

**CITY OF TONKA BAY**  
**AGENDA**  
**May 26, 2015**  
**7:00 p.m.**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. CONSENT AGENDA

*All matters listed within the Consent Agenda are considered to be routine items to be enacted upon by one motion by the City Council. Items on the Consent Agenda are reviewed in total by the City Council and may be approved through one motion with no further discussion by the Council. Any item may be removed by any Council Member, staff member or person from the public for separate consideration.*

- A. Regular Meeting Minutes of May 12, 2015
- B. Financial Report

5. MATTERS FROM THE FLOOR **Maximum time of five minutes per person\***

6. SPECIAL BUSINESS
  - A. Audit Report

7. PUBLIC HEARINGS
  - A. First Reading – Amendment to Section 910, Traffic Regulations

8. OLD BUSINESS
  - A. Deer Feeding

9. NEW BUSINESS
  - A. 2016 LMCD Budget Discussion
  - B. Adopt Resolution Accepting Plans for 2015 Sewer Lining

10. MATTERS FROM THE FLOOR **Maximum time of five minutes per person\***

11. REPORTS
  - A. Administrator's Report
  - B. Jeff Anderson - Finance, Fire Lanes and Public Access, Technology
  - C. Elli Ansari - EFD, Sanitation and Recycling, Southshore Community Center
  - D. Jonathan Grothe - Building Inspection, Municipal Buildings and Grounds, LMCC
  - E. Jeff Clapp - Parks and Playgrounds, LMCD, Commercial Marinas, Municipal Docks
  - F. Attorney's Report
  - G. De La Vega - Public Works, SLMPD, Administration

13. ADJOURNMENT

**\*For individuals who wish to address the Council on subjects which are not a part of the meeting agenda. Typically, City Council will not take action on items presented at this time but will refer them to staff for review, action and/or recommendation for future Council action.**

# CITY OF TONKA BAY ITEM NO. 4A

## MINUTES TONKA BAY CITY COUNCIL REGULAR MEETING May 12, 2015

### 1. CALL TO ORDER

The regular semi-monthly meeting of the Tonka Bay City Council was called to order at 7:00 p.m.

### 2. ROLL CALL

Members present: Mayor De La Vega, Councilmembers Anderson, Ansari, Clapp and Grothe. Also present were City Administrator Crawford and City Attorney Penberthy.

### 3. APPROVAL OF AGENDA

Anderson moved to approve the agenda as submitted. Ansari seconded the motion. Ayes 5. Motion carried.

### 4. CONSENT AGENDA

Anderson moved to approve the consent agenda as presented approving:

#### A. Regular Meeting Minutes of April 28, 2015

Clapp seconded the motion. Grothe stated the Deer Feeding item was continued, but a future date was not determined. De La Vega stated he would like to determine that under reports. Motion carried 3-0-2. De La Vega and Ansari abstained from voting.

Anderson moved to approve the following item:

#### B. Resolution 15-07, Alan Chazin Homes Preliminary Plat

Grothe seconded the motion. Ayes 5. Motion carried.

### 5. MATTERS FROM THE FLOOR

A. Mike Maki, 200 Sunrise Avenue – discussed the impact of rain on the Sunrise/Lake Avenue neighborhood and improper drainage. He stated he sent a copy of a video to City Hall and asked that Council review the video. He also read a letter from the MCWD which discussed how wetlands are identified and categorized.

B. Charles Warren, 185 Tonka Bay Road – introduced himself and his wife to the City Council.

6. **SPECIAL BUSINESS**

None

7. **PUBLIC HEARINGS**

None

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

None

10. **MATTERS FROM THE FLOOR**

None

11. **REPORTS**

A. **Administrator** – no report

B. **Anderson - Finance, Fire Lanes and Public Access, Technology** – no report

C. **Ansari – EFD, Sanitation and Recycling, Southshore Community Center** – no report

D. **Grothe – Building Inspection, Municipal Buildings and Grounds, LMCC** – no report

E. **Clapp - Parks and Playgrounds, LMCD, Commercial Marinas, Municipal Docks** – Clapp suggested the speed buggy on Birch Bluff Road and Pleasant Avenue be discussed following their placement on the roads. De La Vega suggested Crawford talk to the Police Chief about getting the data in a timely manner.

F. **Attorney's Report** – no report

G. **De La Vega - Public Works, SLMPD, and Administration** – De La Vega stated a meeting will be held on the 21<sup>st</sup> of May with the SLMPD to discuss the findings of the review of the SLMPD organization.

12. **ADJOURNMENT**

There being no further business, it was moved by Anderson to adjourn the meeting at 7:11 p.m. Clapp seconded the motion. Ayes 5. Motion carried.

Attest:

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Clerk

**FINANCIAL REPORT**  
April 30, 2015

**CITY OF TONKA BAY  
ITEM NO. 4B**

FUND#	FUND NAME	4M Fund		Managed Investments		FUND BALANCE
		0.02% CHECKING	0.05% SAVINGS	0.06% SAVINGS	CD's	
101	General Fund	62,065.63	3,470.90	1,883.38	293,850.00	361,269.91
301	Woodpecker Ridge Road Fund	0.00				0.00
406	Southshore Comm Ctr Fund	3,834.00				3,834.00
407	Park Fund	1,631.92	0.00			1,631.92
408	Manitou Seawall Fund	2,727.55				2,727.55
409	Capital Improvement Fund	29,459.88				29,459.88
411	Water/Sewer Reserve Fund	326,366.25	9,857.75	1,697.70	294,000.00	631,921.70
601	Water Operating Fund	(17,342.95)				(17,342.95)
602	Sewer Operating Fund	164,613.26	5,671.24	1,411.51	205,600.00	377,296.01
603	Garbage Fund	96,557.57			25,425.00	121,982.57
609	Liquor Store Fund	(3,972.32)		1,736.88	309,000.00	306,764.56
617	Municipal Dock Fund	106,930.59			127,125.00	234,055.59
651	Storm Water Drainage Fund	90,019.79				90,019.79
652	Recycling Fund	(30,490.21)				(30,490.21)
653	Antenna Fund	53,041.64				53,041.64
654	PEG Fund	4,508.17				4,508.17
		<b>889,950.77</b>	<b>18,999.89</b>	<b>6,729.47</b>	<b>1,255,000.00</b>	<b>2,170,680.13</b>

Current interest rate

# INVESTMENTS

March 31, 2015

DUE DATE	FUND	CUSIP	LOCATION	AMOUNT	INTEREST RATE
3/23/2016	Gen Fund-101	48125T5C5	UBS Step CD-JPMorgan Chase Bk	96,000.00	1.25
3/23/2016	Liquor Fund-609	48125T5C5	UBS Step CD-JPMorgan Chase Bk	104,000.00	1.25
7/25/2016	Sewer Fund-602	38143AXJ9	UBS CD-Goldman Sachs Bank NY	200,000.00	1.40
8/3/2017	Water/Sewer Reserve-411	36160NQX0	UBS CD-GE Cap Retail	150,000.00	1.75
8/3/2017	Liquor Fund-609	36160NQX0	UBS CD-GE Cap Retail	75,000.00	1.75
7/20/2018	Gen Fund-101	36160WS59	UBS CD-GE Capital Fin UT	100,000.00	2.00
7/20/2018	Liquor Fund-609	36160WS59	UBS CD-GE Capital Fin UT	100,000.00	2.00
12/5/2018	Gen Fund-101	8562843F9	UBS CD-State Bank of India	87,875.00	2.00
12/5/2018	Dock Fund-617	8562843F9	UBS CD-State Bank of India	127,125.00	2.00
12/10/2019	Gen Fund-101	17284C5S9	UBS CD-Cit Bank UT	9,975.00	2.15
12/10/2019	Water/Sewer Reserve-411	17284C5S9	UBS CD-Cit Bank UT	144,000.00	2.15
12/10/2019	Sewer Fund-602	17284C5S9	UBS CD-Cit Bank UT	5,600.00	2.15
12/10/2019	Garbage Fund-603	17284C5S9	UBS CD-Cit Bank UT	25,425.00	2.15
12/10/2019	Liquor Fund-609	17284C5S9	UBS CD-Cit Bank UT	30,000.00	2.15
	<b>Timed Investments</b>			<b>1,255,000.00</b>	
	General Fund-101		Money Market Acct-4MP	3,470.90	0.05
	Water/Sewer Reserve-411		Money Market Acct-4MP	9,857.75	0.05
	Sewer Operating-602		Money Market Acct-4MP	5,671.24	0.05
	General Fund-101		UBS Select Prime	1,883.38	0.06
	Water/Sewer Reserve-411		UBS Select Prime	1,697.70	0.06
	Sewer Operating-602		UBS Select Prime	1,411.51	0.06
	Garbage Fund-603		UBS Select Prime	0.00	0.06
	Liquor Fund-609		UBS Select Prime	1,736.88	0.06
	Dock Fund-617		UBS Select Prime	0.00	0.06
	<b>Cash available for Investments</b>			<b>25,729.36</b>	
	<b>Timed Investments &amp; Cash Total</b>			<b>1,280,729.36</b>	

CITY OF TONKA BAY  
Accounts Payable Verified Accounts

May 26, 2015

Date	Check	Payee	Description	Amount	General	Sewer	Water
4/30/2015	3503-3509	PR09 Wages	Payroll from 04/13/2015 to 04/26/2015	9,206.64	5,155.72	1,933.39	2,117.53
4/30/2015	946656e	FIT	Payroll from 04/13/2015 to 04/26/2015	3855.27	2,158.95	809.61	866.71
4/30/2015	927808e	SIT	Payroll from 04/13/2015 to 04/26/2015	682.29	382.08	143.28	156.93
4/30/2015	329003e	PERA	Payroll from 04/13/2015 to 04/26/2015	1,945.16	1,089.29	408.48	447.39
4/30/2015	50415e	Voya - MSRS	Payroll from 04/13/2015 to 04/26/2015	125.00	125.00		
4/30/2015	050515e	Nationwide	Payroll from 04/13/2015 to 04/26/2015	175.00	175.00		
4/30/2015	20163	AmeriPride Linen	uniforms	59.80	29.90	14.95	14.95
4/30/2015	20164	ECM Publishers	PHN - Alan Chazin Homes	50.27	20.27		
4/30/2015	20165	Excelsior Chamber of Commerce	2015 July 4th police services	1,500.00	1,500.00		
4/30/2015	20166	Excelsior Postmaster	Std Mail permit 13	220.00	176.00	22.00	22.00
4/30/2015	20167	Global Technology & Engineering	site tube for lime silo	163.10	163.10		163.10
4/30/2015	20168	Highview Plumbing	6' clay lateral, 40 Interlachen Ln & 30 Birch Bluff Rd	6,165.00		6,165.00	
4/30/2015	20169	Home Depot	park equipment	13.97	13.97		
4/30/2015	20170	Integra Telecom	telephone	204.34	160.78		43.56
4/30/2015	20171	Maire Jensen	2015 Apr. janitorial service	220.00	220.00		
4/30/2015	20172	Lubrication Technologies	oil	231.44	231.44		
4/30/2015	20173	Mediacom	online service 04/22-05/21/15	54.95	54.95		
4/30/2015	20174	Menards EP	materials to build new slide	316.47	316.47		
4/30/2015	20175	Metro Sales	copier service & usage	373.31	373.31		
4/30/2015	20176	Mn Dept of Employment	Emp#07990518, Fraudienst 475701153	471.12			471.12
4/30/2015	20177	Mn Dept of Health	T Schallberg water operator renewal	23.00			23.00
4/30/2015	20178	North American Safety Inc	safety gear	122.25	61.13	30.56	30.56
4/30/2015	20179	Nuss Truck & Equipment	Volvo BL70B Backhoe	63,950.00	63,950.00		
4/30/2015	20180	Nancy, Pexa	refund 2015 dock fees	3,200.00	3,200.00		
4/30/2015	20181	Praxair Distribution	water plant chemicals	459.97		459.97	
4/30/2015	20182	Reliakor	2015 spring sweeping	1,636.25	1,636.25		
4/30/2015	20183	Todd Schallberg	2015 safety shoe reimbursement	247.98	123.98	62.00	62.00
4/30/2015	20184	Sun Life Insurance	2015 May life insurance	66.25	66.25		
4/30/2015	20185	USA Bluebook	sewer meter, water plant chemicals	450.17		50.26	399.91
4/30/2015	20186	Vessco Inc	nozzle for slaker	32.62		17.49	32.62
4/30/2015	20187	UFC Waconia	leveling gauge, quicklift, helmet system	384.33	349.35		
4/30/2015	20188	Xcel Energy	utility	1,370.10	188.05	17.49	1,182.05
4/30/2015	20189	Zep Sales & Service	building supplies	382.28	382.28		
4/30/2015	20190	Excelsior Postmaster	stamps	172.00	172.00		
4/30/2015	20191	Insituform Technologies	2014 Sewer lining project, pay voucher 1	26,999.19	26,999.19		
5/7/2015	3510	PR9.01 Wages	Payroll from 04/27/15 to 05/10/2015	2,028.87	1,136.17	426.06	466.64
5/7/2015	116936e	FIT	Payroll from 04/27/15 to 05/10/2015	1,403.33	785.86	294.70	322.77
5/7/2015	186048e	SIT	Payroll from 04/27/15 to 05/10/2015	210.54	117.90	44.21	48.43
5/14/2015	3511-3517	PR10 Wages	Payroll from 04/27/15 to 05/10/2015	7,422.20	4,156.43	1,558.66	1,707.11
5/14/2015	67656e	FIT	Payroll from 04/27/15 to 05/10/2015	3,089.77	1,730.27	648.85	710.65
5/14/2015	870528e	SIT	Payroll from 04/27/15 to 05/10/2015	547.88	306.81	115.05	126.02
5/14/2015	330169e	PERA	Payroll from 04/27/15 to 05/10/2015	2,250.70	1,260.39	472.64	517.67
5/14/2015	051415e	Voya - MSRS	Payroll from 04/27/15 to 05/10/2015	125.00	125.00		
5/14/2015	051515e	Nationwide	Payroll from 04/27/15 to 05/10/2015	175.00	175.00		
5/14/2015	20192	AmeriPride Linen	uniforms	59.80	29.90	14.95	14.95
5/14/2015	20193	Bliffs	Manitou Park 04/01-4/25/15	62.50	62.50		
5/14/2015	20194	CenterPoint Energy	utility	416.11	91.89		324.22
5/14/2015	20195	CenturyLink	telephone	22.00	22.00		22.00
5/14/2015	20196	Custom Hose Tech Inc	new ends for milling attachment	420.85	420.85		
5/14/2015	20197	DTS	computer support service 4/22-5/21/15	360.00	360.00		
5/14/2015	20198	Gopher State One Call	2015 Apr locates	63.90		31.95	31.95

**CITY OF TONKA BAY**  
**Accounts Payable Verified Accounts**

May 26, 2015

Date	Check	Payee	Description	Amount	General	Sewer	Water
5/14/2015	20199	Henn Co Information Technology	2015 Apr radio fleet fee	31.82	31.82		
5/14/2015	20200	Henn Co Public Records	resolutions recorded	184.00	184.00		
5/14/2015	20201	Henn Co Public Works	2015 Apr Henn Co SWM	1,245.19	1,245.19		
5/14/2015	20202	Lake Minnetonka Association	2015 Milfoil Treatment	5,000.00	5,000.00		
5/14/2015	20204	MN Dept of Labor & Industry	2015 hydro permit	10.00			10.00
5/14/2015	20205	MN Teamster 320	2015 May union dues	138.00	138.00		
5/14/2015	20206	Navarre True Value	mower parts, bulk tank parts, water plant parts	91.19	5.39		85.80
5/14/2015	20207	Office Depot	office supplies	72.96	72.96		
5/14/2015	20208	Penberthy Law Offices	2015 Apr legal services	2,610.00	2,610.00		
5/14/2015	20209	Kenneth Potts	2015 Apr legal prosecution	833.33	833.33		
5/14/2015	20210	Praxair Distribution	water plant chemicals	26.50			26.50
5/14/2015	20211	Quality Signs & Engraving	name plaque L Crawford	15.00	15.00		
5/14/2015	20212	Republic Service	2015 Apr services	11,339.77	11,339.77		
5/14/2015	20213	SA Fleet	2015 Apr fuel	372.32	186.16		
5/14/2015	20214	SLMPD	2015 May operating & Jan-Mar processing fees	27,672.72	27,672.72	93.08	93.08
5/14/2015	20215	Twin City Water Clinic	2015 Apr water testing	35.00			35.00
5/14/2015	20216	USA Bluebook	drum cover	88.17	88.17		
5/14/2015	20217	Verizon Wireless	telephone	118.34	10.08		22.60
5/14/2015	20218	WNAV Inc	032415 council meeting	246.00	246.00	85.66	
5/14/2015	20219	WSB & Associates	2015 Mar engineering & planning services	2,497.00	2,497.00		
5/14/2015	20220	Xcel Energy	utility	2,958.33	1,272.61		1,205.98
5/14/2015	20221	Zep Sales & Service	hand soap	109.59	109.59	479.74	
5/19/2015	672064e	MN Dept of Revenue	2015 Apr sales & use tax	1,661.00	1,351.00		310.00
	FLEX	FLEX	Reimbursements from Employee Flex Funds	425.28	425.28		
<b>TOTAL PAID</b>				<b>202,013.48</b>	<b>175,426.65</b>	<b>13,944.57</b>	<b>12,592.26</b>
<b>BILLS DUE</b>							
		AmenPride	uniforms	61.45	30.73	15.36	15.36
		BCBS	2015 June health insurance	5,871.18	5,871.18		
		DPC Industries	water plant chemicals	155.14			155.14
		ECM Publishers	PHN - Sec 910 trailer parking	39.10	39.10		
		Hawkins	water plant chemicals	392.75			392.75
		Menards	concrete mix, vise	186.09	186.09		
		Navarre True Value	primer, pvc cement, hardware, clamps, misc parts	58.27	58.27		
		Northern Tool	fuel transfer, fuel pump	681.92	681.92		
		Olsen Chain & Cable	hook for sewer truck hoist, parts for buoys in swim areas	417.64	389.74		27.90
		Storms Welding	convert fuel tanks (4 dept split)	1,575.03	788.51		393.26
		Towmaster	2015 F350 upgrades	15,644.00	15,644.00	393.26	
		UFC Waconia	kit, clamp	15.75	15.75		
		Vessco Inc	ball valve for co injector	144.86			144.86
		WNAV	recording council meetings	492.00	492.00		
<b>TOTAL TO BE PAID:</b>				<b>25,735.18</b>	<b>24,197.29</b>	<b>408.62</b>	<b>1,129.27</b>

**STUART J. BONNIWELL**  
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April 30, 2015

Honorable Mayor and Members of the City Council  
City of Tonka Bay, Minnesota

This letter is being prepared in conjunction with the audit of the financial statements and accounting records of the City of Tonka Bay (the City) for the year ended December 31, 2014. My report, dated April 30, 2015, expresses an unmodified report on the financial statements of the City as prepared and presented on the regulatory basis of accounting as prescribed by the State of Minnesota. The regulatory basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles.

As previously noted, the City has adopted the regulatory basis of accounting as prescribed by the State of Minnesota. Under this method, the *cash basis method of accounting* is used primarily to account for activities of the City's governmental funds, consisting of the General, Special Revenue and Capital Project Funds. This basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted. However, under the regulatory basis of accounting, proprietary funds of the City are accounted for using the *accrual basis of accounting*, which is in accordance with accounting principles generally accepted.

The purpose of this letter is to communicate certain comments and observations noted during the audit of the financial statements. These comments are presented for your information and consideration. Comments and recommendations in this report are constructive in nature and should be read in this context; recommendations are intended to improve and/or strengthen internal control, financial management and administration.

As presented in the financial report, individual fund financial statements of the City are arranged into two broad categories of fund types – governmental and proprietary. Governmental funds account for the City's general government activities consisting primarily of general administration, public safety, public works, and parks and recreation. Proprietary fund types are those funds, which involve the City providing goods and services to the general public, which are financed primarily through user charges, such as utility operations.

#### Financial Condition

The overall financial condition of the City continues to remain strong. Overall the fund balances of the City's governmental funds increased by \$174,729. The General Fund, the primary operating fund of the City, realized a surplus of \$54,071 for the year. Another significant increase was in the Capital Project Funds; combined fund balances of the Utility and Capital Improvement funds increased by over \$101,300. In the case of the both of these funds, transfers from the proprietary funds contributed to the surplus reported. These transfers resulted in a decrease in the net position of the proprietary funds of \$105,460 for the year ended December 31, 2014. Adjusting for these transfers, operations of the proprietary funds would have resulted in a surplus for the year.

Following are brief comments regarding operations of the governmental and proprietary funds.

Honorable Mayor and Members of the City Council  
 City of Tonka Bay, Minnesota

*Governmental Funds*

The overall financial condition of the City's governmental funds continues to be strong. Cash fund balances of the individual fund types and changes in fund balance of the governmental funds for the year ended December 31, 2014 are summarized in the following chart.

	Fund Balance		Increase (Decrease)	2013 Change
	2014	2013		
General Fund	\$ 723,914	\$ 669,843	\$ 54,071	\$ 41,309
Special Revenue Funds	374,924	363,977	10,947	(2,472)
Capital Project Funds	607,429	497,718	109,711	(52,294)
	<u>\$ 1,706,267</u>	<u>\$ 1,531,538</u>	<u>\$ 174,729</u>	<u>\$ (13,457)</u>

As illustrated in the chart, the combined cash fund balances of the governmental funds totaled \$1,706,267 as of December 31, 2014, an increase of \$174,729 or 11.40% from the previous year. Revenues and transfers of \$1,495,211 exceeded expenditures and transfers of \$1,320,482 resulting in the net increase for the year. Revenues in 2014 were \$40,768 higher than the previous year; revenue from franchise fees and insurance reimbursements accounting for the majority of the increase. In addition, during the year transfers from other funds were less than the previous year by \$19,565. Total expenditures of governmental funds increased by \$77,667 or 6.53%. Capital expenditures totaling \$87,034 were more than the previous year by \$75,665 which accounts for the increase in expenditures. A portion of this increase is attributed to a change in accounting for utility improvement projects; previously these projects were accounted for in the respective utility funds but beginning in 2014 these costs are reflected in the Utility Improvement Fund. Expenses of \$46,337 were incurred during the year related to utility improvement projects. Transfers to other funds decreased by \$244,650 due to this change in accounting policy.

It should be noted that the City has budgeted for these improvement project expenditures and related transfers by accumulating sufficient resources from previous years to finance these and future improvement projects.

Following are additional comments regarding each of the governmental fund types.

General Fund

The General Fund is the primary operating fund of the City and accounts for the costs of providing services to citizens of the City. General government activities consist primarily of general administration, public safety, public works, and parks and recreation. For the year, receipts of the General Fund exceeded disbursements by \$1,586 and combined with transfers from other funds of \$52,485, resulted in a surplus of \$54,071 for the year. The surplus increased the fund balance to \$723,914 at December 31, 2014, an increase of 8.1%. Over the past five years the fund balance has increased approximately \$220,600 or 44%. Current Council members should be commended for continuing this trend.

Of the fund balance, \$700,384 or 96.75% is unassigned and available to finance current year operations until tax revenues are received. The remaining portion of the fund balance is non-spendable (prepaid items) and assigned as a reserve for accrued salaries and accumulated employee compensated absences. This unassigned fund balance represents 60.9% of budgeted expenditures for 2015 compared to ratios of 56.3%, 53.2% and 46.5% for the previous three years, respectively. This relationship is an indication of the financial strength of the General Fund.

Honorable Mayor and Members of the City Council  
City of Tonka Bay, Minnesota

*Governmental Funds, continued*

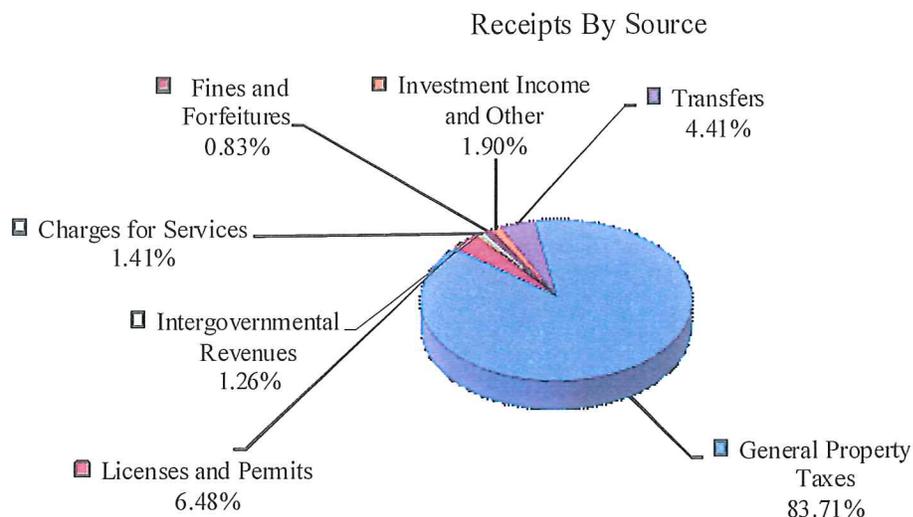
The State Auditor recommends cities maintain an unreserved fund balance in the General Fund of approximately 35% to 40% of operating expenditures. In the City's situation, my recommendation would be to maintain a fund balance reserve of approximately 50% due to the City's heavy reliance on property tax revenues as the primary source of revenue of the General Fund.

One recommendation would be for the Council to set an unreserved fund balance policy for the General Fund of 50% of current year budgeted amounts. Council could then consider transferring the excess amount over the 50% threshold, or some other similar threshold, to another fund to provide financing or funding of other City projects. These funds can always be transferred back to the General Fund if such a situation arises. At December 31, 2014 this excess would be approximately \$125,000.

As previously stated, the unassigned fund balance of the General Fund was \$700,384 at December 31, 2014. This cash fund balance provides a reserve for financing current year operations until tax revenues are received. It is estimated that the General Fund exhausts most of its cash fund balance by the time tax revenues are received. For instance, tax revenues received in December totaled approximately \$496,000; the majority of this amount is required to sustain operations in the current year until the tax revenues are received in the following July. As a result, the remaining portion of the cash fund balance is designated for working capital purposes. This reserve also serves as a safeguard against future potential revenue shortages or unexpected expenditures, which may occur during the current year.

For the year ended December 31, 2014 receipts and transfers totaled \$1,189,869. This total exceeded budget estimates by \$40,784, resulting in a positive variance of 3.6%. The largest factors contributing to this surplus was revenues from franchise fees (new in 2014) and insurance reimbursements.

Following is a graph of receipts and transfers by source for the year:



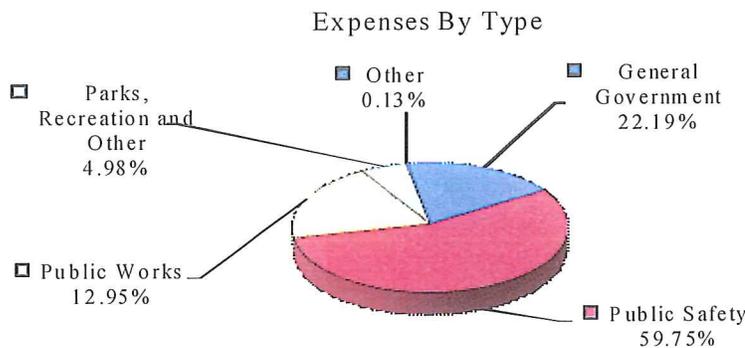
As illustrated by the graph, property taxes are the largest source of receipts of the General Fund; this percentage decreased by approximately 1.3% from the previous year. Revenues from licenses and permits are the second largest source of revenue for the General Fund in 2014, totaling \$77,066 for the year. Transfers from the Liquor and Antenna Funds were \$52,485 compared to \$53,985 in the previous year. Being so heavily reliant on property taxes, may make it very difficult to maintain City services without increasing property taxes in future years.

Honorable Mayor and Members of the City Council  
City of Tonka Bay, Minnesota

*Governmental Funds, continued*

Disbursements for the year totaled \$1,135,798; this total was \$13,287 less than the budgeted amounts, resulting in a positive variance of 1.2%. Positive variances were experienced in each of the City's major functions within the General Fund, except for general government where capital outlay expenditures exceeded budget estimates. The largest expenditure category for the City is public safety, accounting for 59.75% of the total expenditures of the General Fund. The majority of these expenditures are associated with public safety services provided by other organizations of which the City is a member of through joint powers agreements. As a result, the City directly controls only approximately 44% of the total expenditures of the General Fund. Disbursements in 2014 increased by \$30,602 or approximately 2.8% compared to 2013 expenditures.

Following is a graph of expenses by type:



Special Revenue Funds

During the year these funds had no disbursements; however, transfers of \$52,485 were made from the Special Revenue Funds (Liquor and Antenna) to the General Fund.

The fund balance of the Liquor Fund was \$302,829 at December 31, 2014 and is available for projects at the discretion of the City Council.

The Antenna Fund recognized lease revenues of \$54,960 for the year, which exceeded the amount transferred to the General Fund by \$6,975. The fund balance of the Antenna Fund was \$64,875 at December 31, 2014 and is assigned as an additional reserve for the General Fund. Deferred revenue of \$19,961 is recorded pertaining to lease payments received in advance; these amounts will be recognized as revenue in future years.

The Southshore Center Fund had no activity during the year.

The PEG Fund, new in 2014, received \$3,386 of franchise fees during the year.

Capital Project Funds

Capital Project Funds are used to account for the financial resources to be utilized for the acquisition or construction of major capital facilities or the acquisition of equipment. In recent years the City has developed and incorporated capital improvement projections into its planning process to provide for the financing of utility improvements and equipment acquisitions.

Honorable Mayor and Members of the City Council  
 City of Tonka Bay, Minnesota

*Governmental Funds, continued*

As a result, much of the activity during the past several years has involved the Utility and Capital Improvement Funds. The Utility Improvement Fund is maintained to finance future improvements to the existing utility system. The Capital Improvement Fund provides the funding required for the acquisition of equipment.

Cash fund balances and changes in individual Capital Project Funds are summarized in the following table:

	Fund Balance		Increase (Decrease)
	2014	2013	
Utility Improvement	\$ 552,997	\$ 479,079	\$ 73,918
Capital Improvement	91,511	64,058	27,453
Road Improvement	(41,439)	(49,779)	8,340
Park Improvement	1,632	1,632	-
Seawall Improvement	2,728	2,728	-
	<u>\$ 607,429</u>	<u>\$ 497,718</u>	<u>\$ 109,711</u>

The increase in the Utility Improvement Fund is the result of transfers from the Water and Sewer Funds to finance improvements to the existing utility system. During the year, \$106,894 was transferred to this fund from these utility funds to finance current and future utility improvement projects. The primary source of revenue for this fund is from transfers from the Water and Sewer Funds, which represent the amount of depreciation charged against operations in these funds. In this manner the City is accumulating funds from the operations of these utilities to fund future improvements as the original systems age and need maintenance or replacement. It should be noted that one significant cost related to an improvement project was not paid in 2014.

The increase in the fund balance of the Capital Improvement Fund is the result of revenues and transfers exceeding expenditures by 427,453 for the year. Revenues and transfers for the year were \$110,231, consisting of property taxes and transfers from other funds. The fund balance of \$91,511 is available to finance capital requirements in future years.

The Road Improvement Fund involved the Woodpecker Ridge Road improvement project. This deficit will be reduced annually as collection of assessments levied against benefited property owners are received; these proceeds are being used to repay the advances from other funds utilized to pay construction costs. The outstanding balance of the advances at December 31, 2014 was \$41,439, which matches the fund balance deficit. Based on cash flow estimates this fund may need a transfer in future years to fully retire the outstanding balance of the advances due to prepayments of special assessments received.

The Park Improvement Fund and the Seawall Improvement Fund had no activity during the year.

*Proprietary Funds*

Unlike accounting for governmental funds, the accrual basis of accounting is prescribed by the regulatory basis of accounting for proprietary fund types as compared to the cash basis.

Operations of proprietary funds are intended to be self-sustaining. Expenses (including depreciation) of providing goods or services to the public on a continuing basis are financed or recovered through user charges and fees. The accrual basis of accounting is utilized to account for all costs and expenses (including depreciation) of providing services to aid in determining the applicable user rates.

Honorable Mayor and Members of the City Council  
 City of Tonka Bay, Minnesota

*Proprietary Funds, continued*

In summary, the financial position of each of the City's proprietary funds remains strong, with the exception of the Recycling Fund. It should be noted that a significant portion of the net position of the Water and Sewer Funds are invested in capital assets of each fund, which are not available to pay operating expenses. Of the net position of these funds, 88.7% and 52.0% is invested in capital assets, respectively. One positive note is that the City has no outstanding debt associated with any of its proprietary funds. As a result, the remaining net position of each of the proprietary funds is unrestricted.

The following chart summarizes the operations of the various proprietary funds maintained by the City.

	Water Fund	Sewer Fund	Garbage Fund	Recycling Fund	Storm Water Fund	Dock Fund
Operating Revenues	\$ 231,965	\$ 370,578	\$ 111,918	\$ 69,587	\$ 20,678	\$ 88,540
Operating Expenses	298,366	328,678	89,567	90,202	49,493	27,207
Operating Income (Loss)	(66,401)	41,900	22,351	(20,615)	(28,815)	61,333
Other Revenues	1,390	3,111	155	-	36,224	801
Income (Loss)	(65,011)	45,011	22,506	(20,615)	7,409	62,134
Transfers Out	(66,894)	(40,000)				(50,000)
 Net Income (Loss)	 <u>\$ (131,905)</u>	 <u>\$ 5,011</u>	 <u>\$ 22,506</u>	 <u>\$ (20,615)</u>	 <u>\$ 7,409</u>	 <u>\$ 12,134</u>
 Net Position at December 31, 2014	 <u>\$1,010,603</u>	 <u>\$1,082,548</u>	 <u>\$ 134,004</u>	 <u>\$ (11,971)</u>	 <u>\$ 131,548</u>	 <u>\$ 267,455</u>
 Net Income (Loss) - 2013	 <u>\$ (89,608)</u>	 <u>\$ 255,733</u>	 <u>\$ 20,710</u>	 <u>\$ (22,281)</u>	 <u>\$ 5,983</u>	 <u>\$ 12,316</u>

As illustrated in the chart above, the Water Fund incurred a loss from operations (before transfers) of \$65,011 for the year compared to a loss of \$56,266 in the previous year. One of the main reasons for the decline in operations is that operating revenues of the Water Fund decreased by approximately \$38,000. The Sewer Fund reported net income of \$45,011 compared to income of \$105,934 in the previous year. The primary reason for this decrease is that in 2013 grant proceeds of \$48,518 utilized for a sewer improvement project were recognized as revenue. Operating revenues and expenses of the Sewer Fund remained similar to the previous year. Included in operating expenses of the Water and Sewer Funds are depreciation charges of \$69,390 and \$60,473, respectively. In addition, amounts are transferred to the Utility Improvement Fund to provide resources to finance future improvement projects; amounts transferred in 2014 totaled \$106,894.

Operations of the Garbage Fund were consistent with prior year's operations and reflected net income from operations. The Recycling Fund sustained a loss from operations of \$20,615. Losses in each of the past four years have resulted in a deficit net position of \$11,971 at December 31, 2014 for this fund. If losses in this fund continue the fund will require other revenues, such as transfers, to supplement its operations. Expenses of the Storm Water Fund increased significantly in 2014 due to clean up expenses incurred. These expenses were offset by reimbursements resulting in a net income from operations similar to the prior year.

Net position balances of these funds, with the exception of the Recycling Fund, are being maintained to provide a measure of security against increasing operating costs of future operations.

Honorable Mayor and Members of the City Council  
City of Tonka Bay, Minnesota

*Proprietary Funds, continued*

Net income (before transfers) of the Dock Fund was \$62,134 in 2014 compared to \$60,582 in 2013. Operating revenues and expenses were similar for both years. Transfers of \$50,000 and \$48,266 were made to the Capital Improvement Fund in 2014 and 2013, respectively.

Operating budgets are prepared for each of the proprietary funds. Typically after adjusting for improvement projects capitalized and related transfers, operations of these funds compare favorably with budget estimates.

\* \* \*

This report is intended solely for the use of the City Council and management of City of Tonka Bay and is not intended to be and should not be used by anyone other than these specified parties. If the Council wishes, I would be pleased to meet and discuss any of the observations, comments, or other matters pertaining to the audit with the City Council or management at your convenience.

I wish to express my appreciation for the courtesies and cooperation extended by City personnel during the audit and the opportunity to be of service to City of Tonka Bay. I look forward to continuing working with you in the future.



Stuart J. Bonniwell  
Certified Public Accountant

**CITY OF TONKA BAY**  
**TONKA BAY, MINNESOTA**

**FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2014**

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**CITY OF TONKA BAY, MINNESOTA**

**MEMBERS OF THE CITY COUNCIL  
AND OTHER OFFICIALS**

Term of  
Office  
Expires  
December 31,

**CITY COUNCIL:**

Gerry De La Vega	Mayor	2014
Jeff Anderson	Council Member	2014
Elli Ansari	Council Member	2016
Jeff Clapp	Council Member	2016
Jonathan Grothe	Council Member	2014

**CITY OFFICIAL:**

Joseph Kohlmann	City Administrator
-----------------	--------------------

Effective January 1, 2015

**CITY COUNCIL:**

Gerry De La Vega	Mayor	2016
Jeff Anderson	Council Member	2018
Elli Ansari	Council Member	2016
Jeff Clapp	Council Member	2016
Jonathan Grothe	Council Member	2018

**FINANCIAL SECTION**

**STUART J. BONNIWELL**  
*Certified Public Accountant*

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Fax: (952) 921-3331  
e-mail: sbonniwell@unique-software.com

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members of the City Council  
City of Tonka Bay, Minnesota

***Report on Financial Statements***

I have audited the accompanying financial statements of the governmental and proprietary funds and the aggregate remaining fund information of the City of Tonka Bay, Minnesota as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Tonka Bay, Minnesota's (the City) 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. Management is also responsible for 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***

My responsibility is to express opinions on these financial statements based on the audit. I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 City'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 City's internal control. Accordingly, I 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 financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my modified audit opinions on the governmental activities and the aggregate remaining fund information prepared using the regulatory basis of accounting as described more fully in Note 2 to the financial statements. I also believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my unmodified audit opinion on the business-type (proprietary) activities prepared in accordance with generally accepted accounting principles using the regulatory basis of accounting.

Honorable Mayor and Members of the City Council  
City of Tonka Bay, Minnesota

*Basis for Qualified Opinions of the Governmental Activities*

As described in Note 2 to the financial statements, the City prepares its financial statements on the regulatory basis of accounting as prescribed by the Minnesota Office of the State Auditor. This basis of accounting and financial reporting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting demonstrates compliance with and meets the reporting requirements of the Minnesota Office of the State Auditor. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America were not reasonably determinable.

*Qualified Opinions of the Governmental Activities*

In my opinion, because it is the City's policy to prepare financial statements of its governmental activities on the regulatory basis of accounting described in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Tonka Bay as of December 31, 2014, or the changes in its financial position for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In my opinion, the financial statements of the governmental funds referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of each fund of the City as of December 31, 2014, and their respective cash receipts and disbursements for the year then ended, on the basis of accounting as described in Note 2. Also, in my opinion the financial statements of the proprietary funds referred to in the first paragraph present fairly, in all material respects, the respective financial position of each fund of the City as of December 31, 2014, and the respective changes in financial position and cash flows for the year then ended, in accordance with the financial reporting provisions of the Minnesota Office of the State Auditor as described in Note 2.

*Other Information*

Information presented in the accompanying financial statements pertaining to 2013 is provided for comparative purposes. This information was derived from the financial statements of the City for the year ended December 31, 2013 and, in my report dated April 25, 2014 I expressed unmodified opinions on the governmental and proprietary funds prepared on the regulatory basis of accounting.

My audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Tonka Bay, Minnesota's financial statements. The individual and combining fund financial statements and unaudited schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements of the City. The individual fund financial statements 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 and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements prepared on the regulatory basis taken as a whole.



Stuart J. Bonniwell  
Certified Public Accountant

Minneapolis, Minnesota  
April 30, 2015

**FINANCIAL STATEMENTS – REGULATORY BASIS**

**CITY OF TONKA BAY**  
**STATEMENT OF FUND BALANCES ARISING FROM CASH TRANSACTIONS**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2014**

**EXHIBIT A**

(With Comparative Totals at December 31, 2013)

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Totals</u>	
				<u>2014</u>	<u>2013</u>
<b>ASSETS</b>					
Cash and Investments	\$ 720,012	\$ 394,885	\$ 648,868	\$ 1,763,765	\$ 1,590,522
Due from Other Funds					6,122
Prepaid Items	<u>5,728</u>			<u>5,728</u>	<u>6,080</u>
<b>Totals</b>	<u><u>\$ 725,740</u></u>	<u><u>\$ 394,885</u></u>	<u><u>\$ 648,868</u></u>	<u><u>\$ 1,769,493</u></u>	<u><u>\$ 1,602,724</u></u>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>Liabilities</b>					
Surcharge and Other Deposits	\$ 1,826			\$ 1,826	\$ 1,515
Deferred Revenue		\$ 19,961		19,961	19,892
Due to Other Funds			\$ 41,439	41,439	49,779
<b>Total Liabilities</b>	<u>1,826</u>	<u>19,961</u>	<u>41,439</u>	<u>63,226</u>	<u>71,186</u>
<b>Fund Balance</b>					
Nonspendable	5,728			5,728	6,080
Assigned	17,802	374,924	648,868	1,041,594	927,937
Unassigned (Deficit)	<u>700,384</u>		<u>(41,439)</u>	<u>658,945</u>	<u>597,521</u>
<b>Total Fund Balance</b>	<u>723,914</u>	<u>374,924</u>	<u>607,429</u>	<u>1,706,267</u>	<u>1,531,538</u>
<b>Totals</b>	<u><u>\$ 725,740</u></u>	<u><u>\$ 394,885</u></u>	<u><u>\$ 648,868</u></u>	<u><u>\$ 1,769,493</u></u>	<u><u>\$ 1,602,724</u></u>

See Accompanying Notes to Financial Statements.

**CITY OF TONKA BAY** **EXHIBIT B**  
**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2014**  
(With Comparative Totals for the Year Ended December 31, 2013)

	General Fund	Special Revenue Funds	Capital Project Funds	Totals	
				2014	2013
<b>Receipts</b>					
General Property Taxes	\$ 996,007		\$ 53,754	\$ 1,049,761	\$ 1,041,789
Franchise Fees	13,749	\$ 3,386		17,135	
Special Assessments			17,901	17,901	18,461
Licenses and Permits	77,066			77,066	78,569
Intergovernmental Revenues	1,232			1,232	7,790
Charges for Services	16,800			16,800	11,021
Fines and Forfeitures	9,884			9,884	5,806
Investment Income	3,857	5,086	4,422	13,365	19,646
Other	18,789	54,960	8,939	82,688	61,982
<b>Total Receipts</b>	<u>1,137,384</u>	<u>63,432</u>	<u>85,016</u>	<u>1,285,832</u>	<u>1,245,064</u>
<b>Disbursements</b>					
<b>Current</b>					
General Government	239,094			239,094	204,908
Public Safety	678,644			678,644	678,644
Public Works	147,094		54,961	202,055	225,290
Parks and Recreation	56,586			56,586	65,068
Other	1,500		3,084	4,584	5,051
<b>Capital Outlay</b>					
General Government	12,880		23,689	36,569	10,155
Public Works			3,383	3,383	
Parks and Recreation			745	745	1,214
Other			46,337	46,337	
<b>Total Disbursements</b>	<u>1,135,798</u>	<u>-</u>	<u>132,199</u>	<u>1,267,997</u>	<u>1,190,330</u>
<b>Receipts Over (Under)</b>					
Disbursements	<u>1,586</u>	<u>63,432</u>	<u>(47,183)</u>	<u>17,835</u>	<u>54,734</u>
<b>Other Financing Sources (Uses)</b>					
Transfers from Other Funds	52,485		156,894	209,379	228,944
Transfers to Other Funds		(52,485)		(52,485)	(297,135)
<b>Total Other Sources (Uses)</b>	<u>52,485</u>	<u>(52,485)</u>	<u>156,894</u>	<u>156,894</u>	<u>(68,191)</u>
<b>Net Change in Cash Fund Balance</b>	54,071	10,947	109,711	174,729	(13,457)
<b>Fund Balance Beginning of Year</b>	<u>669,843</u>	<u>363,977</u>	<u>497,718</u>	<u>1,531,538</u>	<u>1,544,995</u>
<b>Fund Balance End of Year</b>	<u>\$ 723,914</u>	<u>\$ 374,924</u>	<u>\$ 607,429</u>	<u>\$ 1,706,267</u>	<u>\$ 1,531,538</u>

See Accompanying Notes to Financial Statements.

**CITY OF TONKA BAY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2014**

(With Comparative Totals at December 31, 2013)

	Water Fund	Sewer Fund	Garbage Fund	Recycling Fund
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 54,762	\$ 400,510	\$ 81,686	\$ 1,168
Accounts Receivable	60,236	107,735	38,622	18,973
Other Receivable				
Accrued Interest Receivable		1,227	31	
Due from Other Funds			25,000	
Inventory	6,815	394		
Prepaid Items	7,355	18,534	1,189	510
Total Current Assets	129,168	528,400	146,528	20,651
Capital Assets				
Land and Buildings	11,770			
Buildings and Improvements	489,110			
Distribution System	1,647,224	1,783,328		
Equipment	740,542	45,413		
	2,888,646	1,828,741		
Accumulated Depreciation	(1,992,342)	(1,265,473)		
Total Capital Assets	896,304	563,268		
Totals	\$ 1,025,472	\$ 1,091,668	\$ 146,528	\$ 20,651
<b>LIABILITIES AND NET POSITION</b>				
Current Liabilities				
Accounts Payable	\$ 5,350	\$ 1,891	\$ 6,005	\$ 6,146
Accrued Payroll and Taxes	8,059	7,229	1,460	1,476
Other Liabilities	1,460		5,059	
Deferred Revenue				
Due to Other Funds				25,000
Total Current Liabilities	14,869	9,120	12,524	32,622
Net Position				
Net Investment in Capital Assets	896,304	563,268		
Unrestricted	114,299	519,280	134,004	(11,971)
Total Net Position	1,010,603	1,082,548	134,004	(11,971)
Totals	\$ 1,025,472	\$ 1,091,668	\$ 146,528	\$ 20,651

See Accompanying Notes to Financial Statements.

**EXHIBIT C**

Storm Water	Dock Fund	Totals	
		2014	2013
\$ 87,747	\$ 219,132	\$ 845,005	\$ 753,041
5,819		231,385	243,703
			48,518
	181	1,439	1,750
41,439		66,439	43,657
		7,209	4,740
	572	28,160	24,565
<u>135,005</u>	<u>219,885</u>	<u>1,179,637</u>	<u>1,119,974</u>
		11,770	11,770
	118,318	607,428	604,272
		3,430,552	3,430,552
		785,955	780,017
	<u>118,318</u>	<u>4,835,705</u>	<u>4,826,611</u>
	<u>(56,445)</u>	<u>(3,314,260)</u>	<u>(3,178,724)</u>
	<u>61,873</u>	<u>1,521,445</u>	<u>1,647,887</u>
<u>\$ 135,005</u>	<u>\$ 281,758</u>	<u>\$ 2,701,082</u>	<u>\$ 2,767,861</u>
\$ 3,457	\$ 10,071	\$ 32,920	\$ 42,664
	432	18,656	15,762
		6,519	6,405
	3,800	3,800	
		25,000	
<u>3,457</u>	<u>14,303</u>	<u>86,895</u>	<u>64,831</u>
	61,873	1,521,445	1,647,887
131,548	205,582	1,092,742	1,055,143
<u>131,548</u>	<u>267,455</u>	<u>2,614,187</u>	<u>2,703,030</u>
<u>\$ 135,005</u>	<u>\$ 281,758</u>	<u>\$ 2,701,082</u>	<u>\$ 2,767,861</u>

See Accompanying Notes to Financial Statements.

**CITY OF TONKA BAY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
(With Comparative Totals for the Year Ended December 31, 2013)

	Water Fund	Sewer Fund	Garbage Fund	Recycling Fund
Operating Revenues				
Service Charges	\$ 231,965	\$ 370,578	\$ 111,918	\$ 64,609
Other Revenues				4,978
Total Operating Revenues	<u>231,965</u>	<u>370,578</u>	<u>111,918</u>	<u>69,587</u>
Operating Expenses				
Personal Services	110,808	95,211	16,576	18,182
Maintenance and Supplies	68,814	19,867	484	483
Contracted Services	44,486	14,467	72,507	71,537
Treatment Charges		136,631		
Other Charges	4,868	2,029		
Depreciation	69,390	60,473		
Total Operating Expenses	<u>298,366</u>	<u>328,678</u>	<u>89,567</u>	<u>90,202</u>
Operating Income (Loss)	<u>(66,401)</u>	<u>41,900</u>	<u>22,351</u>	<u>(20,615)</u>
Other Revenues				
Grant Reimbursement				
Permits and Other	1,390	300		
Investment Income		2,811	155	
Total Other Revenues	<u>1,390</u>	<u>3,111</u>	<u>155</u>	<u>-</u>
Income (Loss) Before Transfers	<u>(65,011)</u>	<u>45,011</u>	<u>22,506</u>	<u>(20,615)</u>
Other Financing Activities				
Transfers from Other Funds				
Transfers to Other Funds	(66,894)	(40,000)		
Total Transfers	<u>(66,894)</u>	<u>(40,000)</u>		
Net Income (Loss) after Transfers	(131,905)	5,011	22,506	(20,615)
Net Position Beginning of Year	1,125,891	1,077,537	111,498	8,644
Capital Contributions	<u>16,617</u>			
Net Position End of Year	<u>\$ 1,010,603</u>	<u>\$ 1,082,548</u>	<u>\$ 134,004</u>	<u>\$ (11,971)</u>

See Accompanying Notes to Financial Statements.

**EXHIBIT D**

Storm Water	Dock Fund	Totals	
		2014	2013
\$ 20,678	\$ 88,540	\$ 888,288	\$ 903,094
		4,978	4,941
<u>20,678</u>	<u>88,540</u>	<u>893,266</u>	<u>908,035</u>
997	6,275	248,049	239,328
30,563	2,532	122,743	148,569
17,933	12,727	233,657	194,911
		136,631	136,552
		6,897	9,587
	5,673	135,536	125,221
<u>49,493</u>	<u>27,207</u>	<u>883,513</u>	<u>854,168</u>
<u>(28,815)</u>	<u>61,333</u>	<u>9,753</u>	<u>53,867</u>
33,361		33,361	48,518
		1,690	5,532
2,863	801	6,630	6,745
<u>36,224</u>	<u>801</u>	<u>41,681</u>	<u>60,795</u>
<u>7,409</u>	<u>62,134</u>	<u>51,434</u>	<u>114,662</u>
			236,750
	(50,000)	(156,894)	(168,559)
	<u>(50,000)</u>	<u>(156,894)</u>	<u>68,191</u>
7,409	12,134	(105,460)	182,853
124,139	255,321	2,703,030	2,520,177
		16,617	
<u>\$ 131,548</u>	<u>\$ 267,455</u>	<u>\$ 2,614,187</u>	<u>\$ 2,703,030</u>

See Accompanying Notes to Financial Statements.

**CITY OF TONKA BAY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
(With Comparative Totals for the Year Ended December 31, 2013)

	Water Fund	Sewer Fund	Garbage Fund	Recycling Fund
<b>Cash Flows from Operating Activities</b>				
Cash Received from:				
Customers	\$ 246,614	\$ 371,778	\$ 109,627	\$ 63,362
Other Receipts	1,175	300		4,978
	<u>247,789</u>	<u>372,078</u>	<u>109,627</u>	<u>68,340</u>
Cash Expended for:				
Personal Services	109,851	94,363	16,191	17,839
Supplies, Services and Other	127,956	180,810	72,122	71,675
	<u>237,807</u>	<u>275,173</u>	<u>88,313</u>	<u>89,514</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>9,982</u>	<u>96,905</u>	<u>21,314</u>	<u>(21,174)</u>
<b>Cash Flows from Investing Activities</b>				
Investment Income		<u>2,804</u>	<u>212</u>	
<b>Cash Flows from Capital Financing Activities</b>				
Capital Contributions Received	16,617	48,518		
Acquisition of Property and Equipment	<u>(16,617)</u>	<u>48,518</u>		
	<u>-</u>	<u>48,518</u>		
<b>Cash Flows from Noncapital Activities</b>				
Change in Due from (to) Other Funds			(25,000)	25,000
Transfers from (to) Other Funds	(66,894)	(40,000)		
	<u>(66,894)</u>	<u>(40,000)</u>	<u>(25,000)</u>	<u>25,000</u>
<b>Increase (Decrease) in Cash</b>	(56,912)	108,227	(3,474)	3,826
<b>Cash and Investments Beginning of Year</b>	<u>111,674</u>	<u>292,283</u>	<u>85,160</u>	<u>(2,658)</u>
<b>Cash and Investments End of Year</b>	<u>\$ 54,762</u>	<u>\$ 400,510</u>	<u>\$ 81,686</u>	<u>\$ 1,168</u>

See Accompanying Notes to Financial Statements.

**EXHIBIT E**

**Sheet 1**

Storm Water	Dock Fund	Totals	
		2014	2013
\$ 20,900	\$ 92,340	\$ 904,621	\$ 895,409
33,361		39,814	10,473
<u>54,261</u>	<u>92,340</u>	<u>944,435</u>	<u>905,882</u>
997	6,247	245,488	246,659
46,667	5,380	504,610	488,399
<u>47,664</u>	<u>11,627</u>	<u>750,098</u>	<u>735,058</u>
6,597	80,713	194,337	170,824
<u>2,863</u>	<u>1,062</u>	<u>6,941</u>	<u>6,745</u>
		65,135	
	<u>(3,156)</u>	<u>(19,773)</u>	<u>(250,073)</u>
	<u>(3,156)</u>	<u>45,362</u>	<u>(250,073)</u>
2,218		2,218	(2,664)
	(50,000)	(156,894)	68,191
<u>2,218</u>	<u>(50,000)</u>	<u>(154,676)</u>	<u>65,527</u>
11,678	28,619	91,964	(6,977)
<u>76,069</u>	<u>190,513</u>	<u>753,041</u>	<u>760,018</u>
<u>\$ 87,747</u>	<u>\$ 219,132</u>	<u>\$ 845,005</u>	<u>\$ 753,041</u>

See Accompanying Notes to Financial Statements.

**CITY OF TONKA BAY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
(With Comparative Totals for the Year Ended December 31, 2013)

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Garbage Fund</u>	<u>Recycling Fund</u>
Reconciliation of income from operations to net cash provided by operating activities:				
Cash Flows from Operating Activities				
Operating Income (Loss)	\$ (66,401)	\$ 41,900	\$ 22,351	\$ (20,615)
Adjustments to Reconcile Operating Income To Net Cash Provided By Operating Activities:				
Depreciation	69,390	60,473		
Nonoperating Revenues	1,390	300		
(Increase) Decrease in				
Current Assets:				
Accounts Receivable	14,434	1,200	(2,291)	(1,247)
Inventory	(2,075)	(394)		
Prepaid Items	498	(4,155)	172	73
Increase (Decrease) in				
Current Liabilities:				
Accounts Payable	(8,206)	(3,433)	411	272
Accrued Payroll and Taxes	1,124	1,014	385	343
Other Liabilities	(172)		286	
Net Cash Provided (Used) by Operating Activities	<u>\$ 9,982</u>	<u>\$ 96,905</u>	<u>\$ 21,314</u>	<u>\$ (21,174)</u>

See Accompanying Notes to Financial Statements.

**EXHIBIT E**  
**Sheet 2**

Storm Water	Dock Fund	Totals	
		2014	2013
\$ (28,815)	\$ 61,333	\$ 9,753	\$ 53,867
33,361	5,673	135,536	125,221
		35,051	5,532
222		12,318	(4,485)
		(2,469)	2,937
	(183)	(3,595)	834
1,829	10,062	935	(2,892)
	28	2,894	(7,331)
	3,800	3,914	(2,859)
<u>\$ 6,597</u>	<u>\$ 80,713</u>	<u>\$ 194,337</u>	<u>\$ 170,824</u>

See Accompanying Notes to Financial Statements.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies

A. General Statement

The City of Tonka Bay, Minnesota (the City) operates under 'Optional Plan A' (council-administrator plan) form of government as defined in *Minnesota Statutes* pursuant to applicable state laws and statutes. Under this plan, the City is governed by a City Council composed of an elected mayor and four other elected members. The Council exercises legislative authority, determines matters of policy and is responsible for directing the activities of the City. The Council appoints personnel responsible for the proper administration of all affairs relating to the City.

B. Reporting Entity

In accordance with generally accepted accounting principles and pronouncements of the Government Accounting Standards Board (GASB), the financial statements of the City (primary government) are required to include activities of its component units or other organizations over which the City exercises significant influence or financial accountability. Significant influence or financial accountability is based primarily on operational, the nature and significance of their relationships with the City such that exclusion of such activities would cause the City's financial statements to be misleading or incomplete. GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing the voting majority of the organization's governing body; and (1) the ability of the primary government to impose its will on that organization, or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the primary government. The City has considered all potential units and organizations for which it is financially accountable for and has determined that there are no component units or other organizations that satisfy the GASB criteria for inclusion in the accompanying financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The accompanying financial statements have been prepared using the regulatory basis of accounting as described in the Minnesota Office of the State Auditor's *Reporting and Publishing Requirements for Cities under 2,500 in Population*. The regulatory basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as applied to governmental units by GASB. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. This basis of accounting is more fully described in Note 2 to these financial statements.

The accounts of the City are organized on the basis of funds; each fund is considered a separate accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City uses funds to report on its financial position and the results of its operations. Government resources are allocated to and accounted for in individual funds based upon the intended purpose for which resources are to be spent and the means by which spending activities are controlled.

Funds are arranged in the accompanying financial statements into two broad fund type categories: governmental and proprietary. Separate financial statements are provided for governmental and proprietary funds. Following is a description of each fund type.

Governmental Funds

Governmental funds are those funds through which most governmental functions are financed. The measurement focus of governmental funds is on the *sources, uses and balance of current financial resources*.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

C. Measurement Focus, Basis of Accounting and Basis of Presentation, continued

The City reports the following governmental funds:

General Fund - The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for proceeds from specific revenue sources or internally designated amounts which are restricted to expenditures for specified purposes.

Capital Project Funds - Capital Project Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities or the acquisition of equipment other than those financed by Proprietary Funds.

*Governmental funds* are accounted for using the regulatory basis of accounting. Under this basis of accounting, revenues are recognized when received in cash and expenditures are recognized when disbursed in cash. The regulatory basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Under GAAP, governmental funds use the *modified accrual basis of accounting*. The primary difference between the regulatory basis and the modified accrual basis of accounting is that under the modified accrual basis; a) revenues are recognized when they become both measurable and available as net current assets (receivables), and b) expenditures are recognized when the liability is incurred (payables). With regards to revenue recognition, measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough after to pay current liabilities.

*Proprietary Funds*

*Proprietary funds* account for the costs of providing goods and services on a continuing basis. Proprietary fund financial statements are accounted for on the *flow of economic resources (cost of service) measurement focus*.

Proprietary (enterprise) funds are used to account for operations that (a) are financed and operated in a manner similar to private business enterprises, where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that determination of net income (revenues less expenses) is appropriate or useful for financial management, capital maintenance, public policy or other purposes.

The City maintains separate funds for each of its proprietary activities. These funds account for City operations pertaining to water, sewer, garbage, recycling, storm water and dock activities.

Under the regulatory basis of accounting, proprietary funds of the City are accounted for using the *accrual basis of accounting*, in accordance with generally accepted accounting principles. Under this method of accounting, revenues are recognized and recorded when earned and expenses are recognized and recorded at the time liabilities are incurred, regardless of the timing of related cash flows. With this measurement focus, all assets and all liabilities (whether current or non-current) associated with the operation of these funds are included on the statement of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

C. Measurement Focus, Basis of Accounting and Basis of Presentation, continued

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary (enterprise) funds are charges to customers for sales and services. Operating expenses of proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against their operations. All revenues and expenses not meeting this definition are reported as *nonoperating* revenues and expenses.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities, subject to this same limitation. The City has elected not to follow subsequent private sector guidance.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded when the exchange occurs. On the cash basis, revenue is recorded in the period in which the resources (cash) are received.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements, and contributions. On the regulatory basis of accounting, revenues from property taxes are recognized in the year received. Revenues from grants, entitlements and contributions are recognized in the year in which the resources (cash) are received, not necessarily when all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and, expenditure requirements, in which the resources are provided to the City on a reimbursement basis. For proprietary funds, revenues from grants, entitlements and contributions are recorded in the year when the susceptible to accrual criteria are met and when all eligibility requirements have been satisfied.

D. Assets, Liabilities, and Fund Balance/Net Position

*Deposits and Investments*

Deposits and investments include cash on hand, demand deposits and short-term investments, typically certificates of deposits with varying maturity dates. Cash balances from all funds are pooled and invested to the extent available in bank demand deposits or other authorized investments. Investments are stated at cost or amortized cost, which represent their fair value. Investment income is recognized as earned and allocated among participating funds on the basis of the average cash participation by each fund throughout the year.

This cash management pool operates as a demand deposit account for participating funds. For purposes of the statement of cash flows of the Proprietary Funds, the City considers the portion of each fund's equity in the cash management pool to be cash and cash equivalents.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

D. Assets, Liabilities, and Fund Balance/Net Position, continued

*Receivables*

Accounts receivable recorded in the proprietary funds are for services provided to businesses and residents by the City throughout the year. Included in these receivables are amounts for utility services provided before year-end, but billed subsequent to year-end. All amounts reported are at gross. Management reviews the current status of receivables and annually certifies delinquent utility accounts to the County for collection in the following year to ensure collection. As a result, no allowance for doubtful accounts was deemed necessary at December 31, 2014.

*Property Taxes*

Property tax levies are adopted and certified to the County by the City in December of each year for collection in the following year. The County spreads all levies over taxable property and acts as collection agent (responsible for billing and collecting) of such taxes for the City. Property taxes become a lien on the property on the first day of the year collectible and are payable in two equal installments by property owners, usually in May and October. The County remits tax collections to the City three times during the year. The City has no authority or ability to enforce payment of property taxes by property owners; this authority is possessed by the County. Governmental funds recognize property taxes as revenue when it is received.

*Special Assessments*

Special assessments are levied against the benefited properties for the assessable costs of improvement projects. The City normally adopts the assessment rolls when individual projects are complete or substantially complete. Assessments are collectible over a period of years generally consistent with the duration of the related bond issue or as set by City Council action. The County handles collection of annual installments (including interest) in the same manner as property taxes. Property owners are allowed to prepay total future assessment installments without interest or prepayment penalties.

Special assessments receivable include the following components:

- Unremitted – Amounts collected by the County but not remitted to the City by year-end.
- Delinquent – Amounts billed to property owners but not paid.
- Deferred – Annual installments which will be billed to property owners in future years.

Revenue from special assessments is recognized when received in the governmental funds.

In addition, the City certifies delinquent utility accounts and other services to the County for collection. Utility assessments are recorded as receivables in the respective proprietary funds at year-end. These receivables are reduced when collections from the County are received by the City under the accrual basis of accounting. These amounts are reported at gross and no allowance for uncollectible accounts is provided against these receivables.

*Interfund Receivables and Payables*

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Any residual balances are classified as 'due from other funds and 'due to other funds' in the accompanying financial statements.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

D. Assets, Liabilities, and Fund Balance/Net Position, continued

*Interfund Receivables and Payables, continued*

In addition, activity between funds that is representative of lending/borrowing arrangements outstanding at year-end are also referred to as 'due from other funds and 'due to other funds.' The amounts recorded in the financial statements represent advances made from various funds to finance an improvement project and eliminate deficit cash balance position; these amounts will be repaid from assessments levied and future charges for services when received by the City.

*Inventories*

Inventory of expendable supplies held by proprietary funds is valued at the lower of cost (using the first-in, first-out method) or market. The cost of inventory is recognized as an expense when items are consumed or sold (consumption method).

Inventory of expendable supplies held by governmental funds are recorded as an expenditure when purchased (purchase method). These funds do not maintain significant amounts of inventories of supplies.

*Prepaid Items*

Certain payments made for services that reflect costs applicable to future periods are recorded as prepaid items in the proprietary funds. Typically, prepaid items are not recorded in governmental funds except for the amount of employee health insurance and other benefits paid in advance.

*Capital Assets*

Under the regulatory basis of accounting, the City does not account for capital assets used in governmental funds. Capital assets acquired or constructed by governmental funds are recorded as expenditures in these funds but are not capitalized in the accompanying individual fund financial statements. In accordance with generally accepted accounting principles these capital assets would be reported in the government-wide financial statements; however the City has opted not to prepare these government-wide financial statements.

Capital assets of the proprietary funds, which include property, plant, buildings and improvements, and equipment, are reported in their respective funds. Capital assets are capitalized at historical cost when acquired or constructed, or estimated cost if actual cost is not available; donated capital assets are valued at their estimated fair value at the date donated. Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. The cost of normal maintenance and repairs that do not extend the lives or add value to the assets are not capitalized but rather expensed as incurred.

Depreciation of all exhaustible capital assets of the proprietary funds is charged as an expense against operations. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Estimated useful lives of capital assets for depreciation purposes are:

Buildings and Structures	10-40 Years
Distribution and Collection System	10-60 Years
Furniture, Fixtures and Equipment	5-20 Years

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

D. Assets, Liabilities, and Fund Balance/Net Position, continued

*Compensated Absences*

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation time. Employees are entitled to vacation time based upon length of employment. Employees are compensated any vested and unused vacation pay upon separation or termination of employment. In addition, the City has established a severance pay policy for its nonunion employees. This policy provides for severance payments upon termination of employment based on accumulated sick leave accrued up to a maximum amount based on length of employment. Severance pay policy for union employees is governed by individual union contracts. Employees are also allowed to accrue compensatory time, which is payable upon separation or termination of employment.

The portion of the liability for compensated absences attributed to governmental funds is reflected as part of the assigned fund balance of the General Fund. When paid these amounts are recorded as an expenditure in the General Fund. The liability associated with proprietary funds is accrued and recorded as an expense in these funds as earned.

*Deferred Revenue*

Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the City receives resources before it has a legal claim to them or when grant funds are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is eliminated and revenue is recognized.

Entitlements and shared revenues are recorded at the time of receipt. In addition, revenues (receipts) from reimbursement based grants are recognized as revenue at the time funds are received. Deferred revenue in the governmental funds arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue.

*Fund Balances*

In the governmental fund financial statements, fund equity is classified as fund balance. Fund balance is divided into five classifications based primarily on the extent to which the City is obligated to observe constraints imposed on the use of resources reported in the governmental funds.

These classifications are as follows:

*Nonspendable* – Amounts that cannot be spent because the assets are not in spendable form, such as prepaid items.

*Restricted* – Restricted amounts are related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

D. Assets, Liabilities, and Fund Balance/Net Position, continued

*Fund Balances, continued*

*Committed* – Committed amounts are constrained for specific purposes that are internally imposed by formal action of the City Council, the City’s highest level of decision making authority. These committed amounts cannot be used for any other purpose unless the City Council modifies, rescinds or changes the specified use by taking a similar type of action.

*Assigned* – Assigned amounts are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, the assigned fund balance represents all remaining amounts that are not otherwise classified. In the General Fund, assigned amounts represent intended uses established by the governing body itself or by an official delegated by the governing body.

*Unassigned* – This is the residual classification for the General Fund and also may reflect negative residual amounts in other funds.

The City considers restricted amounts to be expended first when both restricted and unrestricted fund balances are available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

*Net Position*

Net position (equity) represents the difference between assets and liabilities in the proprietary fund financial statements. Net position is displayed in three components:

- a) Net investment in capital assets – This component consists of capital assets, net of accumulated depreciation, reduced by the amount of outstanding balances of debt that are attributable to the acquisition, construction or improvement of capital assets.
- b) Restricted net position – Consists of net position balances restricted with constraints placed on their use either by 1) external groups such as creditors, grantors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net position – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for an allowable use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

*Interfund Transactions*

Quasi-external transactions (services provided) are accounted for as revenues, expenditures or expenses, as applicable to each fund. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed.

All other interfund transactions are reported as transfers.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 1. Significant Accounting Policies, continued

E. Other Matters

*Total Columns*

Total columns on the governmental and proprietary fund financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation since interfund transactions have not been eliminated in the aggregation of this data.

*Comparative Information*

Comparative total data for the prior year have not been presented in the individual fund financial statements due to the complexity of including those statements in the accompanying report. However, financial data for the prior year is presented in the operating statement of the General Fund, which is required supplementary information, in order to provide a comparison of current year's operations with the budget and prior year's operations.

Also, certain amounts presented in the prior year's financial report may have been reclassified to be consistent with the current year's presentation.

*Use of Estimates*

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

*Concentrations of Credit Risk*

Financial instruments that potentially subject the City to credit risk are cash and cash equivalents, investments and receivables. The City attempts to limit its exposure on cash and investments by following state laws regarding types of investments, insurance and collateral. Receivables are due primarily from the City of Tonka Bay area businesses, property owners, residents and other consumers.

Note 2. Regulatory Basis of Accounting

The accompanying financial statements have been prepared using the *regulatory basis of accounting* as described in the Minnesota Office of the State Auditor's *Reporting and Publishing Requirements for Cities Under 2,500 in Population*.

The regulatory basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP) in the United States of America as applied to governmental units by the Government Accounting Standards Board (GASB). Under this basis of accounting, governmental fund revenues (receipts) are recognized when received rather than when measurable and available and expenditures (disbursements) are recognized when disbursed rather than when the liability is incurred. This basis differs from generally accepted accounting principles (GAAP) because the City does not recognize governmental fund revenues and expenditures in accordance with the *modified accrual basis of accounting*.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 2. Regulatory Basis of Accounting, continued

The primary difference between the regulatory basis and the modified accrual basis of accounting is that under the modified accrual basis governmental funds recognize; a) revenues when they become both measurable and available as net current assets (receivables), and b) expenditures when the liability is incurred (payables). With regards to revenue recognition, measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough after to pay current liabilities. The measurement focus of governmental funds is on the *sources, uses and balance of current financial resources*.

Under the regulatory basis of accounting, proprietary funds of the City are accounted for using the *accrual basis of accounting*, in accordance with generally accepted accounting principles. Proprietary funds are accounted for on a *cost of services or flow of economic resources* measurement focus; charges for services are used to recover costs of providing services to users. With this measurement focus, all assets and all liabilities (whether current or non-current) associated with the operation of these funds are included on the balance sheet. Revenues are recognized when earned and expenses are recognized when incurred. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

In addition, the City has elected not to provide a management discussion and analysis and government-wide financial statements consisting of a statement of net position and a statement of activities in accordance with generally accepted accounting principles.

Note 3. Stewardship, Compliance and Accountability

A. Budgetary Information

A plan of financial operation for the City is established in the budget adopted by the City Council. The budget outlines proposed expenditures and the means of financing them. The budget is prepared by the City Administrator based on requests for appropriations by City departments. The proposed budget is presented to the City Council for review. The Council holds public hearings and a final budget is prepared and adopted in December. The legal level of budgetary control is at the department level. Individual line items within the budget may be overspent but the total budget cannot be changed unless approved by the City Council.

The budget adopted for the General Fund is on a basis consistent with the regulatory (cash) basis of accounting; utilizing the same basis of accounting for both budgetary purposes and actual results. Budgeted amounts shown in the accompanying financial statements are as originally adopted or amended. No budget revisions were made during the year. Budgeted expenditure appropriations lapse at year-end. In addition, the City does not use encumbrance accounting.

B. Fund Equity Deficits

The Road Improvement Fund, a capital project fund, has a deficit fund balance of \$41,439 at December 31, 2014. Funds were advanced to this fund to pay costs associated with a road improvement project. This advance was recorded as a liability since it is the intention of the City to repay these funds as assessments are collected from benefited properties.

As a result, this deficit will be eliminated over a period of years as these assessments are received. Remaining assessments to be collected in future years related to this project were \$34,457 at December 31, 2014.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 3. Stewardship, Compliance and Accountability, continued

B. Fund Equity Deficits, continued

The Recycling Fund, a proprietary fund, has a deficit net position of \$11,971 at December 31, 2014. This deficit will be eliminated with future revenues from charges for services; however, if these revenues are not sufficient a transfer from another fund may be necessary.

C. Expenditures in Excess of Budgets

For the year ended December 31, 2014, expenditures of the General Fund were \$13,287 less than budgeted amounts.

Note 4. Deposits and Investments

A. Components of Deposits and Investments

Deposits and investments at December 31, 2014 consisted of the following:

Cash on Hand	\$ 300
Cash in Banks	
Demand Deposits	(10,708)
Time Deposits (Certificates of Deposit)	1,055,000
Investments	
Shares of Money Market Funds	1,369,178
Government Securities - State	195,000
	<u>\$ 2,608,770</u>

Deposits and investments are presented in the financial statements as follows:

Governmental Funds	\$ 1,763,765
Proprietary Funds	845,005
	<u>\$ 2,608,770</u>

B. Deposits

In accordance with applicable *Minnesota Statutes*, the City maintains deposits at depository banks authorized by the City Council, all of which are members of the Federal Reserve System. Deposits consist of a checking account (demand deposits) and certificates of deposits (time deposits). The following is considered the most significant risk associated with deposits.

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits and investments may not be returned, lost or the City will not be able to recover collateral securities in the possession of an outside party. *Minnesota Statutes* require that all City deposits be protected by federal deposit insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or bonds; 140% in the case of mortgage notes pledged.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 4. Deposits and Investments, continued

B. Deposits, continued

Authorized collateral includes U.S. treasury bills, notes, and bonds; issues of U.S. government agencies and instrumentalities; general obligation securities of any state or local government rated "A" or better; revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank to a municipality accompanied by written evidence that the bank's debt is rated "AA" or better; and time deposits fully insured by any federal agency. *Minnesota Statutes* require securities pledged as collateral to be placed in safekeeping in an account at the Federal Reserve Bank or at a trust department of a commercial bank or other financial institution other than the financial institution furnishing the collateral.

The City has no additional policies addressing custodial credit risk. Bank balances (before reconciling items) of demand deposits were \$0 and time deposits were \$1,055,000, which were covered by federal depository insurance.

C. Investments

Investments of the City are reported at fair value.

The City has the following investments at year-end.

Investment Type	Fair Value and Carrying Value	Cost	Credit Quality Ratings	Interest Risk - Maturity Duration in Years
Pooled Investments - Money Markets				
Minnesota Municipal (4M Fund)	\$ 1,367,193	\$ 1,367,193	N/A	Daily
Other - Financial Institutions	1,985	1,985	N/A	Daily
	<u>1,369,178</u>	<u>1,369,178</u>		
Nonpooled Investments				
Government Securities - State	195,000	195,000	A	Less Than 1 Year
	<u>\$ 1,564,178</u>	<u>\$ 1,564,178</u>		

N/A - Not applicable

Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk. Interest rate risk is disclosed using the segmented time/maturity method.

The Minnesota Municipal Money Market Fund (4M Fund) is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the same regulatory rules of the SEC. The 4M Fund operates in accordance with appropriate state laws and regulations. The fair value of the position in the pool is the same as the value of the pool shares. The fair value of the other investment pools is the same as the value of the pool shares as well.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 4. Deposits and Investments, continued

C. Investments, continued

The City may also invest idle funds as authorized by *Minnesota Statutes*, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
6. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
7. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
8. Guaranteed investment contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Investments are subject to various risks, the following of which are considered the most significant.

**Custodial Credit Risk** – For investments in securities, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy addressing this risk, but typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

**Credit Risk** – This is the risk that an issuer or the counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk.

**Concentration of Credit Risk** – This is the risk associated with investing a significant portion of the City's investments (considered 5 % or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as U.S. treasuries), investment pools and mutual funds. At year-end, the City's investments do not include 5% or more in securities of a single issuer.

**Interest Rate Risk** – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which the interest rate is fixed, the greater the risk).

The City does not have a formal investment policy addresses the above risks.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 5. Receivables

Property tax revenue is recognized in the year of collection; with amounts due from the county and received early in the following year not recorded as unremitted taxes receivable. At December 31, 2014, there were unremitted taxes of \$1,161, which were received subsequent to year-end. Property taxes which remain unpaid at year-end are classified as delinquent taxes receivable and totaled approximately \$18,375 as of December 31, 2014.

Accounts receivable recorded in the proprietary funds are for services provided to businesses and residents by the City during the year. The amounts reported are at gross. The City considers all accounts receivable of the proprietary funds to be fully collectible and accordingly no allowance for doubtful accounts has been provided against these receivables.

Note 6. Capital Assets

A summary of changes in capital assets of the proprietary funds for the year ended December 31, 2014 is:

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Capital Assets - not depreciated				
Land	\$ 11,770	\$ -	\$ -	\$ 11,770
Construction in Progress	10,678		10,678	-
	<u>22,448</u>	<u>-</u>	<u>10,678</u>	<u>11,770</u>
Capital Assets - being depreciated				
Buildings and Improvements	604,272	3,156		607,428
Distribution and Collection System	3,430,552			3,430,552
Equipment and Furniture	769,339	16,616		785,955
	<u>4,804,163</u>	<u>19,772</u>	<u>-</u>	<u>4,823,935</u>
Less Accumulated Depreciation				
Buildings and Improvements	483,726	12,195		495,921
Distribution and Collection System	2,214,487	90,150		2,304,637
Equipment and Furniture	480,511	33,191		513,702
	<u>3,178,724</u>	<u>135,536</u>	<u>-</u>	<u>3,314,260</u>
Capital Assets - Net	<u>\$ 1,647,887</u>	<u>\$ (115,764)</u>	<u>\$ 10,678</u>	<u>\$ 1,521,445</u>

Depreciation of all exhaustible capital assets is charged as an expense against operations. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Depreciation by business-type activities for the year ended December 31, 2014 was: Water - \$69,390; Sewer - \$60,473; and Dock - \$5,673.

As previously noted, under the regulatory basis of accounting, the City does not account for capital assets used in governmental fund types. Capital assets acquired or constructed by governmental funds are recorded as expenditures in these funds but are not capitalized in the individual governmental funds.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 7. Interfund Balances

In 2007, the City transferred \$157,712 from various funds to the Road Improvement Fund to finance the costs of a road improvement project. Costs associated with the project were assessed to the benefited property owners. Funds transferred were recorded as receivables (due from other funds) in each of the respective funds since it is the intention of the City to repay these advances from the collection of these special assessments.

Repayments of \$8,340 were made during the year reducing the outstanding balance to \$41,439 at December 31, 2014. In addition, interest of 6.5% is being paid on the outstanding balance and amounted to \$3,084. Deferred special assessments of \$34,457 remain to be collected with regards to this project at December 31, 2014.

In addition, the Garbage Fund advanced the Recycling Fund \$25,000 during the year to eliminate the Recycling Fund's deficit cash position. This amount is to be repaid from future charges for services.

The interfund balances (Due from Other Funds) are presented in the financial statements as follows:

Proprietary Funds - Garbage Fund (Due from Recycling Fund)	\$ 25,000
Proprietary Funds - Storm Water Fund (Due from Road Improvement Fund)	<u>41,439</u>
	<u><u>\$ 66,439</u></u>

Note 8. Accrued Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation time. Employees are entitled to vacation time based upon length of employment. Employees are compensated for any vested and unused vacation pay upon separation or termination of employment. In addition, the City has established a severance pay policy for its nonunion employees. This policy provides for severance payments upon termination of employment based on accumulated sick leave accrued subject to maximum amounts based on length of employment and other conditions, which is payable upon termination of employment. Severance pay policy for City employees covered under union contracts are governed by individual union contracts.

Vested vacation and severance benefits related to activities of governmental funds totaled \$10,550 at December 31, 2014. Payment of these amounts will be recorded as expenditures in the General Fund when paid; a portion of the fund balance of the General Fund has been assigned to account for this liability. Accrued compensated absences applicable to proprietary funds totaled \$12,105 at December 31, 2014. The liability is recorded in each of these funds for its share of the unused portion of this benefit; an expense is recorded as this liability is accrued in each of the respective proprietary funds.

Note 9. Deferred Revenues - Lease Agreements

The City has entered into lease agreements with several communication companies. These companies lease space on the City's water towers; terms of each lease vary in amount and duration. Deferred revenue of \$19,961 reported in the Antenna Fund represents the pro-rata amount of lease payments received in advance. During 2014, revenues of \$54,960 were recorded from these leases.

Each of the lease agreements has a cancellation clause, assuming the leases are not cancelled future lease revenues for each of the next five years are estimated to be: 2015 - \$57,708; 2016 - \$52,148; 2017 - \$52,932; 2018 - \$55,350; and 2019 - \$57,880.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 10. Fund Balance and Net Position

A summary of governmental fund balances by classification at December 31, 2014 is:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Nonspendable - Prepaid Items	<u>\$ 5,728</u>			<u>\$ 5,728</u>
Assigned for -				
Accrued Salaries and Absences	\$ 17,802			\$ 17,802
Special Projects		\$ 302,829		302,829
General Fund Reserve		64,875		64,875
Public Education and Publications		3,386		3,386
Southshore Center		3,834		3,834
Utility Improvement Projects			\$ 552,997	552,997
Capital Acquisitions			91,511	91,511
Park and Other Improvements			4,360	4,360
	<u>\$ 17,802</u>	<u>\$ 374,924</u>	<u>\$ 648,868</u>	<u>\$ 1,041,594</u>
Unassigned (Deficit)	<u>\$ 700,384</u>		<u>\$ (41,439)</u>	<u>\$ 658,945</u>

Net position of the proprietary funds is classified as follows:

Net Investment in Capital Assets - The equity of the City in capital assets recorded in the proprietary funds is reflected in this amount.	\$ 1,521,445
Unrestricted - These amounts reflect retained earnings net of the investment in capital assets. Retained earnings are reserved for future operations, maintenance costs of utility treatment facilities, and capital replacement requirements.	<u>1,092,742</u>
	<u>\$ 2,614,187</u>

Note 11. Commitments and Contingencies

A. Risk Management

The City is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (the Trust), a public entity risk sharing pool with other cities throughout Minnesota. The City pays annual premiums to the Trust for its general property and casualty, workers' compensation and other insurance coverage. The Trust agreement provides that the Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits.

There have been no significant reductions in insurance coverage from the previous year. In addition, there has been no settlement of claims in excess of the City's insurance coverage in any of the prior three years. The City's management is not aware of any incurred but not reported claims.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 11. Commitments and Contingencies, continued

B. Litigation

The City is not aware of any existing or pending lawsuits, claims or other actions in which the City is a defendant.

C. Federal and State Funds

The City receives financial assistance in the form of grants from federal and state governmental agencies. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed expenditures resulting from such audits could become a liability of the City. However, in the opinion of management, any disallowed expenditures will not have a material effect on any of the financial statements of the individual fund types or on the overall financial position of the City at December 31, 2014.

D. Contractual Agreements

The City has the commitment to fulfill its obligations related to various contractual agreements.

Note 12. Transfers

Transfers between funds reflected in the financial statements during the year were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>	
General Fund	\$ 52,485		Liquor and Antenna Funds
Special Revenue Funds			
Liquor Fund		\$ 4,500	General Fund
Antenna Fund		47,985	General Fund
Capital Project Funds			
Utility Improvement Fund	106,894		Water and Sewer Funds
Capital Improvements Fund	50,000		Dock Fund
Proprietary Funds			
Water Fund		66,894	Utility Improvement Fund
Sewer Fund		40,000	Utility Improvement Fund
Dock Fund		50,000	Capital Improvement Fund
	<u>\$ 209,379</u>	<u>\$ 209,379</u>	

These transfers were approved in the budget adopted or by action of the City Council. All of the transfers are considered routine and consistent with past practices.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 13. Joint Powers Agreements

A. South Lake Minnetonka Police Department

The City of Tonka Bay is a member of a joint and cooperative powers agreement entered into between the Cities of Excelsior, Greenwood, Shorewood and Tonka Bay establishing the South Lake Minnetonka Police Department (the Department) which provides law enforcement protection to the member cities. The duration of the joint powers agreement between the four cities forming the Department continues until December 31, 2023. The Department is a separate entity with its own organizational structure and operations.

The Department is governed by representatives from each city, establishes its own operating budget and operates independently of the four cities. The operating budget is presented and approved by each of the member cities. Costs of providing services are allocated to the member cities based on a formula prescribed in the joint powers agreement. The City's share of the operating budget for 2014 was \$322,157.

In 2002, the Department and the Excelsior Fire District (see below) entered into a cooperative agreement with the Shorewood Economic Development Authority (EDA) for the construction of a joint public safety facility. Lease revenue bonds were issued by the EDA to provide financing of the construction project. In connection with the issuance of the bonds, the EDA, the City of Shorewood, and the Department entered into certain lease purchase agreements. The essence of these agreements is to make the Department responsible for the debt service payments related to the lease revenue bonds issued on behalf of the Department for costs associated with construction of the police portion of the facility. Debt service costs associated with the bonds issued to finance the project will be shared by the four member cities based on a 'tax capacity' formula. Debt issued attributed to the construction of the police portion of the facility was \$5,245,000.

In December 2006, the Department authorized the issuance of \$4,285,000 of Public Safety Police Facility Lease Revenue Refunding Bonds to refinance portions of the remaining original lease revenue bonds issued. The effect of the refunding issue was to reduce the Department's total debt service payments over the next fifteen years by approximately \$326,600. The present value of the economic gain (difference in debt service payments between the issues) was \$204,500. The refunded (called) bonds were fully retired in 2009 and 2010, respectively.

The Department is responsible for the debt service of the refunding bonds. The Department collects and remits to the EDA the funds necessary to pay the bonds and interest associated with its share of the debt service requirements as they become due. The City's share of this debt in 2014 was \$83,648.

The City's share of the operating budget and debt service requirements in 2015 is \$412,904. Financial statements of the Department are available by writing to the South Lake Minnetonka Police Department at 24150 Smithtown Road, Shorewood, MN 55331.

B. Excelsior Fire District

The City of Tonka Bay is also a member of a joint and cooperative powers agreement entered into between the Cities of Deephaven, Excelsior, Greenwood, Shorewood and Tonka Bay establishing the Excelsior Fire District (the District) which provides fire protection services to the member cities. The duration of the joint powers agreement between the five cities forming the District continues until December 31, 2023. Similar to the South Lake Minnetonka Police Department, the District is a separate entity with its own organizational structure and operations.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

Note 13. Joint Powers Agreements, continued

B. Excelsior Fire District, continued

The District is governed by citizens from the five communities. The District adopts its own budget and the agreement provides a cost-sharing formula to allocate the costs of providing services and debt service to the five cities. The City's share of the operating budget for 2014 was \$233,566.

As discussed previously, the District was a participant in the construction of the public safety facility. In addition, the District constructed a second fire station to serve the eastern side of the District. Similar to the Police Department, the District entered into a series of agreements with the Shorewood EDA concerning construction of the facilities. The District's share of the original debt issued for these facilities was \$7,120,000.

In December 2006, the District authorized the issuance of \$4,130,000 of Public Safety Fire Facility Lease Revenue Refunding Bonds, Series 2007A and \$1,585,000 of Public Safety Fire Facility Lease Revenue Refunding Bonds, Series 2007C to refinance portions of the remaining original lease revenue bonds issued. The effect of the refunding issues was to reduce the District's total debt service payments over the next fifteen years by an estimated \$516,000. The present value of the economic gain (difference in debt service payments between the issues) is \$290,312. The refunded (called) bonds were fully retired in 2009 and 2010, respectively.

The District is responsible for the debt service of the refunding bonds. The District collects and remits to the EDA the funds necessary to pay the bonds and interest associated with its share of the debt service requirements as they become due. The City's share of these costs is included in payments for the operating budget.

The City's share of the operating budget in 2015 is \$231,694. Financial statements of the District are available by writing to the Excelsior Fire District at 24100 Smithtown Road, Shorewood, MN 55331.

Note 14. Defined Benefit Pension Plans – Statewide

A. Plan Description

All full-time and certain part-time employees of the City of Tonka Bay, Minnesota are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF), the Public Employees Police and Fire Fund (PEPFF), and the Local Government Correctional Service Retirement Fund, called the Public Employees Correctional Fund (PECF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, firefighters and peace officers who qualify for membership by statute are covered by the PEPFF. Members who are employed in a county correctional institution as a correctional guard or officer, a joint jailer/dispatcher, or as a supervisor of correctional guards, or officers, or of joint jailers/dispatchers and are directly responsible for the direct security, custody, and control of the county correctional institution and its inmates are covered by the PECF.

**CITY OF TONKA BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

Note 14. Defined Benefit Pension Plans – Statewide, continued

A. Plan Description, continued

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after five years of credited service. The defined retirement 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 PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years of service and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0% for each year of service. The annuity accrual rate is 1.9% for each year of service for PECF members.

For all PEPFF members, PECF members, and GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF and PECF members and 65 for GERF Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

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

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF, PEPFF and PECF. That report may be obtained on the internet at [www.mnpera.org](http://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.

B. Funding Policy

*Minnesota Statutes* Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.25%, respectively, of their annual covered salary in 2014. PEPFF members were required to contribute 10.20% of their annual covered salary in 2014. PECF members were required to contribute 5.83% of their annual covered salary.

**CITY OF TONKA BAY  
NOTES TO FINANCIAL STATEMENTS  
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Note 14. Defined Benefit Pension Plans – Statewide, continued

B. Funding Policy, continued

In 2014, the City of Tonka Bay was required to contribute the following percentages of annual covered payroll: 11.78% for GERF Basic Plan members, 7.25% for GERF Coordinated Plan members, 15.30% for PEPFF members, and 8.75% for PECF members.

The City's contributions to the General Employees Retirement Fund (GERF) for the years ending December 31, 2014, 2013, and 2012 were \$27,187, \$26,185, and \$25,113, respectively. The City has no employees eligible to participate in the Public Employees Police and Fire Fund (PEPFF) or the Public Employees Correctional Fund (PECF) during the year. The City's contributions were equal to the contractually required contributions for each year as set by state statute. Contribution rates will increase on January 1, 2015 in the Coordinated Plan (6.50% for members and 7.50% for employers) and the Police and Fire Fund (10.80% for members and 16.20% for employers).

Note 15. Other Information

*Other Post-Employment Benefits*

The City has considered the accounting pronouncement, GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions*. The City determined the OPEB liability at December 31, 2014, is not material and therefore not recorded in these financial statements. Benefits considered to be OPEB are described in the following paragraph.

Generally, the City is required by state statute to allow retirees to continue participation in the City's group health insurance plan if the individual terminates service with the City through service retirement or disability retirement. All health care coverage is provided through the City's group health insurance plans. A participating retiree is required to pay 100% of their premium cost for the City sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary. Currently there are no retirees participating in the City's group health insurance plan.

*Subsequent Events*

Management of the City has evaluated subsequent events through April 30, 2015, the date which the financial statements were available to be issued. No events were noted subsequent to December 31, 2014 which may have had an effect on the financial statements being reported on.

**INDIVIDUAL AND COMBINING FINANCIAL STATEMENTS**

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**CITY OF TONKA BAY  
GENERAL FUND  
BALANCE SHEET  
DECEMBER 31, 2014 AND 2013**

**Schedule 1**

	2014	2013
<b>ASSETS</b>		
Cash and Investments	\$ 720,012	\$ 665,278
Prepaid Items - Employee Insurance	<u>5,728</u>	<u>6,080</u>
Totals	<u><u>\$ 725,740</u></u>	<u><u>\$ 671,358</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Building Surcharge and Other Deposits	<u>\$ 1,826</u>	<u>\$ 1,515</u>
Fund Balance		
Nonspendable	5,728	6,080
Assigned	17,802	16,463
Unassigned	<u>700,384</u>	<u>647,300</u>
Total Fund Balance	<u><u>723,914</u></u>	<u><u>669,843</u></u>
Totals	<u><u>\$ 725,740</u></u>	<u><u>\$ 671,358</u></u>

**CITY OF TONKA BAY  
GENERAL FUND**

**Schedule 2  
Sheet 1**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
COMPARISON - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

(With Comparative Amounts for the Year Ended December 31, 2013)

	2014		Variance- Favorable (Unfavorable)	2013 Actual
	Budget Original and Final	Actual		
Receipts				
General Property Taxes	\$ 994,949	\$ 996,007	\$ 1,058	\$ 976,710
Franchise Fees	-	13,749	13,749	
Licenses and Permits				
Licenses	13,819	13,987	168	12,859
Permits	46,200	63,079	16,879	65,710
	<u>60,019</u>	<u>77,066</u>	<u>17,047</u>	<u>78,569</u>
Intergovernmental Revenues				
State - PERA	1,232	1,232	-	1,232
County - Road Maintenance	3,000		(3,000)	6,558
	<u>4,232</u>	<u>1,232</u>	<u>(3,000)</u>	<u>7,790</u>
Charges for Services				
General Services	900	1,965	1,065	2,021
Variances and Other Fees	17,500	14,835	(2,665)	9,000
	<u>18,400</u>	<u>16,800</u>	<u>(1,600)</u>	<u>11,021</u>
Fines and Forfeitures	7,000	9,884	2,884	5,806
Investment Income	6,000	3,857	(2,143)	4,558
Other Revenues				
Insurance Refunds		12,147	12,147	
Insurance Dividend	6,000	5,452	(548)	9,356
Reimbursements and Other		1,190	1,190	98
	<u>6,000</u>	<u>18,789</u>	<u>12,789</u>	<u>9,454</u>
Total Receipts	<u>1,096,600</u>	<u>1,137,384</u>	<u>40,784</u>	<u>1,093,908</u>
Transfers from Other Funds				
Liquor	4,500	4,500	-	6,000
Antenna	47,985	47,985	-	47,985
Total Transfers	<u>52,485</u>	<u>52,485</u>	<u>-</u>	<u>53,985</u>
Total Receipts and Transfers	<u>1,149,085</u>	<u>1,189,869</u>	<u>40,784</u>	<u>1,147,893</u>

## CITY OF TONKA BAY

Schedule 2

## GENERAL FUND

Sheet 2

## STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE

## COMPARISON - BUDGET AND ACTUAL

## FOR THE YEAR ENDED DECEMBER 31, 2014

(With Comparative Amounts for the Year Ended December 31, 2013)

	2014		Variance- Favorable (Unfavorable)	2013 Actual
	Budget Original and Final	Actual		
Disbursements				
General Government				
Mayor and Council				
Personal Services	\$ 9,904	\$ 9,662	\$ 242	\$ 9,904
Contracted Services	1,160	7,097	(5,937)	30
Other Charges	2,373	4,425	(2,052)	4,420
	<u>13,437</u>	<u>21,184</u>	<u>(7,747)</u>	<u>14,354</u>
Elections				
Personal Services	2,046	1,160	886	
Supplies	1,000	1,176	(176)	561
	<u>3,046</u>	<u>2,336</u>	<u>710</u>	<u>561</u>
Financial Administration				
Personal Services	58,960	58,687	273	56,149
Supplies	3,800	3,913	(113)	3,179
Assessing	20,000	20,000	-	20,000
Other Contracted Services	7,200	5,792	1,408	5,702
Insurance	22,341	20,835	1,506	22,241
Other Charges	6,800	6,634	166	5,624
	<u>119,101</u>	<u>115,861</u>	<u>3,240</u>	<u>112,895</u>
Legal - Contracted Services	<u>32,000</u>	<u>34,965</u>	<u>(2,965)</u>	<u>23,968</u>
Engineering - Contracted Services	<u>7,500</u>	<u>5,987</u>	<u>1,513</u>	<u>1,450</u>
Planning and Zoning				
Personal Services	33,930	33,796	134	32,083
Contracted Services	10,000	11,055	(1,055)	985
	<u>43,930</u>	<u>44,851</u>	<u>(921)</u>	<u>33,068</u>
Government Buildings				
Personal Services	2,989	2,923	66	2,832
Supplies	6,057	4,211	1,846	8,862
Contracted Services	6,700	6,776	(76)	6,918
Capital Outlay		12,880	(12,880)	
	<u>15,746</u>	<u>26,790</u>	<u>(11,044)</u>	<u>18,612</u>
Total General Government	<u>234,760</u>	<u>251,974</u>	<u>(17,214)</u>	<u>204,908</u>

**CITY OF TONKA BAY  
GENERAL FUND**

Schedule 2  
Sheet 3

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
COMPARISON - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

(With Comparative Amounts for the Year Ended December 31, 2013)

	2014		Variance- Favorable (Unfavorable)	2013 Actual
	Budget Original and Final	Actual		
Disbursements, continued				
Public Safety				
Police Protection	\$ 408,253	\$ 406,362	\$ 1,891	\$ 398,568
Fire Protection	233,566	233,566	-	230,303
Protective Inspection				
Personal Services	17,852	17,746	106	16,980
Contracted Services	20,000	20,970	(970)	32,793
	<u>37,852</u>	<u>38,716</u>	<u>(864)</u>	<u>49,773</u>
Total Public Safety	<u>679,671</u>	<u>678,644</u>	<u>1,027</u>	<u>678,644</u>
Public Works				
Personal Services	104,264	102,832	1,432	109,192
Supplies and Other	29,400	23,043	6,357	19,327
Street Signs	1,000	1,137	(137)	
Snow Removal	10,100	6,763	3,337	10,528
Street Lighting	16,170	13,319	2,851	16,058
Total Public Works	<u>160,934</u>	<u>147,094</u>	<u>13,840</u>	<u>155,105</u>
Parks and Recreation				
Parks				
Personal Services	28,071	26,769	1,302	26,251
Supplies	7,500	7,994	(494)	8,434
Contracted Services	8,775		8,775	8,775
	<u>44,346</u>	<u>34,763</u>	<u>9,583</u>	<u>43,460</u>
Trees				
Personal Services	9,155	9,042	113	9,200
Supplies	4,950	512	4,438	220
	<u>14,105</u>	<u>9,554</u>	<u>4,551</u>	<u>9,420</u>
Firelanes	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>111</u>
Lake Minnetonka Conservation	<u>12,269</u>	<u>12,269</u>	<u>-</u>	<u>12,077</u>
Total Parks and Recreation	<u>72,220</u>	<u>56,586</u>	<u>15,634</u>	<u>65,068</u>
Other	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,471</u>
Total Disbursements	<u>1,149,085</u>	<u>1,135,798</u>	<u>13,287</u>	<u>1,105,196</u>

**CITY OF TONKA BAY  
GENERAL FUND**

**Schedule 2  
Sheet 4**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
COMPARISON - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(With Comparative Amounts for the Year Ended December 31, 2013)**

	2014		Variance- Favorable (Unfavorable)	2013 Actual
	Budget Original and Final	Actual		
Receipts and Transfers Over Disbursements	\$ -	\$ 54,071	\$ 94,409	\$ 42,697
Fund Balance Beginning of Year		669,843		628,534
Fund Balance End of Year		\$ 723,914		\$ 671,231

**CITY OF TONKA BAY  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2014**  
(With Comparative Totals at December 31, 2013)

	<u>Liquor Fund</u>	<u>Antenna Fund</u>	<u>PEG Fund</u>	<u>Southshore Center Fund</u>
<b>ASSETS</b>				
Cash and Investments	<u>\$ 302,829</u>	<u>\$ 84,836</u>	<u>\$ 3,386</u>	<u>\$ 3,834</u>
<b>LIABILITY AND FUND BALANCE</b>				
Liability - Deferred Revenue		\$ 19,961		
Fund Balance - Assigned	<u>\$ 302,829</u>	<u>64,875</u>	<u>\$ 3,386</u>	<u>\$ 3,834</u>
Total	<u>\$ 302,829</u>	<u>\$ 84,836</u>	<u>\$ 3,386</u>	<u>\$ 3,834</u>

**CITY OF TONKA BAY  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2014**  
(With Comparative Amounts for the Year Ended December 31, 2013)

	<u>Liquor Fund</u>	<u>Antenna Fund</u>	<u>PEG Fund</u>	<u>Southshore Center Fund</u>
<b>Receipts</b>				
Franchise Fees			\$ 3,386	
Investment Income	\$ 5,086			
Lease Revenues		\$ 54,960		
Total Receipts	<u>5,086</u>	<u>54,960</u>	<u>3,386</u>	<u>\$ -</u>
<b>Transfers</b>				
Transfers to Other Funds	<u>4,500</u>	<u>47,985</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Transfers	586	6,975	3,386	-
Fund Balance Beginning of Year	<u>302,243</u>	<u>57,900</u>	<u>-</u>	<u>3,834</u>
Fund Balance End of Year	<u>\$ 302,829</u>	<u>\$ 64,875</u>	<u>\$ 3,386</u>	<u>\$ 3,834</u>

### Schedule 3

Totals	
<u>2014</u>	<u>2013</u>
<u>\$ 394,885</u>	<u>\$ 383,869</u>
\$ 19,961	\$ 19,892
<u>374,924</u>	<u>363,977</u>
<u>\$ 394,885</u>	<u>\$ 383,869</u>

### Schedule 4

Totals	
<u>2014</u>	<u>2013</u>
\$ 3,386	
5,086	\$ 5,385
<u>54,960</u>	<u>52,528</u>
63,432	57,913
<u>52,485</u>	<u>60,385</u>
10,947	(2,472)
<u>363,977</u>	<u>366,449</u>
<u>\$ 374,924</u>	<u>\$ 363,977</u>

**CITY OF TONKA BAY  
CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2014**  
(With Comparative Totals at December 31, 2013)

	Improvement Funds			
	Utility	Capital	Road	Park
<b>ASSETS</b>				
Cash and Investments Due from Other Funds	\$ 552,997	\$ 91,511	\$ -	\$ 1,632
Total	<u>\$ 552,997</u>	<u>\$ 91,511</u>	<u>\$ -</u>	<u>\$ 1,632</u>
<b>LIABILITY AND FUND BALANCE</b>				
Liability - Due to Other Funds			<u>\$ 41,439</u>	
Fund Balance (Deficit)				
Assigned	\$ 552,997	\$ 91,511		\$ 1,632
Unassigned			<u>(41,439)</u>	
Total Fund Balance	<u>552,997</u>	<u>91,511</u>	<u>(41,439)</u>	<u>1,632</u>
Total	<u>\$ 552,997</u>	<u>\$ 91,511</u>	<u>\$ -</u>	<u>\$ 1,632</u>

**Schedule 5**

Seawall	Totals	
	2014	2013
\$ 2,728	\$ 648,868	\$ 541,375 6,122
\$ 2,728	\$ 648,868	\$ 547,497
	\$ 41,439	\$ 49,779
\$ 2,728	648,868 (41,439)	547,497 (49,779)
2,728	607,429	497,718
\$ 2,728	\$ 648,868	\$ 547,497

**CITY OF TONKA BAY  
CAPITAL PROJECT FUNDS  
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(With Comparative Amounts for the Year Ended December 31, 2013)**

	Improvement Funds			
	Utility	Capital	Road	Park
Receipts				
General Property Taxes		\$ 53,754		
Special Assessments		6,477	\$ 11,424	
Investment Income	\$ 4,422			
Other Revenues	8,939			
	<u>13,361</u>	<u>60,231</u>	<u>11,424</u>	<u>\$ -</u>
Transfers				
Transfers from Other Funds	106,894	50,000		
Total Receipts and Transfers	<u>120,255</u>	<u>110,231</u>	<u>11,424</u>	<u>-</u>
Disbursements				
Current				
Public Works		54,961		
Other			3,084	
Capital Outlay				
General Government		23,689		
Public Works		3,383		
Parks and Recreation		745		
Other - Enterprise	46,337			
	<u>46,337</u>	<u>82,778</u>	<u>3,084</u>	
Transfers				
Transfers to Other Funds				
Total Disbursements and Transfers	<u>46,337</u>	<u>82,778</u>	<u>3,084</u>	<u>-</u>
Receipts and Transfers Over (Under)				
Disbursements and Transfers	73,918	27,453	8,340	-
Fund Balance (Deficit) Beginning of Year	<u>479,079</u>	<u>64,058</u>	<u>(49,779)</u>	<u>1,632</u>
Fund Balance (Deficit) End of Year	<u>\$ 552,997</u>	<u>\$ 91,511</u>	<u>\$ (41,439)</u>	<u>\$ 1,632</u>

**Schedule 6**

<u>Seawall</u>	<u>Totals</u>	
	<u>2014</u>	<u>2013</u>
	\$ 53,754	\$ 65,079
	17,901	18,461
	4,422	9,703
	8,939	
\$ -	<u>85,016</u>	<u>93,243</u>
	156,894	174,959
<u>-</u>	<u>241,910</u>	<u>268,202</u>
	54,961	68,797
	3,084	3,580
	23,689	10,155
	3,383	
	745	
	46,337	1,214
	<u>132,199</u>	<u>83,746</u>
		236,750
<u>-</u>	<u>132,199</u>	<u>320,496</u>
-	109,711	(52,294)
<u>2,728</u>	<u>497,718</u>	<u>550,012</u>
<u>\$ 2,728</u>	<u>\$ 607,429</u>	<u>\$ 497,718</u>

**OTHER INFORMATION**

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**CITY OF TONKA BAY  
UNAUDITED SCHEDULE  
DECEMBER 31, 2014**

**Schedule 7**

SCHEDULE OF ACCOUNTS RECEIVABLE

<u>Fund</u>	<u>Source and Purpose</u>	<u>Amount</u>
General	Hennepin County - Tax Settlement	\$ 1,102
	State of Minnesota - Court Fines	772
	Mediacom - Franchise Fees	4,552
	Residents - Delinquent Assessments	3,597
		<u>\$ 10,023</u>
PEG	Mediacom - Franchise Fees	<u>\$ 1,122</u>
Capital Improvement	Hennepin County - Tax Settlement	\$ 59
	Businesses - Assessments re: Improvement Project	34,457
		<u>\$ 34,516</u>
Road Improvement	Residents - Assessments re: Improvement Project	<u>\$ 32,866</u>
Totals		<u>\$ 78,527</u>

**CITY OF TONKA BAY  
UNAUDITED SCHEDULE  
DECEMBER 31, 2014**

**Schedule 8**

SCHEDULE OF ACCOUNTS PAYABLE

Fund	Vendor Name	Item and Purpose	Claim Number	Amount
General	AmeriPride Linen Service	Services	19921	\$ 15
	Robin Bowman	Reimbursement	19923	60
	CarQuest Auto Parts Stores	Supplies	19924	65
	City of Tonka bay	Services	19925	211
	Marie Jenson	Services	19932	220
	Joseph Kohlmann	Reimbursement	19933	60
	Clair Link	Reimbursement	19934	75
	Navarre True Value Hardware	Supplies	19938	127
	Office Depot	Supplies	19939	165
	Kenneth N. Potts PA	Services	19941	833
	Fleet One LLC	Services	19943	306
	Todd Schallberg	Reimbursement	19944	63
	Verizon Wireless	Services	19947	10
	Xcel Energy	Services	19948	235
	Petty Cash	Supplies	19949	244
	CenterPoint Energy	Services	19954	200
	Hennepin County	Services	19960	32
	Minnetonka Aquatics	Services	19964	8,775
	Penberthy Law Offices	Services	19969	1,218
	Storms Welding & Mfg Inc	Supplies	19973	510
	WSB & Associates, Inc.	Services	19977	1,428
	Xcel Energy	Services	19978	1,209
	Metro West Inspections	Services	19991	6,128
	WSB & Associates, Inc.	Services	20005	1,091
	League of MN Cities Insurance Trust	Services	20021	250
	Star Tribune	Services	20030	87
	MN Department of Labor & Industry	Building Surcharges	-	1,122
	Employees	Flex Reimbursements	-	704
				<u>25,443</u>
		Metro West Inspections	Services	Unpaid
			<u>\$ 48,882</u>	
Utility Improvement	Insituform	Services	Unpaid	<u>\$ 30,912</u>
Capital Improvement	Badger State Inspection	Services	19922	\$ 9,200
	WSB & Associates, Inc.	Services	20005	370
				<u>\$ 9,570</u>

# Memo

To: Honorable Mayor and City Council  
From: Lindy Crawford, City Administrator  
Date: May 26, 2015  
Re: Amendment of Section 910

---

This is the first reading for two proposed amendments to Section 910, Traffic Regulations. We've received the request from Kenneth Potts, our prosecuting attorney. As noted in the attached correspondence, the changes are proposed for the following reasons:

1. The first amendment is under subd. 1 which simply changes the chapter designation from 169.01 to 169.011 as the previous statute has been renumbered. (Page 1)
2. The second amendment is the addition of subdivision 20 to reflect Resolution 95-29, which prohibits boat trailer parking in certain areas. The previous ordinance did not contain this prohibition making it difficult for officers to write a citation for those who fail to abide by the no parking signs. (Page 3)

The proposed ordinance is attached and changes are highlighted in yellow. The summary ordinance and resolution for adoption will be provided for the second reading.

**Council Action Requested:**

For Council review.

KENNETH N. POTTS, P.A.  
Attorney at Law

5101 Thimsen Avenue  
Suite 200  
MINNETONKA, MINNESOTA 55345  
TELEPHONE (952) 474-4240  
TELECOPIER (952) 474-0987

April 30, 2015

Via Fax Only  
474-6538

Mr. Joe Kohlmann  
City Administrator  
City of Tonka Bay  
4901 Manitou Road  
Tonka Bay, MN 55331

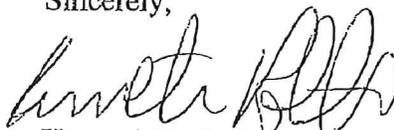
Amendment of Tonka Bay Ord. 910.1 and 910.2

Dear Mr. Kohlman:

I enclose a proposed amendment to the parking ordinance. The first amendment is under subd 1 which simply changes the chapter designation from 169.01 to 169.011 as the previous statute has been renumbered.

The second amendment that I added is subdivision 20 to reflect resolution 95-29, which prohibits boat trailer parking in certain areas. The previous ordinance did not contain this prohibition making it difficult for officers to write citation for those who fail to abide by the no parking signs. If you have any questions or comments please give me a call.

Sincerely,



Kenneth N. Potts

KNP/sb

Enclosure

**SECTION 910  
TRAFFIC REGULATIONS**

**910.01      “HIGHWAY TRAFFIC REGULATION ACT” INCORPORATED BY REFERENCE**

”Highway Traffic Regulation Act” incorporated by reference. The regulatory provisions of the “Highway Regulations Traffic Act,” the same being Minnesota Statutes Chapter 169 as periodically amended are hereby adopted as a traffic regulation ordinance. The provisions of M.S. Chapter 169 are intended to regulate and control the use of highways, streets, and alleys in the city and are incorporated and made part of this code by reference as if set out herein in full.

Subd. 1      Definitions

The definitions as set out in **M.S. Chapter 169.011** *(amended 5/28/15)* as periodically amended shall apply to terms in this ordinance as if set out fully herein.

**910.02      PARKING**

Subd. 1      No person shall stand or park a vehicle on a street or roadway in the City of Tonka Bay other than parallel with the edge of the roadway, headed in the direction of traffic, with the curbside right-hand wheels of the vehicle within twelve inches of the edge of the curb. Upon streets or roadways not having a curb, a vehicle shall be stopped, standing, or parked with its right-hand wheels within twelve inches of the edge of the roadway. On a one-way roadway, a vehicle may be parked with the left-hand wheels adjacent to and within twelve inches of the left-hand curb or edge of the roadway of said one-way roadway. Upon a street or roadway which has been marked or signed for angle parking, vehicles shall be parked at the angle to the curb or edge of the roadway or street indicated by such marks or signs.

Subd. 2      This section shall not apply to the driver of any vehicle which is disabled while on the paved, or improved, or main traveled portion of a roadway in such a manner and to such an extent that it is impossible to avoid stopping and temporarily leaving said disabled vehicle in such position, except that said disabled vehicle shall be removed from said roadway within a reasonable time after said vehicle has become disabled.

Subd. 3      No person shall stop, stand, or park a vehicle, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic control device, in any of the following places: on a sidewalk; in front of a public or private driveway; within an intersection; within ten (10) feet of a fire hydrant; on a crosswalk; within twenty (20) feet of a crosswalk or an intersection; within thirty (30) feet upon the approach to any flashing beacon, stop sign, or traffic control signal located at the side of a roadway; between a safety zone and the adjacent curb or within thirty (30) feet of points on the curb immediately opposite the ends of a safety zone, unless a different length is indicated by signs or markings; within fifty (50) feet of the nearest rail of a railroad crossing; within twenty (20) feet of the driveway entrance to any fire station and on the side of a street opposite the entrance to any fire station and on the side of a street opposite the entrance to any fire station within 75 feet of said entrance when properly sign posted; alongside or opposite any street excavation or obstruction when such stopping, standing, or parking would obstruct traffic; on the

roadway side of any vehicle stopped or parked at the edge or curb of a street; upon any bridge or other elevated structure upon a highway or within a highway tunnel, except as otherwise provided by ordinance; and at any place where official signs prohibit stopping.

Subd. 4 No person shall move a vehicle not owned by such person into any prohibited area or away from a curb such distance as is lawful.

Subd. 5 No person shall, for camping purposes, leave or park a house trailer on or within the limits of any highway or on any highway right-of-way, except where signs are erected designating the place as a camp site.

Subd. 6 No person shall stop or park a vehicle on a street or highway when directed or ordered to proceed by any peace officer invested by law with authority to direct, control, or regulate traffic.

Subd. 7 No person shall stop, stand, or park a vehicle, except as otherwise provided herein, or unless directed to do so by a police officer, on any street or roadway within the City of Tonka Bay where the City Council of the City of Tonka Bay has established a "no parking" zone and such zone is marked by a sign.

Subd. 8 No person shall stop, stand, or park a vehicle for a longer time than is designated on signs stating a "limited parking" zone established by the City Council of the City of Tonka Bay.

Subd. 9 No person shall stop, stand or park any vehicle upon a street or roadway in the City of Tonka Bay in such a manner as to interfere with street maintenance operations, including the removal of snow, ice, and street waste. Whenever a police officer or employees of the City of Tonka Bay, charged with road repairing and maintenance, shall find it necessary, for the purpose of street maintenance operations as described herein, to move any vehicle standing on the roadway, said persons, their agents, or a duly authorized person, may move such vehicle to the extent necessary for such purpose.

Subd. 10 Whenever a police officer finds a vehicle standing upon a street or roadway in violation of any of the provisions of this ordinance, such officer, or such other person as he may direct, may move such vehicle, or said officer may require the driver or other person in charge of the vehicle to remove the same to a position off the paved, improved, or main traveled part of such roadway.

Subd. 11 No person shall stand, stop, or park a vehicle at any place where temporary signs prohibit parking.

Subd. 12 No person driving or in charge of a motor vehicle shall permit it to stand unattended on a grade without effectively setting the brakes thereon and turning the front wheel to the curb or side of the street or roadway.

Subd. 13 Every person parking a passenger automobile on a public street, roadway, or alley in the City of Tonka Bay shall lock the ignition, remove the key, and take the same with him.

Subd. 14 No person shall leave a motor vehicle standing upon a street or highway with the wheels chained, locked or fastened in such a manner that the motor vehicle cannot be easily moved in case of emergency.

Subd. 15 Any unoccupied vehicle found in violation of the provisions of this ordinance may be immediately removed and impounded by any police officer or person

duly authorized by said officer to remove and impound said vehicle. In the event a vehicle is impounded at the direction of a police officer, the owner or operator of said vehicle shall pay the authorized cost of towing and storage before said person shall be entitled to regain possession of said vehicle. The City Council shall approve by resolution the authorized costs of towing and storage of said vehicles.

Subd. 16 No person shall operate or park on any street or roadway a vehicle for the primary purpose of advertising, except when a special permit has been obtained from the City Council.

Subd. 17 No person shall wash, grease, or repair a vehicle upon a street, roadway, or highway, except such repairs as are necessitated by an emergency.

Subd. 18 No person shall place a vehicle on a highway to display the same for sale or exchange. A vehicle shall be deemed to be displayed in violation of this section when found standing upon a street or highway bearing a sign indicating that it is for sale or exchange.

Subd. 19 The owner or possessor of old machinery, wrecked or junked automobiles, or other junk or debris shall not permit the same to be stopped, standing, parked, placed, or stored upon a highway or roadway within the City of Tonka Bay. For the purpose of this section of this ordinance, a "junked vehicle" is one that is not registered and which does not possess a current Minnesota State auto license.

Subd. 20 No person shall park a boat trailer in an area East of County Road 19 which is the area between and including Tonka Bay Road and West Point Road  
(amended 5/28/15).

### **910.03 NO PARKING AND LIMITED PARKING ZONES**

Subd. 1 The City Council may, from time to time by motion or resolution, designate portions of the highways and streets within the City of Tonka Bay as no parking zones or limited parking zones and shall cause such zones to be marked by appropriate signs. The location of such signs limiting parking shall be prima facie evidence that the City Council has by proper resolution or motion authorized the establishment of such no parking or limited parking zones. The Council shall make a determination of such no parking zones or limited parking zones on the basis of convenience to the public and traffic hazards. No person shall park any vehicle in a no parking zone or any limited parking zone for a longer period than is specified on the signs marking such zones. No vehicle shall be parked continuously at any place or any public street for a period of more than 48 consecutive hours.

#### **Subd. 2 Authority to declare emergency**

Whenever in the opinion of the Mayor an emergency exists in the City of Tonka Bay or in a section or sections thereof, because of snow, freezing rain, sleet, ice, snowdrifts or other phenomena which create, or are likely to create hazardous road conditions impeding, or likely to impede, the free movement of fire, health, police, emergency or other vehicular traffic, or the safety and welfare of the community, the Mayor may declare an emergency to exist for a period of 72 hours and notice thereof shall be given by whatever means are available, such as posting signs or by word of mouth.

#### **Subd. 3 Emergency declared, parking prohibited**

Whenever such an emergency is so declared to exist, no vehicles shall be

parked or left standing on any street. Upon the declaration of a state of emergency, the Mayor may prohibit during the emergency the parking, standing or leaving of any vehicle upon any or all of the above designated snow or other emergency streets. Parking may be resumed on individual streets as soon as plowing has been completed on that street, for the full width, and said street has become passable.

Subd. 4 Removal of vehicles

If any vehicle is parked, abandoned or left standing in violation of the terms of this ordinance, the same may be moved by the City at the cost and expense of the owner thereof.

**910.04 OPERATION OF VEHICLES ON PUBLIC PROPERTY**

No person shall stop, stand, park, or operate any vehicle, or ride any bicycle or horse, except in compliance with the directions of a police officer, on any park property or other public grounds other than highways or roadways within the limits of the City of Tonka Bay. A person may stop, stand, park or operate a vehicle, or ride a bicycle or horse in such areas designated for such uses by appropriate signs permitting such uses on any park property or public ground. Failure to comply with any restrictions set out on such signs shall be considered a violation of this section.

**910.05 CARELESS DRIVING OFF HIGHWAYS**

No person shall operate or halt any vehicle upon any land other than a street, highway, or roadway, or on the frozen surfaces of any body of water within the harbor limits of the City of Tonka Bay, carelessly or heedlessly in disregard of the rights of the safety of others, or in a manner so as to endanger, or be likely to endanger, any person or property. Any person who violates any of the provisions of this section shall be guilty of a misdemeanor.

**910.06 VIOLATIONS**

Any person, firm, or corporation violating any of the provisions of this ordinance shall be guilty of a misdemeanor. However, if a minimum fine or imprisonment is prescribed by the State Highway Traffic Regulations for an offense, such penalty shall apply to a person, firm, or corporation convicted of said offense under this ordinance.

# Memo

**To:** Honorable Mayor and City Council  
**From:** Lindy Crawford, City Administrator  
**Date:** May 26, 2015  
**Re:** Deer Feeding – Ordinance Information

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This item has been continued from the April 28<sup>th</sup> meeting so that all Councilmembers would have the opportunity to discuss the provided information.

Staff has attached the language the City of Shorewood uses for the prohibition of deer feeding. Also, staff has attached the survey conducted in Tonka Bay this past season.

**Council Action Requested:**  
Review and Discuss.

## Shorewood, MN Code of Ordinances

TITLE 700 ANIMAL REGULATIONSCHAPTER 704 PROHIBITION ON FEEDING DEER**CHAPTER 704****PROHIBITION ON FEEDING DEER**

## Section

704.01 Purpose704.02 Prohibition on supplemental deer feeding704.03 Exemptions from provisions704.04 Violation**704.01 PURPOSE.**

It is hereby determined that an increasing population of deer within the city poses a threat to public safety by increasing the likelihood of deer-vehicle collisions, and the transmission of diseases to humans from deer; poses a threat to native plant and animal life by excessive foraging which disturbs natural ecological balances; and poses a threat to the quality of life by deer-related damage to landscaping and vegetable gardens. This chapter is intended to reduce these threats by restricting supplemental feeding of deer, which results in unnatural concentrations of deer and can affect the normal movement of deer within the community. It is not the intent of this chapter to regulate the recreational feeding of birds.

(Ord. 478, passed 8-22-2011)

**704.02 PROHIBITION ON SUPPLEMENTAL DEER FEEDING.**

No resident may place or permit to be placed on the ground, or within five feet of the ground surface any grain, fodder, salt licks, fruit, vegetables, nuts, seeds, hay or other edible materials which may reasonably be expected to intentionally result in deer feeding, unless such items are screened or protected in a manner that prevents deer from feeding on them. Living fruit trees and other live vegetation shall not be considered as supplemental deer feeding.

(Ord. 478, passed 8-22-2011)

**704.03 EXEMPTIONS FROM PROVISIONS.**

The prohibition described in § 704.02, above shall not apply to:

- Subd. 1. Veterinarians, city animal control officials or county, state or federal game officials who are in the course of their duties and have deer in their custody or under their management;
- Subd. 2. Persons authorized by the City of Shorewood to implement the Deer Management Program approved by the City Council; or
- Subd. 3. Any food placed upon the property for purposes of trapping or otherwise taking deer where such trapping or taking is pursuant to a permit issued by the Minnesota Department of Natural Resources.

(Ord. 478, passed 8-22-2011)

**704.04 VIOLATION.**

Any person who violates any of the provisions of this chapter shall be deemed guilty of a Class A Offense, pursuant to § 104.03 of this code.

(Ord. 478, passed 8-22-2011)

**Disclaimer:**

This Code of Ordinances and/or any other documents that appear on this site may not reflect the most current legislation adopted by the Municipality. American Legal Publishing Corporation provides these documents for informational purposes only. These documents should not be relied upon as the definitive authority for local legislation. Additionally, the formatting and pagination of the posted documents varies from the formatting and pagination of the official copy. The official printed copy of a Code of Ordinances should be consulted prior to any action being taken.

# CITY OF TONKA BAY DEER/TURKEY SURVEY RESULTS

Total No. Surveys Received: 87

## Survey Question Responses

Note: some questions were unanswered

QUESTION	YES	NO
1. Do you think the City of Tonka Bay has an overpopulation of deer?	26	59
2. Should the City prohibit the feeding of deer?	46	38
3. Should the City contract to reduce the population of deer in the City?	24	59
4. Do you think the City of Tonka Bay has an overpopulation of turkeys?	21	62
5. Should the City prohibit the feeding of turkeys?	33	43
6. Should the City contract to reduce the population of turkeys in the City	17	69

## Streets represented:

No address listed (21)	Pearl Street
Birch Bluff Road (4)	Pleasant Avenue (5)
Circle Road (2)	Pleasant Lane East
Clay Cliffe Drive	Pleasant Lane West
Crabapple Lane	Sunrise Avenue (3)
Echo Bay Drive (3)	Tonka Bay Lane (2)
Florence Drive	Waseca Avenue
Highland Avenue (3)	West Point Circle
Hillcrest Drive	West Point Court (4)
Interlachen Lane	West Point Drive (6)
Lakeview Avenue (2)	West Point Road (2)
Lilah Lane	Wildhurst Road (4)
Manitou Road (9)	Woodlawn Avenue (2)
Mound Avenue	Woodpecker Ridge Road (3)

## Additional Comments:

1. Some want to cut more trees and make the city less interesting. We are lucky to have the few wild animals that populate our area. The deer eat my hostas and arborvitae – so what!
2. Deer are causing damage to landscaping and pose a threat to small children.
3. The feeding brings our raccoons (numerous) and other critters.
4. I think the numbers vary by year – sometimes a lot, sometimes rarely see.
5. It's bad enough that Shorewood has a deer hunt in marshes and parks that I'm walking my dog in, but there's no notification that it's going on to warn me. I moved out here because of the wildlife.
6. We don't see many in our neighborhood (Lakeview Avenue).
7. I do have deer in my yard on occasion but less than monthly. Have not seen a turkey here (Crabapple Lane).

8. I think there are a total of six deer in the City (one family). They eat our plants, but we don't need to kill them because of that!!
9. Wild animals should forage for themselves or move along. Limit human interaction as much as possible. They pose no immediate threat.
10. Let nature be nature.
11. Feeding of turkeys could draw deer to those feeders.
12. How could you regulate feeding deer & turkey – they can't read.
13. #3 – depending on cost – no new taxes
14. I do not see a problem with wildlife. I am more troubled by the mobs of cyclists violating traffic laws.
15. If you do shoot deer, make it only does. Shorewood shooter was walking in my yard without asking. Scared my wife.
16. The problem for many is the geese and ducks – Medicine Lake does not allow any feeding of animals, and their water quality has improved.
17. Focus City Hall energy on excessive automobile traffic and excessive speed on Birch Bluff Road.
18. We enjoy the wildlife and consider it a blessing for us to enjoy and appreciate. Yes, sometimes my flowers are eaten but a fence works. Thank you for asking.
19. The turkeys are not a problem for me at all. The deer eat many of my plants. If people are feeding them, they aren't getting full. I don't want to see them killed for eating my hostas.
20. I don't know if the City is overpopulated. I do know we've only seen three in the last 2-3 years in our area.
21. Deer population is too extreme! Out of control! Big problem!
22. We live on Woodlawn Avenue. I have never seen a turkey and a couple of deer only several times.
23. I recommend getting from the DNR area wildlife person
24. Part of the reason we moved here is because of the trees and animals. Please do not let one neighbor cause drastic changes.
25. What a waste of time!
26. We love the deer and turkeys in Tonka Bay.
27. My family actually enjoys the wildlife and not found them to be a problem.
28. Let people feed the critters; manage the population as needed.
29. Please take care of this problem. The animal feces are dangerous for our pets and children. Thank you!
30. There were 31 turkeys in my yard this morning (Highland Avenue)! Gobble gobble
31. I like to watch them behind my house.
32. Don't feed any wild animals.
33. Friends and neighbors enjoy feeding and watching deer.
34. We've happily co-existed the past several years with herds of deer ranging in numbers from 5-14. They're beautiful, interesting creatures, and their presence adds to the enjoyment of life in Tonka Bay. Deer repellent keeps landscape damage to a minimum. Our local environment is becoming more sterile by the year. Please don't go overboard by killing the deer. Thanks!
35. The damage and feces left by these animals is a health hazard.
36. The turkeys are actually aggressive towards people now. Do not feed wild animals!
37. Overpopulation of deer makes it impossible for the neighbors to plant flowers in the summer. They continue to eat them all summer. The deer roam in our yard with their babies.
38. It is nice to see them even though I have to wait for them to cross the road.
39. We enjoy watching the wildlife. It seems like the population is already down from years past.

40. There is only one group of turkeys (8-ish). There is only a small group of deer! Not a problem. They eat my hostas – no big deal! Tell the complainers to move to the city where there is a lot of cement and no wildlife!
41. There are more urgent and important issues to address such as pedestrian safety on our roads. Raccoons are more of a problem!!
42. Turkeys are become aggressive toward people again. Don't turn your back!
43. Feeding wild animals facilitates aggressive behaviors in wild animals.
44. Who feeds the Deer? Prohibit is a strong term. How would it be enforced? How about educating residents on the harm they do feeding the wild animals. The deer have been dangerous on County Road 19. What defines overpopulation for a bird? Who feeds the turkeys? Why contract? Or reduce the population of the raccoons, squirrels...
45. The deer and rabbits eat my flowers but any anti-animal spray seems to work – having wild animals around is nice.
46. I've seen deer and turkey car accidents. I have had near miss accidents myself. We currently have 19 turkeys pass through our yard daily. They are mean.
47. Thanks for doing this and asking us. If my yard count represents this year's normal, I would say the herd is down by 75-80%, and as such, is acceptable but defines a management point for the herd in future years.
48. If you feed birds, do you by default feed the turkeys?
49. Please take care of this problem as soon as possible,
50. I hunt and feel that wild animal population control may be necessary in certain circumstances but I do not feel that our city is experiencing any health or safety issues regarding our deer and turkey populations. Our herds appear healthy. There aren't numerous (if any) deer and car collisions in our city and from what I have seen, there are seemingly fewer deer this year than in previous years. If people in the city are worried about their landscaping being eaten, they shouldn't live in the suburbs or they should consider installing a fence. I also don't believe there is enough open public space to safely hunt the deer or turkeys. I do think there is plenty of scientific evidence that suggests that feeding the deer can spread disease or cause the deer health problems and; therefore, the practice of feeding the deer should be outlawed.
51. We have lived out here all summer, fall and winter. We have seen two deer in that time and one turkey! We enjoy seeing the wildlife.

Last updated: January 8, 2015

# Memo

To: Honorable Mayor and City Council  
 From: Lindy Crawford, City Administrator  
 Date: May 26, 2015  
 Re: Lake Minnetonka Conservation District (LMCD) Draft 2016 Budget

Attached you will find the LMCD's draft 2016 budget. The proposed levy shows a decrease over the 2015 levy which will result in an 11.3% decrease (\$1,359) in Tonka Bay's levy in 2016. Tonka Bay's share will be \$10,665.

As noted in the attached letter from Executive Director Greg Nybeck, there will be a review and comment session scheduled for Thursday, June 4<sup>th</sup> at 11 a.m. at the LMCD office. Also, our LMCD Representative Gregg Thomas will be present at the June 23<sup>rd</sup> City Council meeting at which time formal action can be taken on this budget.

The LMCD levy amount is budgeted in the General Fund under Miscellaneous. The chart below shows the City's share of the levy and increase/ decrease for the past seven years:

	2010	2011	2012	2013	2014	2015	2016
<b>Levy</b>	11,504	11,848	11,677	12,077	12,269	12,024	10,665
<b>Increase (Decrease)</b>	4.2%	3.0%	(1.4%)	3.4%	1.6%	(2.0%)	(11.3)

*Attached is a letter to member cities from Greg Nybeck.  
 Attached is a copy of the draft 2016 LMCD budget.*

**Council Action Requested:**  
 For your information.



# LAKE MINNETONKA CONSERVATION DISTRICT

5341 MAYWOOD ROAD, SUITE 200 • MOUND, MINNESOTA 55364 • TELEPHONE 952/745-0789 • FAX 952/745-9085

Gregory S. Nybeck, EXECUTIVE DIRECTOR

May 15, 2015

TO: LMCD City Administrators  
LMCD Board Members

FROM: Greg Nybeck, Executive Director

SUBJECT: Draft 2016 LMCD Budget

Enclosed is a copy of the draft 2016 Lake Minnetonka Conservation District (LMCD) Budget. The LMCD invites you to attend a review and comment session scheduled for Thursday, June 4<sup>th</sup>, at 11 a.m. in the LMCD office.

By state statute, the allocation of levy to the 14 member cities is based on their percentage of the cumulative net tax capacity, with no city paying greater than 20% of the overall levy. The LMCD Board has considered and recognizes the economic challenges the member cities are currently facing. Thus, a decrease in the overall levy is proposed.

Highlights of the draft 2016 LMCD Budget include the following:

<b>Draft 2016 LMCD Budget</b>	
<b>Budget Highlights</b>	<b>Details</b>
Overall Levy	10.4% decrease (\$306,866 compared to \$342,492 in 2015).
Total Expenditures	2.1% decrease (\$570,366 compared to \$582,492 in 2015).
Personnel Services	0.2% increase (\$254,738 compared to \$254,216 in 2015). Compensation adjustments are proposed at up to 2.5% in Contingency and will be based on performance (see enclosed survey).
Office Lease & Storage	2.5% increase (\$17,609 compared to \$17,180 in 2015).
Eurasian Watermilfoil (EWM) Harvesting Program	\$85,500 for EWM mechanical harvesting of public navigational areas (10% decrease from 2015 due to whole bay and large scale herbicide treatments coordinated by Lake Minnetonka Association). A \$30,000 grant is anticipated from the MN DNR.
Equipment Replacement Fund	\$17,500 in transfers (\$15,000 from the AIS Reserve Fund and \$2,500 from the Administration Reserve Fund) for future replacement of EWM capital equipment (compared to \$35,000 in 2015).
Aquatic Invasive Species Prevention & Management	\$40,000 for watercraft inspections through various partnerships. A \$4,000 grant from the MN DNR and a \$20,000 grant from the Minnehaha Creek Watershed District are anticipated.

The LMCD values your review and input. Please let me know if you would like me to attend an upcoming city council meeting to discuss the draft 2016 LMCD Budget or to review LMCD activities and projects. Review and approval by the LMCD Board is planned for the June 10<sup>th</sup> meeting.



## LAKE MINNETONKA CONSERVATION DISTRICT 2016 BUDGET AND LEVY (DRAFT)

City	2010 U.S. Census Population Data	2014 Taxable Market Value	2014 Net Tax Capacity	% of Total Net Tax Capacity (Note 1)	Share of Admin. Levy in 2016	Share of AIS Levy in 2016	Share of Total Levy in 2016	Share of Total Levy in 2015	Increase in Total Levy from 2015	% of Increase from 2015
DEEPHAVEN	3,642	1,032,251,985	11,581,247	5.0%	\$16,325	\$4,914	<b>\$21,239</b>	\$23,018	-\$1,779	-7.7%
EXCELSIOR	2,188	370,753,654	4,630,478	2.0%	\$6,527	\$1,965	<b>\$8,492</b>	\$9,053	-\$561	-6.2%
GREENWOOD	688	287,137,820	3,276,453	1.4%	\$4,618	\$1,390	<b>\$6,009</b>	\$6,560	-\$551	-8.4%
MINNETONKA	49,734	7,755,295,658	97,592,653	42.2%	\$47,173	\$14,200	<b>\$61,373</b>	\$68,498	-\$7,125	-10.4%
MTKA BEACH	539	279,018,887	3,254,759	1.4%	\$4,588	\$1,381	<b>\$5,969</b>	\$5,738	\$231	4.0%
MINNETRISTA	6,384	1,286,340,955	13,666,702	5.9%	\$19,264	\$5,799	<b>\$25,063</b>	\$28,290	-\$3,227	-11.4%
MOUND	9,052	1,006,507,064	10,665,953	4.6%	\$15,034	\$4,526	<b>\$19,560</b>	\$21,276	-\$1,716	-8.1%
ORONO	7,437	2,431,401,691	27,566,309	11.9%	\$38,857	\$11,697	<b>\$50,553</b>	\$59,334	-\$8,781	-14.8%
SHOREWOOD	7,307	1,449,497,111	15,926,414	6.9%	\$22,449	\$6,758	<b>\$29,207</b>	\$33,032	-\$3,825	-11.6%
SPRING PARK	1,669	216,026,342	2,578,200	1.1%	\$3,634	\$1,094	<b>\$4,728</b>	\$5,545	-\$817	-14.7%
TONKA BAY	1,475	512,085,023	5,815,803	2.5%	\$8,198	\$2,468	<b>\$10,665</b>	\$12,024	-\$1,359	-11.3%
VICTORIA	7,345	1,162,010,000	12,231,055	5.3%	\$17,241	\$5,190	<b>\$22,430</b>	\$23,344	-\$914	-3.9%
WAYZATA	3,688	1,494,142,332	19,605,682	8.5%	\$27,636	\$8,319	<b>\$35,954</b>	\$40,215	-\$4,261	-10.6%
WOODLAND	437	262,265,908	3,066,103	1.3%	\$4,322	\$1,301	<b>\$5,623</b>	\$6,564	-\$941	-14.3%
	101,585	19,544,734,430	231,457,811	100.0%	\$235,866	\$71,000	<b>\$306,866</b>	\$342,491	-\$35,625	-10.4%

Maximum Levy Per MN statute 103B.635 (Total Taxable Market Value \* .00242%):

\$472,983

(Note 1) Per MN statute 103B.631, no city may pay more than 20% of the total levy. The City of Minnetonka would pay a constant 20% of any amounts to be levied.

Remaining cities factor for determining levy amounts is computed as: (City Net Tax Capacity / ( Total Net Tax Capacity - Minnetonka Net Tax Capacity ) ) \* 80%

Total Net Tax Capacity	231,457,811
less Minnetonka Net Tax Capacity	(97,592,653)
Net Tax Capacity for remaining 13 cities	133,865,158

## 2016 BUDGET DETAIL (Draft)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 Actual Projected	2016 Budget	Footnote # See Appendix A
<b>REVENUES</b>							
<b>1. Administration</b>							
a) LMCD Communities Levy	238,652	245,990	245,990	247,992	247,992	235,866	
b) Use from Administration Reserve	34,096	19,565	0	0	0	17,500	1
c) Court Fines	55,611	55,000	62,156	55,000	55,000	55,000	
d) Licenses	110,382	115,000	114,586	115,000	115,000	115,000	
e) Other Public Agencies	696	0	696	500	500	500	
f) Interest	2,055	1,250	1,358	2,000	1,250	1,500	
g) Other Income	2,259	2,000	1,043	2,000	2,000	2,000	
<b>SUB-TOTAL ADMINISTRATION</b>	<b>443,751</b>	<b>438,805</b>	<b>425,829</b>	<b>422,492</b>	<b>421,742</b>	<b>427,366</b>	
<b>2. Aquatic Invasive Species</b>							
a) LMCD Communities Levy	91,951	94,625	94,625	94,500	94,500	71,000	
b) Other Public Agencies	51,893	30,000	51,841	30,000	53,500	54,000	2
c) Use from AIS Reserve	0	0	0	0	0	0	
d) Interest	484	375	0	500	500	500	
<b>SUB-TOTAL AQUATIC INVASIVE SPECIES</b>	<b>144,328</b>	<b>125,000</b>	<b>146,466</b>	<b>125,000</b>	<b>148,500</b>	<b>125,500</b>	
<b>3. Equipment Replacement</b>							
a) Transfers from Administration and AIS Reserves	25,000	25,000	25,000	35,000	35,000	17,500	
b) Receipt from LMCIT	0	0	0	0	0	0	
c) Use from Equipment Replacement Reserve	0	0	0	0	0	0	
<b>SUB-TOTAL EQUIPMENT REPLACEMENT</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>35,000</b>	<b>35,000</b>	<b>17,500</b>	
<b>TOTAL REVENUES</b>	<b>613,079</b>	<b>588,805</b>	<b>597,295</b>	<b>582,492</b>	<b>605,242</b>	<b>570,366</b>	
<b>Total Levy</b>	<b>330,603</b>	<b>340,615</b>	<b>340,615</b>	<b>342,492</b>	<b>342,492</b>	<b>306,866</b>	
<b>DISBURSEMENTS</b>							
<b>ADMINISTRATION</b>							
<b>1. Personnel Services:</b>							
a) Salaries- excludes EWM Project Management time	198,718	200,524	203,829	204,488	207,618	205,100	3
b) FICA & Medicare	15,199	15,340	15,502	15,643	16,068	15,690	4
c) Employer Benefit Contributions	31,802	33,279	32,397	34,085	32,707	33,948	5
<b>SUB-TOTAL PERSONNEL SERVICES</b>	<b>245,719</b>	<b>249,143</b>	<b>251,728</b>	<b>254,216</b>	<b>256,393</b>	<b>254,738</b>	
<b>2. Contractual Services:</b>							
a) Office Lease & Storage	39,143	47,409	16,760	17,180	17,180	17,609	6
b) Professional Services	2,130	2,500	2,054	2,500	2,500	2,500	7
<b>SUB-TOTAL CONTRACTUAL SERVICES</b>	<b>41,273</b>	<b>49,909</b>	<b>18,814</b>	<b>19,680</b>	<b>19,680</b>	<b>20,109</b>	

## 2016 BUDGET DETAIL (Draft)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 Actual Projected	2016 Budget	Footnote # See Appendix A
<b>3. Office &amp; Administration:</b>							
a) Office, General Supplies	3,943	4,500	4,077	4,500	4,500	4,500	
b) Telephone	2,190	2,160	2,621	2,460	2,640	2,640	
c) Website, Internet, & E-mail			228	300	300	300	
d) Postage	3,637	5,000	4,968	5,000	5,000	5,000	
e) Printing, Publications, Advertising	9,996	10,500	11,575	11,000	11,500	12,000	8
f) Maintenance, Office Equipment	850	1,100	917	1,100	1,100	1,100	
g) Subscriptions, Memberships	1,611	1,700	1,677	1,700	1,700	1,768	
h) Insurance, Bonds	7,205	7,000	6,591	7,250	7,250	7,250	9
i) Public Information, Legal Notices	939	1,000	1,435	1,000	1,000	1,000	
j) Meeting Expenses	3,833	4,500	5,786	4,260	4,350	4,500	
k) Media (Cable & Internet)			0	3,300	3,600	3,600	10
l) Mileage	1817	2000	1514	2000	2000	2000	
m) Employee Training	0	400	50	400	400	400	
<b>SUB-TOTAL OFFICE &amp; ADMINISTRATION</b>	<b>36,021</b>	<b>39,860</b>	<b>41,439</b>	<b>44,270</b>	<b>45,340</b>	<b>46,058</b>	
<b>4. Capital Outlay:</b>							
a) Furniture & Equipment	0	1,000	478	1,500	1,500	1,500	
b) Computer Software & Hardware	543	2,000	1,583	2,000	2,000	2,000	11
<b>SUB-TOTAL CAPITAL OUTLAY</b>	<b>543</b>	<b>3,000</b>	<b>2,061</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	
<b>5. Legal:</b>							
a) Legal Services	31,674	32,000	40,744	32,000	32,000	32,000	12
b) Prosecution Services	50,963	45,000	29,738	45,000	45,000	45,000	13
c) Hennepin County Room & Board	317	1,000	812	1,000	1,000	1,000	
<b>SUB-TOTAL LEGAL</b>	<b>82,954</b>	<b>78,000</b>	<b>71,294</b>	<b>78,000</b>	<b>78,000</b>	<b>78,000</b>	
<b>6. Contract Services/Studies:</b>							
a) Audit	7,050	7,268	7,250	7,486	7,486	7,711	
b) Information Technology	81	500	303	750	750	750	
<b>SUB-TOTAL CONTRACT SERVICES/STUDIES</b>	<b>7,131</b>	<b>7,768</b>	<b>7,553</b>	<b>8,236</b>	<b>8,236</b>	<b>8,461</b>	
<b>7. Code Enforcement Program</b>	<b>3,410</b>	<b>4,000</b>	<b>11,940</b>	<b>4,590</b>	<b>4,500</b>	<b>4,500</b>	
<b>8. Administration Reserve Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>9. Equipment Replacement Fund</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	14
<b>10. Contingency</b>	<b>26,700</b>	<b>7,125</b>	<b>3,073</b>	<b>10,000</b>	<b>20,000</b>	<b>12,000</b>	
<b><u>TOTAL ADMINISTRATION</u></b>	<b><u>468,751</u></b>	<b><u>463,805</u></b>	<b><u>432,902</u></b>	<b><u>422,492</u></b>	<b><u>435,649</u></b>	<b><u>429,866</u></b>	

**2016 BUDGET DETAIL (Draft)**

	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 Actual Projected	2016 Budget	Footnote # See Appendix A
<b>AQUATIC INVASIVE SPECIES (AIS)</b>							
1. Eurasian Watermilfoil (EWM) Harvesting Program	79,428	95,000	97,496	95,000	95,000	85,500	15
2. Equipment Replacement Fund	0	0	0	35,000	35,000	15,000	16
3. AIS Reserve Fund	0	0	0	0	0	0	
4. Herbicide Treatment Program	0	0	0	0	0	0	
5. AIS Prevention & Management Programs	33,472	30,000	35,492	30,000	39,000	40,000	17
<b>EQUIPMENT REPLACEMENT FUND</b>							
1. Purchase of New Mechanical Harvester	0	0	0	0	0	0	
<b><u>TOTAL AQUATIC INVASIVE SPECIES</u></b>	<b><u>112,900</u></b>	<b><u>125,000</u></b>	<b><u>132,988</u></b>	<b><u>160,000</u></b>	<b><u>169,000</u></b>	<b><u>140,500</u></b>	
<b><u>TOTAL DISBURSEMENTS</u></b>	<b><u>581,651</u></b>	<b><u>588,805</u></b>	<b><u>565,890</u></b>	<b><u>582,492</u></b>	<b><u>604,649</u></b>	<b><u>570,366</u></b>	

**Lake Minnetonka Conservation District (LMCD)  
Draft 2016 LMCD Budget  
Appendix A**

**Use from Administration Reserve Fund (Footnote #1)**

A \$17,500 reserve fund transfer has been budgeted for 2016. Further analysis of this reserve fund balance is detailed on the last page of Appendix A.

**Other Public Agencies (Footnote #2)**

It is anticipated that: 1) the MN DNR will fund the LMCD with a grant of \$30,000 for mechanical harvesting, 2) the MN DNR will fund the LMCD with a grant of \$4,000 for watercraft inspections, and 3) the MCWD will fund the LMCD with a grant of \$20,000 for watercraft inspections.

**Salaries (Footnote #3)**

	<b>2016 estimated actual</b>
Executive Director	\$81,210.59 (*)
Administrative Technician (also serves as EWM Project Manager)	\$58,240.00 (*)
Less 2 pay periods for EWM Project Manager	-\$4,853.33
Administrative Assistant/Code Enforcement	\$50,668.80 (*)
Administrative Clerk (part-time)	\$17,833.92
Seasonal Code Enforcement (part-time)	\$2,000.00
	<b>\$205,099.98 (**)</b>

(\*) Salaries will be grossed up to pay for long-term disability insurance for full-time LMCD employees

(\*\*) Salary adjustments & limited overtime (including F.I.C.A., medicare, & P.E.R.A.) are included in Contingency (line-item 10)

**F.I.C.A. & Medicare (Footnote #4)**

Total Salaries- including EWM Project Management (7.65%)	\$16,061.43
Less 2 pay periods for EWM Project Manager	\$371.28
	<b>\$15,690.15</b>

**Employer Benefit**

**Contributions (Footnote #5)**

P.E.R.A. (7.50%)	\$15,596.50
NCPERS Life Insurance	\$576.00
Medical & Dental Insurance	\$17,775.16
	<b>\$33,947.66</b>

**Office Lease & Storage (Footnote #6)**

	Monthly Rate	Months	
	\$1,458.32	9	\$13,124.88
	\$1,494.78	3	\$4,484.34
			<b>\$17,609.22</b>

**Professional Services (Footnote #7)**

Contracted Payroll & Taxes	\$2,000.00
Contracted Bookkeeping Consulting	\$500.00
	<b>\$2,500.00</b>

<b>Printing, Publications, &amp; Advertising (Footnote #8)</b>	\$12,000 has been budgeted for two LMCD Newsletters, the re-printing of the Summer and Winter Rules brochures, and other LMCD literature.
<b>Insurance, Bonds (Footnote #9)</b>	\$7,250 has been budgeted with the League of Minnesota Cities for insurance for the LMCD.
<b>Media (Cable &amp; Internet) (Footnote #10)</b>	\$3,600 has been budgeted to contract with a producer and on-line viewing of LMCD Board Meetings.
<b>Computer Software &amp; Hardware (Footnote #11)</b>	\$2,000 has been budgeted for information technology, hardware, and software updates.
<b>Legal Services (Footnote #12)</b>	\$32,000 has been budgeted for legal services, which will be partially off-set by charging expenses back to applicants.
<b>Prosecution Services (Footnote #13)</b>	\$45,000 has been budgeted for prosecution services. These expenses will be offset by projected \$55,000 of court fines.
<b>Equipment Replacement Fund (Footnote #14)</b>	\$2,500 has been budgeted for replacement of depreciated EWM Harvesting Equipment.
<b>EWM Harvesting Program (Footnote #15)</b>	A 9-week mechanical harvesting program is planned from mid June through mid August to manage EWM on Lake Minnetonka. Harvesting priorities will be based on impediments to public navigation to the open water due to EWM growth (in particular matted areas). All areas that dictate the need for harvesting will be done at least once, with high growth areas being harvested twice (time permitting). Further details of the proposed project (including a more detailed budget) will be provided in the spring of 2016.
<b>Equipment Replacement Fund (Footnote #16)</b>	\$15,000 has been budgeted for replacement of depreciated EWM Harvesting Equipment (in addition to Footnote #14).
<b>AIS Prevention &amp; Management Programs (Footnote #17)</b>	\$40,000 has been budgeted for unspecified AIS management and prevention programs (most likely watercraft inspections). Similar to past years, the LMCD will seek partnerships for the implementation of these projects (in particular funding partners from the MN DNR and MCWD).

**RESERVE FUND ANALYSIS:**

	<b>Administration</b>	<b>AIS</b>	<b>Equipment Replacement Fund</b>
<b>2015</b>			
12/31/14 Balance	\$235,036	\$109,339	\$67,472
Reserve Fund Contribution	\$0	\$0	\$0
Transfer from Reserve Fund	(\$13,157)	\$0	\$0
Transfer to Equip. Repl. Fund	\$0	(\$35,000)	\$35,000
Projected 12/31/15 Balance	<b>\$221,879</b>	<b>\$74,339</b>	<b>\$102,472</b>
<b>2016</b>			
Projected 12/31/15 Balance	\$221,879	\$74,339	\$102,472
Reserve Fund Contribution	\$0	\$0	\$0
Transfer from Reserve Fund	(\$17,500)	\$0	\$0
Transfer to Equip. Repl. Fund	(\$2,500)	(\$15,000)	\$17,500
Projected 12/31/16 Balance	<b>\$201,879</b>	<b>\$59,339</b>	<b>\$119,972</b>
<b>Projected % of 2015 Annual Budget</b>	<b>47.8%</b>	<b>47.5%</b>	

**Lake Minnetonka Conservation District (LMCD)  
Salary and Hourly Rate Adjustments Survey (2010-2015)**

<b>Public Agency</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Deephaven</b>	0%	2%	1%	2%	2%	2.50%
<b>Excelsior</b>	0%	2%	1%	2%	2%	2.50%- union employees (same anticipated for non-union)
<b>Greenwood</b>	Contracts with the City of Deephaven					
<b>LMCD</b>	0%	2%	1.5%	2%	2%	2.50%
<b>MCWD</b>	2%	2%	3%	5%	3% (met expectations)	3% (met expectations) plus pay for performance (ranged from 1-3%)
<b>Minnetonka</b>	1.81%	1.56%	1.46%	1.44%	1.83% (non union employees)	1.63% (1% annual increase & market analysis for each position) Public work employees not settled (city % could change)
	Increases in 2011 were split in January and July. This is the overall average (non-union). Every employee receives a 1% & based on a market analysis, some positions receive a market increase.					
<b>Minnetonka Beach</b>	2%	2%	1%	1%	3.50%	3.50%
	(Plus 3.5% step increases to those eligible)					
<b>Minnetrista</b>	1%	0%	2%	1%		
<b>Mound</b>	0%	1%	1%	\$ .50 per hour for all employees (\$1,040- full time)	\$ .50 per hour for all employees (\$1,040- full time)	\$ .50 per hour for all employees (\$1,040- full time)
<b>Orono</b>	1%	1%	1% (July, 2012)	1%	2.0% (police) 1.5% lump sum (non union)	2.5% (police) 1.5% COLA & 1% lump sum (non union)
<b>Shorewood</b>	2% budgeted each year from 2010-2013 for non-union employees. Funds were put in a pool & adjustments were based on performance & position in the market range for each employee. The average has been 1.5% the past couple of years (varies by position).					
<b>Spring Park</b>	2%	3%	3%	3.75%	3%	3% was the norm
	(These numbers include COLA increases)					
<b>Tonka Bay</b>	0.83%	1%	1%	1%	2%	2%
<b>Victoria</b>	1%	1%	1%	2%	2%	2% was typical (average was 2.18%)
<b>Wayzata</b>	0%	0%	1.5%	2%	2% COLA (non union) 2% COLA & 2% market adjustment (police)	2% on 4/1 (police) Non union (ranged from 1% to 4%)
<b>Woodland</b>	Contracts with the City of Deephaven					



***Memorandum***

**To:** *Honorable Mayor, City Council, and Staff  
c/o Lindy Crawford, City Administrator*

**From:** *Justin Messner, PE  
Tonka Bay City Engineer*

**Date:** *May 20, 2015*

**Re:** *Approve Plans and Specifications and Ordering Advertisement for Bids  
2015 Sanitary Sewer Improvement Project  
Tonka Bay, MN  
WSB Project No. 01987-013*

**Background Information:**

The proposed 2015 Sanitary Sewer Pipe Lining Project consists of lining 1,300 lineal feet of clay tile pipe with a cured-in-place epoxy resin pipe liner. City Staff is proposing to bid the project with the City of Excelsior's annual sewer lining project. The City of Excelsior will administer the construction contract.

➤ ***Advantages***

Sanitary sewer lining restores the structural integrity of the sewer pipe and eliminates ground water for entering the system which can reduce pipe capacity and result in unnecessary sewer treatment charges.

➤ ***Disadvantages***

There are costs associated with the improvement.

**Financial/Budget Impacts:**

The estimated project cost is **\$42,750**.

➤ ***Funding Sources***

Potential funding sources for the project are the City's sanitary sewer utility fund.

➤ ***Long-Term & Short-Term Costs***

The proposed project will reduce the need for annual sewer replacements by restoring the pipe structure. Long-term costs will continue to include regular sewer maintenance and cleaning to ensure the system is in proper working order.

**Requested Action:**

Accept the plans and specifications and authorize the advertisement of bid for the 2015 Sanitary Sewer Pipe Lining Project.

**Staff Recommendation:**

Staff is recommending the City Council accept the plans and specifications and authorize the advertisement of bid for the 2015 Sanitary Sewer Pipe Lining Project.

**Voting Requirements:**

A simple majority of the Council Members present is required to take action on the matter.

**Attachments:**

1. Copy of the Plans
2. Resolution accepting the plans and specifications and authorizing the advertisement for bids for the 2015 Sanitary Sewer Pipe Lining Project.

**WSB  
Engineer's Estimate**

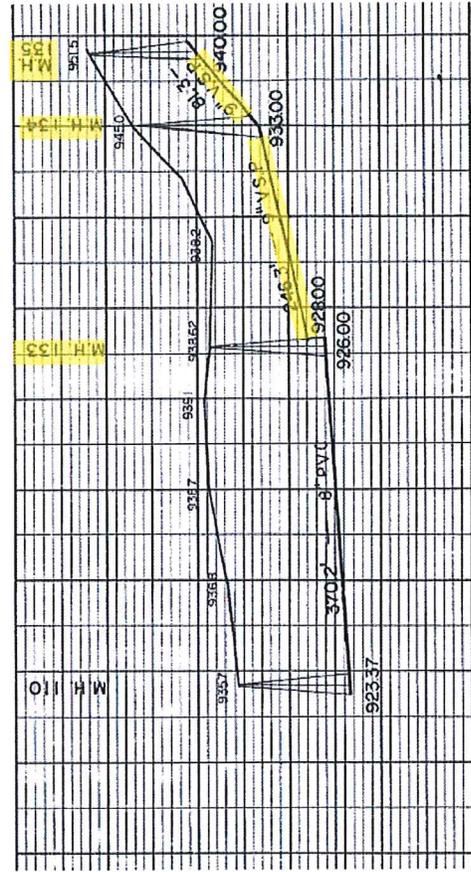
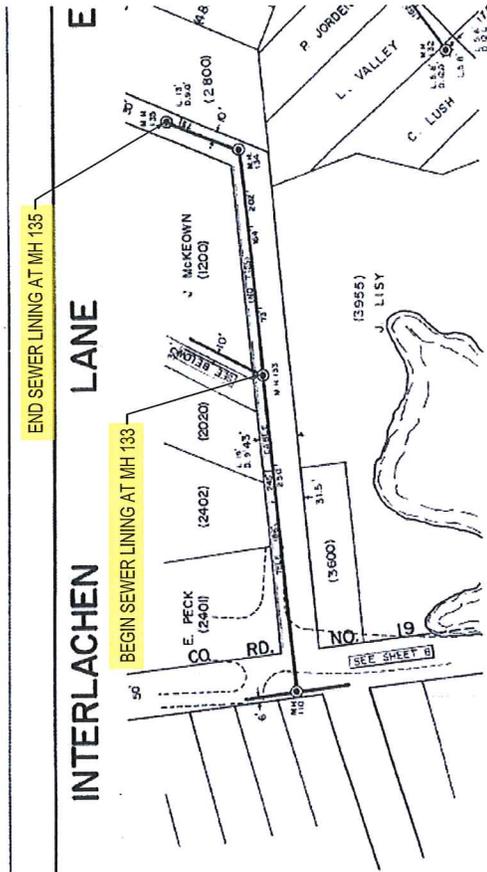
<b>Project Number: 02073-29</b>						
<b>Project Title or Name: EXCL- 2015 Sanitary Sewer Lining Project</b>						
<b>Work Type: Final Design</b>						
Item No.	Description	Units	Base Bid / Alternate	Quantity	Unit Price	Total Price
<b>SCHEDULE A - EXCELSIOR SEWER LINING</b>						
2021.501	MOBILIZATION	LS	Base Bid	1.00	\$3,000.00	\$3,000.00
2503.603	8" CURED-IN-PLACE PIPE SYSTEM	LIN FT	Base Bid	3,466.00	\$21.20	\$73,479.20
2503.603	12" CURED-IN-PLACE PIPE SYSTEM	LIN FT	Base Bid	305.00	\$38.90	\$11,864.50
2563.601	TRAFFIC CONTROL	LS	Base Bid	1.00	\$2,000.00	\$2,000.00
<b>Total SCHEDULE A - EXCELSIOR SEWER LINING</b>						<b>\$90,343.70</b>
<b>SCHEDULE B - TONKA BAY SEWER LINING</b>						
2021.501	MOBILIZATION	LS	Base Bid	1.00	\$2,000.00	\$2,000.00
2503.603	8" CURED-IN-PLACE PIPE SYSTEM	LIN FT	Base Bid	128.80	\$50.00	\$6,440.00
2503.603	9" CURED-IN-PLACE PIPE SYSTEM	LIN FT	Base Bid	1,171.70	\$28.00	\$32,807.60
2563.601	TRAFFIC CONTROL	LS	Base Bid	1.00	\$1,500.00	\$1,500.00
<b>Total SCHEDULE B - TONKA BAY SEWER LINING</b>						<b>\$42,747.60</b>
<b>Total</b>						<b>\$133,091.30</b>

Certified By: \_\_\_\_\_ License No. \_\_\_\_\_

Date: \_\_\_\_\_







NO.	DATE	BY	CHK	REVISIONS

Drawn by: DMT	Checked by: JCM
Plotted by: DMT	Approved by: JCM

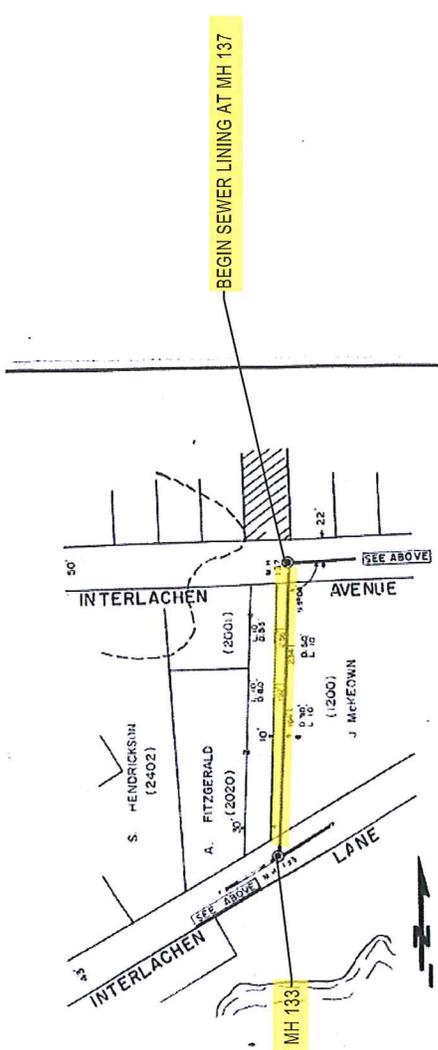
DATE: 04/18/15	DESIGNER: JUSTIN WESPER	DATE: 04/18/15	SCALE: 1"=40'
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<p>I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATIONS, OR REPORT WAS PREPARED BY ME OR BY THE LIFE OF THE FIRM OF WHICH I AM A LICENSED PROFESSIONAL ENGINEER.</p> <p>DATE: 04/18/15</p> <p>DESIGNER: JUSTIN WESPER</p>	<p>WSB</p> <p>477 Independence Street St. Paul, MN 55101 Tel: (651)241-4800 • Fax: (651)241-4804 www.wsbmn.com</p>	<p>2015 Sanitary Sewer Improvement Project for the Cities of Tonka Bay, Minnesota Excelsior, Minnesota</p>	<p>WSB Project 01987-440 (Tonka Bay) and 02073-290 (Excelsior)</p>
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SHEET 3 OF 7	INTERLACHEN LANE (2)
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Station	Elevation	Notes
930	931.66	MH 137
921	926.96	9\"/>
910	926.00	MH 133

9  
3742

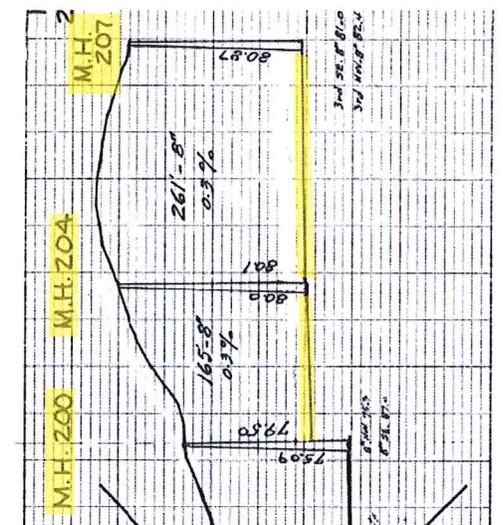
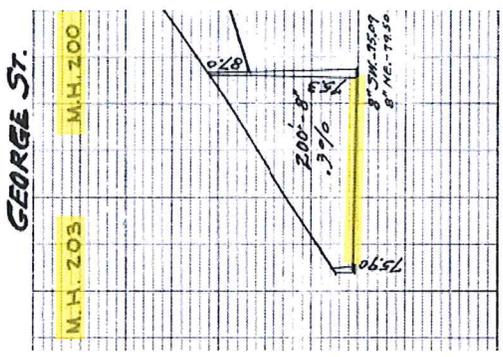
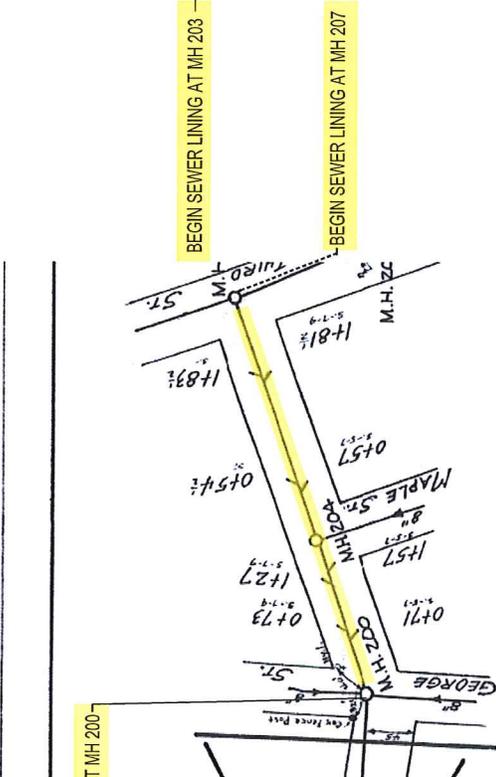
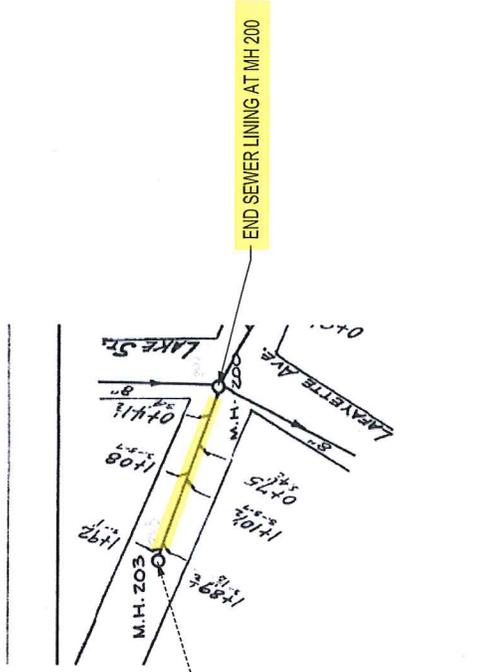
BEGIN SEWER LINING AT MH 137

END SEWER LINING AT MH 133

NO.	DATE	BY	CHK	REVISIONS
Design by: DMT Plotted by: DMT Checked by: JDM Approved by: JDM				
DATE: 04/18/15 JOB NO.: 4957				
I hereby certify that the plans, specifications, reports and records on file in my office are a true and correct copy of the original plans, specifications, reports and records on file in my office.				
WSB Engineering, Inc. 477 Independence Street St. Paul, MN 55101 Tel: (612) 338-9100 Fax: (612) 338-1000 www.wsb-engineering.com				
2015 Sanitary Sewer Improvement Project for the Cities of Tonka Bay, Minnesota Excelsior, Minnesota				
WSB Project 01867-440 (Tonka Bay) and 02073-290 (Excelsior)				
INTERLACHEN COURT (3)				
				SHEET 4 OF 7







NO.	DATE	BY	CHK	REVISIONS
DESIGN BY	DMT			
PLANNED BY	DMT			
CHECKED BY	JCM			
APPROVED BY	JCM			

DATE: 04/11/13  
 DRAWN BY: Justin Messer  
 UIC: 4587

**WSB**  
 WASHINGTON STATE  
 CONSULTANTS  
 4000 15th Ave SW  
 Everett, WA 98201  
 Tel: (425) 336-4400 Fax: (425) 336-4408  
 www.wsb-consultants.com

2015 Sanitary Sewer Improvement Project  
 for the Cities of  
 Tonka Bay, Minnesota  
 Excelsior, Minnesota

WSB Project 01887-440 (Tonka Bay) and 02073-280 (Excelsior)

WEST LAKE STREET / GEORGE STREET

SHEET  
 7  
 OF  
 7

**RESOLUTION 15-09**

**A RESOLUTION ACCEPTING THE  
2015 SANITARY SEWER IMPROVEMENT PROJECT PLANS AND  
SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS**

**WHEREAS**, The engineering firm of WSB & Associates, Inc. has prepared plans and specifications for the 2015 sanitary sewer lining project.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Tonka Bay:

- 1) Such improvements are necessary, cost-effective, and feasible.
- 2) Such plans and specifications are hereby approved.
- 3) The consulting engineering firm shall prepare and cause to be inserted in the official paper and in the Finance and Commerce, an advertisement for bids upon the making of such improvements under such approved plans and specifications. The advertisement shall be published for two times, shall specify the work to be done, shall state that bids will be opened on or about June 2, 2015, and bids will be considered by the City Council. Any bidder whose responsibility is questioned during consideration of the bid will be given an opportunity to address the Council on the issue of responsibility. No bids will be considered unless sealed and filed with the Clerk and accompanied by a cash deposit, cashier's check, bid bond, or certified check payable to the City of Excelsior for Five (5%) percent of the amount of such bid.

**PASSED AT A REGULAR MEETING** of the Tonka Bay City Council this 26th day of May, 2015.

Motion introduced by \_\_\_\_\_ and seconded by \_\_\_\_\_.

Roll call vote:  
Ayes –  
Nays –  
Absent –

\_\_\_\_\_  
Gerry De La Vega, Mayor

ATTEST: \_\_\_\_\_  
Lindy Crawford, Clerk/Administrator

**City of Tonka Bay**  
**Revenue Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
<b>FUND 101 GENERAL FUND</b>					
R 101-31000 General Property Taxes	\$994,949.00	\$0.00	\$1,101.42	\$993,847.58	0.11%
R 101-31001 Certified Levy	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-31040 Fiscal Disparities	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-32110 On Sale Liquor License	\$5,744.00	\$0.00	\$0.00	\$5,744.00	0.00%
R 101-32111 Set Up Licenses	\$300.00	\$0.00	\$0.00	\$300.00	0.00%
R 101-32112 On Sale Beer License	\$2,000.00	\$0.00	\$0.00	\$2,000.00	0.00%
R 101-32113 Off Sale Beer License	\$480.00	\$0.00	\$0.00	\$480.00	0.00%
R 101-32114 Wine License	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
R 101-32115 Cigarette License	\$100.00	\$0.00	\$0.00	\$100.00	0.00%
R 101-32116 Off Sale Liquor	\$240.00	\$0.00	\$0.00	\$240.00	0.00%
R 101-32170 Arcade Permits	\$75.00	\$0.00	\$0.00	\$75.00	0.00%
R 101-32180 Comm Marina License	\$2,420.00	\$0.00	\$2,420.00	\$0.00	100.00%
R 101-32210 Building Permits	\$30,000.00	\$3,822.66	\$9,382.41	\$20,617.59	31.27%
R 101-32211 Plan Review	\$14,000.00	\$1,373.94	\$3,962.47	\$10,037.53	28.30%
R 101-32240 Dog Licenses	\$1,200.00	\$32.00	\$304.00	\$896.00	25.33%
R 101-32241 Dog Boarding	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-32260 Miscellaneous Permits	\$2,200.00	\$75.00	\$183.00	\$2,017.00	8.32%
R 101-32261 Contractors License	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-32500 Assessments	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33100 Federal Grants and Aids	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33160 HUD Revenue	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33161 Federal Disaster Grant	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33400 State Grants and Aids	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33401 Local Government Aid	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33402 Homestead Credit	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-33422 State Aid-PERA	\$1,232.00	\$0.00	\$0.00	\$1,232.00	0.00%
R 101-33610 Henn Cty Road Maint	\$3,000.00	\$0.00	\$0.00	\$3,000.00	0.00%
R 101-33630 Met Council Grant	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-34100 General Service Fees	\$300.00	\$0.00	\$0.00	\$300.00	0.00%
R 101-34109 Application Fees	\$750.00	\$150.00	\$150.00	\$600.00	20.00%
R 101-34110 Surcharge Income	\$100.00	\$0.00	\$0.00	\$100.00	0.00%
R 101-34112 Escrow - Pub Hearings	\$17,500.00	\$1,150.00	\$1,450.00	\$16,050.00	8.29%
R 101-34950 Sale of Property	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-34951 Refund and Reimburse	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-34952 Tax Certification	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-35000 Fines and Forfeits	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-35101 Court Fines	\$7,000.00	\$2,304.00	\$3,599.60	\$3,400.40	51.42%
R 101-35201 Henn Cty Forfeitures	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-36200 Miscellaneous Revenues	\$6,000.00	\$0.00	\$41.10	\$5,958.90	0.69%
R 101-36210 Interest Earned	\$6,400.00	\$16.07	\$3,124.45	\$3,275.55	48.82%
R 101-36225 Franchise Revenue	\$17,600.00	\$0.00	\$4,551.49	\$13,048.51	25.86%
R 101-36230 Donations	\$0.00	\$0.00	\$0.00	\$0.00	
R 101-39203 Transfer from Other Fu	\$47,985.00	\$47,985.00	\$47,985.00	\$0.00	100.00%
R 101-39204 Transfer In From Liquor	\$4,500.00	\$0.00	\$0.00	\$4,500.00	0.00%
<b>FUND 101 GENERAL FUND</b>	<b>\$1,167,575.00</b>	<b>\$56,908.67</b>	<b>\$78,254.94</b>	<b>\$1,089,320.06</b>	<b>6.70%</b>
<b>FUND 301 WOODPECKER RIDGE RD FUND</b>					
R 301-32500 Assessments	\$0.00	\$0.00	\$0.00	\$0.00	
R 301-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 301 WOODPECKER RIDGE RD</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>FUND 406 SOUTHSHORE COMM CTR FUND</b>					
R 406-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	

**City of Tonka Bay**  
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R 406-36230 Donations	\$0.00	\$0.00	\$0.00	\$0.00	
R 406-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 406 SOUTHSORE COMM CTR</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>FUND 407 PARK FUND</b>					
R 407-34700 Park Dedication Fees	\$0.00	\$0.00	\$0.00	\$0.00	
R 407-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 407-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 407-36230 Donations	\$0.00	\$0.00	\$0.00	\$0.00	
R 407-36235 Trail Donations	\$0.00	\$0.00	\$0.00	\$0.00	
R 407-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 407 PARK FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>FUND 408 MANITOU SEAWALL</b>					
R 408-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 408-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 408-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 408 MANITOU SEAWALL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>FUND 409 CAPITAL IMPROVEM</b>					
R 409-31000 General Property Taxes	\$0.00	\$0.00	\$0.00	\$0.00	
R 409-31001 Certified Levy	\$53,617.00	\$0.00	\$59.35	\$53,557.65	0.11%
R 409-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 409-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 409-39203 Transfer from Other Fu	\$56,400.00	\$50,000.00	\$50,000.00	\$6,400.00	88.65%
<b>FUND 409 CAPITAL IMPROVEM</b>	<b>\$110,017.00</b>	<b>\$50,000.00</b>	<b>\$50,059.35</b>	<b>\$59,957.65</b>	<b>45.50%</b>
<b>FUND 411 SEWER/WATER RES</b>					
R 411-31001 Certified Levy	\$0.00	\$0.00	\$0.00	\$0.00	
R 411-34408 Sewer Assessment	\$0.00	\$0.00	\$0.00	\$0.00	
R 411-34409 Shorewood CIP Charge	\$0.00	\$0.00	\$0.00	\$0.00	
R 411-34410 Water Assessment	\$0.00	\$0.00	\$0.00	\$0.00	
R 411-36100 Water Tower Assess	\$0.00	\$0.00	\$0.00	\$0.00	
R 411-36210 Interest Earned	\$6,800.00	\$0.31	\$1,324.19	\$5,475.81	19.47%
R 411-39203 Transfer from Other Fu	\$120,293.00	\$120,293.00	\$120,293.00	\$0.00	100.00%
<b>FUND 411 SEWER/WATER RES</b>	<b>\$127,093.00</b>	<b>\$120,293.31</b>	<b>\$121,617.19</b>	<b>\$5,475.81</b>	<b>95.69%</b>
<b>FUND 601 WATER OPERATING</b>					
R 601-34952 Tax Certification	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0.00%
R 601-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 601-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 601-37100 Residential Water Sales	\$254,385.00	\$1,994.37	\$41,265.68	\$213,119.32	16.22%
R 601-37101 Commercial Water Sales	\$20,091.00	\$0.00	\$6,848.11	\$13,242.89	34.09%
R 601-37150 Water Hookup Permits	\$500.00	\$0.00	\$60.00	\$440.00	12.00%
R 601-37160 Water Penalty	\$1,500.00	\$120.99	\$853.04	\$646.96	56.87%
R 601-37170 Misc Utility Revenue	\$1,950.00	\$60.00	\$840.00	\$1,110.00	43.08%
R 601-37171 Meter Sales	\$250.00	\$0.00	\$0.00	\$250.00	0.00%
R 601-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 601 WATER OPERATING</b>	<b>\$283,676.00</b>	<b>\$2,175.36</b>	<b>\$49,866.83</b>	<b>\$233,809.17</b>	<b>17.58%</b>
<b>FUND 602 SEWER OPERATING</b>					
R 602-34952 Tax Certification	\$6,000.00	\$0.00	\$0.00	\$6,000.00	0.00%
R 602-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 602-36210 Interest Earned	\$0.00	\$0.31	\$1,412.41	-\$1,412.41	
R 602-37200 Residential Sewer Sales	\$357,557.00	\$1,718.85	\$77,432.87	\$280,124.13	21.66%

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R 602-37201 Commercial Sewer Sales	\$21,012.00	\$0.00	\$6,856.67	\$14,155.33	32.63%
R 602-37250 Sewer Hookup Permits	\$240.00	\$60.00	\$120.00	\$120.00	50.00%
R 602-37260 Sewer Penalty	\$2,000.00	\$194.54	\$1,060.10	\$939.90	53.01%
R 602-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 602 SEWER OPERATING</b>	<b>\$386,809.00</b>	<b>\$1,973.70</b>	<b>\$86,882.05</b>	<b>\$299,926.95</b>	<b>22.46%</b>
<b>FUND 603 GARBAGE FUND</b>					
R 603-34952 Tax Certification	\$0.00	\$0.00	\$0.00	\$0.00	
R 603-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 603-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 603-37300 Utility Charges	\$112,083.00	\$581.49	\$25,276.66	\$86,806.34	22.55%
R 603-37360 Penalties	\$700.00	\$78.23	\$405.09	\$294.91	57.87%
R 603-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 603 GARBAGE FUND</b>	<b>\$112,783.00</b>	<b>\$659.72</b>	<b>\$25,681.75</b>	<b>\$87,101.25</b>	<b>22.77%</b>
<b>FUND 609 LIQUOR FUND</b>					
R 609-34950 Sale of Property	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-36210 Interest Earned	\$0.00	\$7.09	\$3,935.02	-\$3,935.02	
R 609-36220 Lease Revenue	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-37811 Liquor Sales	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-37812 Beer Sales	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-37813 Wine Sales	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-37815 Miscellaneous Sales	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-37840 Cash Over	\$0.00	\$0.00	\$0.00	\$0.00	
R 609-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 609 LIQUOR FUND</b>	<b>\$0.00</b>	<b>\$7.09</b>	<b>\$3,935.02</b>	<b>-\$3,935.02</b>	
<b>FUND 617 DOCK FUND</b>					
R 617-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 617-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 617-38000 Municipal Dock Revenue	\$76,000.00	\$25,600.00	\$77,600.00	-\$1,600.00	102.11%
R 617-38001 Slide Revenue	\$960.00	\$0.00	\$960.00	\$0.00	100.00%
R 617-38002 Canoe Rack Revenue	\$0.00	\$60.00	\$60.00	-\$60.00	
R 617-38003 Woodpecker Agreement	\$1,600.00	\$0.00	\$0.00	\$1,600.00	0.00%
R 617-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 617 DOCK FUND</b>	<b>\$78,560.00</b>	<b>\$25,660.00</b>	<b>\$78,620.00</b>	<b>-\$60.00</b>	<b>100.08%</b>
<b>FUND 651 STORM WATER DR</b>					
R 651-34952 Tax Certification	\$0.00	\$0.00	\$0.00	\$0.00	
R 651-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 651-37300 Utility Charges	\$18,779.00	\$47.48	\$5,607.66	\$13,171.34	29.86%
R 651-37360 Penalties	\$100.00	\$5.39	\$102.94	-\$2.94	102.94%
R 651-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 651 STORM WATER DR</b>	<b>\$18,879.00</b>	<b>\$52.87</b>	<b>\$5,710.60</b>	<b>\$13,168.40</b>	<b>30.25%</b>
<b>FUND 652 RECYCLING FUND</b>					
R 652-33620 Hennepin Cty Grant	\$5,000.00	\$25.27	\$0.00	\$5,000.00	0.00%
R 652-34952 Tax Certification	\$0.00	\$0.00	\$0.00	\$0.00	
R 652-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 652-37300 Utility Charges	\$67,153.00	\$317.59	\$14,778.61	\$52,374.39	22.01%
R 652-37360 Penalties	\$400.00	\$38.83	\$201.46	\$198.54	50.37%
R 652-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 652 RECYCLING FUND</b>	<b>\$72,553.00</b>	<b>\$381.69</b>	<b>\$14,980.07</b>	<b>\$57,572.93</b>	<b>20.65%</b>

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<b>FUND 653 ANTENNA FUND</b>					
R 653-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	
R 653-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 653-36220 Lease Revenue	\$57,912.00	\$1,755.66	\$12,907.08	\$45,004.92	22.29%
R 653-39203 Transfer from Other Fu	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 653 ANTENNA FUND</b>	<b>\$57,912.00</b>	<b>\$1,755.66</b>	<b>\$12,907.08</b>	<b>\$45,004.92</b>	<b>22.29%</b>
<b>FUND 654 PEG FUND</b>					
R 654-36210 Interest Earned	\$0.00	\$0.00	\$0.00	\$0.00	
R 654-36225 Franchise Revenue	\$0.00	\$0.00	\$1,122.11	-\$1,122.11	
<b>FUND 654 PEG FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,122.11</b>	<b>-\$1,122.11</b>	
	<b>\$2,415,857.00</b>	<b>\$259,868.07</b>	<b>\$529,636.99</b>	<b>\$1,886,220.01</b>	<b>21.92%</b>

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
<b>FUND 101 GENERAL FUND</b>					
Dept 41110 Council					
E 101-41110-103 Council Recorder	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41110-110 Mayor/Council Salar	\$9,200.00	\$2,325.00	\$2,325.00	\$6,875.00	25.27%
E 101-41110-121 Pensions-PERA	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41110-122 Pension-FICA	\$704.00	\$177.88	\$177.88	\$526.12	25.27%
E 101-41110-131 Health/Life/Dental I	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41110-201 Council Supplies	\$160.00	\$0.00	\$0.00	\$160.00	0.00%
E 101-41110-351 Publishing	\$1,000.00	\$0.00	\$90.44	\$909.56	9.04%
E 101-41110-430 Miscellaneous	\$7,494.00	\$0.00	\$390.96	\$7,103.04	5.22%
E 101-41110-433 Memberships/Dues	\$1,916.00	\$0.00	\$86.45	\$1,829.55	4.51%
Dept 41110 Council	\$20,474.00	\$2,502.88	\$3,070.73	\$17,403.27	15.00%
Dept 41410 Elections					
E 101-41410-104 Election Salaries	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41410-122 Pension-FICA	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41410-202 Election Supplies	\$500.00	\$0.00	\$152.86	\$347.14	30.57%
Dept 41410 Elections	\$500.00	\$0.00	\$152.86	\$347.14	30.57%
Dept 41500 Financial and Administration					
E 101-41500-100 Salaries	\$43,937.00	\$3,428.78	\$10,244.63	\$33,692.37	23.32%
E 101-41500-121 Pensions-PERA	\$3,296.00	\$257.16	\$768.35	\$2,527.65	23.31%
E 101-41500-122 Pension-FICA	\$3,361.00	\$254.06	\$759.01	\$2,601.99	22.58%
E 101-41500-131 Health/Life/Dental I	\$9,233.00	\$769.18	\$2,307.54	\$6,925.46	24.99%
E 101-41500-151 Worker s Comp Ins	\$7,500.00	\$0.00	\$0.00	\$7,500.00	0.00%
E 101-41500-200 Office Supplies	\$2,500.00	\$58.53	\$417.06	\$2,082.94	16.68%
E 101-41500-220 Repairs/Supplies/M	\$1,300.00	\$0.00	\$333.41	\$966.59	25.65%
E 101-41500-301 Auditing	\$3,280.00	\$0.00	\$0.00	\$3,280.00	0.00%
E 101-41500-308 Employee Training	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41500-310 Assessing	\$20,000.00	\$0.00	\$10,000.00	\$10,000.00	50.00%
E 101-41500-317 Bookkeeping	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41500-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41500-322 Postage	\$1,592.00	\$105.26	\$350.26	\$1,241.74	22.00%
E 101-41500-331 Mileage Reimburse	\$750.00	\$0.00	\$75.24	\$674.76	10.03%
E 101-41500-352 Printing	\$1,550.00	\$0.00	\$0.00	\$1,550.00	0.00%
E 101-41500-361 Liability Insurance	\$14,132.00	\$0.00	\$0.00	\$14,132.00	0.00%
E 101-41500-436 Computer Services	\$8,000.00	\$1,044.35	\$2,040.06	\$5,959.94	25.50%
E 101-41500-437 Fin Ad-Memb/Conf	\$2,400.00	\$45.00	\$270.00	\$2,130.00	11.25%
E 101-41500-438 Fin Admin Miscellan	\$400.00	\$0.00	\$20.00	\$380.00	5.00%
Dept 41500 Financial and Admini	\$123,231.00	\$5,962.32	\$27,585.56	\$95,645.44	22.39%
Dept 41600 Legal Services					
E 101-41600-304 Legal General	\$21,000.00	\$1,538.00	\$4,086.00	\$16,914.00	19.46%
E 101-41600-305 Legal Prosecutions	\$11,000.00	\$833.33	\$2,499.99	\$8,500.01	22.73%
Dept 41600 Legal Services	\$32,000.00	\$2,371.33	\$6,585.99	\$25,414.01	20.58%
Dept 41900 Engineering					
E 101-41900-303 Engineering Fees	\$7,500.00	\$0.00	\$608.00	\$6,892.00	8.11%
Dept 41900 Engineering	\$7,500.00	\$0.00	\$608.00	\$6,892.00	8.11%
Dept 41910 Planning/Zoning					
E 101-41910-100 Salaries	\$26,613.00	\$2,055.46	\$6,127.74	\$20,485.26	23.03%
E 101-41910-121 Pensions-PERA	\$1,996.00	\$154.18	\$459.63	\$1,536.37	23.03%
E 101-41910-122 Pension-FICA	\$2,036.00	\$154.56	\$460.74	\$1,575.26	22.63%
E 101-41910-131 Health/Life/Dental I	\$4,917.00	\$409.60	\$1,228.80	\$3,688.20	24.99%

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E 101-41910-318 Consulting Planner	\$10,000.00	\$627.00	\$2,538.00	\$7,462.00	25.38%
Dept 41910 Planning/Zoning	\$45,562.00	\$3,400.80	\$10,814.91	\$34,747.09	23.74%
Dept 41940 Buildings					
E 101-41940-101 Crew Salaries	\$2,295.00	\$176.56	\$528.30	\$1,766.70	23.02%
E 101-41940-121 Pensions-PERA	\$173.00	\$13.24	\$39.62	\$133.38	22.90%
E 101-41940-122 Pension-FICA	\$176.00	\$13.28	\$39.75	\$136.25	22.59%
E 101-41940-131 Health/Life/Dental I	\$434.00	\$31.73	\$93.23	\$340.77	21.48%
E 101-41940-220 Repairs/Supplies/M	\$3,000.00	\$0.00	\$90.88	\$2,909.12	3.03%
E 101-41940-221 Janitorial	\$2,860.00	\$220.00	\$715.00	\$2,145.00	25.00%
E 101-41940-321 Telephone	\$2,200.00	\$141.10	\$401.94	\$1,798.06	18.27%
E 101-41940-380 Utilities	\$4,500.00	\$432.31	\$1,600.73	\$2,899.27	35.57%
E 101-41940-381 Electric Utilities	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41940-383 Heat	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-41940-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 41940 Buildings	\$15,638.00	\$1,028.22	\$3,509.45	\$12,128.55	22.44%
Dept 42100 Police					
E 101-42100-300 Police	\$412,902.00	\$27,557.00	\$103,226.00	\$309,676.00	25.00%
E 101-42100-311 Police-Miscellaneous	\$1,700.00	\$0.00	\$0.00	\$1,700.00	0.00%
E 101-42100-312 Room and Board-H	\$750.00	\$0.00	\$0.00	\$750.00	0.00%
Dept 42100 Police	\$415,352.00	\$27,557.00	\$103,226.00	\$312,126.00	24.85%
Dept 42200 Fire Protection					
E 101-42200-309 Fire Protection	\$231,849.00	\$0.00	\$57,925.90	\$173,923.10	24.98%
Dept 42200 Fire Protection	\$231,849.00	\$0.00	\$57,925.90	\$173,923.10	24.98%
Dept 42400 Building Inspection					
E 101-42400-100 Salaries	\$13,509.00	\$1,050.58	\$3,136.68	\$10,372.32	23.22%
E 101-42400-121 Pensions-PERA	\$1,014.00	\$78.78	\$235.22	\$778.78	23.20%
E 101-42400-122 Pension-FICA	\$1,034.00	\$78.30	\$233.74	\$800.26	22.61%
E 101-42400-131 Health/Life/Dental I	\$2,720.00	\$226.70	\$680.10	\$2,039.90	25.00%
E 101-42400-313 Building Inspection	\$12,000.00	\$1,354.00	\$3,567.90	\$8,432.10	29.73%
E 101-42400-314 Plan Reviews	\$8,000.00	\$755.67	\$2,179.36	\$5,820.64	27.24%
E 101-42400-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 42400 Building Inspection	\$38,277.00	\$3,544.03	\$10,033.00	\$28,244.00	26.21%
Dept 42700 Animal Control					
E 101-42700-306 Animal Control	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 42700 Animal Control	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 43000 Public Works					
E 101-43000-101 Crew Salaries	\$80,250.00	\$6,198.32	\$18,801.50	\$61,448.50	23.43%
E 101-43000-105 Public Works Temp	\$1,800.00	\$0.00	\$0.00	\$1,800.00	0.00%
E 101-43000-121 Pensions-PERA	\$6,019.00	\$464.88	\$1,410.12	\$4,608.88	23.43%
E 101-43000-122 Pension-FICA	\$6,140.00	\$467.26	\$1,417.76	\$4,722.24	23.09%
E 101-43000-131 Health/Life/Dental I	\$13,218.00	\$1,090.40	\$3,263.07	\$9,954.93	24.69%
E 101-43000-212 Gas and Oil	\$11,000.00	\$361.99	\$816.52	\$10,183.48	7.42%
E 101-43000-220 Repairs/Supplies/M	\$13,000.00	\$382.75	\$5,742.00	\$7,258.00	44.17%
E 101-43000-222 Tires	\$1,300.00	\$0.00	\$0.00	\$1,300.00	0.00%
E 101-43000-223 Uniforms Safety Sh	\$1,100.00	\$37.37	\$183.55	\$916.45	16.69%
E 101-43000-321 Telephone	\$500.00	\$32.07	\$96.19	\$403.81	19.24%
E 101-43000-430 Miscellaneous	\$1,000.00	\$31.82	\$345.44	\$654.56	34.54%
Dept 43000 Public Works	\$135,327.00	\$9,066.86	\$32,076.15	\$103,250.85	23.70%
Dept 43100 Streets					
E 101-43100-224 Street Repairs	\$0.00	\$0.00	\$0.00	\$0.00	

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
E 101-43100-226 Street Signs	\$2,200.00	\$290.43	\$290.43	\$1,909.57	13.20%
E 101-43100-228 Snow and Ice Rem	\$10,100.00	\$0.00	\$533.04	\$9,566.96	5.28%
E 101-43100-381 Electric Utilities	\$16,170.00	\$1,179.53	\$3,592.78	\$12,577.22	22.22%
Dept 43100 Streets	\$28,470.00	\$1,469.96	\$4,416.25	\$24,053.75	15.51%
Dept 45200 Parks					
E 101-45200-101 Crew Salaries	\$23,770.00	\$1,609.10	\$5,019.08	\$18,750.92	21.12%
E 101-45200-106 Lifeguard Services	\$9,118.00	\$0.00	\$8,775.00	\$343.00	96.24%
E 101-45200-121 Pensions-PERA	\$775.00	\$59.60	\$178.34	\$596.66	23.01%
E 101-45200-122 Pension-FICA	\$1,820.00	\$122.09	\$380.94	\$1,439.06	20.93%
E 101-45200-131 Health/Life/Dental I	\$1,951.00	\$142.84	\$419.62	\$1,531.38	21.51%
E 101-45200-220 Repairs/Supplies/M	\$7,050.00	\$326.09	\$1,300.40	\$5,749.60	18.45%
Dept 45200 Parks	\$44,484.00	\$2,259.72	\$16,073.38	\$28,410.62	36.13%
Dept 45204 Trees					
E 101-45204-101 Crew Salaries	\$7,065.00	\$547.44	\$1,638.06	\$5,426.94	23.19%
E 101-45204-121 Pensions-PERA	\$530.00	\$41.08	\$122.92	\$407.08	23.19%
E 101-45204-122 Pension-FICA	\$541.00	\$41.22	\$123.35	\$417.65	22.80%
E 101-45204-131 Health/Life/Dental I	\$1,301.00	\$97.39	\$287.22	\$1,013.78	22.08%
E 101-45204-220 Repairs/Supplies/M	\$4,950.00	\$128.90	\$223.90	\$4,726.10	4.52%
Dept 45204 Trees	\$14,387.00	\$856.03	\$2,395.45	\$11,991.55	16.65%
Dept 46100 Firelanes					
E 101-46100-220 Repairs/Supplies/M	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Dept 46100 Firelanes	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Dept 46101 LMCD					
E 101-46101-220 Repairs/Supplies/M	\$0.00	\$0.00	\$0.00	\$0.00	
E 101-46101-302 LMCD	\$12,024.00	\$3,006.00	\$3,006.00	\$9,018.00	25.00%
Dept 46101 LMCD	\$12,024.00	\$3,006.00	\$3,006.00	\$9,018.00	25.00%
Dept 46300 HUD Project					
E 101-46300-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 46300 HUD Project	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49000 Miscellaneous					
E 101-49000-430 Miscellaneous	\$1,500.00	\$0.00	\$1.87	\$1,498.13	0.12%
Dept 49000 Miscellaneous	\$1,500.00	\$0.00	\$1.87	\$1,498.13	0.12%
Dept 49300 Trsf Out to Other Funds					
E 101-49300-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Fun	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 101 GENERAL FUND	\$1,168,075.00	\$63,025.15	\$281,481.50	\$886,593.50	24.10%
FUND 301 WOODPECKER RIDGE RD FUND					
Dept 42500 WRR Improvements					
E 301-42500-303 Engineering Fees	\$0.00	\$0.00	\$0.00	\$0.00	
E 301-42500-304 Legal General	\$0.00	\$0.00	\$0.00	\$0.00	
E 301-42500-351 Publishing	\$0.00	\$0.00	\$0.00	\$0.00	
E 301-42500-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
E 301-42500-510 WRR Improvement	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 42500 WRR Improvements	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 301 WOODPECKER RIDGE RD	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 406 SOUTHSORE COMM CTR FUND					
Dept 41940 Buildings					
E 406-41940-220 Repairs/Supplies/M	\$0.00	\$0.00	\$0.00	\$0.00	

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
Dept 41940 Buildings	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 406 SOUTHSORE COMM CTR	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 407 PARK FUND					
Dept 45200 Parks					
E 407-45200-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
E 407-45200-540 Site Improvements	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 45200 Parks	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Funds					
E 407-49300-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Fun	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 407 PARK FUND	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 408 MANITOU SEAWALL					
Dept 49000 Miscellaneous					
E 408-49000-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49000 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Funds					
E 408-49300-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Fun	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 408 MANITOU SEAWALL	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 409 CAPITAL IMPROVEM					
Dept 41940 Buildings					
E 409-41940-520 Buildings	\$575.00	\$0.00	\$0.00	\$575.00	0.00%
E 409-41940-560 Furniture and Fixtur	\$0.00	\$0.00	\$0.00	\$0.00	
E 409-41940-570 Equipment	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 41940 Buildings	\$575.00	\$0.00	\$0.00	\$575.00	0.00%
Dept 43000 Public Works					
E 409-43000-550 Motor Vehicles	\$0.00	\$26,013.18	\$26,013.18	-\$26,013.18	
E 409-43000-570 Equipment	\$87,000.00	\$0.00	\$22,000.00	\$65,000.00	25.29%
Dept 43000 Public Works	\$87,000.00	\$26,013.18	\$48,013.18	\$38,986.82	55.19%
Dept 43100 Streets					
E 409-43100-530 Streets	\$62,540.00	\$147.70	\$147.70	\$62,392.30	0.24%
Dept 43100 Streets	\$62,540.00	\$147.70	\$147.70	\$62,392.30	0.24%
Dept 45200 Parks					
E 409-45200-540 Site Improvements	\$7,500.00	\$0.00	\$0.00	\$7,500.00	0.00%
Dept 45200 Parks	\$7,500.00	\$0.00	\$0.00	\$7,500.00	0.00%
Dept 49000 Miscellaneous					
E 409-49000-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49000 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Funds					
E 409-49300-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Fun	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 409 CAPITAL IMPROVEM	\$157,615.00	\$26,160.88	\$48,160.88	\$109,454.12	30.56%
FUND 411 SEWER/WATER RES					
Dept 49000 Miscellaneous					
E 411-49000-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
Dept 49000 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Funds					
E 411-49300-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49300 Trsf Out to Other Fun	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49460 Sewer Water Reserve					
E 411-49460-220 Repairs/Supplies/M	\$44,500.00	\$0.00	\$0.00	\$44,500.00	0.00%
E 411-49460-230 Water Tower Expen	\$0.00	\$0.00	\$9,200.00	-\$9,200.00	
E 411-49460-318 Consulting Planner	\$0.00	\$278.75	\$278.75	-\$278.75	
E 411-49460-386 Inflow & Infiltration	\$56,806.00	\$0.00	\$369.75	\$56,436.25	0.65%
Dept 49460 Sewer Water Reserve	\$101,306.00	\$278.75	\$9,848.50	\$91,457.50	9.72%
FUND 411 SEWER/WATER RES	\$101,306.00	\$278.75	\$9,848.50	\$91,457.50	9.72%
FUND 601 WATER OPERATING					
Dept 49440 Water Operating					
E 601-49440-100 Salaries	\$23,850.00	\$1,834.58	\$5,481.96	\$18,368.04	22.99%
E 601-49440-101 Crew Salaries	\$64,289.00	\$4,282.11	\$13,544.37	\$50,744.63	21.07%
E 601-49440-121 Pensions-PERA	\$6,611.00	\$458.76	\$1,426.99	\$5,184.01	21.59%
E 601-49440-122 Pension-FICA	\$6,743.00	\$459.43	\$1,429.94	\$5,313.06	21.21%
E 601-49440-131 Health/Life/Dental I	\$13,338.00	\$1,132.65	\$3,409.45	\$9,928.55	25.56%
E 601-49440-142 MN Unemployment	\$3,750.00	-\$27.30	\$0.00	\$3,750.00	0.00%
E 601-49440-151 Worker s Comp Ins	\$0.00	\$0.00	\$0.00	\$0.00	
E 601-49440-203 Billing Supplies/Pos	\$400.00	\$17.55	\$71.94	\$328.06	17.99%
E 601-49440-212 Gas and Oil	\$4,700.00	\$182.83	\$410.10	\$4,289.90	8.73%
E 601-49440-215 Laboratory Testing	\$560.00	\$35.00	\$105.00	\$455.00	18.75%
E 601-49440-216 Water Plant Chemic	\$26,660.00	\$1,579.14	\$3,831.09	\$22,828.91	14.37%
E 601-49440-218 Water Main Repairs	\$26,000.00	\$390.25	\$7,931.26	\$18,068.74	30.50%
E 601-49440-220 Repairs/Supplies/M	\$12,300.00	\$306.22	\$5,013.75	\$7,286.25	40.76%
E 601-49440-223 Uniforms Safety Sh	\$1,088.00	\$37.37	\$183.56	\$904.44	16.87%
E 601-49440-229 Lime Pit Expenses	\$10,000.00	\$0.00	\$0.00	\$10,000.00	0.00%
E 601-49440-230 Water Tower Expen	\$880.00	\$15.78	\$134.12	\$745.88	15.24%
E 601-49440-250 Meter Sales	\$0.00	\$0.00	\$0.00	\$0.00	
E 601-49440-301 Auditing	\$2,050.00	\$0.00	\$0.00	\$2,050.00	0.00%
E 601-49440-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
E 601-49440-321 Telephone	\$1,200.00	\$84.13	\$214.20	\$985.80	17.85%
E 601-49440-361 Liability Insurance	\$9,685.00	\$0.00	\$0.00	\$9,685.00	0.00%
E 601-49440-381 Electric Utilities	\$16,670.00	\$0.00	\$3,357.51	\$13,312.49	20.14%
E 601-49440-383 Heat	\$10,000.00	\$794.88	\$2,465.02	\$7,534.98	24.65%
E 601-49440-430 Miscellaneous	\$7,873.00	\$270.36	\$1,802.43	\$6,070.57	22.89%
E 601-49440-720 Transfer Out to Oth	\$67,592.00	\$67,592.00	\$67,592.00	\$0.00	100.00%
Dept 49440 Water Operating	\$316,239.00	\$79,445.74	\$118,404.69	\$197,834.31	37.44%
Dept 49970 Depreciation					
E 601-49970-420 Depreciation Expen	\$67,592.00	\$67,592.00	\$67,592.00	\$0.00	100.00%
Dept 49970 Depreciation	\$67,592.00	\$67,592.00	\$67,592.00	\$0.00	100.00%
FUND 601 WATER OPERATING	\$383,831.00	\$147,037.74	\$185,996.69	\$197,834.31	48.46%
FUND 602 SEWER OPERATING					
Dept 49490 Sewer Operating					
E 602-49490-100 Salaries	\$23,850.00	\$1,834.58	\$5,481.96	\$18,368.04	22.99%
E 602-49490-101 Crew Salaries	\$49,955.00	\$3,475.72	\$10,713.04	\$39,241.96	21.45%
E 602-49490-121 Pensions-PERA	\$5,536.00	\$398.18	\$1,214.41	\$4,321.59	21.94%
E 602-49490-122 Pension-FICA	\$5,647.00	\$398.40	\$1,215.31	\$4,431.69	21.52%
E 602-49490-131 Health/Life/Dental I	\$11,821.00	\$1,010.75	\$3,045.68	\$8,775.32	25.76%

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
E 602-49490-151 Worker s Comp Ins	\$3,750.00	\$0.00	\$0.00	\$3,750.00	0.00%
E 602-49490-203 Billing Supplies/Pos	\$375.00	\$17.55	\$71.94	\$303.06	19.18%
E 602-49490-212 Gas and Oil	\$4,700.00	\$182.82	\$410.09	\$4,289.91	8.73%
E 602-49490-220 Repairs/Supplies/M	\$10,050.00	\$62.96	\$1,962.96	\$8,087.04	19.53%
E 602-49490-223 Uniforms Safety Sh	\$1,088.00	\$37.38	\$183.56	\$904.44	16.87%
E 602-49490-301 Auditing	\$2,050.00	\$0.00	\$0.00	\$2,050.00	0.00%
E 602-49490-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
E 602-49490-321 Telephone	\$1,192.00	\$108.47	\$327.19	\$864.81	27.45%
E 602-49490-361 Liability Insurance	\$1,724.00	\$0.00	\$0.00	\$1,724.00	0.00%
E 602-49490-381 Electric Utilities	\$7,900.00	\$587.46	\$1,853.82	\$6,046.18	23.47%
E 602-49490-385 Sewage Disposal	\$185,093.00	\$15,424.42	\$46,345.16	\$138,747.84	25.04%
E 602-49490-386 Inflow & Infiltration	\$0.00	\$0.00	\$0.00	\$0.00	
E 602-49490-430 Miscellaneous	\$2,761.00	\$162.89	\$484.47	\$2,276.53	17.55%
E 602-49490-720 Transfer Out to Oth	\$52,701.00	\$52,701.00	\$52,701.00	\$0.00	100.00%
Dept 49490 Sewer Operating	\$370,193.00	\$76,402.58	\$126,010.59	\$244,182.41	34.04%
Dept 49970 Depreciation					
E 602-49970-420 Depreciation Expen	\$52,701.00	\$52,701.00	\$52,701.00	\$0.00	100.00%
Dept 49970 Depreciation	\$52,701.00	\$52,701.00	\$52,701.00	\$0.00	100.00%
<b>FUND 602 SEWER OPERATING</b>	<b>\$422,894.00</b>	<b>\$129,103.58</b>	<b>\$178,711.59</b>	<b>\$244,182.41</b>	<b>42.26%</b>
<b>FUND 603 GARBAGE FUND</b>					
Dept 49500 Garbage Collection					
E 603-49500-307 Garbage Pickup	\$81,939.00	\$4,789.82	\$15,540.70	\$66,398.30	18.97%
Dept 49500 Garbage Collection	\$81,939.00	\$4,789.82	\$15,540.70	\$66,398.30	18.97%
Dept 49520 Garbage Operating					
E 603-49520-100 Salaries	\$12,180.00	\$936.90	\$2,799.64	\$9,380.36	22.99%
E 603-49520-121 Pensions-PERA	\$914.00	\$70.28	\$210.00	\$704.00	22.98%
E 603-49520-122 Pension-FICA	\$932.00	\$69.62	\$208.01	\$723.99	22.32%
E 603-49520-131 Health/Life/Dental I	\$2,498.00	\$208.08	\$624.24	\$1,873.76	24.99%
E 603-49520-151 Worker s Comp Ins	\$0.00	\$0.00	\$0.00	\$0.00	
E 603-49520-203 Billing Supplies/Pos	\$375.00	\$17.55	\$71.95	\$303.05	19.19%
E 603-49520-220 Repairs/Supplies/M	\$0.00	\$0.00	\$0.00	\$0.00	
E 603-49520-301 Auditing	\$410.00	\$0.00	\$0.00	\$410.00	0.00%
E 603-49520-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
E 603-49520-361 Liability Insurance	\$1,992.00	\$0.00	\$0.00	\$1,992.00	0.00%
E 603-49520-430 Miscellaneous	\$4,000.00	\$0.00	\$0.00	\$4,000.00	0.00%
E 603-49520-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49520 Garbage Operating	\$23,301.00	\$1,302.43	\$3,913.84	\$19,387.16	16.80%
Dept 49970 Depreciation					
E 603-49970-420 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49970 Depreciation	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 603 GARBAGE FUND</b>	<b>\$105,240.00</b>	<b>\$6,092.25</b>	<b>\$19,454.54</b>	<b>\$85,785.46</b>	<b>18.49%</b>
<b>FUND 609 LIQUOR FUND</b>					
Dept 49754 Liquor Operating					
E 609-49754-100 Salaries	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-102 Part Time Salaries	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-121 Pensions-PERA	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-122 Pension-FICA	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-131 Health/Life/Dental I	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-142 MN Unemployment	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-151 Worker s Comp Ins	\$0.00	\$0.00	\$0.00	\$0.00	

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
E 609-49754-200 Office Supplies	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-220 Repairs/Supplies/M	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-251 Liquor Purchases	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-252 Beer Purchases	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-253 Wine Purchases	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-254 Miscellaneous Purc	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-255 Freight	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-301 Auditing	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-317 Bookkeeping	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-321 Telephone	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-322 Postage	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-331 Mileage Reimburse	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-342 Advertising	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-352 Printing	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-361 Liability Insurance	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-380 Utilities	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-381 Electric Utilities	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-383 Heat	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-432 Cash Short	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-434 Uncollectible Check	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-439 Licenses	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-440 Credit Card Fees	\$0.00	\$0.00	\$0.00	\$0.00	
E 609-49754-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49754 Liquor Operating	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49970 Depreciation					
E 609-49970-420 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49970 Depreciation	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 609 LIQUOR FUND	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 617 DOCK FUND					
Dept 49863 Dock Operating					
E 617-49863-100 Salaries	\$3,682.00	\$283.18	\$845.89	\$2,836.11	22.97%
E 617-49863-101 Crew Salaries	\$1,148.00	\$88.28	\$264.17	\$883.83	23.01%
E 617-49863-121 Pensions-PERA	\$363.00	\$27.88	\$83.29	\$279.71	22.94%
E 617-49863-122 Pension-FICA	\$370.00	\$27.62	\$82.51	\$287.49	22.30%
E 617-49863-131 Health/Life/Dental I	\$977.00	\$79.26	\$236.79	\$740.21	24.24%
E 617-49863-151 Worker s Comp Ins	\$0.00	\$0.00	\$0.00	\$0.00	
E 617-49863-220 Repairs/Supplies/M	\$10,000.00	\$20.97	\$20.97	\$9,979.03	0.21%
E 617-49863-302 LMCD	\$1,164.00	\$0.00	\$0.00	\$1,164.00	0.00%
E 617-49863-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
E 617-49863-322 Postage	\$150.00	\$0.00	\$0.00	\$150.00	0.00%
E 617-49863-361 Liability Insurance	\$559.00	\$0.00	\$0.00	\$559.00	0.00%
E 617-49863-381 Electric Utilities	\$880.00	\$71.05	\$213.15	\$666.85	24.22%
E 617-49863-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
E 617-49863-720 Transfer Out to Oth	\$50,000.00	\$50,000.00	\$50,000.00	\$0.00	100.00%
Dept 49863 Dock Operating	\$69,293.00	\$50,598.24	\$51,746.77	\$17,546.23	74.68%
Dept 49970 Depreciation					
E 617-49970-420 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49970 Depreciation	\$0.00	\$0.00	\$0.00	\$0.00	
FUND 617 DOCK FUND	\$69,293.00	\$50,598.24	\$51,746.77	\$17,546.23	74.68%

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
<b>FUND 651 STORM WATER DR</b>					
Dept 49491 Storm Drainage Operating					
E 651-49491-101 Crew Salaries	\$966.00	\$58.28	\$174.84	\$791.16	18.10%
E 651-49491-121 Pensions-PERA	\$72.00	\$4.38	\$13.14	\$58.86	18.25%
E 651-49491-122 Pension-FICA	\$74.00	\$4.46	\$13.39	\$60.61	18.09%
E 651-49491-131 Health/Life/Dental I	\$0.00	\$0.00	\$0.00	\$0.00	
E 651-49491-151 Worker s Comp Ins	\$0.00	\$0.00	\$0.00	\$0.00	
E 651-49491-220 Repairs/Supplies/M	\$6,410.00	\$1,598.00	\$4,954.00	\$1,456.00	77.29%
E 651-49491-223 Uniforms Safety Sh	\$1,088.00	\$37.38	\$183.55	\$904.45	16.87%
E 651-49491-381 Electric Utilities	\$300.00	\$23.18	\$69.28	\$230.72	23.09%
E 651-49491-405 Street Sweeping	\$8,611.00	\$0.00	\$5.95	\$8,605.05	0.07%
E 651-49491-430 Miscellaneous	\$810.00	\$0.00	\$0.00	\$810.00	0.00%
E 651-49491-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49491 Storm Drainage Oper	\$18,331.00	\$1,725.68	\$5,414.15	\$12,916.85	29.54%
<b>FUND 651 STORM WATER DR</b>	<b>\$18,331.00</b>	<b>\$1,725.68</b>	<b>\$5,414.15</b>	<b>\$12,916.85</b>	<b>29.54%</b>
<b>FUND 652 RECYCLING FUND</b>					
Dept 49501 Recycling Collection					
E 652-49501-315 Yard Waste Pickup	\$23,410.00	\$2,560.96	\$7,759.20	\$15,650.80	33.14%
E 652-49501-316 Contracted Labor	\$35,116.00	\$3,201.20	\$9,699.00	\$25,417.00	27.62%
Dept 49501 Recycling Collection	\$58,526.00	\$5,762.16	\$17,458.20	\$41,067.80	29.83%
Dept 49521 Recycling Operating					
E 652-49521-100 Salaries	\$13,544.00	\$1,041.80	\$3,111.65	\$10,432.35	22.97%
E 652-49521-121 Pensions-PERA	\$1,016.00	\$78.14	\$233.38	\$782.62	22.97%
E 652-49521-122 Pension-FICA	\$1,036.00	\$77.62	\$231.81	\$804.19	22.38%
E 652-49521-131 Health/Life/Dental I	\$2,718.00	\$226.44	\$679.32	\$2,038.68	24.99%
E 652-49521-151 Worker s Comp Ins	\$0.00	\$0.00	\$0.00	\$0.00	
E 652-49521-203 Billing Supplies/Pos	\$375.00	\$17.55	\$71.95	\$303.05	19.19%
E 652-49521-301 Auditing	\$400.00	\$0.00	\$0.00	\$400.00	0.00%
E 652-49521-318 Consulting Planner	\$0.00	\$0.00	\$0.00	\$0.00	
E 652-49521-361 Liability Insurance	\$836.00	\$0.00	\$0.00	\$836.00	0.00%
E 652-49521-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
E 652-49521-720 Transfer Out to Oth	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 49521 Recycling Operating	\$19,925.00	\$1,441.55	\$4,328.11	\$15,596.89	21.72%
<b>FUND 652 RECYCLING FUND</b>	<b>\$78,451.00</b>	<b>\$7,203.71</b>	<b>\$21,786.31</b>	<b>\$56,664.69</b>	<b>27.77%</b>
<b>FUND 653 ANTENNA FUND</b>					
Dept 49845 Antenna Operating					
E 653-49845-220 Repairs/Supplies/M	\$0.00	\$0.00	\$0.00	\$0.00	
E 653-49845-430 Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	
E 653-49845-720 Transfer Out to Oth	\$47,985.00	\$47,985.00	\$47,985.00	\$0.00	100.00%
Dept 49845 Antenna Operating	\$47,985.00	\$47,985.00	\$47,985.00	\$0.00	100.00%
<b>FUND 653 ANTENNA FUND</b>	<b>\$47,985.00</b>	<b>\$47,985.00</b>	<b>\$47,985.00</b>	<b>\$0.00</b>	<b>100.00%</b>
<b>FUND 654 PEG FUND</b>					
Dept 41110 Council					
E 654-41110-351 Publishing	\$0.00	\$0.00	\$0.00	\$0.00	
Dept 41110 Council	\$0.00	\$0.00	\$0.00	\$0.00	
<b>FUND 654 PEG FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

**City of Tonka Bay**  
**Expenditure Guideline by dept**

Account Descr	2015 YTD Budget	March 2015 Amt	2015 YTD Amt	Budget Balance	Budget Per Used
	\$2,553,021.00	\$479,210.98	\$850,585.93	\$1,702,435.07	33.32%