

**TOWN OF IDEAL
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2015**

TOWN OF IDEAL

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INTRODUCTORY SECTION

**TOWN OF IDEAL
PRINCIPAL TOWN OFFICIALS
DECEMBER 31, 2015**

POSITION	TERMS EXPIRE	NAME
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ELECTED OFFICIALS

Chairperson	12/31/15	William Wortham
Supervisor	12/31/16	David E. Peterson
Supervisor	12/31/17	John Bilek

APPOINTED OFFICIALS

Clerk-Treasurer		John Plein
Attorney		Breen & Person, Ltd. Gerald J. Brine
Auditor		Justin, Clasen & Company, Ltd.

FINANCIAL SECTION



JUSTIN CLASEN & COMPANY, LTD.

Certified Public Accountants & Consultants

Mick Justin, CPA
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American Institute of
Certified Public Accountants

Minnesota Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Town of Ideal
Ideal Township, Minnesota

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Town of Ideal, Minnesota (the Town), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Minnesota Office of the State Auditor. 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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by Town of Ideal, Minnesota, on the basis of the financial reporting provisions of the Minnesota Office of the State Auditor, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the 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 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Town as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Town as of December 31, 2015, and changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with the accounting practices prescribed by the Minnesota Office of the State Auditor as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory and supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory and supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

In accordance with Minnesota Statutes, we have also issued our report dated February 15, 2016, on our consideration on the Town's compliance with provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. The purpose of the report is to determine if the Town has complied with Minnesota laws and regulations. That report is an integral part of an audit performed in the State of Minnesota.



Justin, Clasen & Company, Ltd.
Certified Public Accountants

Pequot Lakes, Minnesota
February 15, 2016

**TOWN OF IDEAL
STATEMENT OF BALANCES ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS
DECEMBER 31, 2015**

	<u>GENERAL</u>	<u>ROAD AND BRIDGE</u>	<u>CONSTRUCTION</u>	<u>FIRE</u>
ASSETS				
Cash and Cash Equivalents	\$ 136,272	\$ 33,657	\$ 232,593	\$ 119,487
Total Assets	<u>\$ 136,272</u>	<u>\$ 33,657</u>	<u>\$ 232,593</u>	<u>\$ 119,487</u>
LIABILITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
CASH FUND BALANCES				
Committed	-	-	-	-
Assigned	-	33,657	232,593	119,487
Unassigned	<u>136,272</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Fund Balances	<u>136,272</u>	<u>33,657</u>	<u>232,593</u>	<u>119,487</u>
Total Liabilities and Cash Balances	<u>\$ 136,272</u>	<u>\$ 33,657</u>	<u>\$ 232,593</u>	<u>\$ 119,487</u>

<u>CAPITAL PROJECTS</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>\$ 74,338</u>	<u>\$ 5,685</u>	<u>\$ 602,032</u>
<u>\$ 74,338</u>	<u>\$ 5,685</u>	<u>\$ 602,032</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
74,338	-	74,338
-	5,685	391,422
-	-	136,272
<u>74,338</u>	<u>5,685</u>	<u>602,032</u>
<u>\$ 74,338</u>	<u>\$ 5,685</u>	<u>\$ 602,032</u>

TOWN OF IDEAL
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
CASH FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2015

	GENERAL	ROAD AND BRIDGE	CONSTRUCTION	FIRE
RECEIPTS				
Property Taxes	\$ 158,412	\$ 187,534	\$ 243,671	\$ 152,362
Licenses and Permits	-	30	-	-
Intergovernmental	8,751	-	21,844	25,568
Charges for Services	4,258	1,275	-	8,380
Refunds & Reimbursements	-	-	-	4,839
Investment Earnings	559	140	1,118	419
Contributions	-	-	-	1,500
Franchise Fees	1,939	-	-	-
Total Receipts	<u>173,919</u>	<u>188,979</u>	<u>266,633</u>	<u>193,068</u>
DISBURSEMENTS				
Current				
General Government	120,571	-	-	-
Public Safety	-	-	-	172,131
Public Works	-	194,866	1,084	-
Culture and Recreation	-	-	-	-
Capital Outlay				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	318,753	-
Total Disbursements	<u>120,571</u>	<u>194,866</u>	<u>319,837</u>	<u>172,131</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>53,348</u>	<u>(5,887)</u>	<u>(53,204)</u>	<u>20,937</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	27,736	-	-	42,235
Transfers (Out)	-	-	(54,000)	-
Total Other Financing Sources (Uses)	<u>27,736</u>	<u>-</u>	<u>(54,000)</u>	<u>42,235</u>
NET CHANGE IN CASH FUND BALANCES	81,084	(5,887)	(107,204)	63,172
Fund Balances (Deficit) - Beginning	<u>55,188</u>	<u>39,544</u>	<u>339,797</u>	<u>56,315</u>
FUND BALANCES - ENDING	<u>\$ 136,272</u>	<u>\$ 33,657</u>	<u>\$ 232,593</u>	<u>\$ 119,487</u>

CAPITAL PROJECTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 177,366	\$ 4,874	\$ 924,219
-	2,044	2,074
-	14,500	70,663
-	6,613	20,526
46	190	5,075
279	56	2,571
-	-	1,500
-	-	1,939
<u>177,691</u>	<u>28,277</u>	<u>1,028,567</u>
14,542	-	135,113
-	-	172,131
258	32,711	228,919
-	1,505	1,505
12,775	-	12,775
211,000	-	211,000
41,318	-	360,071
<u>279,893</u>	<u>34,216</u>	<u>1,121,514</u>
<u>(102,202)</u>	<u>(5,939)</u>	<u>(92,947)</u>
-	16,000	85,971
-	-	(54,000)
<u>-</u>	<u>16,000</u>	<u>31,971</u>
(102,202)	10,061	(60,976)
<u>176,540</u>	<u>(4,376)</u>	<u>663,008</u>
<u>\$ 74,338</u>	<u>\$ 5,685</u>	<u>\$ 602,032</u>

**TOWN OF IDEAL
STATEMENT OF BALANCES ARISING FROM CASH TRANSACTIONS
PROPRIETARY FUND
DECEMBER 31, 2015**

	BUSINESS TYPE ACTIVITIES- ENTERPRISE FUND <hr/> TRANSFER STATION <hr/>
ASSETS	
Cash and Cash Equivalents	\$ 2,377
Total Assets	<hr/> 2,377
LIABILITIES	
	<hr/> -
NET ASSETS	
Unrestricted	2,377
Total Net Assets	<hr/> <hr/> \$ 2,377

**TOWN OF IDEAL
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN
NET CASH ASSETS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2015**

	BUSINESS TYPE ACTIVITIES- ENTERPRISE FUND <hr/> TRANSFER STATION <hr/>
OPERATING RECEIPTS	
Charges for Services	\$ 53,270
Total Operating Receipts	<u>53,270</u>
OPERATING DISBURSEMENTS	
Personal Services	8,230
Contractual Services	39,198
Utilities	809
Repairs and Maintenance	11,675
Other Supplies	6,067
Total Operating Disbursements	<u>65,979</u>
OPERATING (LOSS)	<u>(12,709)</u>
NONOPERATING RECEIPTS	
Property Taxes	2,214
Investment Earnings	28
Total Nonoperating Receipts	<u>2,242</u>
Net (Loss) Before Contributions and Transfers	(10,467)
Transfers In	<u>13,000</u>
CHANGE IN NET ASSETS	2,533
Total Net Cash Assets (Deficit) - Beginning	<u>(156)</u>
TOTAL NET CASH ASSETS - ENDING	<u><u>\$ 2,377</u></u>

**TOWN OF IDEAL
STATEMENT OF CASH FLOWS - CASH BASIS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2015**

	BUSINESS TYPE ACTIVITIES- ENTERPRISE FUND <hr/> TRANSFER STATION <hr/>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 53,270
Payments to Suppliers	(57,749)
Payments to Employees	(8,230)
Other Receipts	28
	<hr/>
Net Cash (Used in) Operating Activities	(12,681)
	<hr/>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer from Other Funds	13,000
Receipts from Property Taxes	2,214
	<hr/>
Net Cash Provided by Noncapital Financing Activities	15,214
	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,533
Balance (Deficit) - Beginning	(156)
	<hr/>
BALANCE - ENDING	<u><u>\$ 2,377</u></u>

**TOWN OF IDEAL
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2015**

	AGENCY FUNDS		
	ISLAND	LODGING TAX	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 1,138	\$ 82,021	\$ 83,159
Total Assets	\$ 1,138	\$ 82,021	\$ 83,159
LIABILITIES	\$ -	\$ -	\$ -
NET CASH ASSETS			
Restricted Net Cash Assets	1,138	82,021	83,159
Total Net Cash Assets	\$ 1,138	\$ 82,021	\$ 83,159

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Town was incorporated under the laws of the State of Minnesota and operates under an elected Chairperson-Supervisor form of government. The financial statements of the reporting entity include those of the Town (the primary government) and the component units for which the primary government is financially accountable. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit or is fiscally dependent upon the potential component unit. Based on these criteria, there are no organizations considered to be component units of the Town.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Board of Supervisors or the component unit provides services entirely to the Town. These component units' funds are blended into those of the Town's by appropriate activity type to compose the primary government presentation. Currently, the Town has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the Town has no discretely presented component units.

B. Basis of Presentation - Fund Accounting

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- § Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- § Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

General Fund – To account for all financial resources not accounted for and reported in another fund.

Special Revenue Fund – To account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Project Fund - To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or in trust funds for individuals, private organizations, or other governments).

Proprietary Funds

Enterprise Fund - Transfer Station – Used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses) of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds

Fiduciary Funds – Fiduciary activities involve holding and managing net assets for specific individuals or other external parties in accordance with trust agreements or other custodial agreements. Fiduciary activities are reported in trust and agency funds in the fund financial statements.

Major and Nonmajor Funds

Fund	Description
Major:	
Governmental:	
General	As described above.
Road & Bridge Construction	See special revenue funds described above.
Fire	See special revenue funds described above.
Capital Project	As described above.
Proprietary:	
Transfer Station	Accounts for the activities of the Town for operation of the transfer station.
Nonmajor:	
Special Revenue	As described above.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The Town follows the cash basis of accounting for all funds. The Statement of Balances Arising from Cash Transactions and Statements of Cash Receipts, Disbursements, and Changes in Cash Fund Balances were prepared on the cash basis and accordingly, revenues and expenditures are recognized only as cash is received or paid out. These statements do not give effect to receivables, payables, accrued expenses and inventory and accordingly, are not presented in accordance with U.S. generally accepted accounting principles. These procedures are in accordance with *City Audited Financial Statements for Cities under 2,500 in Population Reporting on the Regulatory Basis of Accounting* as required by the Office of the State Auditor, which is a special purpose framework other than accounting principles generally accepted in the United States of America.

D. Assets, Liabilities, and Net Cash

1. Cash, Cash Equivalents, and Investments

The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Town's investments. The Town had no investments

2. Cash Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Town is bound to observe constraints imposed upon the use of resources reported in Governmental Funds.

a. Governmental Fund Balances:

In the governmental fund financial statements, fund balances are classified as follows:

- § **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. There is no nonspendable fund balance at December 31, 2015.
- § **Restricted** – Amounts that can be spent only for specific purposes because of the Town Charter, the Town Code, state or federal laws, or externally imposed conditions by grantors or creditors. There is no restricted fund balance at December 31, 2015. There is no restricted fund balance at December 31, 2015.
- § **Committed** – Amounts that can be used only for specific purposes determined by a formal action by the Board of Supervisors ordinance or resolution.
- § **Assigned** – Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed.
- § **Unassigned** – All amounts not included in other spendable classifications.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Cash (Continued)

2. Cash Fund Balance (Continued)

b. Proprietary Fund Net Position:

Proprietary Fund Net Position is divided into three components:

§ **Net Investment in Capital Assets** – Consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

§ **Restricted** – Consists of assets that are restricted by the Town's creditors (for example, through debt covenants), by state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

§ **Unrestricted** – all other assets are reported in this category.

c. Use of Restricted Resources:

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Town's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Town's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

E. Receipts and Disbursements

1. Property Tax Revenue

The Town levies its property taxes for the subsequent year during the month of December. Crow Wing County is the collecting agency for the levy and remits the collections to the Town. The Town receives its taxes in two installments in July and December.

The property tax levy in 2015 includes certain state credits that are distributed to the Town directly by the state. These credits are classified as intergovernmental revenue.

2. Receipts and Disbursements

Proprietary Funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods and/or services in connection with a Proprietary Fund's principal ongoing operations. Operating disbursements for the Proprietary Fund include the cost of sales and services and administrative expense. All receipts and disbursement not meeting this definition are reported as nonoperating items which include revenue and expenses related to capital and related to financing, noncapital financing, or investing activities.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receipts and Disbursements (Continued)

2. Receipts and Disbursements (Continued)

Disbursements

In the fund financial statements, disbursements are classified as follows:

Governmental Funds - By Character	Current (further classified by function) Capital Outlay
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Proprietary Funds - By Operating and Nonoperating

F. Budgetary Information

Annual budgets for the General Fund are adopted on the cash basis, which is a special purpose framework other than accounting principles generally accepted in the United States of America. Budgeted amounts are as originally adopted, or as amended by the Town's Board of Supervisors. The original and final budget, if amended, for the General Fund is presented in the supplementary information. The Town has not prepared a budget for its major special revenue funds.

G. Use of Estimates

The preparation of financial statements in accordance with regulatory cash basis requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

H. Reclassifications

Certain funds relating to the prior year have been restated to conform to the current year's presentation. These reclassifications have no effect on the change in Fund Balances.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

At December 31, 2015, there were no compliance issues to be noted.

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS

A. Deposits and Investments

The Town maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as Cash and Cash Equivalents. Interest is allocated based on management's estimate of interest earned by fund. In accordance with *Minnesota Statutes* the Town maintains deposits at financial institutions which are authorized by the Board of Supervisors.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

1. Deposits

The Town is authorized by Minn. Stat. §§ 118A.02 and 118A.04 to designate a depository for public funds and to invest in certificates of deposit. The Town is required by Minn. Stat. § 118A.03 to protect deposits with insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount of deposit at the close of the financial institution’s banking day, not covered by insurance or bonds.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the Town’s deposits may not be returned to it. It is the Town’s policy that collateral or bonds will be required for all uninsured amounts on deposit, and the additional insurance will be documented to show compliance with state law and a perfected security interest under federal law. As of December 31, 2015, the Town’s deposits were not exposed to custodial credit risk.

Accounts held by an official custodian of a government unit will be insured as follows:

The Federal Deposit Insurance Corporation (FDIC) deposit coverage limit for bank depositors is \$250,000. If the depository bank is located in the State of Minnesota, government depositors are eligible for two separate \$250,000 coverages: one for all time/savings accounts and one for all demand accounts. For deposits in banks outside the State of Minnesota, government depositors have total coverage of \$250,000 for all demand and time/savings deposit accounts combined.

Authorized collateral includes:

- § U.S. government treasury bills, notes, or bonds;
- § issues of a U.S. government agency or instruments that are quoted by a recognized industry quotation service available to the government entity;
- § general obligation securities of a state or local government, with taxing powers, rated “A” or better;
- § revenue obligation of a state or local government, with taxing powers, rated “AA” or better;
- § general obligation securities of a local government, with taxing powers, pledged as collateral against funds deposited by that same local government entity;
- § an irrevocable standby letter of credit issued by Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank’s public debt is rated “AA” or better by Moody’s or Standard and Poor’s; or
- § time deposits fully insured by any federal agency.

Cash balances consist of the following at December 31, 2015:

Carrying Balance	Bank Balance
\$ 687,568	\$ 697,097

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

2. Investments

The Town has an investment policy and is permitted to invest its idle funds as authorized by Minnesota Statutes 118A.04 and 118A.05 as follows:

- § Governmental bonds, notes, bills, mortgages, and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, excluding mortgage-backed securities defined as “high risk”;
- § General obligations of a state or local government with taxing powers rated “A” or better by a national bond rating service;
- § Revenue obligations of a state or local government with taxing powers rated “AA” or better by a national bond rating service;
- § General obligations of the Minnesota Housing Finance Agency which was a moral obligation of the State of Minnesota and is rated “A” or better by a national bond rating service;
- § An obligation of a school district with an original maturity not exceeding 13 months and rated in the highest category by a national bond rating service or enrolled in the credit enhancement program.
- § Commercial papers issued by the United States corporation or their Canadian subsidiaries that are rated in the highest quality category by at least two nationally recognized rating agencies, and matures in 270 days or less;
- § Time deposits fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United States banks;
- § High risk mortgage-backed securities that are interest only or principal only or a mortgage derivative security that has an average life greater than 10 years or securities that will have a price change of more than 17%;
- § Its own temporary obligations issued under Minn. Stat. §§ 429.091, subd. 7 (special assessments), 469.178 subd. 5 (tax increment bonds), or 475.61, subd. 6;
- § Funds held in a debt service fund may be used to purchase an obligation of an issue which is payable from the fund.

As of December 31, 2015, the Town did not have any investments.

Interest Rate Risk

The risk that changes in interest rates could adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Town manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities to meet cash requirements for ongoing operations

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the Town’s policy to invest only in securities that meet the ratings requirements set by statute.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

2. Investments (Continued)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2015, the Town was not exposed to custodial credit risk.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the Town's investment in a single issuer. The Town places no limit on the amount that it may invest in any one issuer.

B. Interfund Transfers

Fund	Transfers Out	Fund	Transfers In	Reason for Transfers
Construction	\$ 25,000	General	\$ 25,000	To cover fund losses
Construction	16,000	Recycling	16,000	To cover fund losses
Construction	13,000	Transfer Station	13,000	To cover fund losses
Island	44,971	General	2,736	Reclass Beginning Fund Balance
		Fire	42,235	Reclass Beginning Fund Balance
	<u>\$ 98,971</u>		<u>\$ 98,971</u>	

C. Cash Fund Balances

At December 31, 2015, Governmental Cash Fund Balances consist of the following:

	General	Road and Bridge	Construction	Fire	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Committed for: Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ 74,338	\$ -	\$ 74,338
Assigned for: Special Revenue	-	33,657	232,593	119,487	-	5,685	391,422
Unassigned	136,272	-	-	-	-	-	136,272
Total Fund Balance	<u>\$ 136,272</u>	<u>\$ 33,657</u>	<u>\$ 232,593</u>	<u>\$ 119,487</u>	<u>\$ 74,338</u>	<u>\$ 5,685</u>	<u>\$ 602,032</u>

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 4 OTHER NOTES

A. Defined Benefit Pension Plan - Statewide

1. Plan Description

All full-time and certain part-time employees of the Town 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, fire-fighters 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.

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 three 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 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. The annuity accrual rate is 1.9 percent 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 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.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 4 OTHER NOTES (CONTINUED)

A. Defined Benefit Pension Plan – Statewide (Continued)

1. Plan Description (Continued)

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

2. 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 Town 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 9.1% and 6.5%, respectively, of their annual covered salary in 2015. PEPFF members were required to contribute 10.8% of their annual covered salary in 2015. PECF members are required to contribute 5.83% of their annual covered salary. In 2015, the Town was required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan members, 7.5% for Coordinated Plan members, 16.2% for PEPFF members, and 8.75% for PECF members. The Town's contributions to the Public Employees Retirement Fund for the years ending December 31, 2015, 2014, and 2013, were \$11,289, \$ \$9,488, and \$9,368, respectively. The Town's contributions were equal to the contractually required contributions for each year as set by state statute.

B. Defined Contribution Plan

The Town of Ideal provides pension benefits for its elected local government officials through the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the Public Employees Retirement Association of Minnesota (PERA). The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 4 OTHER NOTES (CONTINUED)

B. Defined Contribution Plan (Continued)

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2 percent of employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually.

Total contributions made by the Town of Ideal were:

	Contribution Amount		Percentage of Covered Payroll		Required Rates
	Employees	Employer	Employees	Employer	
2015	\$ 764	\$ 764	5.00 %	5.00 %	5.00 %
2014	912	912			
2013	760	760			

C. Volunteer Firefighter's Relief Association

Plan Description

A single-employer defined benefit pension plan is administered by the Ideal Firefighter Relief Association. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The relief association determines the level of benefits with approval from the Board of Supervisors. The Ideal Firefighter Relief Association issues a publicly available financial report that includes financial statements and required supplementary information for the plan.

Funding Policy

Minnesota statutes specify minimum contributions that may be required from the Town on an annual basis. These minimum contributions are determined based on the amount required to meet the normal cost plus amortizing any prior years' service cost over a ten year period. No contribution was required for the Town for the year ended December 31, 2015. The firefighter relief association also receives funding from the State of Minnesota's two percent fire premium tax. The Town receives the contributions and is required by statute to pass this through as payment to the firefighter relief association. Investment earnings also add to the resources available for benefits within the association.

**TOWN OF IDEAL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 4 OTHER NOTES (CONTINUED)

D. Risk Management

The Town is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The Town has entered into a joint powers agreement with the Minnesota Association of Townships Insurance and Bond Trust (MATIT). The MATIT is a public entity risk pool currently operating as a common risk management and insurance program for Minnesota townships. The agreement for the formation of the MATIT provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of reserved amounts for each insured event.

The pooling agreement allows for the pool to make additional assessments to make the pool self-sustaining. The Town has determined that it is not possible to estimate the amount of such additional assessments; however, they are not expected to be material to the financial statements taken as a whole.

E. Subsequent Events

In February 2016 the Town will issue a bond for approximately \$288,000 to provide funding for a new fire truck.

SUPPLEMENTARY INFORMATION SECTION

**TOWN OF IDEAL
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 2015**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Beginning Budgetary Fund Balance - January 1	\$ 55,188	\$ 55,188	\$ 55,188	\$ -
RECEIPTS				
Taxes				
Property Taxes				
Current, Delinquent, Penalties, and Interest	155,000	155,000	158,412	3,412
Total Taxes	<u>155,000</u>	<u>155,000</u>	<u>158,412</u>	<u>3,412</u>
Intergovernmental				
State Grants				
Township Aid	-	-	7,084	7,084
Market Value Credit	-	-	555	555
Other	-	-	597	597
County Grants				
Other	-	-	515	515
Total Intergovernmental	<u>-</u>	<u>-</u>	<u>8,751</u>	<u>8,751</u>
Miscellaneous				
Charges for Services - General Government	-	-	4,258	4,258
Investment Earnings	-	-	559	559
Franchise Fees	-	-	1,939	1,939
Total Miscellaneous	<u>-</u>	<u>-</u>	<u>6,756</u>	<u>6,756</u>
Total Receipts	<u>155,000</u>	<u>155,000</u>	<u>173,919</u>	<u>18,919</u>
Other Financing Sources				
Transfers In:				
Construction	-	-	25,000	25,000
Island	-	-	2,736	2,736
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>27,736</u>	<u>27,736</u>
Total Receipts and Other Financing Sources	<u>155,000</u>	<u>155,000</u>	<u>201,655</u>	<u>46,655</u>
Amounts Available for Appropriation	<u>210,188</u>	<u>210,188</u>	<u>256,843</u>	<u>46,655</u>
DISBURSEMENTS				
General Government				
Chair and Supervisors				
Current	-	-	24,543	(24,543)
Elections				
Current	-	-	467	(467)
Finance-Municipal Clerk/Treasurer				
Current	-	-	67,085	(67,085)
Independent Accounting and Auditing				
Current	-	-	4,800	(4,800)
Legal				
Current	-	-	361	(361)
City Hall, General Government Buildings				
Current	155,000	155,000	23,315	131,685
Total General Government	<u>155,000</u>	<u>155,000</u>	<u>120,571</u>	<u>34,429</u>
Total Disbursements	<u>155,000</u>	<u>155,000</u>	<u>120,571</u>	<u>34,429</u>
BUDGETARY FUND BALANCE - DECEMBER 31	<u>\$ 55,188</u>	<u>\$ 55,188</u>	<u>\$ 136,272</u>	<u>\$ 81,084</u>

**TOWN OF IDEAL
 COMBINING STATEMENT OF BALANCES ARISING FROM CASH TRANSACTIONS
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2015**

	PARKS	RECYCLING	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS			
Cash and Cash Equivalents	\$ 3,773	\$ 1,912	\$ 5,685
Total Assets	\$ 3,773	\$ 1,912	\$ 5,685
LIABILITIES			
	-	-	-
CASH FUND BALANCES			
Assigned	3,773	1,912	5,685
Total Cash Fund Balances	3,773	1,912	5,685
Total Liabilities and Cash Fund Balances	\$ 3,773	\$ 1,912	\$ 5,685

**TOWN OF IDEAL
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2015**

	PARKS	RECYCLING	TOTAL NONMAJOR GOVERNMENTAL FUNDS
RECEIPTS			
Property Taxes	\$ 3,079	\$ 1,795	\$ 4,874
Licenses & Permits	-	2,044	2,044
Intergovernmental	-	14,500	14,500
Charges for Services	-	6,613	6,613
Refunds & Reimbursements	190	-	190
Interest	28	28	56
Total Receipts	<u>3,297</u>	<u>24,980</u>	<u>28,277</u>
DISBURSEMENTS			
Public Works			
Current	-	32,711	32,711
Culture and Recreation			
Current	1,505	-	1,505
Total Disbursements	<u>1,505</u>	<u>32,711</u>	<u>34,216</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,792	(7,731)	(5,939)
OTHER FINANCING SOURCES			
Transfers In	-	16,000	16,000
Total Other Financing Sources	<u>-</u>	<u>16,000</u>	<u>16,000</u>
NET CHANGE IN CASH FUND BALANCES	1,792	8,269	10,061
Fund Balances (Deficit) - Beginning	<u>1,981</u>	<u>(6,357)</u>	<u>(4,376)</u>
FUND BALANCES - ENDING	<u>\$ 3,773</u>	<u>\$ 1,912</u>	<u>\$ 5,685</u>

**TOWN OF IDEAL
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2015**

	ISLAND	LODGING TAX	TOTAL
RECEIPTS			
Lodging Tax	\$ -	\$ 66,089	\$ 66,089
Interest	196	63	259
Refunds and Reimbursements	19,825	7,171	-
	<u>20,021</u>	<u>73,323</u>	<u>93,344</u>
DISBURSEMENTS			
Equipment and Supplies	2,752	-	2,752
Repairs & Maintenance	16,997	-	16,997
Advertising	-	64,668	64,668
Insurance	-	1,687	1,687
Administrative	-	8,314	8,314
Miscellaneous	1,693	3,596	5,289
	<u>21,442</u>	<u>78,265</u>	<u>99,707</u>
(DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(1,421)	(4,942)	(6,363)
OTHER FINANCING (USES)			
Transfers (Out)	(44,971)	-	(44,971)
Total Other Financing (Uses)	<u>(44,971)</u>	<u>-</u>	<u>(44,971)</u>
NET CHANGE IN CASH FUND BALANCES	(46,392)	(4,942)	(51,334)
Fund Balances - Beginning	<u>47,530</u>	<u>86,963</u>	<u>134,493</u>
FUND BALANCES - ENDING	<u>\$ 1,138</u>	<u>\$ 82,021</u>	<u>\$ 83,159</u>

**TOWN OF IDEAL
SCHEDULE OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2015**

FUND	SOURCE OF REVENUE AND PURPOSE		AMOUNT
Fire Department	Crow Wing County	Property Tax	\$ 2,721
General	Crow Wing County	Property Tax	6,395
Parks	Crow Wing County	Property Tax	54
Recycling	Crow Wing County	Property Tax	69
Road and Bridge	Crow Wing County	Property Tax	7,703
			<u>\$ 16,942</u>

**SCHEDULE OF ACCOUNTS PAYABLE AND CONTINGENT LIABILITIES
DECEMBER 31, 2015**

FUND	VENDOR NAME	ITEM AND PURPOSE	CLAIM NUMBER	AMOUNT
Fire Department	Clean Team	Cleaning Services	20329	\$ 30
Fire Department	Oasis Oil	Fuel	20334	161
Fire Department	Minnesota Power	Dry Hydrant	20343	12
Fire Department	Motorola Solutions, Inc.	Radio	20344	2,842
Fire Department	Galligan Marine	Generator Repair	20345	188
Fire Department	Booth Office Supply	Fire Administration	20347	12
Fire Department	Granite Electronics	Radio	20348	235
Fire Department	Emergency Response Solutions	SCBA Parts	20349	318
Fire Department	F.I.R.E.	Officer Class	20346	500
General	Brainerd Dispatch/Echo	Elections	20325	78
General	Northland Press	Elections	20326	326
General	The Office Shop	Supplies	20327	30
General	Clean Team	Cleaning Services	20329	170
General	Xcel Energy	Natural Gas	20331	334
General	Ace Hardware	Shop Supplies	20333	36
General	Pequot Lakes Sanitation	Transfer Fee	20340	15
Recycling	Pequot Lakes Sanitation	Transfer Fee	20340	120
Recycling	Crow Wing County Landfill	Electronics Recycle	20351	425
Recycling	North County Rolloff	Recycling Disposal	20342	1,214
Road and Bridge	Xcel Energy	Natural Gas	20331	138
Road and Bridge	Ace Hardware	Shop Supplies	20333	138
Road and Bridge	Auto Value Pequot Lakes	Repair Supplies	20335	106
Road and Bridge	Oasis Oil	Fuel	20334	482
Transfer Station	Crow Wing Power	Electric	20330	109
Transfer Station	Nisswa Rolloff Service	Transfer Fee	20338	3,615
Transfer Station	Pequot Lakes Sanitation	Transfer Fee	20340	483
Transfer Station	Simonson Lumber Co.	Office Door	20341	362
Transfer Station	Fisher Signs	Road Signage	20350	832
Transfer Station	Breen & Person, Ltd.	Legal Services	20339	361
				<u>\$ 13,672</u>

OTHER REPORT SECTION



JUSTIN CLASEN & COMPANY, LTD.

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Minnesota Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Supervisors
Town of Ideal
Ideal Township, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Town of Ideal, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated February 15, 2016.

The Minnesota Legal Compliance Audit Guide for Political Subdivisions, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that the Town of Ideal failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, except that they failed to bid a purchase over the Minn. Stat. § 471.345 threshold. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Town's noncompliance with the above referenced provisions.

This report is intended solely for the information and use of those charged with governance and management of the Town of Ideal and the State Auditor and is not intended to be and should not be used by anyone other than the specified parties.

Justin, Clasen & Company, Ltd.
Certified Public Accountants

Pequot Lakes, Minnesota
February 15, 2016