



February 19, 2019

Board of Audit Report for 2018

In accordance with Minnesota Statute § 367.36, Ideal Township is required to conduct an outside audit annually. For fiscal year 2018, the audit was performed by the CPA firm of Justin Clasen & Company, LTD.

A Board of Audit Meeting was held on February 19th, 2019 at 8 am with all Town Board members and the Clerk-Treasurer in attendance. A representative of Justin Clasen & Company, LTD. was also present.

Chairman Peterson presented the 2018 Annual Audit documents to the Board for review. As shown on page 5 of the Auditor's Report document, the total Governmental Funds receipts from all sources totaled \$1,118,576 with disbursements of \$1,100,600. This indicates a surplus from operations in 2018 of \$52,976. As shown on page 34, nothing was found during the audit to indicate that the Township failed to comply with provisions of the *Minnesota Legal Compliance Audit Guide for Towns*.

The 2018 beginning balances of all funds was \$603,438; plus the 2018 surplus, leaves a beginning balance for 2019 of \$656,414.

Activity of the proprietary enterprise fund representing the operation of the Ideal Transfer Station, as shown on page 7, includes revenue of \$71,261 and expenses of \$79,391 indicating an operating loss of \$8,130. The 2018 beginning balance of \$11,886, plus non-operating receipts of \$12,420, minus the loss, leaves a beginning balance for 2019 of \$16,176.

A report of all 2018 Property Tax Settlements paid to the Township from the Crow Wing County Auditor was presented by the Clerk. Total amount received from the 2018 levy was \$972,916.23.

A comparison report was presented showing net tax capacity rate (NTC) and total taxable market value (TMV) for the Township since 2004. Values for 2018 tax year show TMV of \$861,355,434 which calculates to a tax capacity of \$9,120,971 meaning the Township operated with a NTC rate of 10.723%. Tax capacity is a calculation of the statutory limit that a local government can levy based on the total market value of properties within the

jurisdiction. The NTC rate is a measure of financial performance comparing tax capacity to the actual amount levied.

The Clerk gave the Board a demonstration of process procedures and document filing including computerized accounting system (CTAS), monthly reporting process, and year-end procedures. The demonstration indicated compliance with generally accepted practices and that all required filing & reporting has been completed including; annual financial reports to the Minnesota State Auditor, periodic and year-end payroll filings and tax payments, workers compensation insurance audit, sufficient deposit account security pledges, and 2019 tax levy certification.

The Financial Statements and Independent Auditor's Report for 2018 is posted to the idealtownship.com website. Detailed & complete reports on receipts and disbursements for the year are available to the public upon request from the Clerk-Treasurer.

John Plein
Ideal Township Clerk-Treasurer
February 19th, 2019

Ideal Township Tax Settlements

2018

County Categc Levy	6/21/2018 Amount	7/3/2018 Amount	11/30/2018 Amount	1/25/2019 Amount	Totals
General	\$ 255,000	\$ 124,280.80	\$ 56,550.99	\$ 99,247.83	\$ 283,722.58
Roads	\$ 463,000	\$ 198,409.65	\$ 89,616.39	\$ 158,396.21	\$ 452,210.56
Fire	\$ 238,000	\$ 94,173.67	\$ 42,353.58	\$ 75,172.55	\$ 214,437.60
Park	\$ 5,000	\$ 2,186.71	\$ 985.31	\$ 1,745.71	\$ 4,981.41
Recycling	\$ 17,000	\$ 7,396.89	\$ 3,236.81	\$ 5,896.39	\$ 16,742.26
Penalty			\$ 746.92	\$ 34.93	\$ 821.82
	<u>\$ 978,000</u>	<u>\$ 426,447.72</u>	<u>\$ 193,490.00</u>	<u>\$ 340,493.62</u>	<u>\$ 972,916.23</u>

Allocated to Funds	Levy	% of category	Amount	Amount	Amount	Amount	Totals	
General	100-31001	\$ 145,000	56.86%	\$ 70,669.47	\$ 32,156.45	\$ 56,435.04	\$ 2,071.49	\$ 161,332.45
Capital Projects	401-31001	\$ 110,000	43.14%	\$ 53,611.33	\$ 24,394.54	\$ 42,812.79	\$ 1,571.47	\$ 122,390.13
Road & Bridge	201-31001	\$ 208,000	44.92%	\$ 89,134.36	\$ 40,259.63	\$ 71,158.56	\$ 2,600.36	\$ 203,152.91
Road Construction	210-31001	\$ 255,000	55.08%	\$ 109,275.29	\$ 49,356.76	\$ 87,237.65	\$ 3,187.95	\$ 249,057.65
Fire Dept	250-31001	\$ 238,000	100.00%	\$ 94,173.67	\$ 42,353.58	\$ 75,172.55	\$ 2,737.80	\$ 214,437.60
Park & Rec	280-31001	\$ 5,000	100.00%	\$ 2,186.71	\$ 985.31	\$ 1,745.71	\$ 63.68	\$ 4,981.41
Recycling	290-31001	\$ 5,000	29.41%	\$ 2,175.56	\$ 952.00	\$ 1,734.23	\$ 62.40	\$ 4,924.19
Transfer Station	600-31001	\$ 12,000	70.59%	\$ 5,221.33	\$ 2,284.81	\$ 4,162.16	\$ 149.77	\$ 11,818.07
General	100-31901		100.00%		\$ 746.92	\$ 34.93	\$ 39.97	\$ 821.82
		<u>\$ 978,000</u>		<u>\$ 426,447.72</u>	<u>\$ 193,490.00</u>	<u>\$ 340,493.62</u>	<u>\$ 12,484.89</u>	<u>\$ 972,916.23</u>

**Town Calculations Comparison
Ideal Township**

"March 6, 2019"

Payable										
Year	Levy	Increase %	Tax Capacity	NTC	Rate Change	Tax. Market Value	Est. Market Value	EMV change \$	EMV change %	New Construction
2004	\$ 565,000		\$ 4,793,111	11.787%	-1.861%	\$ 464,271,950	\$ 623,317,700			\$ 10,653,800
2005	\$ 578,000	2.30%	\$ 5,709,666	10.123%	-1.664%	\$ 549,975,200				
2006	\$ 615,000	6.40%	\$ 6,642,151	9.259%	-0.864%	\$ 636,982,700	\$ 778,115,200			\$ 9,104,200
2007	\$ 650,000	5.69%	\$ 7,839,320	8.292%	-0.967%	\$ 744,174,600	\$ 903,984,600	\$ 125,869,400	16.18%	\$ 12,970,100
2008	\$ 750,000	15.38%	\$ 9,186,920	8.164%	-0.128%	\$ 863,848,000	\$ 999,232,500	\$ 95,247,900	10.54%	\$ 13,119,000
2009	\$ 795,000	6.00%	\$ 10,492,058	7.577%	-0.587%	\$ 978,990,200	\$ 1,038,241,600	\$ 39,009,100	3.90%	\$ 29,114,000
2010	\$ 820,000	3.14%	\$ 11,287,711	7.264%	-0.313%	\$ 1,047,439,500	\$ 1,052,021,700	\$ 13,780,100	1.33%	\$ 11,454,600
2011	\$ 820,000	0.00%	\$ 10,035,632	8.171%	0.907%	\$ 941,071,000	\$ 943,408,600	\$ (108,613,100)	-10.32%	\$ 6,637,400
2012	\$ 835,000	1.83%	\$ 9,543,709	8.750%	0.579%	\$ 897,187,200	\$ 904,554,800	\$ (38,853,800)	-4.12%	\$ 7,715,800
2013	\$ 860,000	2.99%	\$ 8,630,460	9.965%	1.215%	\$ 818,976,500				
2014	\$ 881,000	2.44%	\$ 8,533,574	10.324%	0.359%	\$ 809,118,100	\$ 817,110,400			\$ 5,325,300
2015	\$ 912,000	3.52%	\$ 8,655,682	10.537%	0.213%	\$ 820,534,100	\$ 827,480,500	\$ 10,370,100	1.27%	\$ 7,166,900
2016	\$ 937,000	2.74%	\$ 8,830,756	10.610%	0.073%	\$ 835,303,600	\$ 843,074,600	\$ 15,594,100	1.88%	\$ 7,328,200
2017	\$ 962,000	2.67%	\$ 9,203,400	10.452%	-0.158%	\$ 868,246,090	\$ 875,223,800	\$ 32,149,200	3.81%	\$ 6,513,500
2018	\$ 978,000	1.66%	\$ 9,120,971	10.723%	0.271%	\$ 861,355,434	\$ 867,975,600	\$ (7,248,200)	-0.83%	\$ 9,079,200
2019	\$ 988,000	1.02%	\$ 9,640,125	10.249%	-0.474%	\$ 907,584,724	\$ 913,690,500	\$ 45,714,900	5.27%	\$ 10,024,300
2020	\$ 1,022,000	3.44%							0.00%	