

ANOKA COUNTY FINANCE AND CAPITAL IMPROVEMENTS COMMITTEE

and Meeting of the Anoka County Board of Commissioners**

Commissioners Look (Chair), Braastad, Reinert

May 16, 2023 - 1:00 P.M.

Anoka County Government Center – Room 710

2100 3rd Avenue N

Anoka, MN 55303

1. Public comments: Public comments are welcome at this time. In consideration of others wishing to speak, please limit comments to 2 minutes. Questions directed to the committee will not be answered immediately; however, whenever possible, all appropriate questions will be responded to in a timely and effective manner by county staff.
2. Consider recommending the County Board adopt Resolution 2023-F1 Resolution related to a financing request on behalf of Nexus Diversified Community Services calling for a Public Hearing – **See attached** action worksheet and Resolution.
3. Consider recommending the County Board adopt Resolution 2023-F2 approving the termination of certain documents entered into with Wells Fargo Bank, NA and the Metropolitan Mosquito Control District (MMCD) – **See attached** action worksheet and Resolution.
4. Consider recommending the County Board approve a total payment in the amount of \$1,957,796 for the 2023 Annual Operating Grant between Metro Transit and Anoka County for the Northstar Commuter Rail - **See attached** action worksheet.
5. Consider recommending the County Board approve the following fuel master contracts – **See attached** action worksheet.
 - Contract #C0009995 for the purchase of transport deliveries of gasoline, gasohol, diesel, and heating oil to Petroleum Traders Corporation located at PO Box 2357, Fort Wayne, IN 46801, for a 12-month period from June 1, 2023, through May 31, 2024, with the option to renew for four (4) additional 12-month periods.
 - Contract #C0009996 for the purchase of tank wagon deliveries of gasoline, gasohol, diesel, and heating oil to Dehn Oil Company located at 6735 141st Ave NW, Ramsey MN 55303, for a 12-month period from June 1, 2023, through May 31, 2024, with the option to renew for four (4) additional 12-month periods.
6. Consider for information purposes, a list of proposed changes to Anoka County user fees that will be presented at a public hearing on Tuesday, May 23, 2023 – **See attached** information sheet.
7. Consider for information purposes, the Investment Report for the quarter ended March 31, 2023 – **See attached** information sheet.
8. Consider for information purposes, the Anoka County 2024 Budget Calendar.

*** Actions taken by this Committee do not bind the County Board. In addition to the County Commissioners appointed to this committee, additional County Commissioners may attend. Non-committee Commissioners may choose to participate in the discussions and/or ask questions, but they will not vote on any item, nor will they agree to take a specific action on business conducted by the committee. If their attendance and limited participation in the committee meeting is considered a meeting of the County Board, this shall serve as notice of a County Board meeting. This shall also serve as notice of a County Board Meeting for any committee comprised of four or more members of the board.*



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

ACTION ITEM

May 16, 2023

Finance & Central Services

ACTION REQUESTED	<p>Consider recommending the County Board Adopt Resolution 2023-F1 Related to a Financing Under Minnesota Statutes, Sections 469.152 Through 469.165, As Amended, on Behalf of Nexus Diversified Community Services, Calling for a Public Hearing Thereon.</p>
BACKGROUND	<p>Nexus Diversified Community Services is requesting for up to \$7,500,000 in Anoka County Revenue Notes be issued to fund the acquisition of property and equipment to operate a psychiatric residential treatment facility (32 living units with 64 beds). Due to school-aged children being the primary focus, a large portion of the common space area will be leased to the St. Francis Area Schools for provision of mandatory schooling.</p> <p>The facility being acquired was operated as the same type of psychiatric residential treatment facility by Cambia Hills of East Bethel, which defaulted on the debt for the facility that had been issued by the Duluth EDA. The Duluth EDA and City of Duluth had no liability in this transaction due to its nature of being issued as Conduit Debt.</p> <p>The borrower has worked with the State to receive approval of rates sufficient to repay all needed debt service, eliminating the primary risk that caused the default for Cambia Hills.</p>
SOLUTIONS	<p>The Issuance being provided will be a privately placed Note with Bremer Bank, with the borrower (Nexus Diversified Community Services) providing pledged collateral in the form of the facility in East Bethel that is being acquired plus another facility that they own.</p> <p>The County bears no liability as this is a planned issuance of Conduit under Minnesota State Statutes. The borrower will provide a \$3,000 application fee to the County if this Resolution is approved, the County will receive a fee of 1/8 of 1% of the outstanding bonds on the date of issuance and every anniversary thereafter. For example, if \$7,500,000 is issued, then the County will receive a fee on the issuance date of \$9,375. On the first anniversary or note payment date, the County would receive the same 1/8 of 1% on the remaining outstanding (Calculated after any principal payment has been made that year). If \$7,000,000 remained, the County would receive \$8,750.</p> <p>The Debt is not a liability of the County; however, it is disclosed within its notes to the financial statements. Any default is the responsibility of the borrower – Nexus Diversified Community Services and Bremer Bank.</p>
CONCLUSION	<p>Consider recommending the County Board Adopt Resolution 2023-F1 Related to a Financing Under Minnesota Statutes, Sections 469.152 Through 469.165, As Amended, on Behalf of Nexus Diversified Community Services, Calling for a Public Hearing Thereon.</p>

ANOKA COUNTY, MINNESOTA

RESOLUTION NO. 2023-F1

RESOLUTION RELATING TO A FINANCING UNDER MINNESOTA STATUTES, SECTIONS 469.152 THROUGH 469.165, AS AMENDED, ON BEHALF OF NEXUS DIVERSIFIED COMMUNITY SERVICES; CALLING FOR A PUBLIC HEARING THEREON

WHEREAS, Anoka County, Minnesota (the “County”) is authorized by Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the “Act”), to issue its revenue obligations to finance projects consisting of properties, real or personal, used or useful in connection with a revenue-producing enterprise, whether or not operated for profit, engaged in providing health care services, including hospitals, nursing homes and related medical facilities; and

WHEREAS, Nexus Diversified Community Services (the “Corporation”), a Minnesota nonprofit corporation and an organization recognized under section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”), now proposes that the County issue a revenue note under the Act, in one or more taxable or tax-exempt series, in an amount not to exceed \$7,500,000, to finance a portion of the costs of acquiring real estate and certain personal property located in the City of East Bethel, Minnesota (the “City”), for use as a residential psychiatric treatment facility (the “Project”); and

WHEREAS, the Corporation will request the City issue a second revenue note, in one or more taxable or tax-exempt series, in an amount not to exceed \$10,000,000, to finance a portion of the costs of the Project. In accordance with the Act, the City will consent to the issuance by the County of its revenue note described herein; and

WHEREAS, before proceeding with consideration of the Corporation’s request it is necessary for the County to hold a public hearing on the proposal pursuant to the Act; and

WHEREAS, the Corporation has agreed to pay the one-time, up-front bond application fee of the County, plus the annual administrative fee of the County at closing of the revenue note and each anniversary thereafter, and pay, or upon demand, reimburse the County for payment of, any and all costs incurred by the County in connection with the proposed financing, whether or not the revenue note is issued.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Anoka County, Minnesota (the “Board”) as follows:

1. This Board shall conduct a public hearing on the proposal that the County issue its revenue note under the Act, in one or more taxable or tax-exempt series, to finance a portion of

the Project. Such public hearing shall be held on June 27, 2023, or such later date as agreed to by the County Administrator and the Corporation, in consultation with bond counsel to the City, Dorsey & Whitney LLP, and counsel to the County, Kennedy & Graven Chartered. The County Administrator is hereby authorized and directed to publish, or to cause to be published, notice of such public hearing in the official newspaper of the County and a newspaper of general circulation of the County, at least fourteen days but not more than 30 days prior to the public hearing, such notice to be in the form required by Section 147(f) of the Code and acceptable to bond counsel to the City, Dorsey & Whitney LLP.

2. The County's bond counsel under contract, Kennedy & Graven, Chartered, will act as issuer's counsel, and the County Administrator is hereby authorized to engage Dorsey & Whitney LLP, as bond counsel with respect to this conduit revenue bond financing. The Corporation will be responsible for payment of all legal fees and expenses of counsel in connection with the financing described herein.

3. Approval of this resolution, publication of a public notice and holding of a public hearing on the matters described in this resolution will not bind or obligate the County or this Board to issue its revenue note on behalf of the Corporation. Final approval of the financings described herein will be considered on June 27, 2023, or such later date as agreed to by the County Administrator and the Corporation, only after a public hearing on the matter.

Adopted by the Board of Commissioners of the Anoka County, Minnesota this day of
, 2023.

Chair

ATTEST:

County Administrator



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

ACTION ITEM

May 16, 2023

Finance & Central Services

ACTION REQUESTED	Consider recommending the County Board Adopt Resolution 2023-F2 Approving the Termination of Certain Documents entered into with Wells Fargo Bank, National Association and Metropolitan Mosquito Control District for the purpose of financing two buildings and related improvements Leased by the Metropolitan Mosquito Control District in Bunker Hills Park, Anoka County, Minnesota.
BACKGROUND	<p>On March 22, 1984, the County granted a leasehold interest to the Metropolitan Mosquito Control District (MMCD) for land within Bunker Regional Park for a term of 99 years (Ground Lease).</p> <p>In 2007, The County issued \$2,705,000 in Certificates of Participation on behalf of the MMCD to provide funding for them to construct and office building and storage building and related improvements, which were secured by a Trust and required to County to make lease payments on the Notes. The County subsequently entered into a sub-lease with MMCD to charge them for those lease payments. Due to the financing arrangement, the Trustee (Wells Fargo Bank, National Association) is required to have a leasehold interest in the facility.</p>
SOLUTIONS	With the last Lease payments being made on the Certificates of Participation in February of 2023, the debt is paid in full. The various lease agreements subject to the debt issued have terminated without any further action necessary. However, in order to create a formal record of the termination, the County Board is being asked to approve the attached Resolution so the termination documents can be recorded.
CONCLUSION	Consider recommending the County Board Adopt Resolution 2023-F2 Approving the Termination of Certain Documents entered into with Wells Fargo Bank, National Association and Metropolitan Mosquito Control District for the purpose of financing two buildings and related improvements Leased by the Metropolitan Mosquito Control District in Bunker Hills Park, Anoka County, Minnesota.

ANOKA COUNTY, MINNESOTA

RESOLUTION NO. 2023-F2

RESOLUTION APPROVING TERMINATION OF CERTAIN DOCUMENTS ENTERED INTO WITH WELLS FARGO BANK, NATIONAL ASSOCIATION AND METROPOLITAN MOSQUITO CONTROL DISTRICT FOR THE PURPOSE OF FINANCING TWO BUILDINGS AND RELATED IMPROVEMENTS LEASED BY THE METROPOLITAN MOSQUITO CONTROL DISTRICT IN BUNKER HILLS PARK, ANOKA COUNTY, MINNESOTA

WHEREAS, Anoka County, Minnesota (the “County”) is the fee owner of the real property described on Exhibit A hereto (the “Land”), and pursuant to a Lease, dated March 22, 1984, as amended (the “District Ground Lease”), the County granted a leasehold interest in the Land to the Metropolitan Mosquito Control District (the “District”) for a term of 99 years; and

WHEREAS, the District previously asked the County to assist in financing the construction, installation and equipping of an approximately 6,070 square foot office building, an approximately 14,863 square foot storage building, and related improvements therefor (collectively, the “Facilities”) on the Land, and to that end, the County and Wells Fargo Bank, National Association (the “Trustee”) entered into a financing transaction involving Certificates of Participation, Series 2007G (Metropolitan Mosquito Control District Project), dated November 28, 2007 (the “Certificates”), issued in the aggregate principal amount of \$2,705,000 pursuant to and secured by a Declaration of Trust, dated as of November 1, 2007 (the “Declaration of Trust”), entered into by the Trustee and joined by the County; and

WHEREAS, such financing transaction required the Trustee to hold a leasehold interest in the Land and the Facilities and required the County to make lease payments (the “Lease Payments”) for payment of debt service on the Certificates, which the County paid from lease payments made by the District to the County pursuant to the provisions of the District Sublease (as hereinafter defined); and

WHEREAS, in order to grant the Trustee a leasehold interest in the Land, the District, as sub-lessor (by virtue of its leasehold interest in the Land pursuant to the District Ground Lease), was required to grant its interest in the Land to the County, as sub-lessee, pursuant to a Sub-Ground Lease Agreement, dated as of November 1, 2007, and filed in the Office of the County Recorder on November 29, 2007, as Document No. 1997382.004 (the “Sub-Ground Lease”), which leasehold interest the County, as lessor, then granted to the Trustee, as lessee, pursuant to a Ground Lease Agreement, dated as of November 1, 2007, and filed in the Office of the County Recorder on November 29, 2007, as Document No. 1997382.001 (the “Trustee Ground Lease”); and

WHEREAS, upon conveyance to the Trustee of such leasehold interest in the Land, the Trustee, as lessor, leased the Land and Facilities to the County, as lessee, under a Lease-Purchase Agreement, dated as of November 1, 2007, and filed in the Office of the County Recorder on

November 29, 2007, as Document Number 1997382.002 (the “Lease”), and such Lease established the Lease Payments to be made by the County to the Trustee with respect to the Facilities; and

WHEREAS, the County subleased the Land and the Facilities to the District, and the District operates the Facilities for its corporate purposes, pursuant to a Sublease Agreement, dated as of November 1, 2007, and filed in the Office of the County Recorder on November 29, 2007, as Document No. 1997382.003 (the “District Sublease”), and such District Sublease established the rent payments to be made by the District to the County with respect to the Facilities; and

WHEREAS, under the District Sublease, the District is obligated to pay to the County annual rent for use of the Land and the Facilities in an amount equal to the annual debt service for the Certificates, annual expenses payable by the County to the Trustee under the Declaration of Trust, fees related to calculating and reporting rebate under the federal tax rules, rebate payments with respect to the Certificates, any taxes or other governmental and utility charges payable by the County under the Lease, any fees related to redemption of the Certificates, and fees to reimburse the County for administration of the Land and Facilities; and

WHEREAS, pursuant to an Access Easement, dated as of November 1, 2007, and filed in the Office of the County Recorder on November 29, 2007 as Document No. 1997382.006 (“Access Easement”), the District, as grantor, granted to the County, as grantee, a perpetual, non-exclusive easement for driveway, access, snow storage, and parking purposes over, under, across and through the Land.

WHEREAS, by its terms, the Lease terminates upon the occurrence of the first of certain specified events, including the payment of all Lease Payments due under the Lease, and upon payment of all such Lease Payments, full and unencumbered legal title to the Facilities passes to the County; and

WHEREAS, the Sub-Ground Lease, the Trustee Ground Lease, and the Access Easement terminate upon termination of the Lease, and the District Sublease terminates on February 1, 2023; and

WHEREAS, the Trustee has represented that the final Lease Payment due under the Lease was made on or about February 1, 2023, in accordance with the schedule of Lease Payments set forth in the Lease, and therefore the Sub-Ground Lease, the Trustee Ground Lease, the Lease, the District Sublease, and the Access Easement are terminated without further action by any party and full and unencumbered legal title to the Facilities passes to the County; and

WHEREAS, in order to create a formal record of the termination thereof, forms of documents terminating the Sub-Ground Lease, the Trustee Ground Lease, the Lease, the District Sublease, and the Access Easement (collectively, the “Termination Documents”) for recording purposes and execution by the County have been prepared, and are on file with the County, including: (i) Termination of Sub-Ground Lease Agreement, (ii) Termination of Ground Lease Agreement, (iii) Termination of Lease-Purchase Agreement, (iv) Termination of Sublease Agreement, and (v) Termination of Access Easement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Anoka County, Minnesota (the “Board”) as follows:

1. The Termination Documents as presented to the Board are hereby in all respects approved, in substantially the forms on file with the County, together with any related documents necessary in connection therewith and the Chair and the County Administrator are hereby authorized and directed to execute the Termination Documents on behalf of the County.

2. County officials or any other person designated by the County to act on behalf of the County are authorized to take any other actions and execute any other documents required to implement termination of the Sub-Ground Lease, the Trustee Ground Lease, the Lease, the District Sublease, and the Access Easement.

Adopted by the Board of Commissioners of the Anoka County, Minnesota this ____ day of _____, 2023.

Chair

ATTEST:

County Administrator

EXHIBIT A

LEGAL DESCRIPTION OF LAND

The Land described in the referenced instrument is located in Anoka County, Minnesota, and is legally described as follows:

That part of the Northeast Quarter of the Southwest Quarter of Section 35, Township 32, Range 24, Anoka County, Minnesota, described as follows:

Commencing at the most easterly corner of Parcel 45, ANOKA COUNTY HIGHWAY RIGHT-OF-WAY PLAT NO. 68, Anoka County, Minnesota; thence South 82 degrees 51 minutes 48 seconds West, bearing assumed, along the southeasterly line of said Parcel 45, a distance of 112.34 feet to the point of beginning of the land to be described; thence continue South 82 degrees 51 minutes 48 seconds West, along said southeasterly line, 66.12 feet; thence South 10 degrees 34 minutes 54 seconds East 75.99 feet; thence North 88 degrees 54 minutes 41 seconds West 92.03 feet; thence South 01 degrees 05 minutes 19 seconds West 626.00 feet; thence South 88 degrees 54 minutes 41 seconds East 380.00 feet; thence North 01 degrees 05 minutes 19 seconds East 626.00 feet; thence North 88 degrees 54 minutes 41 seconds West 220.58 feet to the intersection with a line bearing South 10 degrees 34 minutes 54 seconds East from the point of beginning; thence North 10 degrees 34 minutes 54 seconds West 85.65 feet to the point of beginning.

Containing 5.58 acres, more or less.

Part of P.I.N. 35-32-24-31-0001



FINANCE AND CAPITAL IMPROVEMENTS COMMITTEE

ACTION ITEM

May 16, 2023

Anoka County Regional Railroad Authority

ACTION REQUESTED	Consider recommending that the county board partially fund Metropolitan Council’s 2023 Operating Grant Application for 2023 Northstar Commuter Rail operating expenses and award a grant in an amount not to exceed \$1,957,796.																									
BACKGROUND	<p>Anoka County has funded portions of the Northstar operating costs through grants to Metropolitan Council since the dissolution of CTIB in 2017.</p> <p>Since early 2020, service for Northstar Commuter Rail has been running on a reduced schedule of two morning and two afternoon trips per weekday, no midday or weekend service, and no service for special events. Operating costs have been adjusted over the last three years to reflect reduced operational costs that occurred during COVID.</p> <p>Pay History</p> <table border="1" data-bbox="443 758 1487 926"> <thead> <tr> <th>YEAR</th> <th>TRIPS</th> <th>MC REQUESTED</th> <th>ADJUSTED</th> <th>ANOKA COUNTY PD</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>4/4, then 2/2</td> <td>\$6,172,778</td> <td>\$4,499,002</td> <td>\$4,499,002</td> </tr> <tr> <td>2021</td> <td>2/2</td> <td>\$2,927,526</td> <td>\$1,957,796</td> <td>\$1,957,796</td> </tr> <tr> <td>2022</td> <td>2/2</td> <td>\$4,553,394</td> <td>TBD</td> <td>\$1,957,796</td> </tr> <tr> <td>2023</td> <td>2/2 as of 5/23</td> <td>\$4,696,826</td> <td></td> <td></td> </tr> </tbody> </table> <p>Final 2023 Operating Grant Application Summary Requested Anoka County Share: \$4,696,826 (Based on service provided for 4 morning and 4 afternoon trips per weekday and special event service, but no midday or weekend service.)</p> <p style="text-align: center;">Funding Sources</p> <ul style="list-style-type: none"> • Federal Relief Funds • Farebox Revenue • Greater MN MnDOT • State Funds • Anoka County • Hennepin County • Sherburne County • State Appropriations/Reserves 	YEAR	TRIPS	MC REQUESTED	ADJUSTED	ANOKA COUNTY PD	2020	4/4, then 2/2	\$6,172,778	\$4,499,002	\$4,499,002	2021	2/2	\$2,927,526	\$1,957,796	\$1,957,796	2022	2/2	\$4,553,394	TBD	\$1,957,796	2023	2/2 as of 5/23	\$4,696,826		
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FUNDING SOURCE (Levy dollars, IT fund, building fund, asset preservation, carryover dollars, etc.)	Anoka County Sales Tax Revenue																									
CONCLUSION	A total grant in the amount of \$1,957,796 for 2023 Northstar operating expenses is a reasonable and appropriate award on Metropolitan Council’s 2023 Operating Grant Application.																									
RECOMMENDATIONS	Recommend that the county board partially fund Metropolitan Council’s 2023 Operating Grant Application for 2023 Northstar Commuter Rail operating expenses and award a grant in an amount not to exceed \$1,957,796.																									



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

ACTION ITEM

May 16, 2023

Finance and Central Services

ACTION REQUESTED	<p>Consider recommending the County Board approve the following master contracts for fuel transport and tank deliveries:</p> <ul style="list-style-type: none">• Contract #C0009995 for the purchase of transport deliveries of gasoline, gasohol, diesel, and heating oil to Petroleum Traders Corporation located at PO Box 2357, Fort Wayne, IN 46801, for a 12-month period from June 1, 2023, through May 31, 2024, with the option to renew for four (4) additional 12-month periods.• Contract #C0009996 for the purchase of tank wagon deliveries of gasoline, gasohol, diesel, and heating oil to Dehn Oil Company located at 6735 141st Ave NW, Ramsey MN 55303, for a 12-month period from June 1, 2023, through May 31, 2024, with the option to renew for four (4) additional 12-month periods.
BACKGROUND	<p>Purchasing has gone out for bids to establish a contract directly with fuel vendors in which we received three (3) bid submissions.</p> <p>The County splits deliveries up by small (tank wagon) and large (transport) deliveries and does not require a commitment to purchase a predetermined number of gallons. Currently, a few other municipalities participate in our agreement including City of Coon Rapids, City of Anoka, and City of Ham Lake.</p> <p>How it works: The daily rack rates are set by the Oil Price Information Service (OPIS). Our bidders provide a bid constant which is the vendors cost of delivery on any given day. The bid constant is +/- the current rack rate for fuel products. A bidder's bid constant includes all vendor costs including overhead, delivery and operating expenses and profits.</p> <p>Calculation: Rack rate +/- bid constant * # gallons = price per gallon</p> <p>Example: \$2.00 - \$0.04 * 1 gal = \$1.96</p>
RECOMMENDATIONS	<p>Recommending the award of two master contracts with Petroleum Traders Corporation for transport deliveries and Dehn Oil Company for tank wagon deliveries for a 12-month period from June 1, 2023 through May 31, 2024, with the option to renew for 4 additional 12-month periods.</p> <p>Transport deliveries over 5,000 gallons has a bid constant of \$-0.0003 for gasoline and gasohol AND \$-0.0078 for diesel and heating oil.</p> <p>Tank wagon deliveries less than 5,000 gallons has a bid constant of \$0.1500 for gasoline, gasohol, diesel, and heating oil.</p>



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

INFORMATIONAL ITEM

May 16, 2023

Finance and Central Services

ACTION REQUESTED	Consider, for informational purposes, a list of proposed changes to Anoka County user fees that will be presented at a public hearing on Tuesday, May 23, 2023.
BACKGROUND	Attached is a list of proposed changes for Anoka County user fees.



Anoka County

MINNESOTA

Respectful, Innovative, Fiscally Responsible

Program Area/Program	Service/Fee Name	Service Description	Unit Measure	Current Fee	Proposed Fee	Effective Date	Type of Change
Public Health & Environmental Services	Miscellaneous Fee	Coliform Test - Half of the sanitary Analysis Test	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Retest for Coliform	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Arsenic	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Chloride	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Conductivity	1	\$14.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Sulfate	1	\$16.00	\$18.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Total Hardness	1	\$29.00	\$35.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Copper	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Fluoride	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Iron	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Iron Bacteria	1	\$48.00	\$60.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Manganese	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Mercury	1	\$36.00	\$45.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Nitrate Only/Retest	1	\$12.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - PH	1	\$9.00	\$10.00	05/23/2023	Fee Change

Program Area/Program	Service/Fee Name	Service Description	Unit Measure	Current Fee	Proposed Fee	Effective Date	Type of Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Phosphorus	1	\$15.00	\$17.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Sanitary Analysis	1	\$30.00	\$35.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Sanitary Analysis Daycare	1	\$30.00	\$35.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Water Sample - Sanitary Analysis Corp Foster Care	1	\$30.00	\$35.00	05/23/2023	Fee Change
Public Health & Environmental Services	Miscellaneous Fee	Conductivity	1	\$14.00	\$17.00	05/23/2023	Fee Change
Social Services	Miscellaneous Fee	Client fee for detox and mental health clinic services by clinics under contract with Anoka County. <i>Fee charged based on current Federal Poverty Guidelines.</i>	Sliding Scale	\$0.00	\$0.00	07/01/2023	Fee Change
Highway	Mailbox Accessories Fees	2 Piece Support "Swing Away" Posts	1	\$45.54	\$64.63	05/23/2023	Fee Change
Highway	Mailbox Accessories Fees	Ground Posts	1	\$10.07	\$13.35	05/23/2023	Fee Change
Highway	Mailbox Accessories Fees	Mailbox Base Board	1	Included	\$7.20	05/23/2023	Fee Change
Highway	Permit Fee	House Move Permit Fee - Single Trip	1	\$50.00	\$60.00	05/23/2023	Fee Change
Surveyor	Map Fee	Ledger 11 x 17 Public	1	\$2.00	\$4.00	05/23/2023	Fee Change
Surveyor	Map Fee	Ledger 11 x 17 w/aerial background Public	1	\$3.00	\$5.00	05/23/2023	Fee Change



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

INFORMATIONAL ITEM

May 16, 2023

FINANCE & CENTRAL SERVICES

ACTION REQUESTED	Consider for informational purposes, the Investment Report for the quarter ended March 31, 2023.
BACKGROUND	Attached is the March 31, 2023, investment update per the request of the Committee. The amounts shown are year-to-date for 2023.



MEMORANDUM

DATE: May 16, 2023

TO: Commissioner Matt Look
Chair, Finance & Capital Improvements Committee

FROM: Cory Kampf, F&CS Division Manager

SUBJECT: 2023 1st Quarter Investment Update

The Finance Committee has requested receiving information on investments on a periodic basis.

For the Quarter-ended March 31, 2023, the County had investments totaling \$503.4 million. Within the investment management system, we have broken down our investments into portfolios, which are defined below:

- **Investment Manager – RBC:** Represents funds managed by RBC.
- **MAGIC Fund:** Represents short-term CD's, Term Notes, and liquid funds.
- **OPEB Irrevocable:** Investments with State Board of Investments (SBI) tied to our Retiree Health Care Liability.
- **US Bank - Fixed Income:** Represents portfolio managed internally.
- **US Bank – Liquid Assets:** Represents short-term liquid funds.
- **Wells Fargo – Sweep:** Represents short-term overnight funds associated with main checking account.

Investing Strategy

The County's investing strategy focuses on safety, liquidity, and then yield. The yield is impacted by the constraints of the fixed income market and is secondary to maintaining safety in the investments chosen and the liquidity needed to manage operations. We strive for the best yield possible using a ladder maturity philosophy.

Anoka County Summary of Investments by Portfolio – March 31, 2023

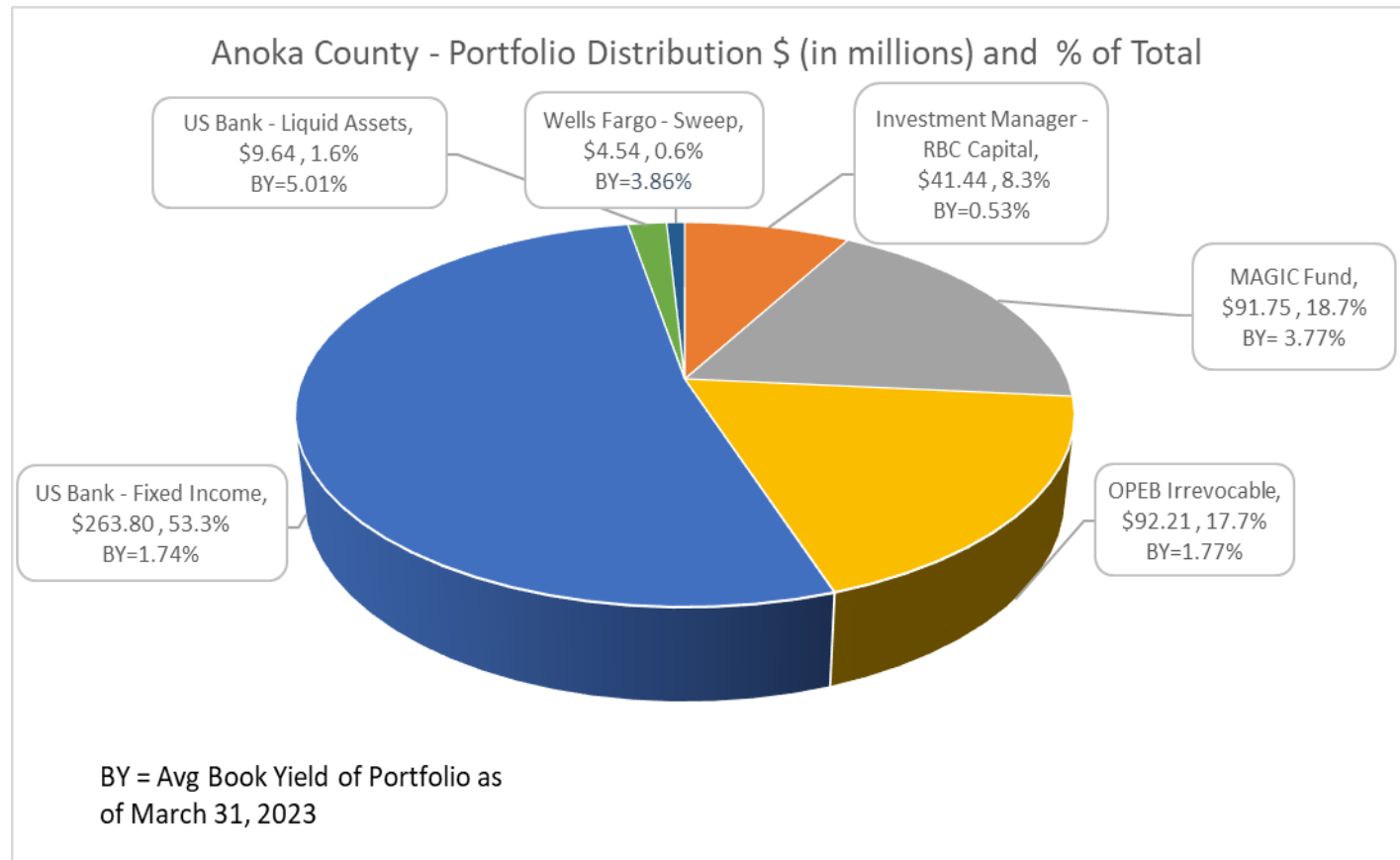
Description	Beginning Face Amount/Shares	Ending Face Amount/Shares	Buy Principal	Sell Principal	Interest Earned During Period-Book Value	Realized Gain/Loss - Book Value	Investment Income- Book Value
Investment Manager - RBC Capital	41,392,199.67	41,438,858.18	3,075,719.83	2,836,542.95	254,427.72	(199,365.77)	55,061.95
MAGIC Fund	90,700,863.79	91,745,228.14	60,544,364.35	59,500,000.00	891,009.17	-	891,009.17
OPEB Irrevocable	85,787,095.08	92,208,612.87	8,808,638.58	(2,383,028.39)	396,436.14	-	396,436.14
US Bank - Fixed Income	287,457,225.39	263,798,141.23	15,914,787.05	39,650,084.16	1,256,083.61	(81,494.15)	1,174,589.46
US Bank - Liquid Assets	12,583,051.23	9,637,164.21	93,950,744.50	96,896,631.52	100,358.28	-	100,358.28
Wells Fargo - Sweep	2,585,697.22	4,536,102.63	18,544,607.87	16,594,202.46	28,961.59	-	28,961.59
Total / Average	520,506,132.38	503,364,107.26	200,838,862.18	213,094,432.70	2,927,276.51	(280,859.92)	2,646,416.59

Less OPEB Investment Income		(396,436.14)
Net Investment Income YTD	% of Budget as of 12.31.2023	34%
2023 Investment Income Budget		6,600,000.00
Investment Income (deficit) surplus YTD		(4,350,019.55)

Portfolio Performance

Total investment income earned during the quarter totaled \$2.646M, with \$(280.9 K) related to one time realized gain/losses due to regular activity by our RBC Capital Asset Manager \$(199.4) K and Internal activity (\$81.5). The overall portfolio performance as of the Quarter ended March 31, 2023, is an average book yield of 2.09% compared with 1.51% at the end of 2022. Short-term interest rates have continued to rise since the beginning of the year due to the Federal Reserve actions that are designed to help dampen inflation. The interest rate inversion along the yield curve continues to signal recession, which is a little concerning. The interest rates longer than one year have declined since the beginning of 2023 due to stress within the banking system. The Federal Reserve is considering a Pause in rate hikes as we enter June. The market believes the Fed may need to reduce rates; however, the Fed is not planning too anytime soon. Also, the OPEB Trust saw a 7.5% increase in its Market Value due to the current volatility in the equity markets.

See the chart below for a breakdown by Portfolio:





Anoka County 2024 Budget Calendar

April 27, 2023	Budget Kick-off meeting with Departments
April 28 – June 30, 2023	Budget Preparation by Departments (includes Capital)
May 23, 2023	Fee Review Public Hearing
June – July	Operating Budgets Presentations to Committees of Jurisdiction
July 2023	Finance Prepares Preliminary Operating Budget and Five-Year Capital Plans
August / September 2023	County Board Budget Workshops <ul style="list-style-type: none">- Levy Strategy- Review of Overall Operating Budget- Overall Capital Plan Discussion
September 26, 2023	Preliminary Levy Adoption
October 2023	Update and Finalize Operating Discretionary Budget and Capital Plan Requests
October 2023	Budget wrap-up communication to Departments
November 2023	County Budget Workshops as needed
November 10-24, 2023	Property Records and Taxation prepares, and mails proposed tax notices
November 14, 2023	Fee Review Public Hearing
November 21, 2023	Capital Plan Presentation to Finance Committee
November 30, 2023	Truth in Taxation Public Hearing
December 1, 2023	CIP Public Hearing and adoption of Five-Year Capital Plan as a planning document
December 1, 2023	County Board adopts 2024 Property Tax Levy, Operating Budget, and the Capital Budget pursuant to state law

Capital Plan includes both Capital Improvement Plan (CIP) and Capital Equipment Plan (CEP)