\$ -</u>	<u>\$ 4,291,344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,291,344</u>
Assigned for:					
Self insurance liabilities	\$ 3,500,000	\$ -	\$ -	\$ -	\$ 3,500,000
Secured juvenile facility	1,136,080	-	-	-	1,136,080
Drug and narcotics enforcement	144,895	-	-	-	144,895
Human service programs	-	34,967,909	-	-	34,967,909
Economic development	-	7,699,931	-	-	7,699,931
Parks	-	1,382,918	-	-	1,382,918
Medical examiner operations and building	-	1,201,631	-	-	1,201,631
Future capital improvements	-	8,610,300	-	-	8,610,300
Willows operations	-	5,699	-	-	5,699
Savannah Oaks operations	-	34,121	-	-	34,121
Oaks of Lake George operations	-	23,877	-	-	23,877
Advances to other funds	-	-	-	1,505,586	1,505,586
Allocated capital projects	-	-	-	782,316	782,316
One time capital projects	-	-	-	2,379,995	2,379,995
IT capital projects	-	-	-	2,655,912	2,655,912
Innovative capital projects	-	-	-	353,966	353,966
Blade server capital projects	-	-	-	191,102	191,102
County building capital projects	-	-	-	1,940,848	1,940,848
Library building capital projects	-	-	-	1,689,141	1,689,141
Asset preservation	-	-	-	10,963,081	10,963,081
Total Assigned	<u>\$ 4,780,975</u>	<u>\$ 53,926,386</u>	<u>\$ -</u>	<u>\$ 22,461,947</u>	<u>\$ 81,169,308</u>

3. Detailed Notes on All Funds (Continued)

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

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 Plan, the Public Employees Police and Fire Plan, and the Local Government Correctional Service Retirement Plan (the Public Employees Correctional Plan), 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 Plan (accounted for in the General Employees Fund) has multiple benefit structures with members belonging to the Coordinated Plan, the Basic Plan or the Minneapolis Employees Retirement Fund. Coordinated Plan members are covered by Social Security and Basic Plan and Minneapolis Employees Retirement Fund members are not. The Basic Plan was closed to new members in 1967. The Minneapolis Employees Retirement Fund was closed to new members during 1978 and merged into the General Employees Retirement Plan in 2015. 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 Plan (accounted for in the 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 Plan (accounted for in the 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.

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 Plan Coordinated and Basic Plan members. Members hired prior to July 1, 1989, receive 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. Only Method 2 is used for members hired after June 30, 1989. Minneapolis Employees Retirement Fund members have an annuity accrual of 2.0 percent of average salary for each of the first ten years of service and 2.5 percent for each remaining year.

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

b. Benefits Provided (Continued)

For Public Employees Police and Fire Plan members, the annuity accrual rate is 3.0 percent of average salary for each year of service. For Public Employees Correctional Plan members, the annuity accrual rate is 1.9 percent of average salary for each year of service.

For General Employees Retirement Plan 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 Plan and Public Employees Correctional Plan members, normal retirement age is 55, and for members who were hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90. 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 Plan Basic members, Coordinated members, and Minneapolis Employees Retirement Fund members were required to contribute 9.10 percent, 6.50 percent, and 9.75 percent, respectively, of their annual covered salary in 2016. Public Employees Police and Fire Plan members were required to contribute 10.80 percent of their annual covered salary in 2016. Public Employees Correctional Plan members were required to contribute 5.83 percent of their annual covered salary in 2016.

In 2016, the County was required to contribute the following percentages of annual covered salary:

General Employees Retirement Plan	
Basic Plan members	11.78%
Coordinated Plan members	7.50
Minneapolis Employees Retirement Fund members	9.75
Public Employees Police and Fire Plan	16.20
Public Employees Correctional Plan	8.75

The employee and employer contribution rates did not change from the previous year.

The County's contributions for the year ended December 31, 2016, to the pension plans were:

General Employees Retirement Plan	\$	6,772,116
Public Employees Police and Fire Plan		1,739,500
Public Employees Correctional Plan		982,247

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

d. Pension Costs

General Employees Retirement Plan

At December 31, 2016, the County reported a liability of \$115,819,626 for its proportionate share of the General Employees Retirement Plan's net pension liability. The net pension liability was measured as of June 30, 2016, 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, 2015, through June 30, 2016, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2016, the County's proportion was 1.43 percent. It was 1.47 percent measured as of June 30, 2015. The County recognized pension expense of \$14,621,058 for its proportionate share of the General Employees Retirement Plan's pension expense.

The County also recognized \$451,033 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's contribution to the General Employees Retirement Plan, which qualifies as a special funding situation. Legislation requires the State of Minnesota to contribute \$6 million to the General Employees Retirement Plan each year, starting September 15, 2015, through September 15, 2031.

County's proportionate share of the net pension liability	\$	115,819,626
State of Minnesota's proportionate share of the net pension liability associated with the County		<u>1,512,652</u>
Total	\$	<u>117,332,278</u>

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

d. Pension Costs

General Employees Retirement Plan (Continued)

The County reported its proportionate share of the General Employees Retirement Plan'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	\$ -	\$ 9,485,067
Changes in actuarial assumptions	22,677,547	-
Difference between projected and actual investment earnings	22,144,525	-
Changes in proportion	-	5,456,824
Contributions paid to PERA subsequent to the measurement date	3,644,204	-
Total	<u>\$ 48,466,276</u>	<u>\$ 14,941,891</u>

A total of \$3,644,204 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, 2017. 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
2017	\$ 7,518,695
2018	7,518,694
2019	10,659,189
2020	4,183,603

Public Employees Police and Fire Plan

At December 31, 2016, the County reported a liability of \$43,221,884 for its proportionate share of the Public Employees Police and Fire Plan's net pension liability. The net pension liability was measured as of June 30, 2016, 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, 2015, through June 30, 2016, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2016, the County's proportion was 1.08 percent. It was 1.13 percent measured as of June 30, 2015. The County recognized pension expense of \$7,138,977 for its proportionate share of the Public Employees Police and Fire Plan's pension expense.

The County also recognized \$96,930 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 Plan. Legislation requires the State of Minnesota to contribute \$9 million to the Police and Fire Plan each year, starting in fiscal year 2014, until the plan is 90 percent funded.

The County reported its proportionate share of the Public Employees Police and Fire Plan'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	\$ -	\$ 4,760,105
Changes in actuarial assumptions	23,786,891	-
Difference between projected and actual investment earnings	6,676,141	-
Changes in proportion	54,002	511,305
Contributions paid to PERA subsequent to the measurement date	978,339	-
Total	<u>\$ 31,495,373</u>	<u>\$ 5,271,410</u>

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans

d. Pension Costs

Public Employees Police and Fire Plan (Continued)

A total of \$978,339 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, 2017. 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
2017	\$ 5,389,340
2018	5,389,340
2019	5,389,340
2020	4,829,579
2021	4,248,025

Public Employees Correctional Plan

At December 31, 2016, the County reported a liability of \$21,370,869 for its proportionate share of the Public Employees Correctional Plan's net pension liability. The net pension liability was measured as of June 30, 2016, 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, 2015, through June 30, 2016, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2016, the County's proportion was 5.85 percent. It was 6.05 percent measured as of June 30, 2015. The County recognized pension expense of \$6,031,770 for its proportionate share of the Public Employees Correctional Plan's pension expense.

The County reported its proportionate share of the Public Employees Correctional Plan'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	\$ 16,731	\$ 238,733
Changes in actuarial assumptions	13,615,817	-
Difference between projected and actual investment earnings	2,420,420	-
Changes in proportion	377	23,190
Contributions paid to PERA subsequent to the measurement date	541,759	-
Total	<u>\$ 16,595,104</u>	<u>\$ 261,923</u>

A total of \$541,759 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, 2017. 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
2017	\$ 5,071,109
2018	5,071,109
2019	5,190,286
2020	458,918

Total Pension Expense

The total pension expense for all plans recognized by the County for the year ended December 31, 2016, was \$27,791,805.

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans (Continued)

e. Actuarial Assumptions

The total pension liability in the June 30, 2016, actuarial valuation was determined using the individual entry-age normal actuarial cost method and the following additional actuarial assumptions:

Inflation	2.50 percent per year
Active member payroll growth	3.25 percent per year
Investment rate of return	7.50 percent

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants in the General Employees Retirement Plan were based on RP-2014 tables, while mortality rates for Public Employees Police and Fire Plan and Public Employees Correctional Plan were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. For the General Employees Retirement Plan and the Public Employees Police and Fire Plan, cost of living benefit increases for retirees are assumed to be 1.0 percent. Cost of living benefit increases for retirees are assumed to be 2.5 percent for the Public Employees Correctional Plan.

Actuarial assumptions used in the June 30, 2016, valuation were based on the results of actuarial experience studies. The experience study in the General Employees Retirement Plan was for the period 2008 through 2015. The experience study for the Public Employees Police and Fire Plan was for the period 2004 through 2009. The experience study for the Public Employees Correctional Plan was for the period 2006 through 2011.

On August 16, 2016, an updated experience study was done for PERA's Public Employees Police and Fire Plan for the period 2011 through 2015, which would result in a larger pension liability. However, PERA will implement the changes in assumptions for its June 30, 2017, estimate of pension liability.

The long-term expected rate of return on pension plan investments is 7.5 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 7.50 percent in 2016, a reduction of the 7.90 percent used in 2015. 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, the fiduciary net position of the General Employees Retirement Plan 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. In the Public Employees Police and Fire Plan and the Public Employees Correctional Plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2056, and June 30, 2058, respectively. Beginning in fiscal years ended June 30, 2057, for the Police and Fire Plan and June 30, 2059, for the Public Employees Correctional Plan, when projected benefit payments exceed the Plans' projected fiduciary net position, benefit payments were discounted at the municipal bond rate of 2.85 percent based on an index of 20-year general obligation bonds with an average AA credit rating at the measurement date. An equivalent single discount rate of 5.60 percent for the Public Employees Police and Fire Plan and 5.31 percent for the Public Employees Correctional Plan was determined that produced approximately the same present value of the projected benefits when applied to all years of projected benefits as the present value of projected benefits using 7.50 percent applied to all years of projected benefits through the point of asset depletion and 2.85 percent thereafter.

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans (Continued)

g. Changes in Actuarial Assumptions

The following changes in actuarial assumptions occurred in 2016:

General Employees Retirement Plan

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter, to 1.00 percent for all future years.
- The assumed investment rate was changed from 7.90 percent to 7.50 percent. The single discount rate was also changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed payroll growth and inflation were decreased by 0.25 percent. Payroll growth was reduced from 3.50 percent to 3.25 percent. Inflation was reduced from 2.75 percent to 2.50 percent.

Public Employees Police and Fire Plan

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter, to 1.00 percent for all future years.
- The assumed investment rate was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 5.60 percent.
- The assumed payroll growth and inflation were decreased by 0.25 percent. Payroll growth was reduced from 3.50 percent to 3.25 percent. Inflation was reduced from 2.75 percent to 2.50 percent.

Public Employees Correctional Plan

- The assumed investment rate was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 5.31 percent.
- The assumed payroll growth and inflation were decreased by 0.25 percent. Payroll growth was reduced from 3.50 percent to 3.25 percent. Inflation was reduced from 2.75 percent to 2.50 percent.

h. 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:

	Proportionate Share of the:					
	General Employees Retirement Plan		Public Employees Police and Fire Plan		Public Employees Correctional Plan	
	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability
1% Decrease	6.50%	\$ 164,497,924	4.60%	\$ 60,504,901	4.31%	\$ 32,177,925
Current	7.50%	115,819,626	5.60%	43,221,884	5.31%	21,370,869
1% Increase	8.50%	75,721,611	6.60%	29,100,346	6.31%	12,933,882

3. Detailed Notes on All Funds

E. Employee Retirement Systems and Pension Plans

1. Defined Benefit Pension Plans (Continued)

i. 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

Nine 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, 2016, were:

	<u>Employee</u>	<u>Employer</u>
Contribution amount	\$ 35,453	\$ 35,453
Percentage of covered payroll	5%	5%

3. Central Pension Fund

The County also has employees who participate in the Central Pension Fund of the International Union of Operating Engineers, Local 49. The County is not responsible for any shortages in that pension and therefore no liability for it has been recorded accordingly.

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.

3. Detailed Notes on All Funds

F. Risk Management (Continued)

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:

	2016	2015
Unpaid claims, January 1	\$ 2,690,412	\$ 2,893,217
Self-funded claims	785,962	474,663
Adjustments	(302,606)	(277,460)
Claim payments	(414,151)	(400,008)
Unpaid claims, December 31	\$ 2,759,617	\$ 2,690,412
Due within one year	\$ 219,567	

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.

Anoka County has elected lower self-insurance retention since becoming self-insured in 2002. The self-insurance retention limit for 2016 workers' compensation claims is \$500,000 per occurrence for all claims occurring in 2016 and 2017. 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:

	Per Person	Per Occurrence
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 \$138,253 in 2016. 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 6 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.

3. Detailed Notes on All Funds

G. Joint Ventures (Continued)

3. Northstar Corridor Development Authority (NCDA). (Continued) 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 2016 Anoka County paid dues of \$44,685 to the NCDA, which is reflected as an expenditure in the Regional Railroad Authority Special Revenue Fund. The dues for 2017 are anticipated to be \$30,000.

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.

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 2016, Anoka County made \$3,374 in contributions and payments. Current financial statements for the Rush Line Corridor Task Force are not available.

The Anoka County Regional Railroad Authority gave notice of the withdrawal from the Rush Line Corridor Task Force effective March 15, 2016. All amounts due and owing the Task Force have been paid.

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.

3. Detailed Notes on All Funds

G. Joint Ventures (Continued)

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 2016. 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 2016.
9. Joint Law Enforcement Council (JLEC). Anoka County Joint Law Enforcement Council (ACJLEC) was formed in 1970 and modified in 1982 and 2001 to add several cities and representatives. In 2003 a joint powers agreement was entered into by Anoka County, the Cities of Anoka, Blaine, Circle Pines, Columbia Heights, Coon Rapids, Fridley, Lexington, Lino Lakes, Ramsey, and Spring Lake Park, and the Circle Pines-Lexington-Centerville Joint Municipal Police Commission. This agreement superseded the previous agreements and created the JLEC by the power granted by Minn. Stat. Section 471.59. Its purpose is to improve the efficiency and effectiveness of law enforcement to improve public safety in Anoka County. The main goal of the council is for the public safety communication system to operate as effectively as possible and common equipment is important to that goal.

An Addendum to JLEC occurred in December of 2013 to add the Cities of Centerville and St. Francis as parties to the agreement.

A Memo of Understanding (MOU) was made in September of 2015 and entered into by and between JLEC and the County of Anoka. The purpose of the MOU was to formalize an understanding between parties concerning the rights and responsibilities for delivery of support services concerning the location, accessibility, maintenance and operations of the Public Safety Data System (PSDS) at the Anoka County Government Center Complex. The County will provide a physical space and ensure that the space conforms to the needs of the PSDS. The JLEC will be solely responsible and pay directly for the services and all costs associated with development, installation, modification, and maintenance of the PSDS.

A Memo of Understanding was begun on June 1, 2016 between JLEC and the County of Anoka Information Technology Department (IT) to collaboratively ensure that the Public Safety Data System (PSDS) is successful in the mission of providing services to all citizens of Anoka County. Anoka County owns fiber connecting the Anoka County Government Center and the Anoka County Sheriff's Office and is able to extend connectivity through this fiber for the purpose of PSDS. JLEC will pay for fiber installations, splicing, and upfront costs and proportionate shares of ongoing maintenance costs. Currently upfront costs are estimated to be \$5,093 with ongoing annual maintenance costs of \$1,755.

10. Regional Crime Laboratory. In August of 2012, a joint agreement was entered into by the County of Anoka, the County of Sherburne, and the County of Wright. The purpose of the agreement is to continue to jointly address the Member Counties' long-term needs for a regional forensics crime laboratory. Anoka will use grant monies from the Dept. of Public Safety to contribute to the costs to design, construct, furnish and equip the facility. Anoka shall provide all labor, equipment, tools and supplies necessary to operate the Facility and will be reimbursed from operating costs contributed by each Member County. Each Member County shall pay its percentage share of the total annual budget in direct proportion to that Member County's population percentage of the total population of all Member Counties based on the 2010 Census.
11. Secure Juvenile Detention and Treatment Facility. Effective January 1st, 2012 a joint powers agreement was entered into by Anoka County, Chisago County, Isanti County, Kanabec County, Mille Lacs County, Pine County, Sherburne County, Washington County and Wright County. The purpose of the agreements was to jointly address the Member Counties long-term needs for juvenile detention and treatment facility capacity.

The Minnesota Commissioner of Corrections was authorized to make grants for up to 75% of the construction cost of secure juvenile detention and treatment facilities in accordance with 1994 Minnesota Laws 643, section 79. Anoka County was authorized to issue general obligation bonds in an amount not to exceed \$3,500,000 to finance costs of the Facility in accordance with 1994 Minnesota Laws 643, section 79 which expires in February 2017.

The Facility is owned by Anoka County at the site of the Anoka County Juvenile Center in Lino Lakes, Minnesota and is responsible for the maintenance and repair of the facility as well as labor, equipment, tools and materials necessary to operate the Facility. Member Counties shall pay per diem payments based on the occupancy rate.

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. Tax Abatements - Pay-As-You-Go Tax Increment

The County is subject to tax abatements granted by Cities within the County pursuant to Minnesota Statutes 469.174 to 469.1794 (Tax Increment Financing) through a pay-as-you-go note program. Tax increment financing (TIF) can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to-moderate-income housing, and economic development within a City. TIF captures the increase in tax capacity and property taxes (of all taxing jurisdictions, including the County) from development or redevelopment to provide funding for the related project.

The pay-as-you-go note provides for payment to the developer of a percentage of all tax increment received in the prior six months. The payment reimburses the developer for certain public improvements. During 2016, there were 12 pay-as-you-go notes within the County. The tax increment collections during 2016 associated with these notes totaled \$2,538,900. The County's portion of the captured tax capacity and related property taxes was approximately 30%.

D. Subsequent Event

On January 15, 2017, the County entered into a Capital Equipment Lease in the amount of \$3,567,000.

On March 7, 2017, the County Board issued \$17,185,000 General Obligation Capital Improvement Refunding Bonds, Series 2017A.

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 57,791,376	\$ 57,791,376	\$ 57,526,244	\$ (265,132)
Licenses and permits	101,844	247,748	365,843	118,095
Intergovernmental	19,050,380	19,493,995	20,846,310	1,352,315
Charges for services	26,184,849	26,269,927	27,775,318	1,505,391
Fines and forfeitures	1,000	1,000	240	(760)
Investment income	1,565,000	1,565,000	2,942,455	1,377,455
Net change in fair value of investments	-	(944,690)	(944,690)	-
Miscellaneous	2,913,323	4,293,714	4,581,961	288,247
Total Revenues	107,607,772	108,718,070	113,093,681	4,375,611
Expenditures				
Current				
General government				
Management appropriations	847,148	886,174	873,368	12,806
Information technology	4,481,835	4,544,918	4,072,862	472,056
Government relations	218,835	218,835	217,865	970
Countywide services	(605,022)	580,714	1,383,336	(802,622)
County administration	814,128	769,065	668,059	101,006
Employee relations	1,448,841	1,428,086	1,327,770	100,316
Property tax administration and collection	6,440,586	6,316,463	6,139,956	176,507
License bureau	3,140,201	3,119,136	3,008,931	110,205
Internal audit	150,795	150,795	152,783	(1,988)
Election services	658,358	658,358	795,881	(137,523)
Attorney	8,877,173	8,975,979	8,578,695	397,284
Surveyor	1,084,588	1,049,588	889,346	160,242
Facilities management and construction	1,169,205	1,140,685	1,053,975	86,710
Veterans services	544,206	557,678	501,955	55,723
Geographic information system	240,944	240,944	232,469	8,475
Transit and volunteer transportation	2,419,144	2,419,384	2,331,003	88,381
Accounting and central services	4,634,577	4,115,077	3,736,533	378,544
Courts administration	1,433,640	1,433,640	1,441,442	(7,802)
Public information	533,555	541,555	555,911	(14,356)
Miscellaneous	304,027	304,027	579,572	(275,545)
Total general government	38,836,764	39,451,101	38,541,712	909,389
Public safety				
Sheriff	32,517,928	32,983,647	33,048,015	(64,368)
Central communications	4,980,490	5,109,904	5,132,595	(22,691)
Emergency management	274,010	274,010	430,890	(156,880)
Corrections	22,821,046	22,609,216	22,455,699	153,517
Total public safety	\$ 60,593,474	\$ 60,976,777	\$ 61,067,199	\$ (90,422)

(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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Current				
Human services				
Community action program	\$ 418,567	\$ 418,567	\$ 418,567	\$ -
Sanitation				
Solid waste	5,444,813	5,197,951	3,811,342	1,386,609
Culture and recreation				
Historical society/Fairgrounds	167,623	95,123	152,623	(57,500)
Conservation of natural resources				
Soil and water conservation district	151,492	151,492	148,992	2,500
Total Expenditures	105,612,733	106,291,011	104,140,435	2,150,576
Excess of Revenues Over (Under) Expenditures	1,995,039	2,427,059	8,953,246	6,526,187
Other Financing Sources (Uses)				
Transfers in	413,600	725,933	706,933	(19,000)
Transfers out	(2,428,675)	(4,093,558)	(6,347,831)	(2,254,273)
Total Other Financing Sources (Uses)	(2,015,075)	(3,367,625)	(5,640,898)	(2,273,273)
Net Change in Fund Balance	(20,036)	(940,566)	3,312,348	4,252,914
Fund balance - January 1, as restated (Note 2.C.)	45,353,450	45,353,450	45,353,450	-
Fund balance - December 31	\$ 45,333,414	\$ 44,412,884	\$ 48,665,798	\$ 4,252,914

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 10,308,460	\$ 10,308,460	\$ 10,406,993	\$ 98,533
Licenses and permits	51,000	51,000	84,950	33,950
Intergovernmental	48,608,409	48,608,409	47,161,297	(1,447,112)
Investment income	30,000	30,000	39,948	9,948
Miscellaneous	192,000	192,000	1,664,478	1,472,478
Total Revenues	59,189,869	59,189,869	59,357,666	167,797
Expenditures				
Current				
Highways and streets				
Administration	1,286,397	1,286,397	1,007,845	278,552
Maintenance	9,966,825	9,892,325	7,938,822	1,953,503
Construction	37,425,469	37,390,219	38,968,484	(1,578,265)
Equipment maintenance and shop	3,282,747	3,268,747	3,070,175	198,572
Intergovernmental				
Highways and streets	29,264	29,264	295,465	(266,201)
Total Expenditures	51,990,702	51,866,952	51,280,791	586,161
Excess of Revenues Over (Under) Expenditures	7,199,167	7,322,917	8,076,875	753,958
Other Financing Sources (Uses)				
Transfers out	-	-	(297,696)	(297,696)
Net Change in Fund Balance	7,199,167	7,322,917	7,779,179	456,262
Fund balance - January 1	(4,242,679)	(4,242,679)	(4,242,679)	-
Increase (decrease) in inventories	-	-	278,798	278,798
Fund balance - December 31	\$ 2,956,488	\$ 3,080,238	\$ 3,815,298	\$ 735,060

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 31,752,656	\$ 31,752,656	\$ 32,048,106	\$ 295,450
Licenses and permits	1,032,779	1,032,779	1,042,650	9,871
Intergovernmental	50,998,547	51,191,816	53,846,232	2,654,416
Charges for services	3,051,046	2,857,777	2,714,043	(143,734)
Miscellaneous	383,964	383,964	499,082	115,118
Total Revenues	87,218,992	87,218,992	90,150,113	2,931,121
Expenditures				
Current				
Human services				
Economic assistance	29,038,862	29,113,899	28,896,951	216,948
Social services	50,379,791	50,160,367	47,236,522	2,923,845
Mental health	25,363	25,363	19,615	5,748
Community health	7,937,085	7,990,858	7,349,347	641,511
Total Expenditures	87,381,101	87,290,487	83,502,435	3,788,052
Excess of Revenues Over (Under) Expenditures	(162,109)	(71,495)	6,647,678	6,719,173
Other Financing Sources (Uses)				
Transfers out	-	-	(3,790,599)	(3,790,599)
Net Change in Fund Balance	(162,109)	(71,495)	2,857,079	2,928,574
Fund balance - January 1	32,939,699	32,939,699	32,939,699	-
Fund balance - December 31	\$ 32,777,590	\$ 32,868,204	\$ 35,796,778	\$ 2,928,574

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, 2016**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
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%
12/31/2015	51,357,376	69,123,488	17,766,112	74.30%	110,554,701	16.07%

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 PLAN
DECEMBER 31, 2016**

Measurement Date	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with Anoka County (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Related Share of the Net Pension Liability (Asset) (a + b)	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	N/A	\$ 76,199,920	\$ 84,985,260	89.66%	78.19%
2016	1.426%	\$ 115,819,626	1,512,652	\$ 117,332,278	\$ 88,515,871	130.85%	68.91%

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 PLAN
DECEMBER 31, 2016**

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	\$ 6,781,097	\$ -	\$ 90,414,628	7.50%
2016	6,772,116	6,772,116	-	90,294,885	7.50%

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 in 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 PLAN
DECEMBER 31, 2016**

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	\$ 10,074,629	127.56%	86.61%
2016	1.077%	43,221,884	10,373,698	416.65%	63.88%

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 PLAN
DECEMBER 31, 2016**

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	\$ 1,758,815	-	\$ 10,856,880	16.20%
2016	1,739,500	1,739,500	-	10,737,751	16.20%

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 in integral part of this schedule.

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 7

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERA PUBLIC EMPLOYEES CORRECTIONAL PLAN
DECEMBER 31, 2016**

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	\$ 10,872,741	8.60%	96.95%
2016	5.850%	21,370,869	11,034,708	193.67%	58.16%

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 PLAN
DECEMBER 31, 2016**

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	\$ 1,010,710	-	\$ 11,550,976	8.75%
2016	982,247	982,247	-	11,226,018	8.75%

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, 2016

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. In late 2015, the County created an additional special revenue fund for Leasehold Properties. The formation date occurred subsequently to the adoption of the certified budget, therefore budget to actuals are not available for 2016. Leasehold Properties budget to actuals will be presented in 2017.

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, 2016:

	Expenditures		
	Final Budget	Actual	Excess
<u>Major Governmental Funds</u>			
General Fund			
Current			
General Government			
Countywide services	\$ 580,714	\$ 1,383,336	\$ 802,622
Internal audit	150,795	152,783	1,988
Election services	658,358	795,881	137,523
Courts administration	1,433,640	1,441,442	7,802
Public information	541,555	555,911	14,356
Miscellaneous	304,027	579,572	275,545
Public Safety			
Sheriff	32,983,647	33,048,015	64,368
Central communications	5,109,904	5,132,595	22,691
Emergency management	274,010	430,890	156,880
Culture & Recreation			
Historical society/Fairground	95,123	152,623	57,500

**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 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, 2015, actuarial valuation.

4. Employer Contributions to Other Postemployment Benefits

For 2016, employer contributions include \$2.9 million in direct payments to insurance carriers for benefits.

Year Ended December 31	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
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%
2016	2,948,226	3,485,598	84.58%

5. Changes in Significant Plan Provisions, Actuarial Methods, and Assumptions

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30, 2016:

General Employees Retirement Plan

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter, to 1.00 percent for all future years.
- The assumed investment rate was changed from 7.90 percent to 7.50 percent. The single discount rate was also changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed payroll growth and inflation were decreased by 0.25 percent. Payroll growth was reduced from 3.50 percent to 3.25 percent. Inflation was reduced from 2.75 percent to 2.50 percent.

Public Employees Police and Fire Plan

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter, to 1.00 percent for all future years.
- The assumed investment rate was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 5.60 percent.
- The assumed payroll growth and inflation were decreased by 0.25 percent. Payroll growth was reduced from 3.50 percent to 3.25 percent. Inflation was reduced from 2.75 percent to 2.50 percent.

Public Employees Correctional Plan

- The assumed investment rate was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 5.31 percent.
- The assumed payroll growth and inflation were decreased by 0.25 percent. Payroll growth was reduced from 3.50 percent to 3.25 percent. Inflation was reduced from 2.75 percent to 2.50 percent.

This page left blank intentionally.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

**ANOKA COUNTY
ANOKA, MINNESOTA**

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.

Medical Examiner – to account for the operations and finances of the Medical Examiners office. Revenues are derived primarily by fees from outside governmental entities.

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.

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, 2016

Statement 1

	Special Revenue										Total Nonmajor Governmental Funds
	Job Training Center	County Library	Parks and Recreation	Medical Examiner	Cooperative Extension	Law Library	Regional Railroad Authority	Housing and Redevelopment Authority	Leasehold Properties	Forfeiture Funds	
Assets											
Cash and pooled investments	\$ 24,905	\$ 4,824,648	\$ 2,417,253	\$ 1,148,362	\$ 251,611	\$ 182,148	\$ 8,611,301	\$ 8,579,333	\$ 3,413	\$ 307,854	\$ 26,350,828
Cash and investments with escrow agents	-	-	-	-	-	-	-	1,102,086	-	-	1,102,086
Delinquent taxes receivable	-	112,411	40,951	-	5,045	-	47,958	31,295	-	-	237,660
Accounts receivable, net	-	22,639	47,149	93,522	-	-	-	-	18,978	-	182,288
Due from other governments	314,534	10,354	777,524	43,007	-	27,582	-	-	-	-	1,173,001
Inventories	-	-	21,025	-	-	-	-	-	-	-	21,025
Total Assets	339,439	4,970,052	3,303,902	1,284,891	256,656	209,730	8,659,259	9,712,714	22,391	307,854	29,066,888
Liabilities, Deferred Inflows of Resources and Fund Balances											
Liabilities											
Accounts payable	-	131,970	105,008	47,179	96	12,300	-	140,331	1,089	-	437,973
Salaries payable	-	79,234	87,113	35,996	2,174	1,453	1,001	3,656	-	-	210,627
Contracts payable	-	105	154,638	-	-	-	-	-	72,070	-	226,813
Due to other funds	300,000	-	-	-	-	-	-	-	10,000	-	310,000
Due to other governments	-	5,621	19,398	-	8	200	-	-	2,248	-	27,475
Advances from other funds	-	-	416,549	-	-	-	-	678,104	-	-	1,094,653
Unearned revenues	33,053	555,885	370,030	85	-	-	-	-	2,775	-	961,828
Total Liabilities	333,053	772,815	1,152,736	83,260	2,278	13,953	1,001	822,091	88,182	-	3,269,369
Deferred Inflows of Resources											
Unavailable revenue	-	112,411	474,504	-	5,045	-	47,958	31,295	-	-	671,213
Fund Balances											
Nonspendable	-	-	21,025	-	-	-	-	-	-	-	21,025
Restricted	-	1,613	272,719	-	41,202	195,777	-	1,102,086	-	307,854	1,921,251
Committed	-	4,083,213	-	-	208,131	-	-	-	-	-	4,291,344
Assigned	6,386	-	1,382,918	1,201,631	-	-	8,610,300	7,757,242	-	-	18,958,477
Unassigned	-	-	-	-	-	-	-	-	(65,791)	-	(65,791)
Total Fund Balances	6,386	4,084,826	1,676,662	1,201,631	249,333	195,777	8,610,300	8,859,328	(65,791)	307,854	25,126,306
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 339,439	\$ 4,970,052	\$ 3,303,902	\$ 1,284,891	\$ 256,656	\$ 209,730	\$ 8,659,259	\$ 9,712,714	\$ 22,391	\$ 307,854	\$ 29,066,888

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, 2016

	Special Revenue										Total Nonmajor Governmental Funds
	Job Training Center	County Library	Parks and Recreation	Medical Examiner	Cooperative Extension	Law Library	Regional Railroad Authority	Housing and Redevelopment Authority	Leasehold Properties	Forfeiture Funds	
Revenues											
Taxes	\$ -	\$ 6,557,127	\$ 2,464,846	\$ -	\$ 304,284	\$ -	\$ 2,737,503	\$ 1,488,153	\$ -	\$ -	\$ 13,551,913
Licenses and permits	-	-	1,105	-	-	-	-	-	-	-	1,105
Intergovernmental	2,827,480	1,328,611	2,728,055	-	37,000	-	1,714	1,235	-	-	6,924,095
Charges for services	44,825	81,728	1,704,870	2,478,091	50,606	-	-	100,184	-	-	4,460,304
Fines and forfeitures	-	258,544	-	-	-	367,806	-	-	-	113,451	739,801
Investment income	-	-	4,713	-	-	-	42,913	36,925	-	-	84,551
Miscellaneous	5,758	126,417	558,179	6,859	1,244	2,534	179,604	2,577,706	249,151	5,108	3,712,560
Total Revenues	2,878,063	8,352,427	7,461,768	2,484,950	393,134	370,340	2,961,734	4,204,203	249,151	118,559	29,474,329
Expenditures											
Current											
General government	-	-	-	-	-	292,311	-	-	317,537	28,677	638,525
Public safety	-	-	-	3,008,495	-	-	-	-	-	1,500	3,009,995
Culture and recreation	-	7,522,831	8,313,958	-	-	-	-	-	-	-	15,836,789
Conservation of natural resources	-	-	-	-	459,198	-	-	-	-	-	459,198
Economic development	2,878,063	-	-	-	-	-	380,893	2,062,393	-	-	5,321,349
Debt service											
Principal retirement	-	-	28,371	-	-	-	-	-	-	-	28,371
Interest	-	-	1,008	-	-	-	-	13,948	-	-	14,956
Total Expenditures	2,878,063	7,522,831	8,343,337	3,008,495	459,198	292,311	380,893	2,076,341	317,537	30,177	25,309,183
Excess of Revenues Over (Under) Expenditures	-	829,596	(881,569)	(523,545)	(66,064)	78,029	2,580,841	2,127,862	(68,386)	88,382	4,165,146
Other Financing Sources (Uses)											
Transfers in	-	-	502,304	840,985	53,776	-	-	-	-	-	1,397,065
Transfers out	-	(772,139)	(49,750)	-	-	(40,000)	(1,762,835)	(1,002,694)	-	-	(3,627,418)
Total Other Financing Sources (Uses)	-	(772,139)	452,554	840,985	53,776	(40,000)	(1,762,835)	(1,002,694)	-	-	(2,230,353)
Net Change in Fund Balances	-	57,457	(429,015)	317,440	(12,288)	38,029	818,006	1,125,168	(68,386)	88,382	1,934,793
Fund Balances - January 1, as restated (Note 2.C.)	6,386	4,027,369	2,113,466	884,191	261,621	157,748	7,792,294	7,734,160	2,595	219,472	23,199,302
Increase (decrease) in inventories	-	-	(7,789)	-	-	-	-	-	-	-	(7,789)
Fund Balances - December 31	\$ 6,386	\$ 4,084,826	\$ 1,676,662	\$ 1,201,631	\$ 249,333	\$ 195,777	\$ 8,610,300	\$ 8,859,328	\$ (65,791)	\$ 307,854	\$ 25,126,306

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 6,564,619	\$ 6,564,619	\$ 6,557,127	\$ (7,492)
Intergovernmental	1,044,034	1,462,561	1,328,611	(133,950)
Charges for services	82,500	82,500	81,728	(772)
Fines and forfeitures	163,000	163,000	258,544	95,544
Miscellaneous	111,350	111,350	126,417	15,067
Total Revenues	7,965,503	8,384,030	8,352,427	(31,603)
Expenditures				
Current				
Culture and recreation	7,931,042	7,898,058	7,522,831	375,227
Excess of Revenues Over (Under) Expenditures	34,461	485,972	829,596	343,624
Other Financing Sources (Uses)				
Transfers out	-	(418,527)	(772,139)	(353,612)
Net Change in Fund Balance	34,461	67,445	57,457	(9,988)
Fund Balance - January 1	4,027,369	4,027,369	4,027,369	-
Fund Balance - December 31	\$ 4,061,830	\$ 4,094,814	\$ 4,084,826	\$ (9,988)

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,438,626	\$ 2,438,626	\$ 2,464,846	\$ 26,220
Licenses and permits	2,400	2,400	1,105	(1,295)
Intergovernmental	4,572,027	4,631,605	2,728,055	(1,903,550)
Charges for services	1,757,382	1,757,382	1,704,870	(52,512)
Investment income	-	-	4,713	4,713
Miscellaneous	500,300	500,300	558,179	57,879
Total Revenues	9,270,735	9,330,313	7,461,768	(1,868,545)
Expenditures				
Current				
Culture and recreation	9,612,798	9,803,259	8,313,958	1,489,301
Debt Service				
Principal retirement	29,000	29,000	28,371	629
Interest	1,500	1,500	1,008	492
Total Expenditures	9,643,298	9,833,759	8,343,337	1,490,422
Excess of Revenues Over (Under) Expenditures	(372,563)	(503,446)	(881,569)	(378,123)
Other Financing Sources (Uses)				
Transfers in	483,640	530,944	502,304	(28,640)
Transfers out	(111,077)	(111,077)	(49,750)	61,327
Total Other Financing Sources (Uses)	372,563	419,867	452,554	32,687
Net Change in Fund Balance	-	(83,579)	(429,015)	(345,436)
Fund Balance - January 1	2,113,466	2,113,466	2,113,466	-
Increase (decrease) in inventories	-	-	(7,789)	(7,789)
Fund Balance - December 31	\$ 2,113,466	\$ 2,029,887	\$ 1,676,662	\$ (353,225)

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 10

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEDICAL EXAMINER
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 2,138,354	\$ 2,138,354	\$ 2,478,091	\$ 339,737
Miscellaneous	2,024	2,024	6,859	4,835
Total Revenues	2,140,378	2,140,378	2,484,950	344,572
Expenditures				
Public Safety	2,981,363	2,981,363	3,008,495	(27,132)
Excess of Revenues Over (Under) Expenditures	(840,985)	(840,985)	(523,545)	317,440
Other Financing Sources (Uses)				
Transfers in	840,985	840,985	840,985	-
Net Change in Fund Balance	-	-	317,440	317,440
Fund Balance - January 1, as restated (Note 2.C)	884,191	884,191	884,191	-
Fund Balance - December 31	\$ 884,191	\$ 884,191	\$ 1,201,631	\$ 317,440

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 11

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COOPERATIVE EXTENSION
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 301,414	\$ 301,414	\$ 304,284	\$ 2,870
Intergovernmental	37,023	37,023	37,000	(23)
Charges for services	3,500	3,500	50,606	47,106
Miscellaneous	12,000	12,000	1,244	(10,756)
Total Revenues	353,937	353,937	393,134	39,197
Expenditures				
Current				
Conservation of natural resources	353,937	407,713	459,198	(51,485)
Excess of Revenues Over (Under) Expenditures	-	(53,776)	(66,064)	(12,288)
Other Financing Sources (Uses)				
Transfers in	-	53,776	53,776	-
Net Change in Fund Balance	-	-	(12,288)	(12,288)
Fund Balance - January 1	261,621	261,621	261,621	-
Fund Balance - December 31	\$ 261,621	\$ 261,621	\$ 249,333	\$ (12,288)

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 12

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LAW LIBRARY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 332,000	\$ 332,000	\$ 367,806	\$ 35,806
Miscellaneous	2,000	2,000	2,534	534
Total Revenues	334,000	334,000	370,340	36,340
Expenditures				
Current				
General government	334,000	334,000	292,311	41,689
Excess of Revenues Over (Under) Expenditures	-	-	78,029	78,029
Other Financing Sources (Uses)				
Transfers out	-	-	(40,000)	(40,000)
Net Change in Fund Balance	-	-	38,029	38,029
Fund Balance - January 1	157,748	157,748	157,748	-
Fund Balance - December 31	\$ 157,748	\$ 157,748	\$ 195,777	\$ 38,029

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 13

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
REGIONAL RAILROAD AUTHORITY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,738,146	\$ 2,738,146	\$ 2,737,503	\$ (643)
Intergovernmental	-	-	1,714	1,714
Investment income	-	-	42,913	42,913
Miscellaneous	-	-	179,604	179,604
Total Revenues	2,738,146	2,738,146	2,961,734	223,588
Expenditures				
Current				
Economic development	980,874	980,874	380,893	599,981
Excess of Revenues Over (Under) Expenditures	1,757,272	1,757,272	2,580,841	823,569
Other Financing Sources (Uses)				
Transfers out	(2,071,598)	(2,071,598)	(1,762,835)	308,763
Net Change in Fund Balance	(314,326)	(314,326)	818,006	1,132,332
Fund Balance - January 1	7,792,294	7,792,294	7,792,294	-
Fund Balance - December 31	\$ 7,477,968	\$ 7,477,968	\$ 8,610,300	\$ 1,132,332

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 14

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,489,305	\$ 1,489,305	\$ 1,488,153	\$ (1,152)
Intergovernmental	-	-	1,235	1,235
Charges for services	93,864	93,864	100,184	6,320
Investment income	11,975	11,975	36,925	24,950
Miscellaneous	2,280,200	2,280,200	2,577,706	297,506
Total Revenues	3,875,344	3,875,344	4,204,203	328,859
Expenditures				
Current				
Economic development				
County	1,594,693	1,594,693	680,805	913,888
Cities	-	-	29,016	(29,016)
Willows Senior Housing	367,578	367,578	325,917	41,661
Chauncey-Barett Gardens Senior Housing	323,677	323,677	330,776	(7,099)
Savannah Oaks Senior Housing	705,301	338,101	297,910	40,191
Oaks of Lake George Senior Housing	418,939	418,939	397,969	20,970
Debt service				
Interest	-	-	13,948	(13,948)
Total Expenditures	3,410,188	3,042,988	2,076,341	966,647
Excess of Revenues Over (Under) Expenditures	465,156	832,356	2,127,862	1,295,506
Other Financing Sources (Uses)				
Transfers out	(1,126,148)	(1,126,148)	(1,002,694)	123,454
Net Change in Fund Balance	(660,992)	(293,792)	1,125,168	1,418,960
Fund Balance - January 1	7,734,160	7,734,160	7,734,160	-
Fund Balance - December 31	\$ 7,073,168	\$ 7,440,368	\$ 8,859,328	\$ 1,418,960

ANOKA COUNTY
ANOKA, MINNESOTA

Statement 3

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>Assets</u>				
Cash and pooled investments	\$ 8,646,551	\$ 349,677,752	\$ 348,738,624	\$ 9,585,679
Accounts receivable	6	809,899	809,900	5
Due from other governments	331,630	5,007,298	5,232,460	106,468
Total Assets	<u>8,978,187</u>	<u>355,494,949</u>	<u>354,780,984</u>	<u>9,692,152</u>
<u>Liabilities</u>				
Accounts payable	1,485,144	12,605,713	12,927,002	1,163,855
Contracts payable	-	30,568	-	30,568
Due to other governments	7,493,043	342,858,668	341,853,982	8,497,729
Total Liabilities	<u>\$ 8,978,187</u>	<u>\$ 355,494,949</u>	<u>\$ 354,780,984</u>	<u>\$ 9,692,152</u>

OTHER SUPPLEMENTARY INFORMATION

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 15

SCHEDULE OF DEPOSITS AND INVESTMENTS
DECEMBER 31, 2016

	Interest Rate	Maturity Date	Fair Value
Pooled Deposits and Investments			
Checking Accounts			
Non-Interest Bearing			
Wells Fargo Bank			\$ (4,411,761)
US Bank			172,710
Village Bank			97,453
21st Century Bank			22,731
US Bank			17,579
Bank of the West			35,070
Total Checking Accounts			(4,066,218)
Savings Accounts			
Village Bank	0.01%		25,492
21st Century Bank	0.02%		21,265
US Bank	Variable		16,864
Bank of the West	0.03%		23,255
Wells Fargo Bank - escrow	Variable		4,650,892
Total Savings Accounts			4,737,768
Money Market Accounts with Brokers			
US Bank Institutional Custody	Varies		632,260
Commercial Paper			
US Bank Cash Portal	Varies		11,393,072
MAGIC Funds			
PFM Asset Management, LLC	Varies		16,734,734
Magic Term Investments	Varies		40,000,000
Magic CD Investments	Varies		2,707,000
Total MAGIC Funds			59,441,734
Government Securities			
US Bank - County Treasury	Varies	Various	81,849,405
US Bank - RBCGAMUS	Varies	Various	35,280,102
US Bank - Institutional Trust Escrow	Varies	Various	36,210,263
Wells Fargo Bank Trust Escrow	Varies	Various	420,518
Total Government Securities			153,760,288
Trust Accounts			
PERA OPEB Trust Accounts	Varies		54,474,702
Repurchase Agreements			
Wells Fargo Bank	Varies	Various	1,278,856
Total Pooled Deposits and Investments			\$ 281,652,462

**ANOKA COUNTY
ANOKA, MINNESOTA**

Schedule 16

**COMBINED SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>General Fund</u>	<u>Special Revenue Funds Schedule 17</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total All Funds</u>
<u>Shared Revenue</u>					
State					
Highway users tax	\$ -	\$ 33,070,383	\$ -	\$ -	\$ 33,070,383
Market value credit - agriculture	26,783	26,941	6,592	-	60,316
County program aid	7,012,145	6,281,428	-	3,210,748	16,504,321
Aquatic species aid	-	141,131	-	-	141,131
Temporary maintenance of effort aid	73,259	-	-	-	73,259
Disparity reduction credit aid	126	-	-	-	126
Police state aid	1,040,492	-	-	-	1,040,492
Enhanced 911 aid	494,481	-	-	-	494,481
Local performance aid	25,000	-	-	-	25,000
Local recycling development program	275,636	-	-	-	275,636
SCORE	990,178	-	-	-	990,178
PERA aid	406,582	-	-	-	406,582
Payments in lieu of tax	105,861	-	-	-	105,861
Total Shared Revenue	10,450,543	39,519,883	6,592	3,210,748	53,187,766
<u>Reimbursement for Services</u>					
State					
Human Services	268,108	6,141,274	-	-	6,409,382
<u>Grants</u>					
State					
Agriculture	8,481	-	-	-	8,481
Commerce	12,412	-	-	-	12,412
Health	-	1,324,062	-	-	1,324,062
Public Safety	402,141	-	-	-	402,141
Employment and Economic Development	-	1,171,980	-	-	1,171,980
Natural Resources	36,756	67,880	-	-	104,636
Transportation	-	5,572,350	-	-	5,572,350
Human Services	300	16,795,781	-	-	16,796,081
Housing Finance	-	281,998	-	-	281,998
Corrections	5,121,990	-	-	-	5,121,990
Education	4,002	-	-	-	4,002
Pollution Control Agency	-	-	-	171,867	171,867
Veterans Affairs	15,122	-	-	-	15,122
Peace Officer Board	42,209	-	-	-	42,209
Trial Courts	8,528	-	-	-	8,528
Higher Education Service Office	-	5,696	-	-	5,696
Total State	5,651,941	25,219,747	-	171,867	31,043,555
Federal Department / Agency					
Agriculture	635,661	3,329,542	-	-	3,965,203
Housing and Urban Development	-	1,814,752	-	-	1,814,752
Justice	160,154	-	-	-	160,154
Labor	-	1,541,817	-	-	1,541,817
Transportation	201,737	3,379,417	-	-	3,581,154
Education	-	76,481	-	-	76,481
Health and Human Services	1,344,635	22,126,315	-	-	23,470,950
Corporation for National and Community Service	-	21,712	-	-	21,712
Social Security Administration	-	170	-	-	170
Homeland Security	305,087	-	-	-	305,087
Total Federal	2,647,274	32,290,206	-	-	34,937,480
Local					
Other	-	25,492	-	-	25,492
Cities / Counties	46,125	3,938,256	-	-	3,984,381
Metropolitan Council	1,782,319	2,166,873	-	-	3,949,192
Metropolitan Library Service Agency (MELSA)	-	517,074	-	-	517,074
Total Local	1,828,444	6,647,695	-	-	8,476,139
Total Grants	10,127,659	64,157,648	-	171,867	74,457,174
Total Intergovernmental Revenue	\$ 20,846,310	\$ 109,818,805	\$ 6,592	\$ 3,382,615	\$ 134,054,322

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 17

COMBINING SCHEDULE OF INTERGOVERNMENTAL REVENUE
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Major Governmental Funds			Nonmajor Governmental Funds						Total
	Road and Bridge	Human Services	Community Development	Job Training Center	County Library	Parks and Recreation	Cooperative Extension	Regional Railroad Authority	Housing and Redevelopment Authority	
Shared Revenue										
State										
Highway users tax	\$ 33,070,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,070,383
Market value credit - agriculture	4,815	14,831	-	-	3,066	1,139	141	1,714	1,235	26,941
County program aid	1,260,603	3,882,976	-	-	802,775	298,215	36,859	-	-	6,281,428
Aquatic species aid	-	-	-	-	-	141,131	-	-	-	141,131
Total Shared Revenue	34,335,801	3,897,807	-	-	805,841	440,485	37,000	1,714	1,235	39,519,883
Reimbursement for Services										
State										
Human Services	-	6,141,274	-	-	-	-	-	-	-	6,141,274
Grants										
State										
Health	-	1,324,062	-	-	-	-	-	-	-	1,324,062
Employment and Economic Development	-	-	-	1,171,980	-	-	-	-	-	1,171,980
Natural Resources	-	-	-	-	-	67,880	-	-	-	67,880
Transportation	5,572,350	-	-	-	-	-	-	-	-	5,572,350
Human Services	-	16,795,781	-	-	-	-	-	-	-	16,795,781
Housing Finance	-	209,569	72,429	-	-	-	-	-	-	281,998
Higher Education Service Office	-	-	-	-	5,696	-	-	-	-	5,696
Total State	5,572,350	18,329,412	72,429	1,171,980	5,696	67,880	-	-	-	25,219,747
Federal Department / Agency										
Agriculture	-	3,329,542	-	-	-	-	-	-	-	3,329,542
Housing and Urban Development	-	-	1,814,752	-	-	-	-	-	-	1,814,752
Labor	-	-	-	1,541,817	-	-	-	-	-	1,541,817
Transportation	3,307,511	-	-	37,202	-	34,704	-	-	-	3,379,417
Education	-	-	-	76,481	-	-	-	-	-	76,481
Health and Human Services	-	22,126,315	-	-	-	-	-	-	-	22,126,315
Corporation for National and Community Service	-	21,712	-	-	-	-	-	-	-	21,712
Social Security Administration	-	170	-	-	-	-	-	-	-	170
Total Federal	3,307,511	25,477,739	1,814,752	1,655,500	-	34,704	-	-	-	32,290,206
Local										
Other	7,379	-	-	-	-	18,113	-	-	-	25,492
Cities / Counties	3,938,256	-	-	-	-	-	-	-	-	3,938,256
Metropolitan Council	-	-	-	-	-	2,166,873	-	-	-	2,166,873
Metropolitan Library Service Agency (MELSA)	-	-	-	-	517,074	-	-	-	-	517,074
Total Local	3,945,635	-	-	-	517,074	2,184,986	-	-	-	6,647,695
Total Grants	12,825,496	43,807,151	1,887,181	2,827,480	522,770	2,287,570	-	-	-	64,157,648
Total Intergovernmental Revenue	\$ 47,161,297	\$ 53,846,232	\$ 1,887,181	\$ 2,827,480	\$ 1,328,611	\$ 2,728,055	\$ 37,000	\$ 1,714	\$ 1,235	\$ 109,818,805

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 18

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

Federal Grantor Pass Through Agency Program or Cluster Title	Federal CFDA 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	\$ 66,482	\$ -
National School Lunch Program	10.555	Not provided	102,268	-
(Total expenditures for Child Nutrition Cluster \$168,750)				
Passed through Minnesota Department of Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	16162MN004W1003	1,151,901	-
Passed through Minnesota Department of Human Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	16162MN101S2514	2,539,075	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	16162MN127Q7503	100,473	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	16162MN101S2520	2,754	-
(Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program 10.561 \$2,642,302)				
Passed through Minnesota Department of Agriculture:				
WIC Farmers' Market Nutrition Program (FMNP)	10.572	B0416F172614	2,250	-
Total U.S. Department of Agriculture			3,965,203	-
U.S. Department of Housing and Urban Development				
Direct:				
Community Development Block Grants / Entitlement Grants	14.218		975,489	847,826
Passed through Dakota County Community Development Agency:				
Home Investment Partnerships Program	14.239	Not provided	839,263	693,126
Total U.S. Department of Housing and Urban Development			1,814,752	1,540,952
U.S. Department of Justice				
Direct:				
Drug Court Discretionary Grant Program	16.585		1,454	-
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590		60,716	-
State Criminal Alien Assistance Program	16.606		9,917	-
DNA Backlog Reduction Program	16.741		55,500	-
Passed through Minnesota Department of Public Safety:				
Crime Victim Assistance	16.575	A-CVSP-2017-ANOKAAO-00018	21,684	-
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	A-NFSIA-2016-ANOKASO-00004	10,883	-
Total U.S. Department of Justice			160,154	-
U.S. Department of Labor				
Passed through Minnesota Department of Employment and Economic Development:				
Employment Service / Wagner-Peyser Funded Activities	17.207	4127100	113,954	-
Senior Community Service Employment Program	17.235	6125100	79,254	-
Senior Community Service Employment Program	17.235	7125100	69,961	-
(Total Senior Community Service Employment Program 17.235 \$363,016)				
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	5127200	143,028	-
WIA/WIOA Cluster				
WIA/WIOA Adult Program	17.258	4123100	64,831	-
WIA/WIOA Adult Program	17.258	5123100	240,485	-
WIA/WIOA Adult Program	17.258	6123100	50,830	-
(Total WIA/WIOA Adult Program 17.258 \$356,146)				
WIA/WIOA Youth Activities	17.259	5123600	187,375	-
WIA/WIOA Youth Activities	17.259	6123600	99,506	-
WIA/WIOA Youth Activities	17.259	3123600	183	-
(Total WIA/WIOA Youth Activities 17.259 \$287,064)				
WIA/WIOA Dislocated Worker Formula Grants	17.278	4128000	958	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	5128000	269,028	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	6128000	8,623	-
(Total WIA/WIOA Dislocated Worker Formula Grants 17.278 \$278,609)				
(Total Expenditures for WIA/WIOA Cluster \$921,819)				
Passed through Senior Service America Inc.:				
Senior Community Service Employment Program	17.235	320	213,801	-
(Total Senior Community Service Employment Program 17.235 \$363,016)				
Total U.S. Department of Labor			1,541,817	-
U.S. Department of Transportation				
Passed through Minnesota Department of Transportation:				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	00002	2,594,438	-
(Total expenditures for Highway Planning and Construction Cluster \$2,629,142)				
Passed through Minnesota Department of Natural Resources:				
Highway Planning and Construction Cluster				
Recreational Trails Program	20.219	Not provided	34,704	-
(Total expenditures for Highway Planning and Construction Cluster \$2,629,142)				
Passed through Metropolitan Council:				
Federal Transit Formula Grants	20.507	131064	514,834	-
Federal Transit Formula Grants	20.507	SG-2015-125	51,085	-
(Total Federal Transit Formula Grants 20.507 \$565,919)				
Job Access and Reverse Commute Program	20.516	SG-2011-077	37,202	-
Passed through Minnesota Department of Public Safety:				
Highway Safety Cluster				
State and Community Highway Safety	20.600	A-ENFRC16-2016-ANOKASO-00065	38,636	-
State and Community Highway Safety	20.600	A-ENFRC17-2017-ANOKASO-103	3,834	-
(Total State and Community Highway Safety 20.600 \$42,470)				
National Priority Safety Programs	20.616	A-ENFRC16-2016-ANOKASO-00065	34,022	-
National Priority Safety Programs	20.616	A-ENFRC17-2017-ANOKASO-103	20,252	-
(Total National Priority Safety Programs 20.616 \$54,274)				
(Total expenditures Highway Safety Cluster \$96,744)				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC16-2016-ANOKASO-00065	61,244	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC17-2017-ANOKASO-103	43,749	-
(Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$104,993)				
Total U.S. Department of Transportation			\$ 3,434,000	\$ -

(Continued)

The notes to the Schedule of Expenditures 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, 2016**

Federal Grantor Pass Through Agency Program or Cluster Title	Federal CFDA Number	Pass-through Grant Number	Expenditures	Passed Through to Subrecipients
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	\$ 76,481	\$ -
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	2,382	-
Passed through Metropolitan Area Agency on Aging: National Family Caregiver Support, Title III, Part E	93.052	311-16-003E-221	65,786	-
Alzheimer's Disease Initiative: Specialized Supportive Services Project (ADI-SSS) thru Prevention and Public Health Funds (PPHF)	93.763	Not Provided	25,159	-
Passed through Minnesota Department of Health:				
Public Health Emergency Preparedness	93.069	U90TP999029	259,892	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	U90TP999029	3,570	-
Universal Newborn Hearing Screening	93.251	12-700-00054	3,375	-
Immunization Cooperative Agreements	93.268	H23IP000737	8,450	-
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	12-700-00054	2,325	-
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	D89MC23539	440,367	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance Financed in Part by Prevention and Public Health Funds				
Temporary Assistance for Needy Families	93.539	Not Provided	7,750	-
(Total Temporary Assistance for Needy Families 93.558 \$4,110,337)	93.558	2015G996115	191,521	-
Maternal and Child Health Services Block Grant to the States	93.994	12-700-00054	299,646	-
Passed through Minnesota Department of Human Services:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	SM016024-16	14,456	-
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	93.525	Not provided	17,010	-
Promoting Safe and Stable Families	93.556	G-1601MNFPPSS	118,532	-
Temporary Assistance for Needy Families	93.558	1601MNTANF	3,918,816	-
(Total Temporary Assistance for Needy Families 93.558 \$4,110,337)				
Child Support Enforcement	93.563	1604MNCEST	6,384,034	-
Child Care and Development Block Grant	93.575	1601MNCDDF	348,272	-
Child Care and Development Block Grant	93.575	1701MNCDDF	26,910	-
(Total Child Care and Development Block Grant 93.575 \$375,182)				
Community-Based Child Abuse Prevention Grants	93.590	G-1502MNFPRPG	123,395	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-1601MNCWSS	30,519	-
Foster Care - Title IV-E	93.658	1601MNFOST	921,159	-
Social Services Block Grant	93.667	16-01MNSOSR	1,420,754	-
Chafee Foster Care Independence Program	93.674	G-1601MNCILP	12,736	-
Children's Health Insurance Program	93.767	1605MN5021	1,668	-
Medical Assistance Program	93.778	05-1605MNADM	8,719,535	-
Medical Assistance Program	93.778	05-1605MN5MAP	101,191	-
(Total Medical Assistance Program 93.778 \$8,820,726)				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	TI010027-15	1,760	-
Total U.S. Department of Health and Human Services			23,470,950	-
Corporation for National and Community Service				
Direct:				
Retired and Senior Volunteer Program	94.002		21,712	-
U.S. Social Security Administration				
Passed through Minnesota Department of Employment and Economic Development: Social Security Disability Insurance	96.001	Not Provided	170	-
U.S. Department of Homeland Security				
Passed through Minnesota Department of Natural Resources: Boating Safety Financial Assistance	97.012	R29G4CGSFY15	12,458	-
Passed through Minnesota Department of Public Safety:				
Emergency Management Performance Grants	97.042	A-EMPG-2016-ANOKACO-00002	124,198	-
Homeland Security Grant Program	97.067	A-UASI-2015-ANOKACO-00001	34,662	-
Homeland Security Grant Program	97.067	A-UASI-2014-ANOKACO-00002	133,769	-
(Total Homeland Security Grant Program 97.067 \$168,431)				
Total U.S. Department of Homeland Security			305,087	-
Total Federal Awards			\$ 34,790,326	\$ 1,540,952

The notes to the Schedule of Expenditures 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, 2016**

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, 2016. 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	\$ 34,937,480
Grants unavailable in 2015, recognized as revenue in 2016	
Highway Planning and Construction	<u>(147,154)</u>
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 34,790,326</u>

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 19

SCHEDULE OF CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION
DECEMBER 31, 2016

Function	Total	Land	Buildings and Structures	Improvements Other than Buildings	Machinery and Equipment	Infrastructure	Software	Construction in Progress
General government	\$ 129,432,117	\$ 3,861,850	\$ 101,579,574	\$ 1,374,069	\$ 9,930,680	\$ -	\$ 7,298,231	\$ 5,387,713
Public safety	88,442,444	784,914	63,660,941	436,874	22,265,766	-	-	1,293,949
Highways and streets	740,465,674	175,964,649	18,769,899	792,829	14,294,536	470,379,542	-	60,264,219
Human services	5,035,993	-	3,792,034	67,932	576,138	-	599,889	-
Sanitation	972,528	403,119	514,000	-	55,409	-	-	-
Culture and recreation	92,317,402	29,949,390	26,085,416	26,064,343	9,340,073	-	-	878,180
Economic development	21,665,322	5,555,929	16,103,914	-	5,479	-	-	-
Total capital assets allocated to functions	\$ 1,078,331,480	\$ 216,519,851	\$ 230,505,778	\$ 28,736,047	\$ 56,468,081	\$ 470,379,542	\$ 7,898,120	\$ 67,824,061

ANOKA COUNTY
ANOKA, MINNESOTA

Schedule 20

SCHEDULE OF CHANGES IN CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION
DECEMBER 31, 2016

Function	Capital Assets Jan. 1, 2016	Additions	Deductions	Capital Assets Dec. 31, 2016
General government	\$ 124,442,202	\$ 9,600,267	\$ 4,610,352	\$ 129,432,117
Public safety	86,608,555	5,225,222	3,391,333	88,442,444
Highways and streets	713,446,978	48,977,908	21,959,212	740,465,674
Human services	4,862,342	436,650	262,999	5,035,993
Sanitation	972,528	-	-	972,528
Culture and recreation	89,765,688	6,473,261	3,921,547	92,317,402
Economic development	21,665,322	-	-	21,665,322
Total capital assets	\$ 1,041,763,615	\$ 70,713,308	\$ 34,145,443	\$ 1,078,331,480

**ANOKA COUNTY
ANOKA, MINNESOTA**

Schedule 21

**SCHEDULE OF FUND TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Funds	Transfer In	Transfer Out	Description
<u>General Fund</u>			
Road and Bridge	\$ 123,750	\$ -	Voluntary separation program
Human Services	290,599	-	Voluntary separation program
Capital Projects	33,600	-	Vehicle purchase
Capital Projects	100,000	-	Building improvements
Law Library	40,000	-	Voluntary separation program
County Library	57,984	-	Voluntary separation program
Parks and Recreation	49,750	-	Voluntary separation program
Parks and Recreation	-	47,304	Wargo recycling
Cooperative Extension	-	53,776	2015 AG Preserve credit
Medical Examiners	-	840,985	Allocations
Debt Service	-	1,618,033	Lease revenue debt payments
Debt Service	-	167,000	East Central Juvenile Center bonds
Capital Projects	-	2,148,948	Approved use of reserves
Capital Projects	-	1,255,342	Recorder's technology and compliance fees
Capital Projects	-	216,443	Broadband project
Aquatic Center Fund	11,250	-	Voluntary separation program
Total General Fund	706,933	6,347,831	
<u>Special Revenue Funds</u>			
Road and Bridge			
General Fund	-	123,750	Voluntary separation program
Capital Projects	-	173,946	Central Fuel Station
Total Road and Bridge	-	297,696	
Human Services			
Capital Projects	-	290,599	Voluntary separation program
Capital Projects	-	3,500,000	Approved use of reserves
Total Human Services	-	3,790,599	
Law Library			
General Fund	-	40,000	Voluntary separation program
County Library			
General Fund	-	57,984	Voluntary separation program
Capital Projects	-	295,628	Approved use of reserves
Capital Projects	-	418,527	Radio-Frequency identification project
Total County Library	-	772,139	
Parks and Recreation			
General Fund	47,304	-	Wargo recycling
General Fund	-	49,750	Voluntary separation program
Aquatic Center Fund	300,000	-	Recreational facility bonds
Aquatic Center Fund	155,000	-	Coon Rapids Dam purchase
Total Parks and Recreation	502,304	49,750	
Cooperative Extension			
General Fund	53,776	-	2015 AG Preserve credit
Regional Railroad Authority			
Debt Service	-	1,762,835	Regional Railroad bonds
Housing and Redevelopment Authority			
Debt Service	-	230,735	Debt service allocation from operations
Debt Service	-	175,774	Debt service allocation from operations
Debt Service	-	242,058	Debt service allocation from operations
Debt Service	-	354,127	Debt service allocation from operations
Total Housing and Redevelopment Authority	-	1,002,694	
Medical Examiner			
General Fund	840,985	-	Allocations
Total Special Revenue Funds	\$ 1,397,065	\$ 7,715,713	

(Continued)

**ANOKA COUNTY
ANOKA, MINNESOTA**

Schedule 21
(Continued)

**SCHEDULE OF FUND TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2016**

<u>Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Description</u>
<u>Debt Service Fund</u>			
General Fund	\$ 1,618,033	\$ -	Lease revenue debt payments
General Fund	167,000	-	East Central Juvenile Center bonds
Regional Railroad Authority	1,762,835	-	Regional Railroad bonds
Housing and Redevelopment Authority	230,735	-	Debt service allocation from operations
Housing and Redevelopment Authority	175,774	-	Debt service allocation from operations
Housing and Redevelopment Authority	242,058	-	Debt service allocation from operations
Housing and Redevelopment Authority	354,127	-	Debt service allocation from operations
Total Debt Service Fund	4,550,562	-	
<u>Capital Projects Fund</u>			
General Fund	1,255,342	-	Recorder's technology and compliance fees
General Fund	2,148,948	-	Approved use of reserves
General Fund	216,443	-	Broadband project
General Fund	-	33,600	Vehicle purchase
General Fund	-	100,000	Sheriff Building
Road and Bridge	173,946	-	Central fuel station
Human Services	3,500,000	-	Approved use of reserves
County Library	418,527	-	Radio-Frequency identification project
County Library	295,628	-	Approved use of reserves
Total Capital Projects Fund	8,008,834	133,600	
<u>Proprietary Funds</u>			
Aquatic Center Fund			
Parks and Recreation	-	300,000	Recreational facility bonds
Parks and Recreation	-	155,000	Coon Rapids Dam purchase
General Fund	-	11,250	Voluntary separation program
Total Aquatic Center Fund	-	466,250	
Total All Funds	\$ 14,663,394	\$ 14,663,394	

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, 2016

	Economic Development	Willows Senior Housing	Chauncey- Barett Gardens Senior Housing	Savannah Oaks Senior Housing	Oaks of Lake George Senior Housing	Total
Revenues						
Taxes	\$ 1,488,153	\$ -	\$ -	\$ -	\$ -	\$ 1,488,153
Intergovernmental	1,235	-	-	-	-	1,235
Charges for services	15,000	20,396	19,172	22,616	23,000	100,184
Investment income	36,847	20	9	21	28	36,925
Miscellaneous	276,015	493,541	527,363	555,264	725,523	2,577,706
Total Revenues	1,817,250	513,957	546,544	577,901	748,551	4,204,203
Expenditures						
Salaries	166,605	54,546	55,269	56,588	47,391	380,399
Other services and charges	543,217	271,371	289,455	241,322	350,577	1,695,942
Total Expenditures	709,822	325,917	344,724	297,910	397,968	2,076,341
Excess of Revenues Over (Under) Expenditures	1,107,428	188,040	201,820	279,991	350,583	2,127,862
Other Financing Sources (Uses)						
Transfers in	19,262	307,009	351,245	333,072	402,771	1,413,359
Transfers out	(47,053)	*(537,745)	*(530,901)	*(575,130)	*(725,224)	*(2,416,053)
Total Other Financing Sources (Uses)	(27,791)	(230,736)	(179,656)	(242,058)	(322,453)	(1,002,694)
Net Change in Fund Balances	1,079,637	(42,696)	22,164	37,933	28,130	1,125,168
Fund Balances - January 1	7,707,660	303,739	(675,860)	331,064	67,557	7,734,160
Fund Balances - December 31	\$ 8,787,297	\$ 261,043	\$ (653,696)	\$ 368,997	\$ 95,687	\$ 8,859,328

* Transfers between Economic Development and the senior housing projects of \$1,413,359 is eliminated on the Combining Statement of Revenues, Expenditures and Changes in Fund Balances.

STATISTICAL SECTION

**ANOKA COUNTY
ANOKA, MINNESOTA**

**STATISTICAL SECTION
DECEMBER 31, 2016**

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.

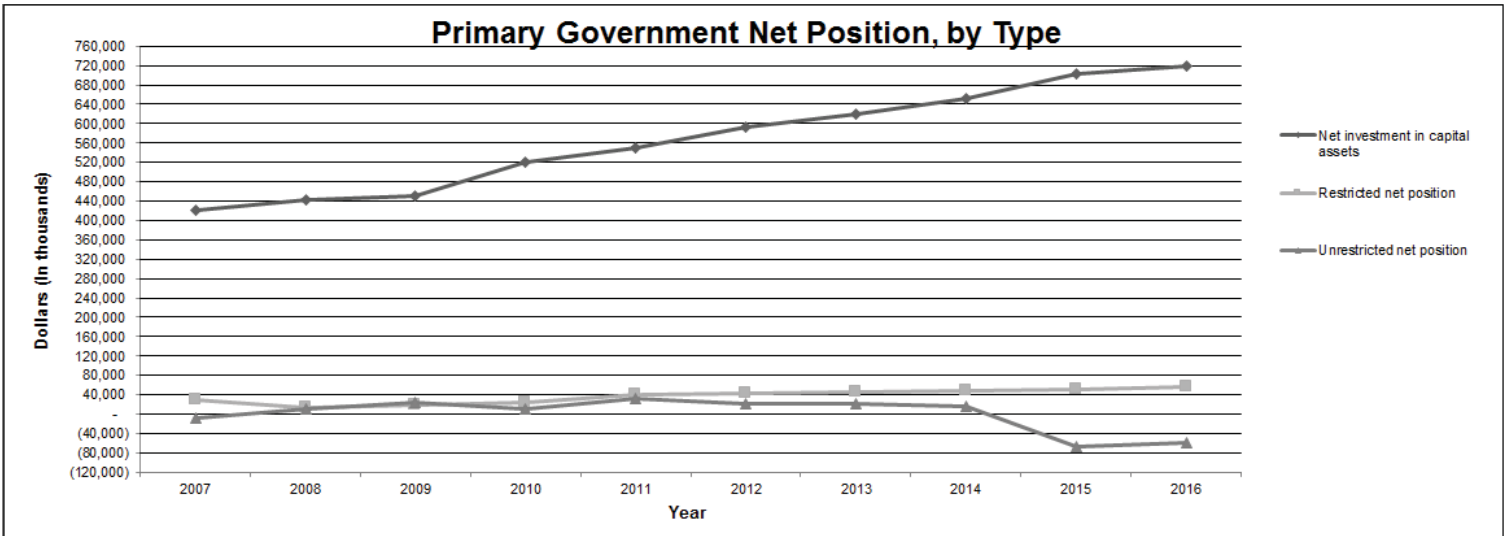
17 to 20

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities:										
Net investment in capital assets	\$ 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	\$ 713,874,571
Restricted for:										
Capital projects	4,021,520	1,703,345	3,289,973	650,968	470,498	328,249	-	-	-	-
Debt service	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	18,527,238
General government	-	-	2,059,116	243,718	5,420,783	5,964,412	6,190,801	6,384,912	6,659,710	10,460,921
Public safety	-	-	-	-	1,030,895	1,367,378	1,768,392	2,037,362	2,375,202	2,736,926
Highway	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	4,650,892
Human services	-	-	-	-	-	-	-	-	-	821,935
Sanitation	-	-	-	-	5,962,323	6,747,120	7,946,263	16,680,742	18,219,190	20,217,943
Culture and recreation	90,592	318,687	335,087	339,900	321,809	332,177	329,068	286,181	291,624	274,332
Conservation of natural resources	56,181	58,613	37,992	41,659	42,201	54,766	72,606	76,355	67,958	41,202
Economic development	651,551	526,006	483,289	590,417	741,672	1,029,513	1,032,798	1,499,968	1,847,047	2,066,215
Unrestricted	(8,339,270)	9,639,978	24,125,485	10,376,493	31,764,128	19,911,968	21,413,017	15,416,835	(66,971,455)	(60,717,293)
Sub-total Governmental Activities	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	712,954,882
Change from prior year	0.36%	4.97%	6.02%	11.66%	12.29%	5.85%	4.44%	4.17%	-4.06%	4.74%
Business-type Activities:										
Net investment in capital assets	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	5,359,536
Unrestricted (deficit)	474,109	593,723	577,757	517,224	542,481	724,041	892,468	975,973	1,028,625	1,020,753
Sub-total Business-type Activities	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	6,380,289
Change from prior year	5.24%	2.82%	-3.97%	261.87%	-2.31%	-0.69%	-0.98%	3.39%	-2.93%	-2.74%
Primary Government:										
Net investment in capital assets	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	719,234,107
Restricted for:										
Capital projects	4,021,520	1,703,345	3,289,973	650,968	470,498	328,249	-	-	-	-
Debt service	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	18,527,238
General government	-	-	2,059,116	243,718	5,420,783	5,964,412	6,190,801	6,384,912	6,659,710	10,460,921
Public safety	-	-	-	-	1,030,895	1,367,378	1,768,392	2,037,362	2,375,202	2,736,926
Highway	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	4,650,892
Human services	-	-	-	-	-	-	-	-	-	821,935
Sanitation	-	-	-	-	5,962,323	6,747,120	7,946,263	16,680,742	18,219,190	20,217,943
Culture and recreation	90,592	318,687	335,087	339,900	321,809	332,177	329,068	286,181	291,624	274,332
Conservation of natural resources	56,181	58,613	37,992	41,659	42,201	54,766	72,606	76,355	67,958	41,202
Economic development	651,551	526,006	483,289	590,417	741,672	1,029,513	1,032,798	1,499,968	1,847,047	2,066,215
Unrestricted	(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)	(59,696,540)
Total Primary Government Net Position	\$ 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	\$ 719,335,171
Change from prior year	0.38%	4.96%	5.98%	12.61%	12.11%	5.78%	4.39%	4.16%	-4.05%	4.67%

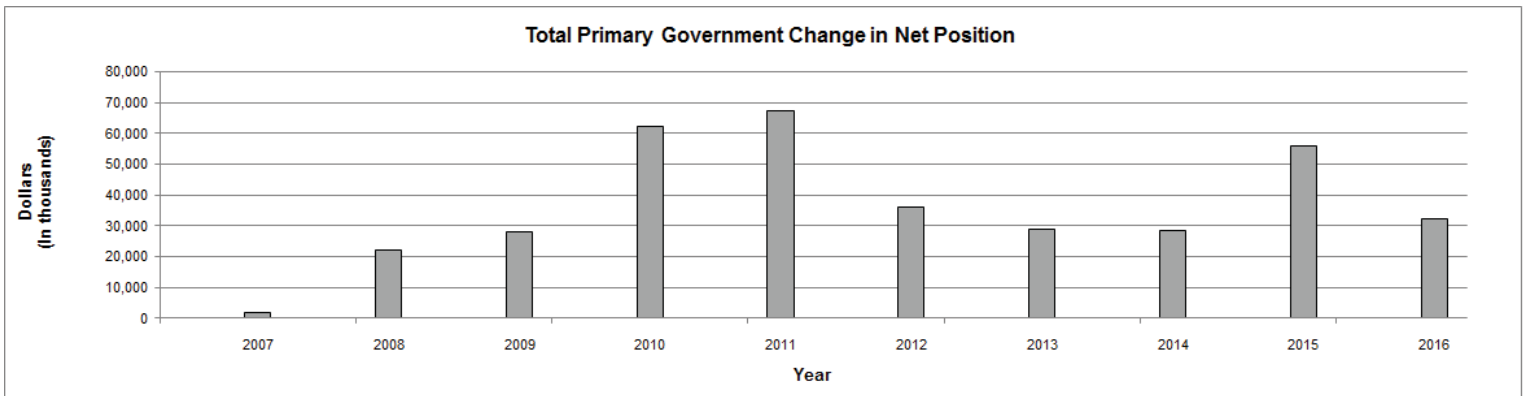


Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

Table 2

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 45,014,765	\$ 46,970,658	\$ 58,363,140	\$ 40,478,462	\$ 42,210,832	\$ 37,772,485	\$ 47,921,380	\$ 44,437,286	\$ 45,036,661	\$ 48,703,707
Public safety	55,820,529	60,912,629	58,371,059	63,420,581	60,178,403	59,024,039	60,737,454	66,142,197	64,660,585	73,735,782
Highways and streets	11,172,070	19,405,835	24,999,144	20,614,471	32,159,071	34,442,191	24,080,515	31,191,566	35,292,215	34,428,110
Human services	88,089,933	90,240,467	73,678,924	81,337,121	75,890,627	78,798,325	77,639,068	79,492,558	81,886,194	89,076,740
Sanitation	9,673,736	10,879,141	7,370,368	6,732,606	4,733,264	4,521,419	3,828,116	3,868,876	4,562,129	3,916,610
Culture and recreation	15,571,431	15,766,736	14,868,884	17,968,943	14,333,469	15,783,949	16,032,680	15,843,510	16,168,478	17,916,885
Conservation of natural resources	691,811	663,627	606,625	603,411	588,047	573,117	592,118	593,230	598,548	743,536
Economic development	54,391,117	11,539,310	21,073,594	16,279,216	11,420,604	18,161,810	15,366,724	10,918,762	10,381,003	9,127,325
Interest expense and fiscal charges on long-term debt	7,403,523	8,593,411	9,367,791	9,785,291	9,242,711	9,152,835	12,486,991	7,923,914	7,647,620	6,995,026
Total governmental activities expenses	<u>287,828,915</u>	<u>264,971,814</u>	<u>268,699,529</u>	<u>257,220,102</u>	<u>250,757,028</u>	<u>258,250,170</u>	<u>258,685,046</u>	<u>260,411,899</u>	<u>266,233,433</u>	<u>284,643,721</u>
Business-type activities:										
Aquatic Center	773,752	824,410	776,771	1,197,292	1,259,538	1,206,089	1,181,042	1,169,887	1,358,752	1,335,506
Total primary government expenses	<u>288,602,667</u>	<u>265,796,224</u>	<u>269,476,300</u>	<u>258,417,394</u>	<u>252,016,566</u>	<u>259,456,259</u>	<u>259,866,088</u>	<u>261,581,786</u>	<u>267,592,185</u>	<u>285,979,227</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	9,784,110	9,011,450	7,777,575	7,462,792	8,738,662	9,067,757	8,851,104	8,523,558	9,068,198	9,775,368
Public safety	13,755,983	14,647,024	18,916,988	18,667,163	16,817,060	16,277,648	15,687,481	16,668,316	18,192,743	18,900,347
Highways and streets	339,161	382,974	381,410	280,132	198,926	235,456	289,940	419,205	433,599	596,515
Human services	2,077,820	2,007,851	3,125,660	6,266,832	4,831,539	4,746,215	5,138,408	3,387,782	2,989,287	3,588,677
Sanitation	6,975,274	8,066,733	6,826,185	6,707,706	6,357,578	4,211,448	4,107,436	4,098,954	4,298,962	4,371,342
Culture and recreation	2,291,175	2,324,714	2,329,883	2,349,598	2,372,130	2,460,210	2,286,225	2,462,882	2,554,037	2,625,980
Conservation of natural resources	29,426	32,435	21,682	40,654	55,991	47,127	56,422	59,866	44,172	51,850
Economic development	1,689,916	1,783,565	1,771,055	1,910,845	2,180,562	2,250,985	2,339,792	2,544,331	2,511,793	2,602,990
Operating grants and contributions	102,831,630	85,936,386	84,587,684	94,168,779	106,337,231	90,928,629	89,648,848	85,943,192	103,884,945	109,015,672
Capital grants and contributions	11,765,555	12,377,182	22,458,819	29,675,438	15,104,146	16,619,047	20,647,261	15,931,186	27,566,324	11,697,733
Total governmental activities program revenues	<u>151,540,050</u>	<u>136,570,314</u>	<u>148,196,941</u>	<u>167,529,939</u>	<u>162,793,825</u>	<u>146,844,522</u>	<u>149,052,917</u>	<u>140,039,272</u>	<u>171,544,070</u>	<u>163,226,474</u>
Business-type activities:										
Aquatic Center	1,098,605	1,108,209	928,976	1,575,490	1,580,828	1,607,431	1,571,578	1,466,653	1,771,245	1,621,839
Total primary government program revenues	<u>152,638,655</u>	<u>137,678,523</u>	<u>149,125,917</u>	<u>169,105,429</u>	<u>164,374,653</u>	<u>148,451,953</u>	<u>150,624,495</u>	<u>141,505,925</u>	<u>173,315,315</u>	<u>164,848,313</u>
Net (Expense)/Revenue										
Governmental activities	(136,288,865)	(128,401,500)	(120,502,588)	(89,690,163)	(87,963,203)	(111,405,648)	(109,632,129)	(120,372,627)	(94,689,363)	(121,417,247)
Business-type activities	324,853	283,799	152,205	378,198	321,290	401,342	390,536	296,766	412,493	286,333
Total primary government net expense	<u>(135,964,012)</u>	<u>(128,117,701)</u>	<u>(120,350,383)</u>	<u>(89,311,965)</u>	<u>(87,641,913)</u>	<u>(111,004,306)</u>	<u>(109,241,593)</u>	<u>(120,075,861)</u>	<u>(94,276,870)</u>	<u>(121,130,914)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes collected for general purposes	110,371,907	117,213,750	120,487,286	121,128,580	122,438,605	117,023,562	114,418,590	120,362,092	124,668,438	112,735,575
Property taxes collected for debt service	12,961,520	15,966,634	18,308,010	18,826,079	20,369,043	19,765,144	18,980,614	17,836,669	15,902,486	15,317,159
Wheelage tax collected for highway and streets	1,302,278	1,344,670	1,357,818	1,355,057	1,385,440	1,388,677	1,382,710	29,639	653	154
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	17,210,735
Unrestricted investment earnings	7,877,156	7,678,758	2,308,125	3,550,062	5,108,171	3,242,169	(2,382,258)	5,604,118	2,135,736	3,144,968
Gain on sale of capital assets	-	-	-	-	39,997	-	-	130,458	41,977	243,109
Miscellaneous	5,133,038	7,904,947	5,710,360	6,873,710	5,615,889	5,557,569	5,687,078	4,735,318	7,259,611	4,594,005
Transfers	230,000	230,000	230,000	(4,546,295)	478,732	447,517	455,000	75,097	455,000	466,250
Total governmental activities	<u>137,875,899</u>	<u>150,338,759</u>	<u>148,401,599</u>	<u>147,187,193</u>	<u>155,395,880</u>	<u>147,424,638</u>	<u>138,581,731</u>	<u>148,773,391</u>	<u>150,463,901</u>	<u>153,711,955</u>
Business-type activities:										
Transfers	(230,000)	(230,000)	(230,000)	4,546,295	(478,732)	(447,517)	(455,000)	(75,097)	(455,000)	(466,250)
Total primary government	<u>137,645,899</u>	<u>150,108,759</u>	<u>148,171,599</u>	<u>151,733,488</u>	<u>154,917,148</u>	<u>146,977,121</u>	<u>138,126,731</u>	<u>148,698,294</u>	<u>150,008,901</u>	<u>153,245,705</u>
Change in Net Position										
Governmental activities	1,587,034	21,937,259	27,899,011	57,497,030	67,432,677	36,018,990	28,949,602	28,400,764	55,774,538	32,294,708
Business-type activities	94,853	53,799	(77,795)	4,924,493	(157,442)	(46,175)	(64,464)	221,669	(42,507)	(179,917)
Total primary government	<u>\$ 1,681,887</u>	<u>\$ 21,991,058</u>	<u>\$ 27,821,216</u>	<u>\$ 62,421,523</u>	<u>\$ 67,275,235</u>	<u>\$ 35,972,815</u>	<u>\$ 28,885,138</u>	<u>\$ 28,622,433</u>	<u>\$ 55,732,031</u>	<u>\$ 32,114,791</u>



Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

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

Table 3

	<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>	<u>2016</u>
General Fund										
Prior to GASB #54										
Reserved	\$ 658,195	\$ 165,209	\$ 2,186,610	\$ 358,995	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	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	116,872
Restricted	-	-	-	-	12,044,111	13,689,641	15,538,497	11,722,812	8,808,730	10,416,958
Assigned	-	-	-	-	4,903,766	4,659,222	3,353,129	5,191,846	4,798,259	4,780,975
Unassigned	-	-	-	-	29,545,493	28,704,982	28,060,067	31,049,397	32,545,482	33,350,993
Total General Fund	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	48,665,798
General Fund change from prior year	20.32%	12.79%	9.70%	3.34%	-1.16%	1.22%	-0.40%	2.29%	-3.78%	5.25%
Other Governmental Funds										
Prior to GASB #54										
Reserved	31,732,562	14,977,372	18,279,740	25,589,823	-	-	-	-	-	-
Unreserved	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	2,659,947
Restricted	-	-	-	-	32,214,783	44,718,410	63,485,715	65,311,580	80,272,621	85,355,323
Committed	-	-	-	-	5,407,567	6,722,520	4,165,048	4,348,612	4,221,032	4,291,344
Assigned	-	-	-	-	86,149,888	86,142,696	75,205,864	65,027,417	66,667,038	76,388,333
Unassigned	-	-	-	-	-	(11,827,509)	(8,750,562)	(8,574,727)	(10,577,317)	(3,533,373)
Total Other Governmental Funds	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	165,161,574
Other Governmental Funds change from prior year	14.45%	-0.58%	29.14%	0.24%	29.13%	1.54%	6.65%	-6.34%	11.40%	15.53%
Total Governmental Funds	\$ 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	\$ 213,827,372
Total Governmental Funds change from prior year	16.30%	3.78%	22.25%	1.23%	19.29%	1.45%	4.75%	-4.14%	7.27%	13.01%

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 4

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 104,119,233	\$ 115,959,327	\$ 120,075,679	\$ 123,897,801	\$ 127,336,139	\$ 125,537,553	\$ 123,415,633	\$ 122,484,908	\$ 124,419,795	\$ 128,863,248
Licenses and permits	1,044,555	1,152,990	1,148,764	1,126,284	1,164,390	1,285,216	1,418,030	1,312,655	1,430,745	1,494,548
Intergovernmental	127,888,690	109,097,320	122,186,767	138,721,917	136,159,618	117,467,375	117,420,542	116,194,432	144,525,316	134,054,322
Charges for service	36,261,786	37,692,549	36,784,476	36,600,357	34,011,575	32,475,447	30,632,254	32,277,458	34,100,783	34,963,562
Fines and forfeits	847,842	833,590	753,134	736,414	729,874	671,706	600,202	600,833	517,584	740,041
Investment income	6,946,724	5,140,443	1,381,306	3,191,446	2,445,639	1,165,349	471,193	2,779,582	1,647,432	3,357,496
Net change in fair value of investments	885,017	2,363,903	460,506	(113,794)	2,206,715	1,755,739	(3,404,462)	2,502,497	(104,002)	(918,435)
Interest earned on securities lending net of related expenses (1)	15,726	76,723	5,639	-	-	-	-	-	-	-
Miscellaneous	10,846,721	11,961,067	11,514,726	14,137,678	13,925,691	14,179,081	13,984,324	13,551,125	13,151,259	12,992,234
Total revenues	288,856,294	284,277,912	294,310,997	318,298,103	317,979,641	294,537,466	284,537,716	291,703,490	319,688,912	315,547,016
Expenditures										
Current										
General government	33,359,144	35,124,467	55,669,453	39,825,483	40,000,510	40,437,536	40,291,064	39,179,092	39,163,703	41,654,394
Public safety	50,889,289	56,544,658	58,544,342	59,494,694	56,708,799	56,378,077	57,141,812	61,077,451	61,860,154	64,680,722
Highways and streets	48,151,258	32,700,169	37,545,483	46,571,830	58,934,529	63,461,363	49,200,205	45,267,411	74,283,231	50,987,117
Human services	85,003,608	85,504,869	76,262,810	80,738,615	75,773,592	74,302,122	75,879,508	78,977,459	81,064,682	84,176,052
Sanitation	9,633,816	10,816,997	7,391,853	6,720,175	4,717,810	4,509,247	3,786,478	3,685,412	4,378,966	3,811,342
Culture and recreation	14,061,962	14,374,009	15,297,073	22,350,737	15,759,477	15,314,212	17,613,585	14,460,071	15,462,018	16,125,211
Conservation of natural resources	677,288	646,070	620,866	599,602	586,757	570,286	589,538	593,527	594,602	608,190
Economic development	10,112,151	10,962,106	20,383,650	20,273,953	10,962,426	17,733,747	14,881,205	10,581,236	9,993,573	8,368,401
Capital outlay	76,009,547	37,767,206	27,979,598	17,071,301	9,842,751	20,791,424	12,741,144	7,821,422	7,898,666	7,551,507
Debt service										
Principal retirement	13,885,812	27,757,061	14,434,736	21,322,184	21,686,262	19,726,766	16,497,873	29,774,254	43,264,559	15,123,887
Interest	5,930,597	7,913,267	8,552,098	9,333,850	9,199,314	8,519,814	8,744,027	8,315,051	6,925,642	7,163,497
Bond issuance costs	1,042,033	607,404	810,141	203,316	324,185	431,736	332,043	15,000	622,583	100,808
Administrative charges	30,162	30,822	117,600	71,482	143,865	57,083	182,896	42,714	95,415	90,743
Intergovernmental	237,001	217,428	654,846	88,692	98,445	96,325	95,327	32,935	1,400,670	295,465
Total expenditures	349,023,668	320,966,533	324,264,549	324,665,914	304,738,722	322,329,738	297,976,705	299,823,035	347,008,464	300,737,336
Excess of revenues over (under) expenditures	(60,167,374)	(36,688,621)	(29,953,552)	(6,367,811)	13,240,919	(27,792,272)	(13,438,989)	(8,119,545)	(27,319,552)	14,809,680
Other Financing Sources (Uses)										
Transfers in	5,725,830	15,870,328	10,225,279	15,836,065	29,322,255	18,324,236	12,793,243	17,107,043	16,298,111	14,663,394
Transfers out	(5,495,830)	(15,640,328)	(9,995,279)	(15,369,865)	(28,843,523)	(18,876,719)	(12,338,243)	(17,031,946)	(15,843,111)	(14,197,144)
Bonds issued	75,515,000	35,346,127	51,730,000	7,460,000	8,975,000	13,880,000	-	-	-	8,780,000
Refunding bonds issued	-	3,468,873	4,685,000	1,930,000	8,920,000	15,205,000	20,145,000	-	37,945,000	-
Payment of refunded bonds	-	-	-	(1,845,000)	(1,430,000)	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(3,000,000)	-	(3,180,000)	-	-	-	-	-
Premium on debt	155,905	1,248,013	2,147,809	77,133	446,535	1,744,159	1,906,156	-	1,463,205	297,415
Discount on debt	-	(27,984)	-	-	(32,135)	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Capital leases	90,300	-	-	-	97,148	-	-	-	112,183	-
Insurance proceeds	-	753,610	-	4,752	-	-	-	-	-	-
Total other financing sources (uses)	75,991,205	41,018,639	55,792,809	8,093,085	14,275,280	30,276,676	22,506,156	75,097	39,975,388	9,543,665
Prior Period Adjustments	-	-	-	(201,188)	-	-	-	-	-	-
Increase (decrease) in inventories	15,262	(55,706)	252,784	235,361	476,567	31,720	(722,107)	434,539	161,556	271,009
Net change in fund balances	\$ 15,839,093	\$ 4,274,312	\$ 26,092,041	\$ 1,759,447	\$ 27,992,766	\$ 2,516,124	\$ 8,345,060	\$ (7,609,909)	\$ 12,817,392	\$ 24,624,354
Debt service as a percentage of noncapital expenditures	7.08%	13.29%	8.21%	11.63%	12.09%	10.34%	10.10%	14.02%	17.54%	8.52%

Notes:

(1) The County had a securities lending program from 2003 to 2009.

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						
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
2016	20,986,937	3,583,880	28,106	4,025,384	431,335	50,404	57,529	300,676	29,464,251	27,414,117	318,646	1.16%	39.611

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**

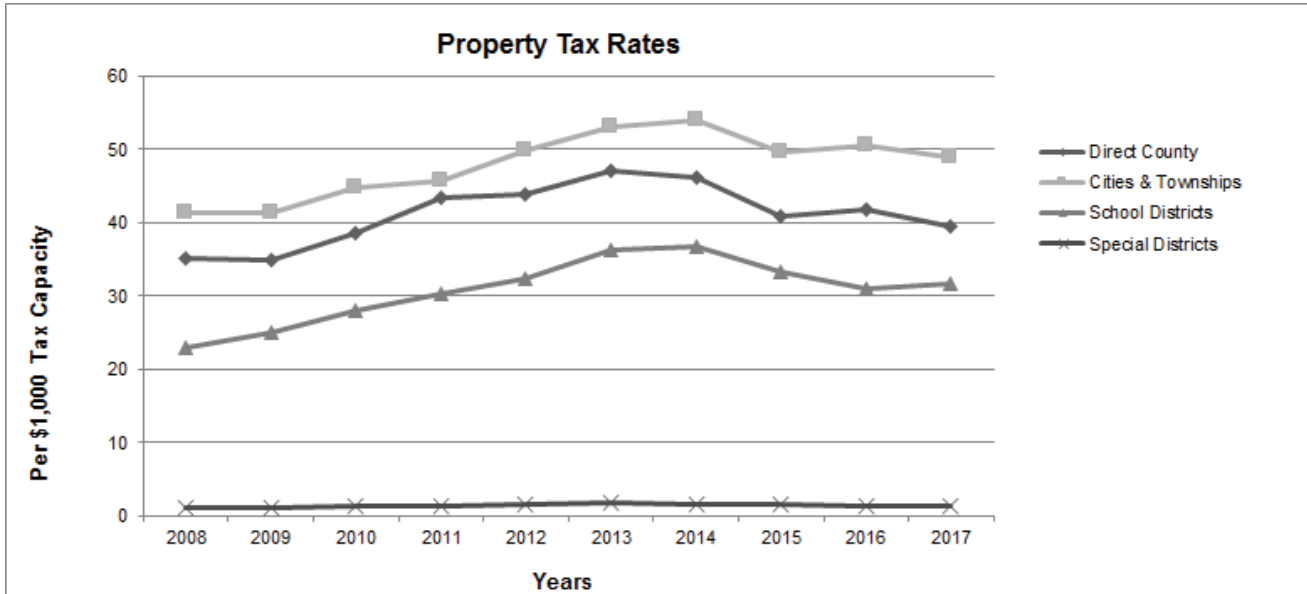
Tax Year	Anoka County					Average rates within each classification			
	General	Bonds	Regional Railroad Authority	Regional Railroad Authority Bonds	Housing and Redevelopment Authority	Total	Cities/Townships	School Districts	Special Districts
2008	26.930	4.523	2.435	0.000	1.509	35.397	41.267	22.945	1.230
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
2017	32.733	4.540	0.309	0.493	1.536	39.611	48.937	31.689	1.172

Tax Year 2017

Number of taxing districts	21	9	14
Minimum levy rate	25.578	18.590	0.467
Maximum levy rate	94.971	49.408	2.282

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**

2016 TAX CAPACITY VALUE - PAYABLE 2017

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Rank</u>	<u>Estimated Market Value</u>	<u>2016 Tax Capacity Value</u>	<u>Percentage of Total Tax Capacity Value</u>
Medtronic, Inc.	Manufacturing	1	\$ 112,032,700	\$ 2,237,654	0.70%
Minnegasco, Inc.	Utility	2	84,492,000	1,687,014	0.53%
Connexus Energy	Utility	3	83,338,900	1,661,889	0.52%
Northern States Power Co.	Utility	4	79,465,400	1,586,513	0.50%
Glimcher Realty Trust	Mall	5	62,293,100	1,245,112	0.39%
BRE DDR Riverdale Village Outer Ring, LLC	Retail	6	60,947,200	1,218,194	0.38%
Burlington Northern	Industrial	7	55,128,100	1,101,542	0.35%
Target	Retail	8	47,938,500	954,920	0.30%
BRE DDR Riverdale Village Inner Ring, LLC	Retail	9	46,960,500	937,095	0.29%
Dayton-Hudson Corp.	Retail	10	42,870,000	855,900	0.27%
TOTALS			\$ 675,466,400	\$ 13,485,833	4.23%
Total Tax Capacity Value				\$ 318,464,478	

2007 TAX CAPACITY VALUE - PAYABLE 2008

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Rank</u>	<u>Estimated Market Value</u>	<u>2007 Tax Capacity Value</u>	<u>Percentage of Total Tax Capacity Value</u>
Medtronic Inc	Manufacturing	1	\$ 118,361,600	\$ 2,363,480	0.66%
Connexus Energy	Utility	2	100,936,200	1,856,222	0.52%
Target Corporation	Retail	3	60,405,600	1,204,362	0.34%
Northern States Power Co	Utility	4	69,592,800	1,136,976	0.32%
Glimcher Realty Trust	Mall	5	53,545,900	1,070,168	0.30%
Minnegasco Inc	Utility	6	54,260,800	1,026,920	0.29%
Dayton Hudson Corp	Retail	7	47,853,400	955,568	0.27%
DDR MDT Riverdale Vill Outer Ring LLC	Retail	8	46,123,700	921,724	0.26%
CRRV Central LLC	Retail	9	38,743,200	772,769	0.22%
Wal Mart Stores Inc	Retail	10	35,911,400	716,728	0.20%
TOTALS			\$ 625,734,600	\$ 12,024,917	3.35%
Total Tax Capacity Value				\$ 358,963,090	

Source: Anoka County Property Tax Division

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 8

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

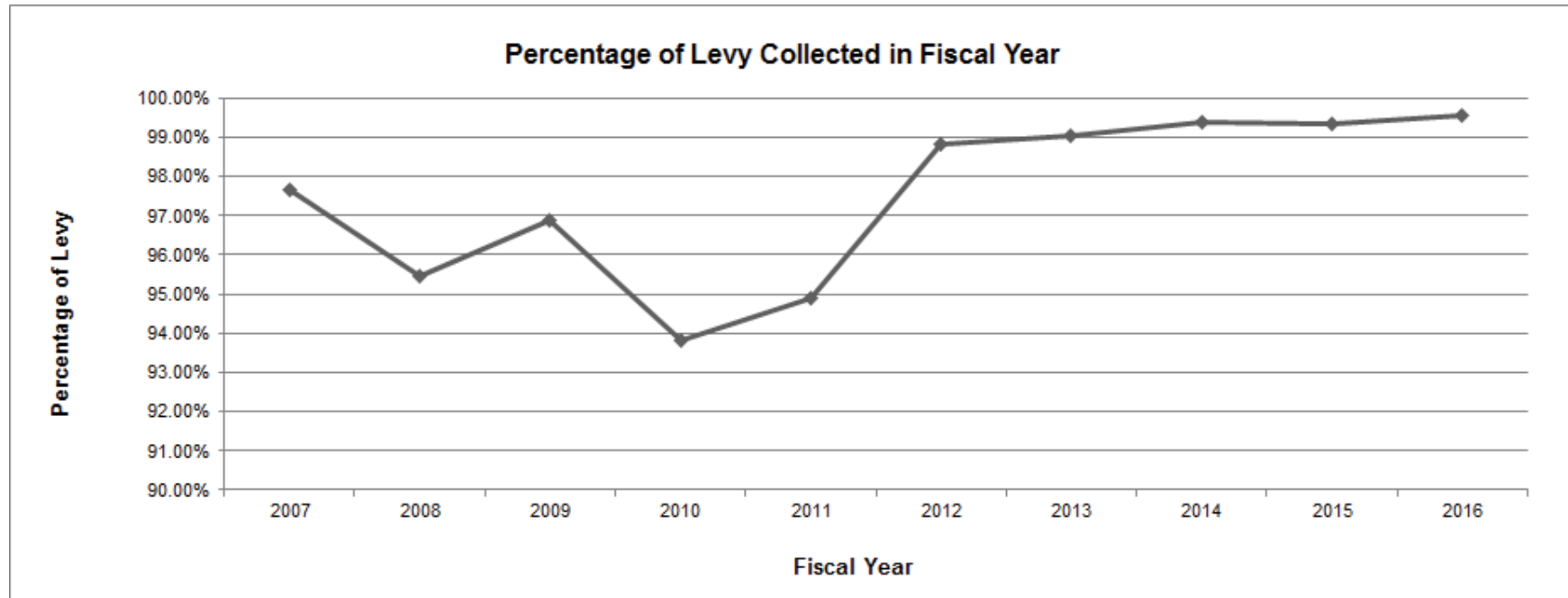
Fiscal Year	Tax Levied for the Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent (net of abatements)	
		Amount (1)	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2007	\$ 123,135,436	\$ 120,235,177	97.64%	\$ 2,069,876	\$ 122,305,053	99.33%	\$ 9,631	0.01%
2008	136,112,356	129,909,128	95.44%	(2) 2,379,942	132,289,070	97.19%	18,992	0.01%
2009	139,702,338	135,349,593	96.88%	2,141,385	137,490,978	98.42%	34,632	0.02%
2010	145,151,888	136,193,948	93.83%	(2) 1,677,163	137,871,111	94.98%	59,790	0.04%
2011	147,665,592	140,146,703	94.91%	(2) 1,242,138	141,388,841	95.75%	89,191	0.06%
2012	137,162,350	135,556,093	98.83%	790,268	136,346,361	99.41%	111,205	0.08%
2013	134,407,455	133,122,700	99.04%	883,973	134,006,673	99.70%	151,161	0.11%
2014	138,332,621	137,481,497	99.38%	732,433	138,213,930	99.91%	202,398	0.15%
2015	140,502,780	139,553,245	99.32%	530,293	140,083,538	99.70%	290,284	0.21%
2016	144,690,113	144,024,750	99.54%	-	144,024,750	99.54%	914,088	0.63%

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



**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					
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	1.60%	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	15,678,200,000	1.27%	339,534	588
2016	3,151,480	117,933,909	20,685,771	50,574,653	57,897	1,220,056	193,623,766	*	*	345,957	560

Notes:

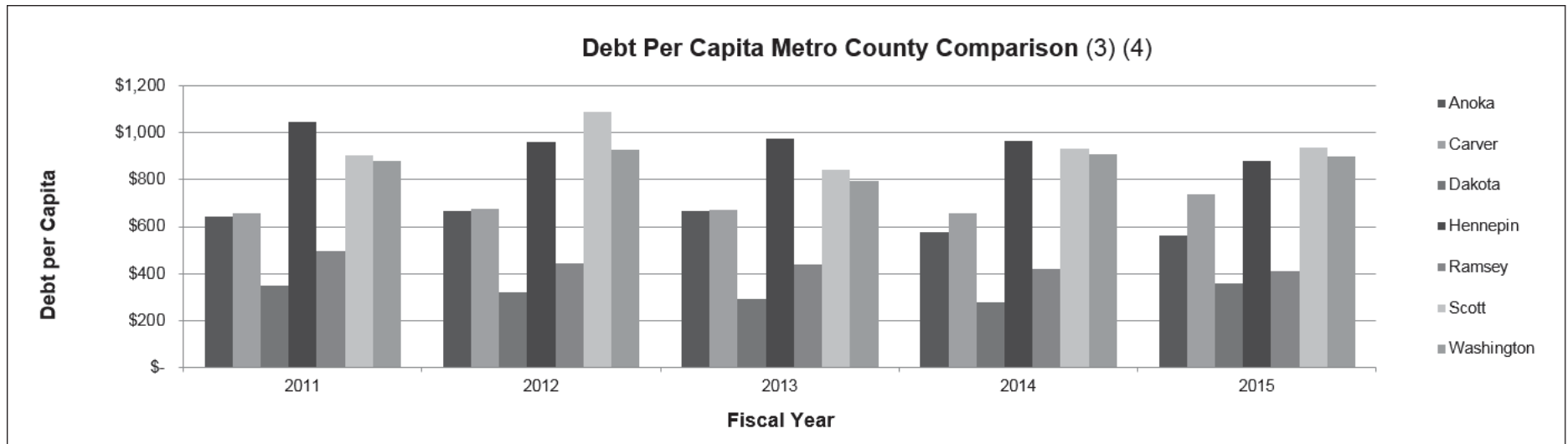
(1) Source: U.S. Bureau of Economic Analysis

(2) Source: U.S. Census Bureau

(3) Source: Minnesota State Auditor (2015 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

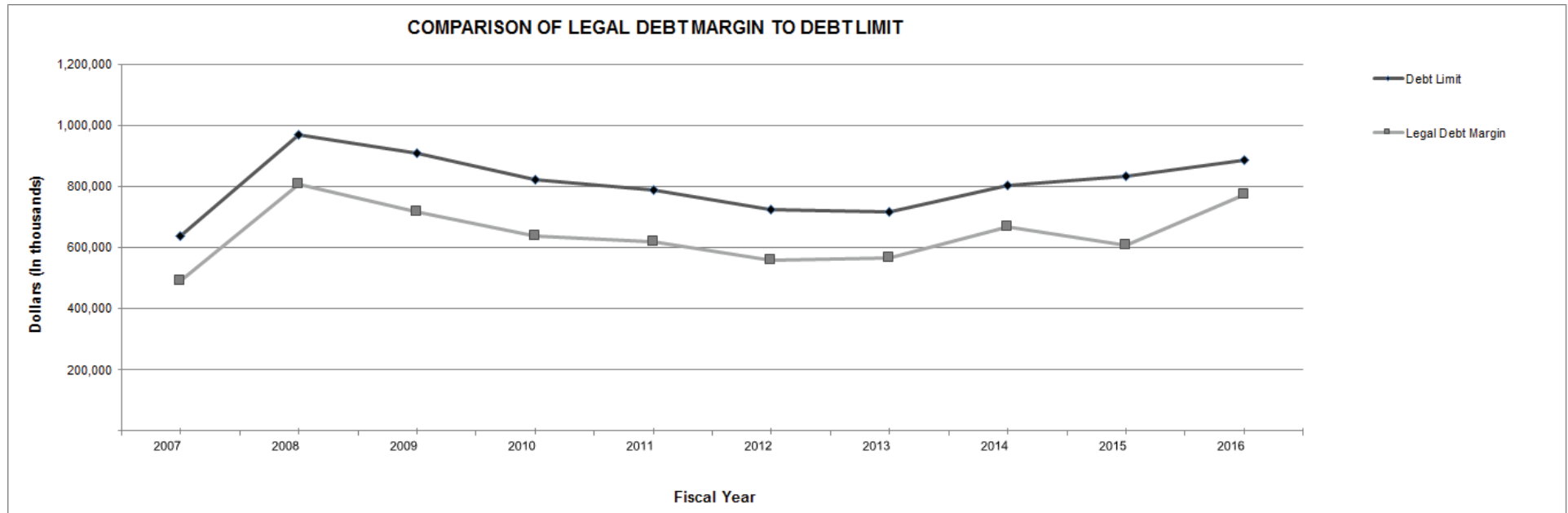
**RATIOS OF NET BONDED DEBT TO ESTIMATED MARKET VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

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
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
2016	117,933,909	20,685,771	50,574,653	189,194,333	54,501,915	134,692,418	29,464,251,000	0.46%	345,957	389

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, 2016**

<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	\$ 193,623,766	100.0%	\$ 193,623,766
Overlapping:			
Metropolitan Council	1,442,296,908	9.2%	132,021,167
Underlying:			
City of Andover	27,110,000	100.0%	27,110,000
City of Anoka	13,235,000	100.0%	13,235,000
City of Bethel	649,181	100.0%	649,181
City of Blaine	35,111,401	99.3%	34,849,619
City of Centerville	8,764,619	100.0%	8,764,619
City of Circle Pines	19,370,000	100.0%	19,370,000
City of Columbia Heights	21,265,000	100.0%	21,265,000
City of Columbus	11,164,000	100.0%	11,164,000
City of Coon Rapids	59,268,276	100.0%	59,268,276
City of East Bethel	19,690,589	100.0%	19,690,589
City of Fridley	13,755,000	100.0%	13,755,000
City of Ham Lake	3,731,836	100.0%	3,731,836
City of Lexington	1,786,952	100.0%	1,786,952
City of Lino Lakes	27,600,250	100.0%	27,600,250
City of Nowthen	780,385	100.0%	780,385
City of Oak Grove	1,668,000	100.0%	1,668,000
City of Ramsey	28,285,000	100.0%	28,285,000
City of St. Francis	51,428,915	99.9%	51,377,600
City of Spring Lake Park	4,987,816	97.5%	4,862,283
School District #11	69,965,000	79.3%	55,484,743
School District #12	102,018,685	100.0%	102,018,685
School District #13	14,085,000	100.0%	14,085,000
School District #14	75,795,000	100.0%	75,795,000
School District #15	34,620,000	93.1%	32,247,782
School District #16	138,580,000	100.0%	138,580,000
School District #624	86,195,000	3.3%	2,803,620
School District #728	274,800,000	6.3%	17,225,620
School District #831	162,965,000	31.9%	52,063,175
Total Underlying	1,308,675,905		839,517,215
Grand Total	\$ 2,944,596,579		\$ 1,165,162,148

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

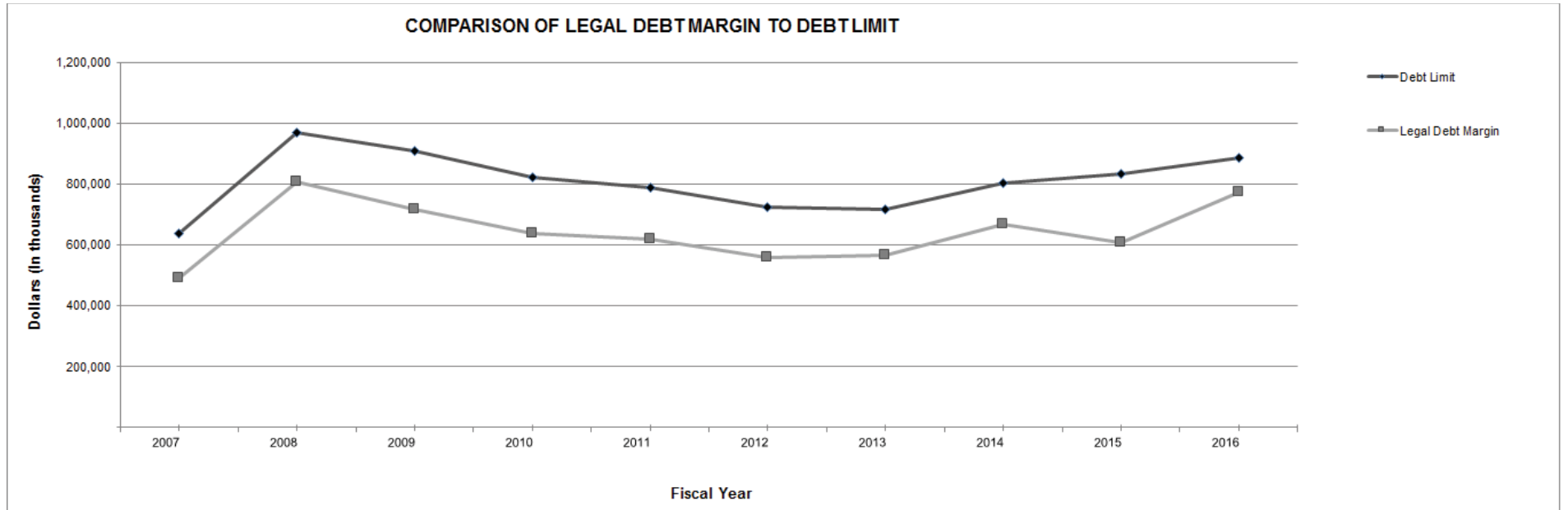
**ANOKA COUNTY
ANOKA, MINNESOTA
LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

Table 12

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Estimated market value (EMV) (1)	\$ 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	\$ 29,464,250,000
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>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>	<u>29,503,876,178</u>
Debt limit as a percentage of EMV (2)										
Amount of debt applicable to debt limit	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	885,116,285
Total bonded debt (3)	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	165,910,411
Less: Amount available in funds (3)	(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)	(53,528,861)
Total debt applicable to debt limit	<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>	<u>112,381,550</u>
Legal Debt Margin	<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>	<u>\$ 772,734,735</u>
Legal debt margin as a percentage of debt limit:	76.95%	83.45%	78.87%	77.76%	78.70%	77.12%	79.27%	83.25%	86.10%	87.30%

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

**PLEGDED 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 *
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
2016	513,957	325,917	188,040	145,000	78,215	223,215	0.84

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 *
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	337,370	0.55
2015	534,167	284,875	249,292	75,000	93,814	168,814	1.48
2016	546,544	344,724	201,820	80,000	92,264	172,264	1.17

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 *
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
2016	577,901	297,910	279,991	150,000	84,558	234,558	1.19

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 *
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
2016	748,551	397,968	350,583	185,000	164,193	349,193	1.00

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

**ANOKA COUNTY
ANOKA, MINNESOTA**

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

Table 14

Fiscal Year	Population					Anoka County					Education Level in years of Formal Schooling (4)			School Enrollment (K thru 12) (5)
	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)				
			Population (3)	Percent of Change	Rank in Size of Minnesota Counties (7)									
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	5,482,435	3,012,117	339,534	-0.7%	4th	15,678,200,000	5.6%	45,556	4.9%	38.3	13.6	64,707		
2016	5,519,952	*	345,957	1.9%	4th	*	*	*	*	*	*	*		

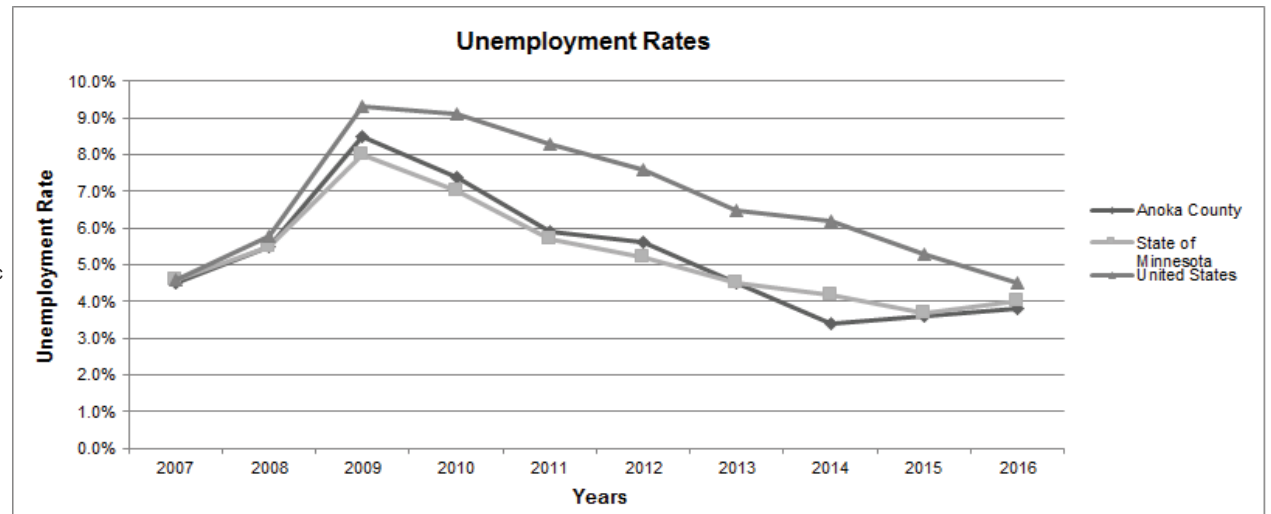
Fiscal Year	Anoka County Employment (8)				Unemployment (8)				State of Minnesota		United States	
	Labor Force	Percent of Change	Employment	Percent of Change	Anoka County			Percent of Change	State of Minnesota		United States	
					Unemployment	Percent of Change	Unemployment Rate		Unemployment Rate	Percent of Change	Unemployment Rate	Percent of Change
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%
2016	189,256	-1.1%	181,997	-1.3%	7,259	4.0%	3.8%	0.2%	4.0%	0.3%	4.5%	-0.8%

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

Unaudited



**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 15

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

2016 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	9,000 (1)	7.48%
Anoka-Hennepin Independent School District #11	Public Education	2	7,293 (2)	6.06%
Mercy Hospital and Unity Medical Center	Hospitals	3	3,775	3.14%
Northtown Mall	Shopping Mall	5	2,250 (2)	1.87%
Target Corporation (six stores & distribution center)	Retail	7	1,900 (2)	1.58%
Anoka County	County Government	4	1,798 (2)	1.49%
ATK Federal Premium Ammunition	Ammunition Manufacturing	6	1,400 (4)	1.16%
Pentair Technical Products	Electrical Products	8	1,225	1.02%
Cummins Power Generation	Generator and Diesel Manufacturer	9	1,173 (3)	0.97%
Walmart Corporation (three locations)	Retail	10	1,000 (2)	0.83%
Total Anoka County Employment			120,401 (5)	

Source: Minnesota Department of Employment and Economic Development

2007 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)	5.43%
Medtronic Corporation	Electro-Medical Services	2	3,800	3.27%
Mercy Hospital and Unity Medical Center	Hospitals	3	3,000	2.58%
Anoka County	County Government	4	1,816 (2)	1.56%
Onan Corporation	Generator and Diesel Manufacturer	5	1,600	1.38%
BAE Systems	Pumps/Naval Ordinance	6	1,470	1.26%
Federal Cartridge Corporation	Ammunition Manufacturer	7	1,023	0.88%
Hoffman Engineering Company	Electrical Products	8	1,000	0.86%
Parsons Electric Company	Electrical Services	9	759	0.65%
Burlington Northern Railroad	Transportation	10	750	0.65%
Minco Products Incorporated	Electronic Devices	10	750	0.65%
Total Anoka County Employment			116,207 (6)	

Source: Telephone survey of individual employers by Bond Advisors, February 2016 and Anoka County Finance and Central Services Division

Notes:

- (1) Corporate-wide total is 49,000; 9,000 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 three quarters of 2016.
- (6) Minnesota Department of Employment and Economic Development - NAICS.

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 16

**COMPARISON OF EMPLOYMENT BY INDUSTRY
2015 AND 2006**

2015 (1)

Industry	Wages	Average Number of Employees	Percent of All Employment
Natural Resources and Mining	\$ 10,767,738	384	0.32%
Construction	455,001,769	7,677	6.48%
Manufacturing	1,803,732,335	22,655	19.10%
Trade, Transportation and Utilities	1,067,508,020	25,674	21.64%
Information	27,606,614	701	0.59%
Financial Activities	221,621,405	3,751	3.16%
Professional and Business Services	457,215,294	9,742	8.21%
Education and Health Services	1,295,049,635	25,795	21.75%
Leisure and Hospitality	212,503,850	12,640	10.66%
Other Services	136,636,489	4,795	4.04%
Public Administration	250,981,276	4,806	4.05%
Total, all industries	\$ 5,938,624,425	118,620	100.00%

2006 (1)

Industry	Wages	Average Number of Employees	Percent of All Employment
Natural Resources and Mining	\$ 11,360,590	409	0.35%
Construction	449,820,652	9,472	8.17%
Manufacturing	1,455,097,312	23,638	20.39%
Trade, Transportation and Utilities	909,168,793	25,606	22.08%
Information	37,709,382	866	0.75%
Financial Activities	158,953,178	4,324	3.73%
Professional and Business Services	344,582,433	9,516	8.21%
Education and Health Services	906,719,968	22,402	19.32%
Leisure and Hospitality	140,480,372	11,165	9.63%
Other Services Excluding Public Administration	94,719,924	4,082	3.52%
Public Administration	194,121,211	4,472	3.86%
Total, all industries	\$ 4,702,733,815	115,952	100.00%

Note: 2015 is the most recent period that data is available for this table.

(1) Source: Minnesota Department of Employment and Economic Development

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 17

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

Budget Program Area/Programs	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
County General Services	94.70	95.95	95.45	97.45	96.35	97.95	93.50	95.50	97.50	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	11.50	11.50	10.50	12.50	8.50	10.50	8.50	9.50
Misc. Appropriations & Allocations	-	-	-	-	-	1.00	-	-	-	-
Human Resources	13.85	13.85	13.35	13.35	12.85	12.45	12.00	13.00	14.00	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	-	-	-	-	-
Univ. of Minnesota Ext. Service	2.60	2.60	2.60	2.60	2.00	2.00	2.00	2.00	2.00	2.00
Central Communications	41.00	42.00	42.00	42.00	42.00	41.00	42.00	42.00	45.00	45.00
Emergency Management	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Veterans Services	4.00	4.00	4.00	4.00	6.00	6.00	6.00	6.00	6.00	6.00
Intergovernmental Relations	1.00	1.00	1.00	1.00	1.00	2.00	3.00	3.00	3.00	2.00
Community Development	5.00	5.00	6.00	7.00	6.00	6.00	5.00	4.00	4.00	4.00
Public Information	4.75	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Finance & Central Services	133.50	135.50	142.50	143.50	147.00	144.74	167.49	172.99	174.13	175.13
Information Technology	50.00	52.00	53.00	54.00	52.00	61.00	64.50	66.50	66.50	66.50
Leasehold Buildings	4.00	4.00	4.00	4.00	3.00	3.00	2.00	2.00	2.00	2.00
Facility Mgmt. and Construction	41.00	37.00	41.00	41.00	42.00	44.00	44.00	45.00	45.00	45.00
Central Services (5)	-	-	-	-	-	-	15.24	16.74	-	-
Central Accounting (5)	-	-	-	-	-	-	15.00	14.00	60.63	61.63
Human Service Accounting (5)	-	-	-	-	-	-	12.75	19.75	-	-
County Budget (5)	-	-	-	-	-	-	2.00	3.00	-	-
Financial Mgmt. & Central Services (5)	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	10.00	-	-	-	-
Property Records & Taxation (5)	86.45	87.45	83.95	83.95	82.95	85.95	82.50	82.50	78.50	78.50
Statutory Judicial & Public Safety	337.25	348.00	347.35	350.35	350.10	342.80	349.75	355.75	357.70	364.90
County Attorney	92.15	94.90	94.25	94.25	96.00	92.70	93.65	94.65	96.60	96.80
Sheriff	245.10	253.10	253.10	256.10	254.10	250.10	256.10	261.10	261.10	268.10
Public Services	213.90	220.10	214.60	214.60	213.60	207.30	205.65	208.40	211.95	204.95
Public Services Administration (5)	5.00	7.00	6.00	6.00	6.00	6.00	-	-	-	-
Highway	106.00	108.00	108.00	108.00	107.00	107.00	108.00	108.00	107.00	95.00
Parks & Recreation	36.15	36.15	33.85	33.85	33.85	34.85	34.95	34.95	36.25	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	2.00	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	5.00
Chomonix Golf Course	4.00	4.00	4.00	4.00	4.00	4.00	4.00	1.00	4.00	4.00
Bunker Beach Aquatic Center	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
License Bureau (5)	37.75	39.20	38.00	38.00	38.00	30.70	31.95	35.70	35.95	38.95
Recycling and Resource Solutions	6.00	6.75	6.75	6.75	6.75	6.75	7.75	9.75	9.75	10.75
Human Services	820.75	835.25	820.05	830.55	810.50	812.30	771.00	795.50	821.00	840.75
Economic Assistance	202.50	206.50	207.50	211.00	210.00	210.00	209.50	207.50	208.50	214.50
Social Service	162.75	160.75	166.00	163.00	157.75	157.55	156.45	257.20	276.70	280.95
Mental Health Services	43.50	44.50	46.50	49.50	48.50	49.50	49.50	-	-	-
Comm. Health & Environmental Ser.	103.60	107.10	109.10	112.10	108.80	108.80	111.55	78.80	79.80	80.60
Other Misc Human Services Prog.	-	-	-	4.00	4.00	4.00	4.00	10.00	10.00	9.00
Community Corrections	221.75	221.25	202.00	204.00	198.00	199.00	179.00	177.00	180.00	188.50
Job Training Center	49.00	57.50	55.00	55.00	53.00	53.00	46.00	50.00	50.00	50.00
Medical Examiner	9.40	9.40	10.70	10.70	10.70	10.70	10.00	10.00	11.00	12.20
HSD Administration (5)	28.25	28.25	23.25	21.25	19.75	19.75	5.00	5.00	5.00	5.00
Government Services	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Government Services Administration (5)	2.00	2.00	2.00	2.00	2.00	-	-	-	-	-
Library Services	88.20	86.80	87.90	88.10	78.20	79.20	78.70	77.70	77.70	76.95
County Library	86.20	84.80	85.90	86.10	76.20	77.20	76.70	75.70	75.70	75.45
Law Library	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50
Regional Rail Authority	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Northstar Corridor Development Authority (5)	-	-	-	-	-	-	1.00	1.00	1.00	1.00
County Totals	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	1,839.68
Non-Complement (2)	24.85	19.60	19.60	20.60	13.25	15.25	38.50	37.50	35.50	32.50
Unfunded (3)	76.95	65.45	47.30	47.30	56.85	10.95	16.50	13.00	18.50	9.00
Percent Change of County Totals	3.7%	1.9%	-1.0%	0.9%	-1.6%	-0.6%	-1.2%	2.3%	1.7%	1.1%
Population (4)	331,246	332,751	335,308	330,844	334,045	337,394	340,482	341,864	339,534	345,957
Number of FTE's per 1,000 population	5.4	5.4	5.3	5.5	5.3	5.2	5.1	5.2	5.4	5.3

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 9 unfunded positions for 2016.
- (4) Source: U.S. Census Bureau and Metropolitan Council (2016 population is based on past years' growth).
- (5) County reorganization in 2013 resulted in reassignment of programs to various program areas.

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS AVAILABLE**

Table 18

<u>Function / program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government										
Property Records & Taxation										
Document counts per year	99,669	83,254	68,598	77,413	71,788	62,395	79,262	73,989	53,133	62,729
Parcel accounts per year	134,718	134,954	133,447	133,172	134,656	134,840	134,994	135,095	135,682	136,226
Election Services										
Number of registered voters (* not an election year)	200,254	*	222,572	*	193,058	*	195,411	*	200,259	*
Number of votes cast (* not an election year)	133,965	*	182,559	*	131,703	*	187,085	*	118,274	*
License Bureau										
License Bureau Transactions	459,862	468,686	458,174	450,252	440,160	437,345	439,748	403,706	417,307	439,129
County Attorney										
Criminal / Juvenile/Victim Witness Cases (1)	4,651	4,458	3,880	4,179	4,702	4,363	5,106	5,664	5,261	5,009
Civil/Family Law/Protective Services Cases (1)	4,652	4,477	4,977	5,210	5,088	5,124	4,885	4,896	4,384	4,426
Court Appointed Attorneys										
Civil Commitments filed	321	336	333	257	252	267	341	553	429	249
Paternity	235	215	347	212	206	155	187	156	88	113
Transit & Volunteer Transportation										
Passenger count	255,401	254,876	274,307	263,555	280,142	331,308	367,480	340,257	356,424	324,899
Public safety										
Sheriff										
Calls for service	34,861	34,417	31,251	30,292	30,530	31,018	30,289	28,616	26,739	35,920
Jail bookings	13,096	12,157	11,853	11,228	10,404	9,800	9,571	9,408	9,307	9,551
Central Communications										
Calls for service	171,516	175,719	175,874	176,215	180,573	184,978	180,580	175,767	167,433	211,358
Fire calls for service	18,904	19,888	20,134	19,895	20,431	22,012	22,157	22,034	21,412	27,694
Community Corrections										
Probation caseload	19,291	19,856	20,359	20,026	18,968	15,506	12,988	12,445	11,882	11,560
Days served in institutions	130,760	119,839	109,836	91,962	98,316	76,852	74,009	75,388	76,316	78,844
Medical Examiner										
Number of Cases	2,209	2,223	2,727	2,351	2,578	2,861	2,950	3,965	4,617	6,157
Highway and streets										
Vehicle miles traveled per day	8,168,273	8,355,111	8,283,744	8,171,320	8,171,919	8,188,710	8,170,601	8,092,764	8,267,551	8,515,578
Human services										
Economic Assistance										
Child support caseload	15,316	15,521	15,124	15,221	14,883	14,547	14,384	14,194	13,544	12,761
Public assistance caseload	16,275	16,605	17,127	19,024	20,745	23,348	24,312	24,839	34,459	34,297
Social Services										
Social Services Out of Home Placement Costs	\$ 6,892,756	\$ 6,927,762	\$ 6,317,023	\$ 4,322,505	\$ 4,548,695	\$ 3,707,578	\$ 3,130,745	\$ 2,953,515	\$ 3,298,953	\$ 4,802,679
Number of developmentally disabled persons receiving case management services	1,798	1,891	1,991	2,136	2,261	2,091	2,149	2,454	2,473	2,473
Mental Health Services										
Child Mental Health Out of Home Placement Costs	\$ 1,247,295	\$ 1,121,104	\$ 680,932	\$ 559,429	\$ 1,101,458	\$ 717,160	\$ 1,110,377	\$ 843,634	\$ 1,385,880	\$ 1,230,791
Requests for Civil Commitments	484	492	469	479	415	418	481	476	400	364
Community Health & Environmental Services										
Women, Infants and Children (WIC) average monthly case count	5,756	5,937	6,030	5,812	5,610	6,550	5,232	5,246	5,273	5,260
Other Misc Human Service Programs										
Senior information line - number of calls	840	983	769	869	881	1,087	1,399	1,111	840	896
Sanitation										
Integrated Waste Management										
Recycling processed (in tons)	146,583	145,335	138,277	136,632	137,518	141,052	147,926	170,399	180,821	200,225
Waste delivered for processing (in tons)	153,635	159,327	158,194	151,744	136,232	135,208	139,064	120,867	107,641	103,357
Waste landfilled (in tons)	68,577	61,131	50,023	48,390	58,625	57,282	58,058	64,892	73,040	98,089
Culture and recreation										
County Library										
Number of persons served	1,349,843	1,232,639	2,041,742	2,065,193	1,933,360	2,048,075	1,950,651	1,845,625	1,689,974	1,720,108
Number of items loaned	2,863,174	3,109,288	3,237,405	3,370,139	3,719,392	3,859,169	4,778,889	4,222,844	6,634,105	4,935,720
Parks and Recreation										
Regional and County Park visits	3,300,000	3,400,000	3,500,000	3,500,000	3,800,000	3,800,000	3,850,000	3,850,000	3,850,000	4,100,000
Golf Course										
Rounds of golf played	32,000	34,342	34,240	35,000	31,853	30,431	29,684	23,896	23,651	28,761
Aquatic Center										
Water Park attendance	113,000	113,000	96,000	78,000	122,000	117,000	128,000	107,084	87,593	120,040
Conservation of natural resources										
Minnesota Extension Service										
Adult Program Participants	12,961	15,068	15,217	11,210	11,100	30,446	28,382	3,274	3,699	3,054
Youth program Participants	7,898	2,233	7,296	13,059	14,000	8,974	10,525	6,179	5,531	5,128
Economic development										
Job Training Center										
Minnesota Family Investment Program (MFIP) Families using employment & training services	3,562	3,520	3,597	3,873	3,685	3,586	3,411	3,597	3,169	2,524
Community Development (data is based on fiscal year June 30)										
Households assisted with housing	121	140	140	76	49	168	170	62	108	40
People assisted	3,825	3,481	7,099	5,749	4,929	2,547	4,919	4,560	2,175	5,103
Public improvements and related activities	2	4	3	2	7	2	2	3	-	2

(1) During 2012 the County Attorney's Office began transitioning to a Case Management software system that tracks statistics differently than in the past. All reporting groups in the Office will have fully transitioned to Case Management by the end of 2014. The Office Indicators for 2014 forward will be consistent and comparable.

Source: Various County departments

Unaudited

**ANOKA COUNTY
ANOKA, MINNESOTA**

Table 19

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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	-	-	-	-	0
Miscellaneous structures	3	3	3	3	3	3	3	3	6	6
Regional Treatment Center buildings	18	17	16	16	16	17	17	17	17	17
Parking ramp	1	1	1	1	1	1	1	1	1	1
Ground and maintenance equipment	9	10	12	13	13	12	12	13	13	13
Licensed vehicles/trailers	26	28	28	29	31	33	33	33	34	33
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	20	20	20	20	19	20	20	20	20	20
Medical Examiner building	-	-	1	1	1	1	1	1	1	1
Sheriff's Public Safety Campus	-	-	-	1	1	1	1	1	1	1
Sheriff's patrol buildings	2	2	2	2	2	1	1	1	1	1
Sheriff's rifle range buildings	6	6	6	4	4	3	1	1	1	1
Boats, motors, snowmobiles, atv	13	16	16	17	17	18	19	19	19	19
Licensed vehicles/trailers	25	24	24	23	28	26	29	31	29	26
Patrol units	90	93	94	95	92	96	94	95	101	98
Highways and streets										
Highway buildings	8	8	8	8	8	8	8	8	7	7
Contractors equipment	20	20	20	25	25	29	27	32	34	35
Licensed vehicles/trailers	76	80	83	83	92	94	98	93	95	100
Two lane (road miles)	322.96	322.21	320.64	311.81	306.37	304.81	301.23	301.23	289.65	280.79
Four plus lane (road miles)	99.61	100.36	101.93	107.09	111.53	111.54	114.44	117.11	125.02	133.88
Bridges	70	70	70	70	70	70	70	70	70	70
Human services										
Head start facility	-	-	-	-	-	1	1	1	1	1
Sanitation										
Educational trailers	2	2	2	2	2	2	2	2	2	2
Licensed vehicles/trailers	-	-	-	-	-	-	-	-	1	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	8	8	8	8
County parks	6	6	6	6	6	6	6	6	6	6
Regional park reserves	2	2	2	3	3	3	4	4	4	4
Regional trails	7	7	7	7	7	7	7	7	7	9
Activity center/contact stations	10	10	10	10	10	10	10	10	10	10
Anderson House	2	2	2	2	-	-	-	-	-	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	3	3	3	3	3	3	3	3	3	3
Camper cabin sites	-	-	-	-	4	4	4	4	4	4
Fairground buildings	8	8	8	8	8	8	8	8	8	8
Miscellaneous park buildings	16	16	21	20	21	21	21	21	21	21
Park shelters and restrooms	55	55	57	55	57	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	91	89	80	87	86	84	86	89	92	98
Licensed vehicles/trailers	51	49	47	47	47	47	46	47	46	48
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	4	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 20

**SUMMARY OF INSURANCE IN FORCE
YEAR ENDED DECEMBER 31, 2016**

<u>Insurance Coverage</u>	<u>Company</u>	<u>Amounts/Limit</u>
Property Building, Contents, Boiler Machinery	American International Group	\$ 392,025,788
Crime & Faithful Performance Bond Computer Fraud, Money and Securities Forgery Faithful Performance Bond	American International Group (National Union Fire)	\$ 750,000.00
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 \$ 250,000.00 \$ 250,000.00
General Liability Gun Range Excess Liability Gun Range	Cincinnati Cincinnati	\$1,000,000 per occurrence/\$2,000,000 aggregate \$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	\$ 996,500.00
Automobile Liability and Physical Damage	Traveler's	\$1,500,000 CSL/\$350,000 UM/\$350,000 UIM
Professional Liability Medical Examiner	Midwest Medical Insurance General Star	\$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	\$ 79,460.00
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	\$ 6,984,257.00
Sewer Backup	LMCIT	Included

(Continued)

**ANOKA COUNTY
ANOKA, MINNESOTA**

**SUMMARY OF INSURANCE IN FORCE
YEAR ENDED DECEMBER 31, 2016**

Table 20
(Continued)

<u>Insurance Coverage</u>	<u>Company</u>	<u>Amounts/Limit</u>
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	Omaha Mutual	\$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