

**CITY OF BAYPORT
CITY COUNCIL MEETING
Council Chambers, 294 North 3rd Street
May 5, 2008**

REGULAR MEETING

6:00 P.M.

CALL TO ORDER

ROLL CALL (Mayor Nowaczek and City Councilmembers Carlson, Johnson, Kraftson and Ridgway)

PROCLAMATIONS, COMMENDATIONS, PETITIONS, AND ANNOUNCEMENTS

1. April recycling award to Louis Kemm
2. Public Open House to celebrate the completion of the bathhouse remodel at Lakeside Park scheduled for Tuesday, May 20, 2008 from 4:00 – 6:00 p.m.

OPEN FORUM

The open forum is a portion of the meeting to address the City Council on subjects that are not a part of the meeting agenda. The City Council may take action or reply at the time of the statement or may give direction to staff regarding investigation of the concerns expressed. *A total of 15 minutes is allotted for the public comment period (not 15 minutes per person).*

1. Consider a request for placement of a McKenzie boy scout statue in a city park
2. Consider authorization for a scout to complete an Eagle Scout Leadership Service Project at Village Green Park with funding provided by the city
- 3.

CONSENT AGENDA

TAB #

Consider approving a resolution adopting items 1 through 10

- | | |
|--|----|
| 1. April 7, 2008 City Council regular meeting minutes | 1 |
| 2. April payables and receipts | 2 |
| 3. April building, plumbing and mechanical permits | 3 |
| 4. Fund transfers – budgeted and unbudgeted | 4 |
| 5. Donation request for Memorial Day parade | 5 |
| 6. Special event application for Memorial Day parade activities | 6 |
| 7. Special event application for Andersen Corporation Quarter Century picnic | 7 |
| 8. Temporary on-sale liquor license for Bayport Marina | 8 |
| 9. Award of quote and funding for painting of snow plow truck | 9 |
| 10. Special event application for A Night at Dane's Place | 10 |

COUNCIL LIAISON REPORTS

UNFINISHED BUSINESS

- | | |
|---|----|
| 1. Consider accepting the feasibility study for water extension to Pete Miller's property located in Baytown Township and an addendum to the Joint Powers Agreement for the water extension | 11 |
| 1. Consider establishing fees and policies associated with the designated cremains area in Hazelwood Cemetery | 12 |

TAB #

2. Consider gas and electric franchise agreements with Xcel Energy 13

NEW BUSINESS

1. Consider award of 2008 Recycling and Solid Waste Scholarship 14
2. Presentation of 2007 Audit 15
3. Consider approval of liquor licenses for the establishment "Refuge on the River" located at 101 5th Avenue South 16
4. Consider a \$50,000 loan request from the MSCWMO to design and bid the Bayport storm sewer project 17

COUNCIL ITEMS AND ANNOUNCEMENTS

CITY ADMINISTRATOR ITEMS AND ANNOUNCEMENTS

1. Set workshop date for quarterly department review of Public Works department and BCAL donation
2. Schedule special meeting to consider bids for Lakeside Park and update on Barker's Alps.

ADJOURNMENT

Honorable Mayor and City Council Members,

The Boy Scouts of America was founded in 1910 and chartered by the United States Congress in 1916. As part of the 100th anniversary celebration, the Northern Star Council of the BSA plans to place six "The Boy Scout" statues throughout the Council. The Northern Star Council serves 21 counties across central Minnesota and four counties in Western Wisconsin. Troop 113 thinks Bayport would be an excellent home for one of these statues, either in the Village Green or Perro Park. We are seeking the Bayport City Council's support in the application process.



Bayport's first Troop was organized by Rev. Charles Schaufuss of the People Congregational Church in the fall of 1917. It disbanded when Rev. Schaufuss was called to another parish in 1918.

Scouting has continuously served the youth of Bayport for 86 years. In 1922 Bayport Troop 1 was officially chartered to the Bayport Public Schools and made part of the Stillwater and Baytown Council of the Boy Scouts of America.

In 1929 the Hesley Jensen American Legion Post assumed the Troops charter and the Troop number changed to 113. In 2002 Bethlehem Lutheran Church became a co-chartered partner.

Scouting's highest honor, the Eagle award, has been earned by 79 members of Troop 113.

In 1914 famed sculptor Dr. R. Tait McKenzie was asked to create something tangible "that would stand as a symbol of what Scouting stood for." In response, Dr. McKenzie created "The Boy Scout."

To Dr. McKenzie, the uncovered head represented reverence and obedience, the ax on which the hand rests was a symbol of George Washington's truthfulness.

We are requesting a resolution stating that the City of Bayport would be willing to place and maintain "The Boy Scout" in the Village Green or Perro Park.

Thank you for your consideration of this matter.

Joseph Reding & Maggie Knuteson
On behalf of the Troop 113 Committee

If you would like to learn more about the history of Scouting in Bayport, please visit <http://www.troop113.indianhead.org/T113%20History>.

For more information about Northern Star Council, please visit <http://www.northernstarbsa.org/AboutUs/>.

For more information about "The Boy Scout" statue, please visit <http://www.dachsa.org/about-DAC/boy-scout-statue.htm>.

Lance Meister
Troop 113 Bayport, MN
(651)430-3192

PROJECT DESCRIPTION

The project that I will be planning will be landscaping part of Village Green Park. I would like to lay down flagstone around the time capsule memorial in the dimensions of approximately 12 ft. by 12 ft. I also will be installing 2 new benches.

The community of Bayport and its visitors will benefit from this project because it will create a nice area for the people who take walks through town to sit and relax.



As you can see from the photo above, this location needs some help. The grass won't grow, and the benches need replacing.



The picture above will show what the flagstone will look like, excluding the borders around the trees and the rocks

PROJECT DETAILS

I will be removing the old benches and replacing them with new benches, Mel has benches at the public works building, but they need legs.

I will need to remove aprox. 8 inches of soil (will try to use the black dirt to fill in low spots) then lay down 5 inches of class 5 gravel for a good base. Then lay down 2 inches of sand so when we lay down the flagstone we can level them off. Once that is done we will spread out dresser trap gravel to fill in the cracks between the flagstones.

The cost of the project would be approximately \$1,200.00 dollars. Here is an itemization of the cost.

Materials

- \$300.00 for the flagstone
- \$300.00 to replace the benches
- \$200.00 for concrete
- \$75.00 for tamper rental
- \$30.00 for Woven fabric
- \$40.00 for class 5 rock
- \$30.00 for sand
- \$25.00 for trap rock
- Total: \$1000.00

Safety equipment

- 12 – Safety vests \$ 120.00
- 12- Safety glasses \$60.00

Food and beverages

- Water and cool aid \$25.00
- 2 Lunches \$100.00

I would like the city to help out with the payment of materials and safety equipment. I would also like the city to help out with removal of the old benches and the removal of the access dirt from digging the hole where the flagstone would go. I would like if the city could possibly deliver the class 5 and sand to the project site.

RESOLUTION NO. 08-

EXTRACT OF THE MINUTES OF MEETING OF THE CITY COUNCIL OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA HELD MAY 5, 2008

Pursuant to due call and notice therefore, a regular meeting of the City Council of the City of Bayport, Minnesota was duly held at Bayport City Hall in said municipality on the 5th day of May 2008, at 6.00 p.m.

The following members were present.

The following members were absent:

Councilmember _____ introduced the following resolution and moved its adoption:

A RESOLUTION APPROVING CONSENT AGENDA ITEMS 1-10 FROM THE MAY 5, 2008 CITY COUNCIL AGENDA

1. April 7, 2008 City Council regular meeting minutes
2. April payables and receipts
3. April building, plumbing and mechanical permits
4. Fund transfers – budgeted and unbudgeted
5. Donation request for Memorial Day parade
6. Special event application for Memorial Day parade activities
7. Special event application for Andersen Corporation Quarter Century picnic
8. Temporary on-sale liquor license for Bayport Marina
9. Award of quote and funding for painting of snow plow truck
10. Special event application for A Night at Dane's Place

The motion for adoption of the foregoing resolution was duly seconded by Councilmember _____ and upon roll call being taken thereon, the following vote via voice:

Jonathan Nowaczek –
Dan Johnson –
Sharon Ridgway –

Connie Carlson –
Torry Kraftson –

WHEREUPON, said Resolution was declared duly passed and adopted and signed by the Mayor and attested by the City Administrator. Passed by the City Council, City of Bayport, Washington County, Minnesota this 5th day of May 2008.

ATTEST:

Mike McGuire, City Administrator

Jon Nowaczek, Mayor

**CITY OF BAYPORT
CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBER
APRIL 7, 2008
6:00 P.M.**

CALL TO ORDER

Pursuant to due call and notice, Mayor Nowaczek called the regular City Council meeting of April 7, 2008 to order at 6:00 p.m., and asked Councilmembers, staff and the audience to join in pledging allegiance to the American Flag.

ROLL CALL

Members Present: Mayor Jon Nowaczek, Councilmembers Torry Kraftson and Sharon Ridgway

Members Absent: Councilmembers Connie Carlson and Dan Johnson

Others Present: Administrator Mike McGuire, Fire Chief Mike Bell, Engineer Barry Peters, Assistant Administrator/Planner Sara Taylor, and Attorney Nick Vivian

PROCLAMATIONS/COMMENDATIONS/PETITIONS

1. The recycling award for March went to Bob McPherson.

OPEN FORUM

1. Phil St. Ores, 345 Lake Street South, requested city staff investigate dipping in the road on 2nd Avenue South, on the west side of the railroad tracks. He believes there should be a position statement prepared related to the purchase of waterfront property and stated he would like to participate in the process of any proposed purchase. Mr. St. Ores requested that workshops be scheduled later in the day to allow for more resident participation. Mayor Nowaczek stated the city will do its due diligence with regards to any real estate purchase and encouraged Mr. St. Ores to submit his thoughts in writing.

CONSENT AGENDA

Mayor Nowaczek read items 1-18 on the consent agenda.

Councilmember Kraftson made a motion to move consent agenda items #14, *Operation and rental policy for bathhouse*, and #16, *Engineering amendment for South Minnesota Street improvement project*, to Unfinished Business, introduced the following renumbered resolution and moved its adoption:

Resolution 08-05

**A RESOLUTION APPROVING CONSENT AGENDA ITEMS 1-16 FROM THE APRIL 7, 2008
CITY COUNCIL AGENDA**

1. March 3, 2008 City Council regular meeting minutes
2. March 10, 2008 City Council workshop minutes
3. March payables and receipts
4. March building, plumbing and mechanical permits
5. Annual step increase for Police Chief
6. Annual step increase for Secretary/Receptionist

7. Accepting a \$1,000.00 grant for general operating support for the Bayport Fire Department from the Katherine B. Andersen Fund
8. Accepting a \$500.00 donation from the Lindstrom Fire Department for the Police Department Canine Program
9. Purchase of Police Department radio equipment for 800 Megahertz Radio System
10. Special event application and temporary on-sale liquor license for Dane's Place fundraiser
11. Special event application and lawful gambling permit for Andersen Corporation ALCO picnic
12. Special event application for People's Congregational Church Missions Fair
13. Special event application for Bayport Library Book Sale
14. Final payment for South Minnesota Street improvement project
15. Amendment to Water Extension Development Agreement for DCCI
16. Grass fire unit – pump tank replacement for fire department

Regarding consent item #10, Councilmember Ridgway noted that Dane's Place is sponsored by the three area churches and the Bayport Community Action League. She encouraged all residents to support this community-wide fundraising event scheduled for June 28, 2008

The motion for adoption of the foregoing resolution was duly seconded by Councilmember Ridgway and upon roll call being taken thereon, the following vote via voice:

Jon Nowaczek – aye
 Torry Kraftson – aye
 Sharon Ridgway – aye

PUBLIC HEARINGS – None

COUNCIL LIAISON REPORTS

Councilmember Ridgway reported the Cable Commission would be meeting on April 16, 2008, 7:00 p.m., at the cable studio located in the Valley Ridge Mall in Stillwater.

Councilmember Kraftson noted the Middle St. Croix Watershed Management Organization (MSCWMO) meets on the second Thursday of the month at 7:00 p.m. at the Valley Ridge Mall. Interviews for a new administrator are underway. The next meeting of the MSCWMO is scheduled for April 10, 2008.

UNFINISHED BUSINESS

Consider bid award for Lakeside Park furnishings: Administrator McGuire reviewed the two bids received for two lots of furnishings for the Lakeside Park renovation project. He noted the bids were close to the estimated cost and recommended awarding the bid for all furnishings to the low bidder, St. Croix Recreation Company.

It was moved by Councilmember Kraftson and seconded by Councilmember Ridgway to award the bids for the Wabash Valley Products in the amount of \$22,838.93 and for the Thomas Manufacturing Products in the amount of \$1,175.76, to St. Croix Recreation Company. Motion carried.

Operation and rental policy for bathhouse: Councilmember Kraftson reviewed the proposed rental policy for the bathhouse and questioned whether city staff would have enough time to clean up the space between reservations. It was noted the attendant's duties would include cleaning of the area. Staff will re-evaluate the operation and rental policy after this first year of use. Discussion ensued on changing the

park hours to "sunrise to sunset." Police Chief Eastman indicated her department would use common sense when interpreting the park hours and expressed concern with swimmers in the water after dark.

It was moved by Councilmember Kraftson and seconded by Councilmember Ridgway to adopt the operation and rental policy for Lakeside Park bathhouse as presented. Motion carried.

Engineering amendment for South Minnesota Street improvement project: SEH Engineer Peters reviewed the engineering firm's request to amend the approved not-to-exceed amount of \$61,900.00 for the project. An increase of \$11,190.00, for a total of \$73,090.00, is being requested because work went beyond the original scope of the project, there were coordination issues with the private utilities and unanticipated permit fees, and the project extended into a second construction season. He also noted that SEH had an error in the plans that resulted in an additional \$9,000.00 of work, for which SEH is responsible. This amount would be deducted from the final invoice, resulting in a net increase of \$2,190.00. Councilmember Kraftson expressed concern that this adjustment is being requested a year after the project was completed and would have preferred having the charges presented at the time of occurrence. Discussion followed on the timeliness of the increase request.

It was moved by Councilmember Kraftson and seconded by Councilmember Ridgway to approve an \$11,190.00 increase in the not-to-exceed contract total for the engineering costs for the South Minnesota Street project, for a total of \$73,090.00, and to deduct \$9,000.00 from the final engineering billing to allow for increased project costs due to an engineering error. Motion carried.

Councilmember Kraftson stressed the importance of handling future requests to change a not-to-exceed approved project cost at the time of occurrence.

NEW BUSINESS

Consider renewal of agreement with Andersen Corporation for boat launch parking in the lot on 4th Avenue North: Administrator McGuire reviewed the agreement, noting it is similar to the past three years, with the addition of five weekday parking spaces. Mayor Nowaczek stressed that overnight parking is not allowed.

It was moved by Councilmember Ridgway and seconded by Councilmember Kraftson to approve the agreement with Andersen Corporation for boat launch parking as presented. Motion carried.

Consider authorization to prepare a feasibility study for water extension to Baytown Township: Engineer Peters reviewed a request from Pete Miller to extend city water to a site in Baytown Township. A feasibility study would be necessary and SEH estimates it will cost \$2,000.00 to prepare the preliminary report. Owner Pete Miller inquired as to the total cost to hook up to the city's water. Engineer Peters indicated the feasibility study would provide estimated costs. Mr. Miller stated he has another piece of property in Baytown Township that he would be interested in having connected to the city's water system. Administrator McGuire indicated that Mr. Miller would have to contact Baytown Township first for approval, and that it would require a separate Joint Powers Agreement.

It was moved by Councilmember Kraftson and seconded by Councilmember Ridgway to authorize SEH to prepare a feasibility study for water extension to the Pete Miller property in Baytown Township, at a not-to-exceed cost of \$2,000.00. Motion carried.

Discuss feasibility study for Highway 95 pedestrian crossing: The 2008 Capital Improvement Plan includes \$10,000.00 for preparation of a feasibility study to determine options for a pedestrian crossing of Highway 95, in the area of the Andersen Elementary School/Perro Park. Engineer Peters indicated the study would consider the feasibility of an overpass, a tunnel, and an at-grade crossing. SEH has proposed preparing the preliminary report for a not-to-exceed cost of \$10,000.00. Mayor Nowaczek inquired as to the status of a traffic study to be completed as part of the new Stillwater bridge project. Administrator McGuire believes it may be at least five years before this study is initiated. Discussion ensued on the long-standing nature of this safety concern and the desire to investigate options to alleviate the problem.

It was moved by Councilmember Kraftson and seconded by Councilmember Ridgway to authorize SEH to prepare a feasibility study for the Highway 95 pedestrian crossing for a not-to-exceed cost of \$10,000.00. Motion carried.

COUNCIL ITEMS/ANNOUNCEMENTS

1. Councilmember Ridgway announced that the Bayport Community Action League (BCAL) would like to make a donation to the City of Bayport and is requesting input for donation ideas. A dollar amount has not been set, but ideas from BCAL members include park equipment, a grill for the new bathhouse patio, or beautification efforts, e.g., flowers. Mayor Nowaczek thanked the BCAL for their donation offer and indicated the City Council would discuss the matter at their next workshop when more councilmembers are present.

ADMINISTRATOR/STAFF ITEMS AND ANNOUNCEMENTS

1. Administrator McGuire indicated a date for the next City Council workshop would be discussed at the May 5th City Council meeting. A quarterly review of the Public Works department will be set, followed by a review of the Fire Department this summer.
2. Per a request from Zach Bigauette, Boy Scout Troop 113, Administrator McGuire stated a copy of the city's budget would be provided for his use.

ADJOURNMENT

It was moved by Councilmember Kraftson and seconded by Councilmember Ridgway to adjourn the meeting at 6:57 p.m. Motion carried.

CITY OF BAYPORT

REVENUE SUMMARY YTD THRU 04/30/08

FUND	FUND Descr	2008 Budget	2008 YTD Amt	2008 % of Budget	2008 % of Budget Remain
I 101	GENERAL	\$2,108,130 00	\$142,698 83	6 77%	93 23%
I 102	STREET RECONSTRUCTION	\$0 00	\$77 05	0 00%	0 00%
I 103	GO TIF BD FUND 1990 CAP PROJ	\$0 00	\$0 00	0 00%	0 00%
I 105	GENERAL FIXED ASSETS	\$0 00	\$0 00	0 00%	0 00%
I 106	TIF ECON DEV DIST 2	\$0 00	\$224 89	0 00%	0 00%
I 107	TIF REDEVELOPMENT DISTRICT 2-1	\$0 00	\$0 00	0 00%	0 00%
I 200	FIRE EQUIPMENT REPLACEMENT FUN	\$0 00	\$45,000 00	0 00%	0 00%
I 201	D A R E	\$0 00	\$0 00	0 00%	0 00%
I 202	DRUG FORFEITURE	\$0 00	\$1,214 67	0 00%	0 00%
I 203	PUBLIC WORKS EQUIPMENT REPL	\$0 00	\$0 00	0 00%	0 00%
I 204	RECREATION CAP EQUIP & MAINT	\$0 00	\$1,995 95	0 00%	0 00%
I 205	TAX STABILIZATION FUND	\$0 00	\$0 00	0 00%	0 00%
I 206	WATER/SEWER IMPROVEMENT FUND	\$0 00	\$16,820 88	0 00%	0 00%
I 207	PARK IMPROVEMENT FUND	\$0 00	\$0 00	0 00%	0 00%
I 208	PRISON SEWER PROJECT	\$0 00	\$0 00	0 00%	0 00%
I 209	DEVELOPER REIMBURSED PROJECTS	\$0 00	\$0 00	0 00%	0 00%
I 210	K-9 UNIT	\$0 00	\$250 00	0 00%	0 00%
I 211	LIBRARY	\$290 334 00	\$3 907 63	1 35%	98 65%
I 303	GO TIF BOND 1990 DEBT SERVICE	\$0 00	\$0 00	0 00%	0 00%
I 307	DEBT SERVICE GO BONDS \$710,000	\$0 00	\$0 00	0 00%	0 00%
I 601	WATER	\$332,920 00	\$17,802 30	5 35%	94 65%
I 602	SEWER	\$634,587 96	\$111,624 23	17 59%	82 41%
I 800	INVESTMENTS-POOLED	\$0 00	\$45 00	0 00%	0 00%
I 803	P & Z ESCROWS	\$0 00	\$15,300 00	0 00%	0 00%
I 851	NON EXP TRUST	\$0 00	\$0 00	0 00%	0 00%
		\$3 365,971 96	\$356,961 43	10 61%	89 40%

CITY OF BAYPORT

05/01/08 9 46 AM

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MONTHLY RECEIPTS

Period Name: APRIL

FUND	Tran Date	Amount	Refer Comments	Account Descr
FUND 101 GENERAL				
101	4/4/2008	\$0 75	14682 DAVE NESS JR - COPIES	R 101-00000-34105 USER FE
101	4/28/2008	\$2 00	14760 CHRIS BRANDENBURG - COPY	R 101-00000-34105 USER FE
101	4/28/2008	\$1,825 00	14759 S A C FEE - 2008	G 101-20102 S A C CHARGE
101	4/4/2008	\$0 50	14676 COMMUNITY SALES & SERVICE - MECH	G 101-20104 STATE SURCHA
101	4/4/2008	\$8 50	14677 PHOENIX BUILDERS - BLG PERMIT	G 101-20104 STATE SURCHA
101	4/14/2008	\$3 00	14699 SURCHARGE	G 101-20104 STATE SURCHA
101	4/14/2008	\$0 50	14701 SURCHARGE	G 101-20104 STATE SURCHA
101	4/17/2008	\$2 11	14718 ELDEN JONES - BUILDING PERMIT	G 101-20104 STATE SURCHA
101	4/21/2008	\$0 50	14727 SURCHARGE	G 101-20104 STATE SURCHA
101	4/21/2008	\$0 90	14733 ROBERT KAMPS - BUILDING PERMIT	G 101-20104 STATE SURCHA
101	4/28/2008	\$0 50	14742 SURCHARGE	G 101-20104 STATE SURCHA
101	4/28/2008	\$3 00	14757 SURCHARGE	G 101-20104 STATE SURCHA
101	4/28/2008	\$0 50	14759 STATE SURCHARGE-MINIM	G 101-20104 STATE SURCHA
101	4/10/2008	\$65 00	14688 PARK SHELTER	G 101-20603 SALES TAX PAY
101	4/21/2008	\$6 50	14737 JOHN PAYETTE - PARK FEE SHELTERS	G 101-20603 SALES TAX PAY
101	4/28/2008	\$9 75	14752 TAX	G 101-20603 SALES TAX PAY
101	4/10/2008	\$35 00	14698 HEALTH,DENTAL LIFE INS	G 101-27107 DELTA DENTAL
101	4/17/2008	\$35 00	14712 HEALTH/DENTAL INS / MAY 2008	G 101-27107 DELTA DENTAL
101	4/4/2008	\$60 67	14683 HEALTH INS	G 101-27109 MEDICA
101	4/10/2008	\$497 76	14698 HEALTH,DENTAL, LIFE INS	G 101-27109 MEDICA
101	4/14/2008	\$497 76	14705 HEALTH INS - APRIL 2008	G 101-27109 MEDICA
101	4/17/2008	\$497 76	14712 HEALTH/DENTAL INS / MAY 2008	G 101-27109 MEDICA
101	4/10/2008	\$14 50	14698 HEALTH,DENTAL LIFE INS	G 101-27118 LINCOLN LIFE
101	4/4/2008	\$30 00	14675 COMMUNITY SALES & SERVICE - 2008 L	R 101-41910-32100 BUSINES
101	4/4/2008	\$2,800 00	14678 MIKE SCANLON - LIQUOR LIC	R 101-41910-32100 BUSINES
101	4/14/2008	\$50 00	14700 BAYPORT MARINA - ONE DAY TEMP LI	R 101-41910-32100 BUSINES
101	4/17/2008	\$50 00	14719 GROUP 41 - GENERAL CONTRACTOR LI	R 101-41910-32100 BUSINES
101	4/10/2008	\$50 00	14690 QTR CENTURY CLUB SPECIAL EVENT	R 101-41910-32200 NONBUSI
101	4/17/2008	\$50 00	14708 SPECIAL EVENT APPLICATION	R 101-41910-32200 NONBUSI
101	4/4/2008	\$75 00	14676 COMMUNITY SALES & SERVICE - MECH	R 101-41910-32210 BUILDING
101	4/4/2008	\$295 00	14677 PHOENIX BUILDERS - BLG PERMIT	R 101-41910-32210 BUILDING
101	4/14/2008	\$132 75	14699 BUILDING PERMIT	R 101-41910-32210 BUILDING
101	4/14/2008	\$86 29	14699 PLAT REVIEW	R 101-41910-32210 BUILDING
101	4/17/2008	\$118 00	14718 ELDEN JONES - BUILDING PERMIT	R 101-41910-32210 BUILDING
101	4/21/2008	\$375 00	14727 PLAN REVIEW	R 101-41910-32210 BUILDING
101	4/21/2008	\$67 25	14733 ROBERT KAMPS - BUILDING PERMIT	R 101-41910-32210 BUILDING
101	4/28/2008	\$41 25	14742 BLD PERMIT	R 101-41910-32210 BUILDING
101	4/28/2008	\$132 75	14757 BLG PERMIT	R 101-41910-32210 BUILDING
101	4/14/2008	\$28 25	14701 FEE	R 101-41910-32220 PLUMBING
101	4/28/2008	\$75 00	14759 PLUMBING - RESIDENTIAL	R 101-41910-32220 PLUMBING
101	4/21/2008	\$750 00	14727 MECHANICAL PERMIT	R 101-41910-32230 MECHANI
101	4/21/2008	\$250 00	14725 GROUP 41 - MIKE SCHALON - CONTING	R 101-41910-34100 P & Z PE
101	4/21/2008	\$150 00	14734 GARY SWAGER - VARIANCE REQUEST	R 101-41910-34100 P & Z PE
101	4/21/2008	\$289 29	14736 3-14-08/4-10-08 BUILDING INSPECTIONS	R 101-41910-34103 LAKELAN
101	4/4/2008	\$10 00	14674 BEN GROWDER - PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/4/2008	\$10 00	14679 KRAGE VINDAL - PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/10/2008	\$20 00	14687 SUSAN MOORE - 2 PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/10/2008	\$10 00	14689 SHANNON DEMARS - 2 PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/10/2008	\$10 00	14691 RICK PARENT - PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/10/2008	\$10 00	14692 STEVE RIDGEWAY - PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/10/2008	\$10 00	14693 RON JORGENSEN - PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/17/2008	\$10 00	14710 KEVIN BORICH - PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/17/2008	\$20 00	14711 AMY HALLSTROM - 2 PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/17/2008	\$30 00	14717 MARY CLARE HOLST - 3 PET LICENSE	R 101-42100-32240 ANIMAL F
101	4/28/2008	\$1,114 48	14763 OCT SAFE & SOBER WAGE REIMBURS	R 101-42100-33420 POLICE S
101	4/10/2008	\$35 00	14696 MONICA RHODES - PD SAFETY CAMP	R 101-42100-34105 USER FE
101	4/17/2008	\$35 00	14709 FOGEL CK # 8179	R 101-42100-34105 USER FE
101	4/17/2008	\$35 00	14709 MCGLADE CK # 17860	R 101-42100-34105 USER FE
101	4/17/2008	\$35 00	14709 KUSTELSKI CK# 6067	R 101-42100-34105 USER FE
101	4/17/2008	\$35 00	14709 MENDEZ CK # 6714	R 101-42100-34105 USER FE

CITY OF BAYPORT

MONTHLY RECEIPTS

Period Name: APRIL

FUND	Tran Date	Amount	Refer Comments	Account Descr
101	4/17/2008	\$70 00	14713 LORI BEATH - 2 SAFETY CAMP REGIST	R 101-42100-34105 USER FE
101	4/10/2008	\$0 25	14694 VANESSA GORDON - POLICE REPORT	R 101-42100-34201 POLICE A
101	4/18/2008	\$2,940 64	14730 FEE DISB MARCH 2008 (CT FINES)	R 101-42100-35101 COURT FI
101	4/14/2008	\$378 67	14707 FIRE PROTECTION/FIRE PERMITS	R 101-42200-32200 NONBUSI
101	4/17/2008	\$20 00	14715 DNR, RUSS SMITH - BURNING PERMIT	R 101-42200-32200 NONBUSI
101	4/4/2008	\$19 38	14680 FIRE PROTECTION PERMITS	R 101-42200-34202 FIRE CON
101	4/14/2008	\$33,748 75	14707 2008 FIRE PROTECTION - 2ND QTR	R 101-42200-34202 FIRE CON
101	4/21/2008	\$1,000 00	14726 THE SAINT PAUL FOUNDATION - GRAN	R 101-42200-36233 GRANTS
101	4/28/2008	\$50 00	14764 2008 ELGIN SWEEPER CLINIC REFUND	E 101-43100-402 CONFEREN
101	4/4/2008	\$500 00	14681 CROSSROADS CHURCH - PARK SHEL	R 101-43200-34780 PARK FE
101	4/10/2008	\$1,000 00	14688 PARK SHELTER	R 101-43200-34780 PARK FE
101	4/14/2008	\$150 00	14706 LAKESIDE PARK SHELTERS	R 101-43200-34780 PARK FE
101	4/17/2008	\$10 00	14714 ALLEN BELISLE - BOAT TRAILER LIC	R 101-43200-34780 PARK FE
101	4/17/2008	\$20 00	14716 BOB NEUMAN - 2 BOAT TRAILER PERMI	R 101-43200-34780 PARK FE
101	4/17/2008	\$10 00	14720 BENJAMIN HANSON - BOAT TRAILER LI	R 101-43200-34780 PARK FE
101	4/21/2008	\$10 00	14722 DOUG BLEDDIE, BOAT TRAILER PERMIT	R 101-43200-34780 PARK FE
101	4/21/2008	\$10 00	14723 MIKE MANCINO - BOAT TRAILER PERMI	R 101-43200-34780 PARK FE
101	4/21/2008	\$10 00	14724 GRAGE VINDAL - BOAT TRAILER PERMI	R 101-43200-34780 PARK FE
101	4/21/2008	\$10 00	14728 ROBERT HASTY - BOAT TRAILER PERM	R 101-43200-34780 PARK FE
101	4/21/2008	\$10 00	14735 DAVID SHOTLEY - BOAT TRAILER PER	R 101-43200-34780 PARK FE
101	4/21/2008	\$100 00	14737 JOHN PAYETTE - PARK FEE SHELTERS	R 101-43200-34780 PARK FE
101	4/21/2008	\$10 00	14738 MICHAEL CURTIS - TR BOAT LIC	R 101-43200-34780 PARK FE
101	4/28/2008	\$10 00	14740 ROB CARLSON - BOAT TRAILER PERMI	R 101-43200-34780 PARK FE
101	4/28/2008	\$10 00	14751 NORMAN LUCKEY - BOAT TRAILER PER	R 101-43200-34780 PARK FE
101	4/28/2008	\$150 00	14752 SHELTER FEE	R 101-43200-34780 PARK FE
101	4/28/2008	\$10 00	14753 CHUCK WROBEL - BOAT TRAILER LICE	R 101-43200-34780 PARK FE
101	4/28/2008	\$10 00	14754 VERNON LUCKEY - BOAT TRAILER LICE	R 101-43200-34780 PARK FE
101	4/28/2008	\$10 00	14755 STEVE RIDGEWAY - BOAT TRAILER PE	R 101-43200-34780 PARK FE
101	4/28/2008	\$10 00	14756 ED MCPHARLAN - BOAT TRAILER LICE	R 101-43200-34780 PARK FE
101	4/28/2008	\$500 00	14758 ST PATRICK SCHOOL - PARK SHELTER	R 101-43200-34780 PARK FE
FUND 101 GENERA		\$51,680 46		
FUND 202 DRUG FORFEITURE				
202	4/14/2008	\$183 45	14702 JOSEPH KOST - CASE # 107501606	G 202-10100 CASH
202	4/28/2008	\$250 00	14743 POLICE DEPT DUI COLLECTION	R 202-42102-36249 DRUG FO
202	4/28/2008	\$1 00	14744 POLICE DEPT - DRUGS/ICR#99500502	R 202-42102-36249 DRUG FO
202	4/28/2008	\$4 00	14745 POLICE DEPT - DRUG Icr#96501554	R 202-42102-36249 DRUG FO
202	4/28/2008	\$59 00	14746 POLICE DEPT DRUGS/ICR#103501919	R 202-42102-36249 DRUG FO
202	4/28/2008	\$153 52	14747 POLICE DEPT DRUGS/ICR#106500247	R 202-42102-36249 DRUG FO
202	4/28/2008	\$155 90	14748 POLICE DEPT DRUG/ ICR#101500656	R 202-42102-36249 DRUG FO
202	4/28/2008	\$392 00	14749 POLICE DEPT DRUGS/ICR#101500161	R 202-42102-36249 DRUG FO
202	4/28/2008	\$199 25	14750 POLICE DEPT DRUG/ICR#106500367	R 202-42102-36249 DRUG FO
FUND 202 DRUG F		\$1,398 12		
FUND 204 RECREATION CAP EQUIP & MAINT				
204	4/10/2008	\$588 20	14695 LAWFUL GAMBLING	R 204-00000-32204 GAMBLIN
FUND 204 RECREA		\$588 20		
FUND 206 WATER/SEWER IMPROVEMENT FUND				
206	4/16/2008	\$64 24	0 UB AR Surc 23 TRUNK SEWER	R 206-00000-37106 TRUNK W
206	4/28/2008	\$4 55	0 UB Receipt Surc 23 TRUNK SEWER	G 206-12103 A/R GEN BILLIN
206	4/4/2008	\$399 46	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/4/2008	\$16 80	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN
206	4/4/2008	\$4 90	0 UB Receipt Serv 41 TRUNK SEWER 1ST	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$4 80	0 UB Receipt Serv 3 TRUNK WATER	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$326 04	0 UB Receipt Serv 38 TRUNK S/IND	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$107 55	0 UB Receipt Serv 31 TRUNK/S COMB	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$1,130 16	0 UB Receipt Serv 28 TRUNK W/IND	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$49 12	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN
206	4/17/2008	\$16 20	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN

CITY OF BAYPORT

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FUND	Tran Date	Amount	Refer Comments	Account Descr
206	4/28/2008	\$3 90	0 UB Receipt Surc 3 TRUNK WATER	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$245 81	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$499 11	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$1 20	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$59 68	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$343 82	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$13 50	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$336 02	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/17/2008	\$488 71	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$243 91	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/4/2008	\$387 52	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/21/2008	\$56 85	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/28/2008	\$203 45	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$4 924 08	0 UB Receipt Surc 23 TRUNK SEWER	G 206-12103 A/R GEN BILLIN
206	4/10/2008	\$75 31	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/10/2008	\$438 56	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/10/2008	\$67 98	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN
206	4/10/2008	\$442 42	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$1 20	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$103 62	0 UB Receipt Serv 21 TRUNK/W COMB	G 206-12103 A/R GEN BILLIN
206	4/28/2008	\$114 99	0 UB Receipt Serv 27 TRUNK W/COMM	G 206-12103 A/R GEN BILLIN
206	4/4/2008	\$14 70	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$14 61	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/28/2008	\$193 43	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/17/2008	\$17 66	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/17/2008	\$499 75	0 UB Receipt Serv 36 TRUNK S/RESI	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$6 90	0 UB Receipt Surc 3 TRUNK WATER	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$489 96	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/21/2008	\$57 60	0 UB Receipt Serv 26 TRUNK W/RESI	G 206-12103 A/R GEN BILLIN
206	4/28/2008	\$10 54	0 UB Receipt Serv 37 TRUNK S/COMM	G 206-12103 A/R GEN BILLIN
206	4/16/2008	\$13 80	0 UB Receipt Surc 23 TRUNK SEWER	G 206-12103 A/R GEN BILLIN
206	4/8/2008	\$4 59	0 UB AR Serv 26 TRUNK W/RESI	R 206-41900-37106 TRUNK W
206	4/8/2008	\$4 92	0 UB AR Serv 36 TRUNK S/RESI	R 206-41900-37206 TRUNK S
FUND 206 WATER/		\$12 503 92		
FUND 210 K-9 UNIT				
210	4/28/2008	\$150 00	14761 CUMMINS LAW OFFICE, P A - CANINE	R 210-42103-36231 DONATIO
210	4/28/2008	\$100 00	14762 INSPIRED CHIROPRACTIC - CANINE DO	R 210-42103-36231 DONATIO
FUND 210 K-9 UNIT		\$250 00		
FUND 211 LIBRARY				
211	4/4/2008	\$120 95	14684 SERVICE CHARGES - LIBRARY	R 211-45500-34760 LIBRARY
211	4/28/2008	\$206 88	14765 LIBRARY - SERVICE CHARGE	R 211-45500-34760 LIBRARY
211	4/28/2008	\$325 00	14766 PETTY CASH	R 211-45500-34760 LIBRARY
211	4/4/2008	\$640 00	14685 ROOM RENTAL - LIBRARY	R 211-45500-36220 RENTAL I
211	4/28/2008	\$115 00	14768 LIBRARY - ROOM RENTAL	R 211-45500-36220 RENTAL I
FUND 211 LIBRARY		\$1,407 83		
FUND 601 WATER				
601	4/17/2008	\$5 24	0 UB Receipt Serv 8 SAFE WT'R FE	G 601-14601 WATER BILLING
601	4/4/2008	\$14 41	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$4,115 02	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$111 28	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/28/2008	\$40 56	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/28/2008	\$14 59	0 UB Receipt Serv Pen 5 COMM WATER	G 601-14601 WATER BILLING
601	4/17/2008	\$82 12	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/16/2008	\$102 50	0 UB Receipt Serv 5 COMM WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$2 62	0 UB Receipt Serv 8 SAFE WT'R FE	G 601-14601 WATER BILLING
601	4/16/2008	\$2,800 27	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/17/2008	\$10 00	0 UB Receipt Serv 9 INSTITUTION	G 601-14601 WATER BILLING

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FUND	Tran Date	Amount	Refer Comments	Account Descr
601	4/17/2008	\$125 00	0 UB Receipt Serv 5 COMM WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$147 93	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/16/2008	\$10 00	0 UB Receipt Serv 2 WATER ONLY	G 601-14601 WATER BILLING
601	4/17/2008	\$5,073 23	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$70 74	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/16/2008	\$65 00	0 UB Receipt Serv 9 INSTITUTION	G 601-14601 WATER BILLING
601	4/16/2008	\$5 47	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$2,048 54	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$12 07	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$9 39	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$25 00	0 UB Receipt Serv 106 RECON DAY RC	G 601-14601 WATER BILLING
601	4/17/2008	\$11 20	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$838 50	0 UB Receipt Serv 4 COMM W/COMB	G 601-14601 WATER BILLING
601	4/16/2008	\$26 20	0 UB Receipt Serv 8 SAFE WTR FE	G 601-14601 WATER BILLING
601	4/16/2008	\$9,418 00	0 UB Receipt Serv 3 INDUSTRIAL	G 601-14601 WATER BILLING
601	4/4/2008	\$3 230 03	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/4/2008	\$3 93	0 UB Receipt Serv 8 SAFE WTR FE	G 601-14601 WATER BILLING
601	4/28/2008	\$1,616 00	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$424 33	0 UB Receipt Serv 5 COMM WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$2 94	0 UB Receipt Serv Pen 5 COMM WATER	G 601-14601 WATER BILLING
601	4/4/2008	\$10 00	0 UB Receipt Serv 6 WATER METER2	G 601-14601 WATER BILLING
601	4/28/2008	\$2 50	0 UB Receipt Serv Pen 9 INSTITUTION	G 601-14601 WATER BILLING
601	4/16/2008	\$10 00	0 UB Receipt Serv 6 WATER METER2	G 601-14601 WATER BILLING
601	4/10/2008	\$566 50	0 UB Receipt Serv 5 COMM WATER	G 601-14601 WATER BILLING
601	4/4/2008	\$127 43	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/10/2008	\$14 38	0 UB Receipt Serv 8 SAFE WTR FE	G 601-14601 WATER BILLING
601	4/21/2008	\$480 00	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/16/2008	\$57 50	0 UB Receipt Serv 9 INSTITUTION	G 601-14601 WATER BILLING
601	4/28/2008	\$948 31	0 UB Receipt Serv 5 COMM WATER	G 601-14601 WATER BILLING
601	4/10/2008	\$19 93	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/28/2008	\$32 50	0 UB Receipt Serv 9 INSTITUTION	G 601-14601 WATER BILLING
601	4/10/2008	\$5 21	0 UB Receipt Surc 6 FEE-SAFE WAT	G 601-14601 WATER BILLING
601	4/21/2008	\$17 03	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/10/2008	\$146 65	0 UB Receipt Surc 19 STATE SER CH	G 601-14601 WATER BILLING
601	4/28/2008	\$79 86	0 UB Receipt Serv Pen 1 WATER	G 601-14601 WATER BILLING
601	4/4/2008	\$140 00	0 UB Receipt Serv 5 COMM WATER	G 601-14601 WATER BILLING
601	4/10/2008	\$3,653 45	0 UB Receipt Serv 1 WATER	G 601-14601 WATER BILLING
601	4/28/2008	\$7 85	0 UB Receipt Serv 8 SAFE WTR FE	G 601-14601 WATER BILLING
601	4/4/2008	\$10 48	0 UB Receipt Surc 20 STATE TAX	G 601-14605 SALES TAX REC
601	4/17/2008	\$10 20	0 UB Receipt Surc 20 STATE TAX	G 601-14605 SALES TAX REC
601	4/16/2008	\$4 32	0 UB Receipt Surc 21 SALES TAX	G 601-14605 SALES TAX REC
601	4/10/2008	\$42 25	0 UB Receipt Surc 20 STATE TAX	G 601-14605 SALES TAX REC
601	4/16/2008	\$719 21	0 UB Receipt Surc 20 STATE TAX	G 601-14605 SALES TAX REC
601	4/16/2008	\$7 64	0 UB Receipt Surc 20 STATE TAX	G 601-14605 SALES TAX REC
601	4/28/2008	\$68 92	0 UB Receipt Surc 20 STATE TAX	G 601-14605 SALES TAX REC
601	4/8/2008	\$38 28	0 UB AR Serv 1 WATER	R 601-46120-37110 WATER R
601	4/16/2008	\$0 37	0 UB UR Receipt Group 01 CITY WIDE	R 601-46120-37110 WATER R
601	4/4/2008	\$11 91	0 UB UR Receipt Group 01 CITY WIDE	R 601-46120-37110 WATER R
601	4/28/2008	\$330 34	0 UB UR Receipt Group 01 CITY WIDE	R 601-46120-37110 WATER R
601	4/10/2008	\$55 63	0 UB UR Receipt Group 01 CITY WIDE	R 601-46120-37110 WATER R
601	4/17/2008	\$107 65	0 UB UR Receipt Group 01 CITY WIDE	R 601-46120-37110 WATER R
601	4/16/2008	\$83 58	0 UB UR Receipt Group 01 CITY WIDE	R 601-46120-37110 WATER R
601	4/8/2008	\$0 95	0 UB AR Surc 19 STATE SER CH	R 601-46120-37120 STATE S
FUND 601 WATER		\$38,272 94		
FUND 602 SEWER				
602	4/4/2008	\$17 45	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/17/2008	\$147 80	0 UB Receipt Serv 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/28/2008	\$1,696 18	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/4/2008	\$41 00	0 UB Receipt Serv 15 1ST SEWER	G 602-14602 SEWER BILLIN
602	4/21/2008	\$29,842 60	0 UB Receipt Serv 19 PRISON SEWER	G 602-14602 SEWER BILLIN

CITY OF BAYPORT

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FUND	Tran Date	Amount	Refer Comments	Account Descr
602	4/4/2008	\$3,328.04	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$4.61	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/28/2008	\$78.19	0 UB Receipt Serv 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$12.03	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/28/2008	\$2.51	0 UB Receipt Serv Pen 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/21/2008	\$473.75	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/17/2008	\$10.44	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/17/2008	\$5,213.84	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/28/2008	\$37.90	0 UB Receipt Serv 29 INSTIT SEWER	G 602-14602 SEWER BILLIN
602	4/28/2008	\$2.50	0 UB Receipt Serv Pen 29 INSTIT SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$2,032.56	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$352.25	0 UB Receipt Serv 13 NSP SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$63.40	0 UB Receipt Serv 29 INSTIT SEWER	G 602-14602 SEWER BILLIN
602	4/28/2008	\$79.84	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$2.94	0 UB Receipt Serv Pen 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$6.89	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/4/2008	\$14,921.30	0 UB Receipt Serv 19 PRISON SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$97.00	0 UB Receipt Serv 20 SEWER ONLY	G 602-14602 SEWER BILLIN
602	4/16/2008	\$2,721.20	0 UB Receipt Serv 23 INDUSTRI SEW	G 602-14602 SEWER BILLIN
602	4/16/2008	\$499.34	0 UB Receipt Serv 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/10/2008	\$629.90	0 UB Receipt Serv 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$66.50	0 UB Receipt Serv 29 INSTIT SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$122.30	0 UB Receipt Serv 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/10/2008	\$20.01	0 UB Receipt Serv Pen 10 SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$897.90	0 UB Receipt Serv 24 SEWER COMMER	G 602-14602 SEWER BILLIN
602	4/10/2008	\$93.43	0 UB Receipt Serv 14 SEWER METER	G 602-14602 SEWER BILLIN
602	4/10/2008	\$3,686.81	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$4,205.20	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$40,646.90	0 UB Receipt Serv 17 PLANT	G 602-14602 SEWER BILLIN
602	4/4/2008	\$123.00	0 UB Receipt Serv 25 COMM SEWER	G 602-14602 SEWER BILLIN
602	4/16/2008	\$2,899.79	0 UB Receipt Serv 10 SEWER	G 602-14602 SEWER BILLIN
602	4/18/2008	\$14,921.30	14729 PRISON SEWER - APRIL 2008	G 602-14602 SEWER BILLIN
602	4/18/2008	\$14,921.30	14729 PRISON SEWER - MARCH 2008	G 602-14602 SEWER BILLIN
602	4/28/2008	\$750.00	14759 SEWER CONNECTION FEE	R 602-46200-34651 SEWER H
602	4/28/2008	\$50.00	14759 SEWER/WATER INSPECTION	R 602-46200-34652 SEWER I
602	4/8/2008	\$41.03	0 UB AR Serv 10 SEWER	R 602-46200-37210 SEWER R
602	4/16/2008	\$44,763.90	0 UB AR Serv 19 PRISON SEWER	R 602-46200-37220 PRISON S
602	4/16/2008	\$535.30	0 UB AR Serv 13 NSP SEWER	R 602-46200-37230 NSP COL
FUND 602 SEWER		\$191,060.13		
FUND 803 P & Z ESCROWS				
803	4/21/2008	\$500.00	14725 GROUP 41 - MIKE SCHALON - CONTING	R 803-80014-34100 P & Z PE
803	4/21/2008	\$300.00	14734 GARY SWAGER - VARIANCE REQUEST	R 803-80015-34100 P & Z PE
803	4/28/2008	\$2,000.00	14741 PETE MILLER - FEASIBILITY STUDY	R 803-80016-37110 WATER R
FUND 803 P & Z ES		\$2,800.00		
		\$299,961.60		

CITY OF BAYPORT

EXPENSE SUMMARY YTD THRU 04/30/08

DEPT	DEPT Descr	2008 Budget	2008 YTD Amt	Balance	2008 % of Budget Remain
FUND 101 GENERAL					
00000	GENERAL GOVERNMENT	\$0 00	\$0 00	\$0 00	0 00%
141100	ELECTIONS	\$5,140 00	\$720 83	\$4 419 17	85 98%
141200	MAYOR & COUNCIL	\$139,413 00	\$50,746 93	\$88 666 07	63 60%
141240	RECYCLING	\$9,407 00	\$1,746 60	\$7,660 40	81 43%
141400	ADMINISTRATION	\$143,769 00	\$54,532 87	\$89,236 13	62 07%
141903	DEBT SERVICE	\$0 00	\$0 00	\$0 00	0 00%
141910	PLANNING & ZONING	\$203,035 00	\$65,066 07	\$137,968 93	67 95%
141940	MUNICIPAL BUILDINGS	\$38 272 00	\$18 655 92	\$19,616 08	51 25%
142100	POLICE	\$644,608 00	\$188,675 13	\$455 932 87	70 73%
142200	FIRE PROTECTION	\$384,469 00	\$68,437 55	\$316 031 45	82 20%
143100	STREET MAINT	\$281,499 00	\$96,115 50	\$185,383 50	65 86%
143160	STREET LIGHTING	\$21,000 00	\$5,208 01	\$15,791 99	75 20%
143200	PARKS	\$78,513 00	\$19,856 36	\$58,656 64	74 71%
143300	CEMETERY	\$11 400 00	\$1,068 08	\$10,331 92	90 63%
144100	PROJECT	\$0 00	\$6,387 50	-\$6,387 50	0 00%
44200	TRANSFER OUT-DEBT SERVIC	\$0 00	\$0 00	\$0 00	0 00%
FUND 101 GENERAL		\$1,960,525 00	\$577,217 35	\$1,383,307 65	70 56%
FUND 208 PRISON SEWER PROJECT					
144100	PROJECT	\$0 00	\$0 00	\$0 00	0 00%
FUND 208 PRISON SEWER PROJECT		\$0 00	\$0 00	\$0 00	0 00%
FUND 209 DEVELOPER REIMBURSED PROJECTS					
141911	BAYTOWN DEVELOPMENTS	\$0 00	\$0 00	\$0 00	0 00%
141912	INSPIRATION	\$0 00	\$0 00	\$0 00	0 00%
141913	EMERALD FALLS	\$0 00	\$0 00	\$0 00	0 00%
99999	PW CAPITAL OUTLAY	\$0 00	\$0 00	\$0 00	0 00%
FUND 209 DEVELOPER REIMBURSED PR		\$0 00	\$0 00	\$0 00	0 00%
FUND 211 LIBRARY					
145500	LIBRARY	\$290,333 52	\$82,675 48	\$207,658 04	71 52%
FUND 211 LIBRARY		\$290 333 52	\$82 675 48	\$207 658 04	71 52%
FUND 601 WATER					
144100	PROJECT	\$0 00	\$0 00	\$0 00	0 00%
146110	WATER-PUMPHOUSE	\$42,350 00	\$6,626 63	\$35,723 37	84 35%
146120	WATER	\$281 538 00	\$74,778 23	\$206,759 77	73 44%
FUND 601 WATER		\$323,888 00	\$81 404 86	\$242,483 14	74 87%
FUND 602 SEWER					
144100	PROJECT	\$0 00	\$0 00	\$0 00	0 00%
146200	SEWER - OPERATING	\$353 230 00	\$66,601 12	\$286,628 88	81 15%
146990	SEWER - NON-OPERATING	\$290,000 00	\$94 738 44	\$195,261 56	67 33%
FUND 602 SEWER		\$643,230 00	\$161,339 56	\$481 890 44	74 92%
FUND 800 INVESTMENTS-POOLED					
00000	GENERAL GOVERNMENT	\$0 00	\$0 00	\$0 00	0 00%
147000	INTEREST EXP	\$0 00	\$2,000 00	-\$2,000 00	0 00%
FUND 800 INVESTMENTS-POOLED		\$0 00	\$2 000 00	-\$2 000 00	0 00%
FUND 803 P & Z ESCROWS					
141910	PLANNING & ZONING	\$0 00	\$3,077 90	-\$3,077 90	0 00%
180001	ANDERSEN ESCROW	\$0 00	\$0 00	\$0 00	0 00%
180002	CPDC SENIOR COOP	\$0 00	\$0 00	\$0 00	0 00%
180003	BAYTOWN ANNEXATION	\$0 00	\$0 00	\$0 00	0 00%
180004	CROIXDALE	\$0 00	\$0 00	\$0 00	0 00%
180005	HARRIS CO - MCF	\$0 00	\$0 00	\$0 00	0 00%

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MONTHLY EXPENSES

Period Name: APRIL

FUND Search Name	Tran Date	Act Amount Typ	DEPT	OBJ Comments	OBJ Descr
FUND 101 GENERAL					
DEPT 41100 ELECTIONS					
101 ELECTION SYSTEMS & SOFT	5/6/2008	\$40 23 E	41100	220 6 SUP,CASE,TRANSF CRDB,WH	OPERATING SUP
DEPT 41100 ELECTIONS		\$40 23			
DEPT 41200 MAYOR & COUNCIL					
101	3/20/2008	\$1,175 00 E	41200	101 Labor Distribution	WAGES AND SAL
101	2/17/2008	\$1,175 00 E	41200	101 Labor Distribution	WAGES AND SAL
101	3/20/2008	\$11 25 E	41200	121 Labor Distribution	P E R A
101	2/17/2008	\$11 25 E	41200	121 Labor Distribution	P E R A
101	2/17/2008	\$72 85 E	41200	122 Labor Distribution	CONT TO RET , S
101	3/20/2008	\$72 85 E	41200	122 Labor Distribution	CONT TO RET , S
101	3/20/2008	\$17 03 E	41200	170 Labor Distribution	MEDICARE
101	2/17/2008	\$17 03 E	41200	170 Labor Distribution	MEDICARE
101 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$2 76 E	41200	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 QUILL	5/6/2008	\$0 47 E	41200	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 U S BANK VISA	5/6/2008	\$4 57 E	41200	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
101 ECKBERG, LAMMERS, BRIG	5/6/2008	\$472 50 E	41200	300 13467-14377 MEETINGS	PROF SER-LEGAL
101 ECKBERG LAMMERS, BRIG	5/6/2008	\$33 11 E	41200	300 13467-1659 FRAFT ALLIED WAS	PROF SER-LEGAL
101 ECKBERG LAMMERS, BRIG	5/6/2008	\$33 11 E	41200	300 13467-1659 ELECTRIC FRANCHI	PROF SER-LEGAL
101 ECKBERG, LAMMERS, BRIG	5/6/2008	\$39 61 E	41200	300 16467-1659 REGARDING ANNUA	PROF SER-LEGAL
101 ECKBERG, LAMMERS, BRIG	5/6/2008	\$3 500 58 E	41200	300 13467-16032 PERA MCGUIRE	PROF SER-LEGAL
101 S E H	5/6/2008	\$73 68 E	41200	301 MISC ENGINEER	PROF SER-ENGIN
101 S E H	5/6/2008	\$174 39 E	41200	301 MISC ENGINEER	PROF SER-ENGIN
101 ABDO EICK & MEYERS LLP	5/6/2008	\$7,500 00 E	41200	303 2007 ACCT SERV	PROF SER-AUDIT
101 STILLWATER GAZETTE	5/6/2008	\$9 51 E	41200	350 SEEKING SEASONAL PARK - A	PRINTING & PUBL
101 STILLWATER GAZETTE	5/6/2008	\$13 47 E	41200	350 ORDINANCE	PRINTING & PUBL
101 LEAGUE OF MN CITIES INS T	5/6/2008	\$142 00 E	41200	360 OPTION MEDICAL BENEFIT 4/1/	INSURANCE
101 LEAGUE OF MN CITIES INS T	5/6/2008	\$316 00 E	41200	360 ACCIDENT PLAN BASIC COVER	INSURANCE
101 LEAGUE OF MINNESOTA CIT	5/6/2008	\$350 00 E	41200	402 FULL CONFERENCE - S TAYLO	CONFERENCES &
101 GREATER STILLWATER CHA	4/23/2008	\$90 00 E	41200	402 BAYPORT BUSINESS LUNCHEO	CONFERENCES &
101 HESLEY JENSEN	5/6/2008	\$300 00 E	41200	444 ANNUAL FINANCIAL ASSISTAN	COMMUNITY PRO
DEPT 41200 MAYOR & COUNCIL		\$15,608 02			
DEPT 41240 RECYCLING					
101 MANAGEMENT SERVICES	4/15/2008	\$181 03 E	41240	302 CONSULTING	CONTRACT SERV
101 MANAGEMENT SERVICES	4/30/2008	\$175 71 E	41240	302 CONSULTING	CONTRACT SERV
101 LOUIS KEMM	5/6/2008	\$30 00 E	41240	370 RECLYCLING PROGRAM	RECYCLING INCE
DEPT 41240 RECYCLING		\$386 74			
DEPT 41400 ADMINISTRATION					
101	4/17/2008	\$2 174 95 E	41400	101 Labor Distribution	WAGES AND SAL
101	4/3/2008	\$2 227 35 E	41400	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$141 38 E	41400	121 Labor Distribution	P E R A
101	4/3/2008	\$144 78 E	41400	121 Labor Distribution	P E R A
101	4/17/2008	\$133 81 E	41400	122 Labor Distribution	CONT TO RET S
101	4/3/2008	\$137 05 E	41400	122 Labor Distribution	CONT TO RET , S
101	4/17/2008	\$185 78 E	41400	126 Labor Distribution	H S A
101	4/3/2008	\$185 86 E	41400	126 Labor Distribution	H S A
101 BEST ADMINISTRATION	4/15/2008	\$51 00 E	41400	131 Vendor Liability	CONT TO EMPLO
101 BEST ADMINISTRATION	4/30/2008	\$108 00 E	41400	131 2 rmts service fee	CONT TO EMPLO
101	4/3/2008	\$559 59 E	41400	131 Labor Distribution	CONT TO EMPLO
101 MINNESOTA UC FUND/DEPT	4/21/2008	\$660 00 E	41400	140 2007 Q4 WAGE DETAIL LATE FE	UNEMPLOYMENT
101	4/3/2008	\$32 06 E	41400	170 Labor Distribution	MEDICARE
101	4/17/2008	\$31 30 E	41400	170 Labor Distribution	MEDICARE
101 QUILL	5/6/2008	\$2 87 E	41400	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 BUSINESS FORMS & ACCOU	5/6/2008	\$156 73 E	41400	201 LASER A/P CHECKS	OFFICE SUPPLIE
101 ADVANCED IMAGING SOLUT	5/6/2008	\$155 00 E	41400	201 SERVICE LABOR & TRIP CHG -	OFFICE SUPPLIE
101 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$16 59 E	41400	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 QUILL	5/6/2008	\$4 78 E	41400	201 OFFICE SUPPLIES - PENS	OFFICE SUPPLIE

MONTHLY EXPENSES

Period Name: APRIL

FUND Search Name	Tran Date	Act Amount Typ	DEPT	OBJ Comments	OBJ Descr
101 U S BANK VISA	5/6/2008	\$27 42 E	41400	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
101 MANAGEMENT SERVICES	4/15/2008	\$1,689 61 E	41400	302 CONSULTING	CONTRACT SERV
101 MANAGEMENT SERVICES	4/30/2008	\$1,639 92 E	41400	302 CONSULTING	CONTRACT SERV
101 FTN FINANCIAL	4/10/2008	\$24 00 E	41400	302 FTB SAFEKEEPING FEES	CONTRACT SERV
101 TAYLOR, SARA	4/23/2008	\$97 97 E	41400	400 MILEAGE	USE OF PERSON
101 MAMA	5/6/2008	\$20 00 E	41400	402 CONFERENCE	CONFERENCES &
101 U S BANK VISA	5/6/2008	\$200 00 E	41400	402 ADMIN - CREDIT CARD	CONFERENCES &
101 NEOPOST	5/6/2008	\$57 41 E	41400	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
101 COMCAST	5/6/2008	\$20 97 E	41400	416 HIGH SPEED INTERNET	REPAIR/MAINT O
101 US INTERNET	5/6/2008	\$27 60 E	41400	416 INTERNET	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$41 56 E	41400	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$43 68 E	41400	416 COMPUTER CONSULTING	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$103 95 E	41400	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
DEPT 41400 ADMINISTRATION		\$11,102 97			
DEPT 41910 PLANNING & ZONING					
101	4/3/2008	\$4 100 17 E	41910	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$4,100 17 E	41910	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$266 53 E	41910	121 Labor Distribution	P E R A
101	4/3/2008	\$266 53 E	41910	121 Labor Distribution	P E R A
101	4/17/2008	\$252 24 E	41910	122 Labor Distribution	CONT TO RET , S
101	4/3/2008	\$252 24 E	41910	122 Labor Distribution	CONT TO RET , S
101	4/3/2008	\$353 87 E	41910	126 Labor Distribution	H S A
101	4/17/2008	\$353 87 E	41910	126 Labor Distribution	H S A
101	4/3/2008	\$1,051 15 E	41910	131 Labor Distribution	CONT TO EMPLO
101	4/3/2008	\$59 00 E	41910	170 Labor Distribution	MEDICARE
101	4/17/2008	\$59 00 E	41910	170 Labor Distribution	MEDICARE
101 U S BANK VISA	5/6/2008	\$22 85 E	41910	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
101 QUILL	5/6/2008	\$4 79 E	41910	201 OFFICE SUPPLIES - PENS	OFFICE SUPPLIE
101 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$13 83 E	41910	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 QUILL	5/6/2008	\$2 39 E	41910	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 HOLIDAY FLEET	4/10/2008	\$191 12 E	41910	212 FUEL	MOTOR FUELS &
101 S E H	5/6/2008	\$187 12 E	41910	301 MISC ENGINEER	PROF SER-ENGIN
101 MANAGEMENT SERVICES	4/15/2008	\$1 508 58 E	41910	302 CONSULTING	CONTRACT SERV
101 MANAGEMENT SERVICES	4/30/2008	\$1,464 21 E	41910	302 CONSULTING	CONTRACT SERV
101 US INTERNET	5/6/2008	\$23 00 E	41910	416 INTERNET	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$34 64 E	41910	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$86 62 E	41910	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
101 NEOPOST	5/6/2008	\$47 84 E	41910	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$36 40 E	41910	416 COMPUTER CONSULTING	REPAIR/MAINT O
101 COMCAST	5/6/2008	\$17 47 E	41910	416 HIGH SPEED INTERNET	REPAIR/MAINT O
DEPT 41910 PLANNING & ZONING		\$14 755 63			
DEPT 41940 MUNICIPAL BUILDINGS					
101 KIMBERLY A REIL	4/25/2008	-\$400 00 E	41940	302 Original Amt or Final adjusted by	CONTRACT SERV
101 KIMBERLY A REIL	5/6/2008	\$450 00 E	41940	302 CLEANING SERVICE - APRIL	CONTRACT SERV
101 WALKER ROOFING	5/6/2008	\$1,040 00 E	41940	302 REPAIR WORK DONE TO CITY	CONTRACT SERV
101 OFFICE OF ENT TECHNOLO	5/6/2008	\$412 77 E	41940	321 TELECOM	COMMUNICATION
101 MENARDS-STILLWATER	5/6/2008	\$48 35 E	41940	420 REPAIR HALL WAY - MUNIC BL	R & M BLDGS, ST
101 MINNESOTA ELEVATOR	5/6/2008	\$141 50 E	41940	420 APRIL SERVICE - CITY HALL	R & M BLDGS ST
101 ALL SAFE DIV/ALL FIRE TES	5/6/2008	\$32 63 E	41940	420 FIRE EXTINGUISHER CERTIFIC	R & M BLDGS ST
DEPT 41940 MUNICIPAL BUILDINGS		\$1 725 25			
DEPT 42100 POLICE					
101	4/3/2008	\$1,666 72 E	42100	050 Labor Distribution	SEASONAL/PART
101	4/17/2008	\$2 463 95 E	42100	050 Labor Distribution	SEASONAL/PART
101	4/3/2008	\$11,129 21 E	42100	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$11,566 06 E	42100	101 Labor Distribution	WAGES AND SAL
101	4/3/2008	\$1,702 37 E	42100	102 Labor Distribution	OVERTIME
101	4/17/2008	\$1,077 19 E	42100	102 Labor Distribution	OVERTIME

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MONTHLY EXPENSES

Period Name: APRIL

FUND Search Name	Tran Date	Act Amount	Typ	DEPT	OBJ Comments	OBJ Descr
101	4/3/2008	\$1,760.94	E	42100	121 Labor Distribution	P E R A
101	4/17/2008	\$1,741.61	E	42100	121 Labor Distribution	P E R A
101	4/3/2008	\$42.67	E	42100	122 Labor Distribution	CONT TO RET S
101	4/17/2008	\$71.24	E	42100	122 Labor Distribution	CONT TO RET S
101	4/3/2008	\$716.55	E	42100	126 Labor Distribution	H S A
101	4/17/2008	\$716.58	E	42100	126 Labor Distribution	H S A
101	4/3/2008	\$2,579.93	E	42100	131 Labor Distribution	CONT TO EMPLO
101	4/17/2008	\$179.02	E	42100	170 Labor Distribution	MEDICARE
101	4/3/2008	\$176.41	E	42100	170 Labor Distribution	MEDICARE
101 U S BANK VISA	5/6/2008	\$22.85	E	42100	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
101 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$13.83	E	42100	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 QUILL	5/6/2008	\$2.39	E	42100	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 HOLIDAY FLEET	4/10/2008	\$1,864.55	E	42100	212 FUEL	MOTOR FUELS &
101 WILLMARTH, QUINN	4/30/2008	\$8.22	E	42100	220 FOOD	OPERATING SUP
101 MINNESOTA COUNTY ATTO	4/25/2008	-\$27.69	E	42100	220 Original Amt or Final adjusted by	OPERATING SUP
101 WILLMARTH QUINN	4/30/2008	\$72.57	E	42100	220 GAS	OPERATING SUP
101 MINNESOTA BLUE BOOK	4/15/2008	\$21.95	E	42100	220 2007 LAW ENFOREMENT DIREC	OPERATING SUP
101 HOLIDAY FLEET	4/10/2008	\$13.82	E	42100	220 FUEL	OPERATING SUP
101 ECKBERG, LAMMERS, BRIG	5/6/2008	\$2,086.63	E	42100	300 PROSECUTION(13467-9999)	PROF SER-LEGAL
101 NEXTEL COMMUNICATIONS	5/6/2008	\$124.78	E	42100	321 POLICE DEPT CELL PHONES	COMMUNICATION
101 WINGFOOT COMMERCIAL TI	5/6/2008	\$267.79	E	42100	323 TIRES/2501	RADIOS-REPAIR
101 U S BANK VISA	5/6/2008	\$133.06	E	42100	350 CARTRIDGE WORLDMIN	PRINTING & PUBL
101 BUREAU OF CRIMINAL APPR	5/6/2008	\$50.00	E	42100	403 INTOXILYER 5000 RECERTIFICA	POLICE TRAININ
101 EASTMAN, LAURA	4/30/2008	\$308.52	E	42100	403 HOTEL REIMBURSEMENT	POLICE TRAININ
101 CARLSON AUTO SERVICE &	5/6/2008	\$465.93	E	42100	412 WATER PUMP REPLACE - POLI	REP & MAINT VE
101 U S BANK VISA	5/6/2008	\$85.20	E	42100	412 DISCOUNT-TIRE-CO	REP & MAINT VE
101 FURY DODGE CHRYSLER	5/6/2008	\$89.95	E	42100	412 REPLACEMENT OF THE EGR V	REP & MAINT VE
101 TR COMPUTER SALES LLC	5/6/2008	\$34.64	E	42100	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
101 COMCAST	5/6/2008	\$17.47	E	42100	416 HIGH SPEED INTERNET	REPAIR/MAINT O
101 US INTERNET	5/6/2008	\$23.00	E	42100	416 INTERNET	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$86.62	E	42100	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
101 NEOPOST	5/6/2008	\$47.84	E	42100	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$36.40	E	42100	416 COMPUTER CONSULTING	REPAIR/MAINT O
101 MINNESOTA BOARD OF PEA	5/6/2008	\$90.00	E	42100	433 HUTCHINSON	DUES & MEMBER
101 MINNESOTA BOARD OF PEA	5/6/2008	\$90.00	E	42100	433 LOGAN	DUES & MEMBER
101 MINNESOTA BOARD OF PEA	5/6/2008	\$90.00	E	42100	433 JACKSON	DUES & MEMBER
101 ROBICHON'S THE INLINE SK	5/6/2008	\$350.00	E	42100	444 SAFETY CAMP - PD DEPT	COMMUNITY PRO
DEPT 42100 POLICE		\$44,060.77				
DEPT 42200 FIRE PROTECTION						
101	2/17/2008	\$250.00	E	42200	101 Labor Distribution	WAGES AND SAL
101	3/20/2008	\$793.33	E	42200	101 Labor Distribution	WAGES AND SAL
101	3/20/2008	\$16.64	E	42200	122 Labor Distribution	CONT TO RET , S
101	3/20/2008	\$7.88	E	42200	170 Labor Distribution	MEDICARE
101 W S DARLEY & CO	5/6/2008	\$100.69	E	42200	202 FIRE DEPT	UNIFORMS - MISC
101 HOLIDAY FLEET	4/10/2008	\$790.88	E	42200	212 FUEL	MOTOR FUELS &
101 PUBLIC SAFETY CENTER IN	5/6/2008	\$157.89	E	42200	240 TOWELETTES, BLANKET, SHIPP	SMALL TOOLS-E
101 BOUND TREE MEDICAL, LLC	5/6/2008	\$182.21	E	42200	240 NASAL CANNULA ADULT, GLOV	SMALL TOOLS-E
101 METRO FIRE	4/25/2008	-\$650.00	E	42200	240 Original Amt or Final adjusted by	SMALL TOOLS-E
101 ALEX AIR APPARATUS, INC	5/6/2008	\$291.56	E	42200	240 LABOR,4'EXTENSION HOSE HO	SMALL TOOLS-E
101 STILLWATER MEDICAL GRO	5/6/2008	\$16.25	E	42200	306 TB INTRADERMAL TEST - JACO	PROF SER-OTHE
101 EMS EDUCATION TRAINING	5/6/2008	\$1,700.00	E	42200	306 17 STUDENTS FIRST RESPOND	PROF SER-OTHE
101 STILLWATER MEDICAL GRO	5/6/2008	\$13.00	E	42200	306 WW420 MANTOUZ - MATT BELL	PROF SER-OTHE
101 NEXTEL COMMUNICATIONS	5/6/2008	\$740.15	E	42200	321 FIRE DEPT CELL PHONES	COMMUNICATION
101 EISINGER ALLEN	5/6/2008	\$595.83	E	42200	402 HOTEL FOR 5	CONFERENCES &
101 EISINGER JAKE	4/23/2008	\$161.60	E	42200	402 MILEAGE	CONFERENCES &
101 MARK SWENSON	5/6/2008	\$178.88	E	42200	402 MILEAGE - FIRE SCHOOL	CONFERENCES &
101 JASON SEVERSON	5/6/2008	\$178.88	E	42200	402 MILEAGE - FIRE SCHOOL	CONFERENCES &
101 EISINGER ALLEN	5/6/2008	\$783.72	E	42200	402 MEALS	CONFERENCES &
101 T R F SUPPLY	5/6/2008	\$381.27	E	42200	420 SMOKERS CEASE FIRE CONT &	R & M BLDGS ST
101 U S BANK VISA	5/6/2008	\$32.02	E	42200	420 MENARDS	R & M BLDGS, ST

CITY OF BAYPORT

MONTHLY EXPENSES

Period Name: APRIL

FUND Search Name	Tran Date	Act Amount Typ	DEPT	OBJ Comments	OBJ Descr
101 U S BANK VISA	5/6/2008	\$180 07 E	42200	420 MENARDS	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$8 50 E	42200	420 HOLIDAY STNSTORE	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$22 21 E	42200	420 WAL-MART	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$73 52 E	42200	420 ACE HARDWARE	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$40 16 E	42200	420 LATE FEE - FINANCE CHARGE	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$54 27 E	42200	420 ACE HARDWARE	R & M BLDGS, ST
DEPT 42200 FIRE PROTECTION		\$7,101 41			
DEPT 43100 STREET MAINT					
101	4/3/2008	\$1,691 20 E	43100	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$1,691 20 E	43100	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$109 93 E	43100	121 Labor Distribution	P E R A
101	4/3/2008	\$109 93 E	43100	121 Labor Distribution	P E R A
101	4/17/2008	\$104 38 E	43100	122 Labor Distribution	CONT TO RET , S
101	4/3/2008	\$104 38 E	43100	122 Labor Distribution	CONT TO RET , S
101	4/17/2008	\$88 48 E	43100	126 Labor Distribution	H S A
101	4/3/2008	\$88 48 E	43100	126 Labor Distribution	H S A
101	4/3/2008	\$348 59 E	43100	131 Labor Distribution	CONT TO EMPLO
101	4/17/2008	\$24 41 E	43100	170 Labor Distribution	MEDICARE
101	4/3/2008	\$24 41 E	43100	170 Labor Distribution	MEDICARE
101 QUILL	5/6/2008	\$0 47 E	43100	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$2 76 E	43100	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
101 U S BANK VISA	5/6/2008	\$4 57 E	43100	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
101 HOLIDAY FLEET	4/10/2008	\$644 33 E	43100	212 FUEL	MOTOR FUELS &
101 U S BANK VISA	5/6/2008	-\$9 23 E	43100	220 CREDIT ON ACCT	OPERATING SUP
101 NORTHERN TRAFFIC SUPPL	5/6/2008	\$68 69 E	43100	220 MED,GRG XL LIME GREEN/WO	OPERATING SUP
101 OXYGEN SERVICE COMPAN	5/6/2008	\$5 61 E	43100	220 INDUSTRIAL LARGE / R INL	OPERATING SUP
101 U S BANK VISA	5/6/2008	\$35 70 E	43100	220 FARM STORE	OPERATING SUP
101 WASHINGTON CO TRANSP	5/6/2008	\$1,025 94 E	43100	225 SNOW AND ICE CONTROL	SALT & SAND PU
101 MEDTOX LABORATORIES	5/6/2008	\$50 00 E	43100	306 ANNUAL RANDOM ADMIN FEE	PROF SER-OTHE
101 MAC QUEEN EQUIPMENT	5/6/2008	\$814 58 E	43100	412 BROOM AND PARTS	REP & MAINT VE
101 U S BANK VISA	5/6/2008	-\$9 23 E	43100	412 CREDIT ON ACCT	REP & MAINT VE
101 U S BANK VISA	5/6/2008	-\$9 23 E	43100	412 CREDIT ON ACCT	REP & MAINT VE
101 CARQUEST AUTO PARTS	5/6/2008	\$97 42 E	43100	412 AUTO PARTS	REP & MAINT VE
101 U S BANK VISA	5/6/2008	\$17 02 E	43100	412 ACE HARDWARE	REP & MAINT VE
101 U S BANK VISA	5/6/2008	-\$30 57 E	43100	412 CREDIT ON ACCT	REP & MAINT VE
101 CARQUEST AUTO PARTS	5/6/2008	\$154 95 E	43100	412 AUTO PARTS	REP & MAINT VE
101 TR COMPUTER SALES LLC	5/6/2008	\$6 92 E	43100	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$17 32 E	43100	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
101 NEOPOST	5/6/2008	\$9 56 E	43100	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
101 COMCAST	5/6/2008	\$3 49 E	43100	416 HIGH SPEED INTERNET	REPAIR/MAINT O
101 US INTERNET	5/6/2008	\$4 60 E	43100	416 INTERNET	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$7 28 E	43100	416 COMPUTER CONSULTING	REPAIR/MAINT O
101 ALL SAFE DIV/ALL FIRE TES	5/6/2008	\$202 55 E	43100	420 FIRE EXTINGUISHER RECHARG	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$6 17 E	43100	420 ACE HARDWARD	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	-\$6 17 E	43100	420 ACE HARDWARE	R & M BLDGS, ST
101 RIVER CITY SERVICES	5/6/2008	\$506 69 E	43100	421 PICK UP SNOW PLOW LOADER	REPAIR & MAINT
101 TORRY OR REBECCA KRAFT	4/10/2008	\$56 08 E	43100	421 REINBURSTMENT ON ASSESS	REPAIR & MAINT
101 ALL STAR WIRELESS	4/8/2008	-\$484 25 E	43100	550 CK RETURNED - ALREADY PAID	MOTOR VEHICLE
DEPT 43100 STREET MAINT		\$7 579 41			
DEPT 43200 PARKS					
101	4/3/2008	\$927 20 E	43200	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$927 20 E	43200	101 Labor Distribution	WAGES AND SAL
101	4/17/2008	\$60 27 E	43200	121 Labor Distribution	P E R A
101	4/3/2008	\$60 27 E	43200	121 Labor Distribution	P E R A
101	4/3/2008	\$55 16 E	43200	122 Labor Distribution	CONT TO RET S
101	4/17/2008	\$55 16 E	43200	122 Labor Distribution	CONT TO RET , S
101	4/3/2008	\$44 24 E	43200	126 Labor Distribution	H S A
101	4/17/2008	\$44 24 E	43200	126 Labor Distribution	H S A

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101	4/3/2008	\$176 70	E	43200	131 Labor Distribution	CONT TO EMPLO
101	4/3/2008	\$12 90	E	43200	170 Labor Distribution	MEDICARE
101	4/17/2008	\$12 90	E	43200	170 Labor Distribution	MEDICARE
101 ARAMARK	5/6/2008	\$29 25	E	43200	202 BALANCE DUE ON INVOICE	UNIFORMS - MISC
101 CCP INDUSTRIES	5/6/2008	\$45 22	E	43200	204 MNS NAVY SLASH PKT JACKET	UNIFORMS - VER
101 ARAMARK	5/6/2008	\$50 73	E	43200	204 JEAN-STYLE WORK PANT	UNIFORMS - VER
101 ARAMARK	5/6/2008	\$104 90	E	43200	204 HOODED WINDSHIRT, T-SHIRT	UNIFORMS - VER
101 HOLIDAY FLEET	4/10/2008	\$89 31	E	43200	212 FUEL	MOTOR FUELS &
101 HOLIDAY FLEET	4/10/2008	\$13 81	E	43200	212 FUEL	MOTOR FUELS &
101 T R F SUPPLY	5/6/2008	\$245 10	E	43200	220 SAFETY GLASSES,LAYNARDS,	OPERATING SUP
101 MENARDS-STILLWATER	5/6/2008	\$8 47	E	43200	220 1000 CAUTION TAPE	OPERATING SUP
101 CARQUEST AUTO PARTS	5/6/2008	\$84 19	E	43200	412 CONDENSER, ROTER, POINT S	REP & MAINT VE
101 MTI	5/6/2008	\$40 29	E	43200	412 HOC CAP ASM - PW DEPT	REP & MAINT VE
101 MTI	5/6/2008	\$198 25	E	43200	412 FRONT FORK CASTOR & BLAD	REP & MAINT VE
101 RIVER CITY SERVICES	5/6/2008	\$531 69	E	43200	413 PICK UP SNOW PLOW, LOADER	TREES
101 TR COMPUTER SALES LLC	5/6/2008	\$17 32	E	43200	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
101 NEOPOST	5/6/2008	\$9 56	E	43200	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$6 92	E	43200	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
101 TR COMPUTER SALES LLC	5/6/2008	\$7 28	E	43200	416 COMPUTER CONSULTING	REPAIR/MAINT O
101 COMCAST	5/6/2008	\$3 49	E	43200	416 HIGH SPEED INTERNET	REPAIR/MAINT O
101 US INTERNET	5/6/2008	\$4 60	E	43200	416 INTERNET	REPAIR/MAINT O
101 MENARDS-STILLWATER	5/6/2008	\$11 70	E	43200	420 NAIL 10" SPIKE	R & M BLDGS ST
101 U S BANK VISA	5/6/2008	-\$9 23	E	43200	420 CREDIT ON ACCT	R & M BLDGS, ST
101 U S BANK VISA	5/6/2008	\$14 97	E	43200	420 ACE HARDWARE	R & M BLDGS, ST
101 MENARDS-STILLWATER	4/25/2008	-\$63 86	E	43200	420 Original Amt or Final adjusted by	R & M BLDGS, ST
101 AIR FRESH PORTABLE TOIL	5/6/2008	\$167 74	E	43200	425 MONTHLY RENTAL	SATILLITIES
DEPT 43200 PARKS		\$3,987 94				
DEPT 43300 CEMETERY						
101 HOLIDAY FLEET	4/10/2008	\$187 65	E	43300	212 FUEL	MOTOR FUELS &
DEPT 43300 CEMETERY		\$187 65				
FUND 101 GENERAL		\$106,536 02				
FUND 202 DRUG FORFEITURE						
DEPT 42101 DARE EXPENDITURES						
202 KEEPERS, INC	5/6/2008	\$738 05	E	42101	449 INSTALL MDT/COMUTER SYSTE	DRUG FORFITUR
DEPT 42101 DARE EXPENDITURES		\$738 05				
FUND 202 DRUG FORFEITURE		\$738 05				
FUND 206 WATER/SEWER IMPROVEMENT FUND						
DEPT 41200 MAYOR & COUNCIL						
206 ECKBERG, LAMMERS BRIG	5/6/2008	\$650 00	E	41200	300 13467-17159 BAYORT MAR	PROF SER-LEGAL
DEPT 41200 MAYOR & COUNCIL		\$650 00				
DEPT 41603 SO MN STREET UTILITY PROJECT						
206 PEMBER COMPANIES INC	4/10/2008	\$41,403 21	E	41603	305 SO MN ST UTILITY & ST PMT #4	PROF SER-CONT
DEPT 41603 SO MN STREET UTILITY PROJEC		\$41,403 21				
FUND 206 WATER/SEWER IMPROVEMENT FUND		\$42 053 21				
FUND 207 PARK IMPROVEMENT FUND						
DEPT 41200 MAYOR & COUNCIL						
207 ECKBERG, LAMMERS, BRIG	5/6/2008	\$162 50	E	41200	300 13467-15877 XCEL FRANCHISE	PROF SER-LEGAL
DEPT 41200 MAYOR & COUNCIL		\$162 50				

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DEPT 44100 PROJECT						
207 SANDERS WACKER BERGLY	5/6/2008	\$2,245.00	E	44100	306 LAKESIDE PARK - DESIGN DEV	PROF SER-OTHE
207 SANDERS WACKER BERGLY	5/6/2008	\$400.00	E	44100	444 BARKER'S ALPS 3/1/08-3/31/08	COMMUNITY PRO
207 XCEL ENERGY CORP	4/21/2008	\$4,059.68	E	44100	530 380' OF 2" GAS SERVICE	CAPITAL OUTLAY
207 XCEL	4/25/2008	\$4,059.68	E	44100	530 Original Amt or Final adjusted by	CAPITAL OUTLAY
DEPT 44100 PROJECT		\$10,764.36				
FUND 207 PARK IMPROVEMENT FUND		\$10,926.86				
FUND 211 LIBRARY						
DEPT 45500 LIBRARY						
211	4/17/2008	\$2,400.33	E	45500	050 Labor Distribution	SEASONAL/PART
211	4/3/2008	\$2,463.25	E	45500	050 Labor Distribution	SEASONAL/PART
211	4/17/2008	\$2,626.31	E	45500	101 Labor Distribution	WAGES AND SAL
211	4/3/2008	\$2,626.31	E	45500	101 Labor Distribution	WAGES AND SAL
211	4/3/2008	\$287.62	E	45500	121 Labor Distribution	P E R A
211	4/17/2008	\$287.71	E	45500	121 Labor Distribution	P E R A
211	4/17/2008	\$304.97	E	45500	122 Labor Distribution	CONT TO RET , S
211	4/3/2008	\$308.86	E	45500	122 Labor Distribution	CONT TO RET , S
211	4/17/2008	\$88.47	E	45500	126 Labor Distribution	H S A
211	4/3/2008	\$88.47	E	45500	126 Labor Distribution	H S A
211	4/3/2008	\$371.72	E	45500	131 Labor Distribution	CONT TO EMPLO
211	4/17/2008	\$71.33	E	45500	170 Labor Distribution	MEDICARE
211	4/3/2008	\$72.24	E	45500	170 Labor Distribution	MEDICARE
211 BAKER & TAYLOR	5/6/2008	\$70.88	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$402.17	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$50.97	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$74.88	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$80.77	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$27.67	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$486.56	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$81.97	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$158.20	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$453.28	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$328.98	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$123.30	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$7.49	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$26.57	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$55.12	E	45500	217 BOOKS	MATERIALS & PR
211 RAMSEY COUNTY HISTORIC	5/6/2008	\$17.45	E	45500	217 ROCKY ROOTS BOOK - LIBRAR	MATERIALS & PR
211 SCHOLASTIC LIBRARY PUBL	5/6/2008	\$240.50	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$98.44	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$35.19	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$45.67	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$14.23	E	45500	217 BOOKS	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$79.93	E	45500	217 BOOKS	MATERIALS & PR
211 GE MONEY BANK/AMAZON	5/6/2008	\$94.05	E	45500	217 AMAZON RETAIL SEATTLE WA -	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$10.18	E	45500	217 BOOKS	MATERIALS & PR
211 AMERICAN LIBRARY ASSOCI	5/6/2008	\$50.00	E	45500	217 RENEWAL SUBSCRIPTION	MATERIALS & PR
211 AFTON HISTORICAL SOCIET	5/6/2008	\$29.96	E	45500	217 MY HEART IT IS DELICIOUS - B	MATERIALS & PR
211 BAKER & TAYLOR	5/6/2008	\$9.39	E	45500	217 BOOKS	MATERIALS & PR
211 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$189.46	E	45500	220 OFFICE SUPPLIES	OPERATING SUP
211 AMERICAN LIBRARY ASSOCI	5/6/2008	\$34.00	E	45500	220 2008 POSTER & BOOKMARK NA	OPERATING SUP
211 BRODART	5/6/2008	\$68.18	E	45500	220 SLATWALL MEIDA BIN - LIBRAR	OPERATING SUP
211 KINDER MELODIES	5/6/2008	\$375.00	E	45500	302 STORY TIME - LIBRARY	CONTRACT SERV
211 TRU-CLEAN MAINTENANCE	5/6/2008	\$1,500.00	E	45500	302 CLEANING - LIBRARY	CONTRACT SERV
211 OFFICE OF ENT TECHNOLO	5/6/2008	\$60.77	E	45500	321 TELECOM SERV - LIBRARY	COMMUNICATION
211 INTEGRA TELECOM	5/6/2008	\$19.72	E	45500	321 TELECOM - LIBRARY	COMMUNICATION
211 WASHINGTON COUNTY LIBR	5/6/2008	\$45.84	E	45500	322 1ST QTR 2008 POSTAGE FOR	POSTAGE
211 WASHINGTON COUNTY LIBR	5/6/2008	\$1,461.95	E	45500	391 CISCO 1841-T1 CISCO SWITCH	SHARED AUTOMA

CITY OF BAYPORT

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211 TOSHIBA BUSINESS SOLUTI	5/6/2008	\$35 19	E	45500	416 BAND 1 - LIB	REPAIR/MAINT O
211 ELECTRO WATCHMAN INC	5/6/2008	\$60 00	E	45500	420 INSPECTION - LIBRARY	R & M BLDGS, ST
211 ECOWATER	5/6/2008	\$8 25	E	45500	420 MONTHLY RENT ON COLD COO	R & M BLDGS, ST
211 J H LARSON CO	5/6/2008	\$27 71	E	45500	420 34W FLUOR - LIB	R & M BLDGS, ST
211 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$122 13	E	45500	420 BUILDING SUPPLIES	R & M BLDGS, ST
211 MINNESOTA ELEVATOR	5/6/2008	\$133 67	E	45500	420 APRIL SERVICE - LIBRARY	R & M BLDGS, ST
211 SVL SERVICE CORPORATIO	5/6/2008	\$922 00	E	45500	420 SERVICE AGREEMENT - LIBRA	R & M BLDGS ST
DEPT 45500 LIBRARY		\$20,215 26				
FUND 211 LIBRARY		\$20,215 26				
FUND 303 GO TIF BOND 1990 DEBT SERVICE						
DEPT 41903 DEBT SERVICE						
303 U S BANK TRUST N A	5/6/2008	\$22 442 50	E	41903	860 GO REFUNDING 2001 - ACCT# 3	DEBT SERVICE - I
DEPT 41903 DEBT SERVICE		\$22,442 50				
FUND 303 GO TIF BOND 1990 DEBT SERVICE		\$22,442 50				
FUND 601 WATER						
DEPT 46120 WATER						
601	4/3/2008	\$3,053 43	E	46120	101 Labor Distribution	WAGES AND SAL
601	4/17/2008	\$3 046 63	E	46120	101 Labor Distribution	WAGES AND SAL
601	4/17/2008	\$198 05	E	46120	121 Labor Distribution	P E R A
601	4/3/2008	\$198 49	E	46120	121 Labor Distribution	P E R A
601	4/3/2008	\$181 15	E	46120	122 Labor Distribution	CONT TO RET , S
601	4/17/2008	\$180 73	E	46120	122 Labor Distribution	CONT TO RET S
601	4/3/2008	\$212 30	E	46120	126 Labor Distribution	H S A
601	4/17/2008	\$212 33	E	46120	126 Labor Distribution	H S A
601	4/3/2008	\$716 68	E	46120	131 Labor Distribution	CONT TO EMPLO
601	4/3/2008	\$42 37	E	46120	170 Labor Distribution	MEDICARE
601	4/17/2008	\$42 27	E	46120	170 Labor Distribution	MEDICARE
601 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$2 76	E	46120	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
601 QUILL	5/6/2008	\$0 47	E	46120	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
601 U S BANK VISA	5/6/2008	\$4 57	E	46120	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
601 HOLIDAY FLEET	4/10/2008	\$213 40	E	46120	212 FUEL	MOTOR FUELS &
601 HAWKINS WATER	5/6/2008	\$78 86	E	46120	216 POTABLE WATER TEST, PWS S	CHEMICALS AND
601 U S BANK VISA	5/6/2008	\$2 15	E	46120	216 USPS	CHEMICALS AND
601 HAWKINS WATER	5/6/2008	\$78 86	E	46120	216 WATER TEST & STATE FILING	CHEMICALS AND
601 HAWKINS WATER	5/6/2008	\$5,619 63	E	46120	216 CHEMICAL & TESTING	CHEMICALS AND
601 U S BANK VISA	5/6/2008	\$4 60	E	46120	216 USPS	CHEMICALS AND
601 U S BANK VISA	5/6/2008	-\$9 23	E	46120	216 CREDIT ON ACCT	CHEMICALS AND
601 U S BANK VISA	5/6/2008	\$13 45	E	46120	216 MAPLE ISLAND HARDWARE	CHEMICALS AND
601 U S BANK VISA	5/6/2008	-\$9 23	E	46120	216 CREDIT ON ACCOUNT	CHEMICALS AND
601 HAWKINS WATER	5/6/2008	\$25 00	E	46120	216 150 LB CHLORINE CYLINDER	CHEMICALS AND
601 U S BANK VISA	5/6/2008	-\$9 23	E	46120	216 CREDIT ON ACCT	CHEMICALS AND
601 STATE OF MINNESOTA DEP	5/6/2008	\$25 00	E	46120	220 CHEMICAL REPORTED	OPERATING SUP
601 STATE OF MINNESOTA DEP	5/6/2008	\$25 00	E	46120	220 CHEMICAL REPORTED	OPERATING SUP
601 STATE OF MINNESOTA DEP	5/6/2008	\$100 00	E	46120	220 EMERGENCY PLANNING CHEMI	OPERATING SUP
601 J H LARSON CO	5/6/2008	\$33 93	E	46120	220 5W COMP FLUOR TUBE	OPERATING SUP
601 MENARDS-STILLWATER	5/6/2008	\$14 25	E	46120	240 2 - PC DBL END BIT SET 2"	SMALL TOOLS-E
601 MANAGEMENT SERVICES	4/30/2008	\$1,288 50	E	46120	302 CONSULTING	CONTRACT SERV
601 MANAGEMENT SERVICES	4/15/2008	\$1,327 55	E	46120	302 CONSULTING	CONTRACT SERV
601 TR COMPUTER SALES LLC	5/6/2008	\$6 92	E	46120	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
601 COMCAST	5/6/2008	\$3 49	E	46120	416 HIGH SPEED INTERNET	REPAIR/MAINT O
601 US INTERNET	5/6/2008	\$4 60	E	46120	416 INTERNET	REPAIR/MAINT O
601 NEOPOST	5/6/2008	\$9 56	E	46120	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
601 TR COMPUTER SALES LLC	5/6/2008	\$7 28	E	46120	416 COMPUTER CONSULTING	REPAIR/MAINT O
601 TR COMPUTER SALES LLC	5/6/2008	\$17 32	E	46120	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
601 MINNESOTA PIPE & EQUIPM	5/6/2008	\$4,583 22	E	46120	419 BURY 5" STORZ PUMPER, NST	REPAIR & MAINT

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601 ALL SAFE DIV/ALL FIRE TES	5/6/2008	\$68 81	E	46120	420 EXTINGUISHER CERTIFICATION	R & M BLDGS ST
DEPT 46120 WATER		\$21,615 92				
FUND 601 WATER		\$21 615 92				
FUND 602 SEWER						
DEPT 46200 SEWER - OPERATING						
602	2/17/2008	\$750 00	E	46200	101 Labor Distribution	WAGES AND SAL
602	4/3/2008	\$4,940 60	E	46200	101 Labor Distribution	WAGES AND SAL
602	4/17/2008	\$4,453 80	E	46200	101 Labor Distribution	WAGES AND SAL
602	4/17/2008	\$258 25	E	46200	121 Labor Distribution	P E R A
602	4/3/2008	\$258 71	E	46200	121 Labor Distribution	P E R A
602	4/3/2008	\$236 28	E	46200	122 Labor Distribution	CONT TO RET , S
602	4/17/2008	\$235 85	E	46200	122 Labor Distribution	CONT TO RET , S
602	4/17/2008	\$256 52	E	46200	126 Labor Distribution	H S A
602	4/3/2008	\$256 50	E	46200	126 Labor Distribution	H S A
602	4/3/2008	\$893 33	E	46200	131 Labor Distribution	CONT TO EMPLO
602	2/17/2008	\$10 88	E	46200	170 Labor Distribution	MEDICARE
602	4/3/2008	\$69 16	E	46200	170 Labor Distribution	MEDICARE
602	4/17/2008	\$62 10	E	46200	170 Labor Distribution	MEDICARE
602 QUILL	5/6/2008	\$0 51	E	46200	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
602 INNOVATIVE OFFICE SOLUTI	5/6/2008	\$2 80	E	46200	201 OFFICE SUPPLIES - ADM	OFFICE SUPPLIE
602 U S BANK VISA	5/6/2008	\$4 59	E	46200	201 ADMIN - CREDIT CARD	OFFICE SUPPLIE
602 HOLIDAY FLEET	4/10/2008	\$356 50	E	46200	212 FUEL	MOTOR FUELS &
602 J H LARSON CO	5/6/2008	\$13 42	E	46200	220 25W T6 INTERMED BASE - PW	OPERATING SUP
602 GRAINGER	5/6/2008	\$20 81	E	46200	220 INSULATED GLOVE	OPERATING SUP
602 T R F SUPPLY	5/6/2008	\$369 98	E	46200	220 CHERRY SUDS WASH & WAX N	OPERATING SUP
602 GRAINGER	5/6/2008	\$127 30	E	46200	240 LEN CLEANING SOLUTION GFC	SMALL TOOLS-E
602 GRAINGER	5/6/2008	\$15 53	E	46200	240 NOZZLE, SPRAYER	SMALL TOOLS-E
602 MANAGEMENT SERVICES	4/30/2008	\$1,288 50	E	46200	302 CONSULTING	CONTRACT SERV
602 MANAGEMENT SERVICES	4/15/2008	\$1,327 55	E	46200	302 CONSULTING	CONTRACT SERV
602 U S BANK VISA	5/6/2008	-\$9 23	E	46200	412 CREDIT ON ACCT	REP & MAINT VE
602 U S BANK VISA	5/6/2008	\$54 57	E	46200	412 AWDIRECT	REP & MAINT VE
602 NORTHERN ENGINE & SUPP	5/6/2008	\$75 63	E	46200	412 TRU SEAL CLAMP, WK LAMP, H	REP & MAINT VE
602 US INTERNET	5/6/2008	\$4 60	E	46200	416 INTERNET	REPAIR/MAINT O
602 COMCAST	5/6/2008	\$3 52	E	46200	416 HIGH SPEED INTERNET	REPAIR/MAINT O
602 TR COMPUTER SALES LLC	5/6/2008	\$6 96	E	46200	416 BACKUP EXEC RENEWAL	REPAIR/MAINT O
602 NEOPOST	5/6/2008	\$9 61	E	46200	416 POSTAGE EQUIPMENT RENTAL	REPAIR/MAINT O
602 TR COMPUTER SALES LLC	5/6/2008	\$17 36	E	46200	416 IDE DVD - SPEAKERS W/HEAD	REPAIR/MAINT O
602 TR COMPUTER SALES LLC	5/6/2008	\$7 30	E	46200	416 COMPUTER CONSULTING	REPAIR/MAINT O
602 MENARDS-STILLWATER	5/6/2008	\$29 94	E	46200	419 CLEAR FACESHIELD 20A/125V	REPAIR & MAINT
602 U S BANK VISA	5/6/2008	\$89 46	E	46200	420 LOWES	R & M BLDGS, ST
DEPT 46200 SEWER - OPERATING		\$16,499 19				
DEPT 46990 SEWER - NON-OPERATING						
602 METROPOLITAN COUNCIL (S	5/6/2008	\$23 684 61	E	46990	434 ANNUAL FLOW	STATE FEES FOR
DEPT 46990 SEWER - NON-OPERATING		\$23,684 61				
FUND 602 SEWER		\$40,183 80				
FUND 803 P & Z ESCROWS						
DEPT 41910 PLANNING & ZONING						
803 ECKBERG, LAMMERS, BRIG	5/6/2008	\$136 50	E	41910	300 13467-13659 WATER EXTESION	PROF SER-LEGAL
DEPT 41910 PLANNING & ZONING		\$136 50				
DEPT 80011 CAPTAINS CORNER						
803 WASHINGTON COUNTY	4/25/2008	\$62 00	E	80011	815 Original Amt or Final adjusted by	ESCROW EXPEN

CITY OF BAYPORT

05/01/08 9 45 AM

Page 9

MONTHLY EXPENSES

Period Name: APRIL

FUND Search Name	Tran Date	Amount	Act Typ	DEPT	OBJ Comments	OBJ Descr
DEPT 80011 CAPTAINS CORNER		\$62 00				
DEPT 80016 Pete Miller - Feasi Study						
803 ECKBERG LAMMERS, BRIG	5/6/2008	\$52 00	E	80016	300 17225 WATER EXTENSION TO P	PROF SER-LEGAL
803 ECKBERG, LAMMERS, BRIG	5/6/2008	\$39 60	E	80016	300 16467-1659 WATER EXTENSION	PROF SER-LEGAL
DEPT 80016 Pete Miller - Feasi Study		\$91 60				
FUND 803 P & Z ESCROWS		\$290 10				
		\$265,001 72				

City of Bayport

294 North 3rd Street

Bayport, MN 55003

Phone: 651-275-4404

Fax: 651-275-4411

Building Permit Log

For: April, 2008

Printed:4/29/2008

Page1 of 2

Permit Number: BP2008-10
Parcel Address: 950 HIGHWAY 95 N
Applicant:VIKING AUTOMATIC SPRINKLER
VIKING AUTOMATIC SPRINKLER COMPANY FIRE
Construction Value:\$600.00
Filing Date: 4/11/2008
BAYPORT, MN 55003
Applicant Phone: 651-558-3300
Total Fees: \$28.75

Permit Number: BP2008-11
Parcel Address: 356 MINNESOTA St. S
Applicant:The Home Depot A.H.S
The Home Depot A H.S. RESIDENTIAL BUILDER
Construction Value:\$4,214.00
Filing Date: 4/16/2008
BAYPORT, MN 55003
Applicant Phone: 952-345-6047
Total Fees: \$120.11

Permit Number: BP2008-12
Parcel Address: 137 5TH St N
Applicant:ROBERT KAMPS
OWNER OWNER
Construction Value:\$1,800.00
Filing Date: 4/18/2008
BAYPORT, MN 55003
Applicant Phone: 651-439-9370
Total Fees: \$68.15

Permit Number: BP2008-13
Parcel Address: 308 2ND Ave S.
Applicant:PHOENIX BUILDERS
PHOENIX BUILDERS RESIDENTIAL BUILDER
Construction Value:\$6,000.00
Filing Date: 4/21/2008
BAYPORT, MN 55003
Applicant Phone: 651-491-6503
Total Fees: \$135.75

Permit Number: BP2008-14
Parcel Address: 101 5th Avenue So
Applicant:WEATHERGUARD
WEATHERGUARD CONSTRUCTION General
Construction Value:\$1,000.00
Filing Date: 4/21/2008
Bayport, MN 55003
Applicant Phone: 651-439-4320
Total Fees: \$41.75

Building Permit Log

For. April, 2008

Printed 4/30/2008

Page2 of 2

Permit Number: BP2008-15
Parcel Address: 466 5TH St S.
Applicant:DERRICK CUSTOM HOMES, LLC
DERRICK CUSTOM HOMES, LLC RESIDENTIAL
Construction Value:\$75,000.00

Filing Date:4/22/2008
BAYPORT, MN 55003
Applicant Phone: 715-246-2320

Total Fees: \$1,471 76

Permit Number: BP2008-16
Parcel Address: 306 5TH St. S.
Applicant:PHOENIX BUILDERS
PHOENIX BUILDERS RESIDENTIAL BUILDER
Construction Value:\$4,500 00

Filing Date:4/30/2008
BAYPORT, MN 55003
Applicant Phone: 651-491-6503

Total Fees: \$120 25

Permit Number: BP2008-9
Parcel Address: 950 HIGHWAY 95 N.
Applicant:GEORGE SIEGFRIED
GEORGE SIEGFRIED CONSTRUCTION General
Construction Value:\$6,000.00

Filing Date:4/8/2008
BAYPORT, MN 55003
Applicant Phone: 651-275-1112

Total Fees: \$222.04

Permit Number: MC2008-5
Parcel Address: 950 HIGHWAY 95 N.
Applicant:TOTAL MECHANICAL SERVICES,
TOTAL MECHANICAL SERVICES, INC. MECHANICAL
Construction Value:\$75,000.00

Filing Date:4/15/2008
BAYPORT, MN 55003
Applicant Phone: 651-768-9367

Total Fees: \$1,125.50

Permit Number: PL2008-5
Parcel Address: 415 LAKESIDE DRIVE
Applicant:BOB KISSNER PLUMBING &
BOB KISSNER PLUMBING & HEATING Plumber
Construction Value:\$7,800.00

Filing Date:4/22/2008
BAYPORT, MN 55003
Applicant Phone: 612-251-0893

Total Fees: \$75.50

Permit Number: PL2008-6
Parcel Address: 720 MINNESOTA St S
Applicant:MILLER EXCAVATING, INC.
MILLER EXCAVATING, INC. EXCAVATION &
Construction Value:\$5,900.00

Filing Date:4/25/2008
BAYPORT, MN 55003
Applicant Phone: 651-439-1637

Total Fees: \$2,700.50



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
PHONE 651-275-4404 FAX 651-275-4411

Date: April 30, 2008

To: Mayor and City Council
Mike McGuire, City Administrator

From: Wanda Madsen, Finance Officer

Subject: 2007 Annual Fund Transfers –

BACKGROUND

These are the proposed carry over's for designated projects/expenses that were not completed in 2007, but will be utilize in 2008.

- Transfer \$2,000 from 2007 Mayor & Council clean-up day to the 2008 Community Projects clean-up day. Transfer \$5,000 from 2007 Recycling clean-up day to the 2008 Prof-Service-Other.
- Transfer \$2,000 from 2007 Planning & Zoning Building Software Update & Training to the 2008 Materials/Programs.
- Transfer \$500 from the 2007 Lakeside Park recycling receptacles to the 2008 Allied Waste Recycling Scholarship.

RECOMMENDATION

Staff recommends the City Council approve the budgeted fund transfers listed above

Bayport American Legion Memorial Day Parade

May 26th 2008

March 5,, 2008

City of Bayport
294 north 3rd street
Bayport Minnesota 55003

Honorable Mayor and Council Members,

On behalf of the Hesley Jensen American Legion Post 491, I respectfully make application for annual financial assistance for an amount of \$300.00 from the City of Bayport.

The Bayport American Legion Memorial Day Parade and Ceremony is being held to Honor our Nations War Veterans. It is an opportunity to come together as a community and is open to resident and organizations in the St. Croix Valley area. This Event attracts not only crowds of Bayport residents but participants and spectators from neighboring communities.

I am working hard to recruit bands and interesting entrants – most of which cost money I am hoping to offset the costs with Parade entry fees and generous donations from organizations and people through out the St. Croix Valley. Any contribution you can make will be greatly appreciated and will help ensure a successful parade.

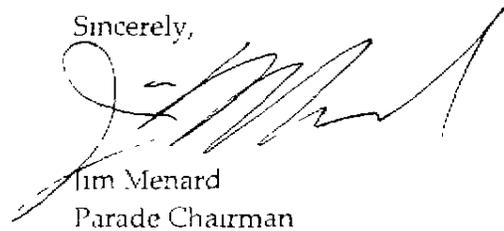
We take this opportunity to thank you for your contribution and support given to our Post over the years, which has been use to offset the expenses associated with the organization and execution of the annual Bayport American Legion Memorial Day Parade.

Please make contribution payable to

**Hesley Jensen American Legion Post 491
Box 187
Bayport MN 55003**

Thank you very much for your consideration of this request

Sincerely,



Jim Menard
Parade Chairman





City of Bayport
 294 North Third Street
 Bayport, Minnesota 55003
 Phone 651-275-4404
 Fax 651-275-4411
<http://bayport.govoffice.com>

City of Bayport
SPECIAL EVENT APPLICATION

Licensing Requirements

A special event application form is required for individuals or organizations who wish to hold a public or private event in the city and require the use of city property and/or special city services. For most special events, City Council approval is required. Therefore, it is important to plan ahead and submit the application form to City Hall at least two weeks prior to a regularly scheduled City Council meeting, which is usually held the first Monday of the month. For example, if the proposed event is to be held on April 15, 2006, the special event application form and fee must be submitted by March 20, 2006 in order to be considered at the April 3, 2006 City Council meeting.

Following the City Council meeting, city staff will inform the applicant whether or not the event was approved. City staff will also work with the applicant to coordinate special requests for city services associated with the event.

Property Information	
Address: 263 N 3rd St	
City: Bayport	State: Minnesota Zip Code: 55003
Owner Name: BAYPORT AMERICAN LEGION	
Home Phone Number: 439-5463	Work/Cell Phone Number:
Owner Address:	
City/State/Zip:	

Applicant Information	
Applicant Name: TOM MENARD	
Home Phone Number: 439-9207	Work/Cell Phone Number: 245-8374
Address:	
City/State/Zip: 555 N 2nd St Bayport	

Description of Request
MEMORIAL DAY PARADE

Event Information	Start Date: MAY 24	End Date: MAY 26
--------------------------	--------------------	------------------

Days of Operation (check all that apply)

Sunday Monday Tuesday Wednesday Thursday Friday Saturday

Hours of Operation:

Weekdays: 7 AM to NOON

Weekends:

Requested City Assistance and/or Services

PLEASE WAIVE APPLICATION FEE
 Police
 FINE

Application Process and Fees

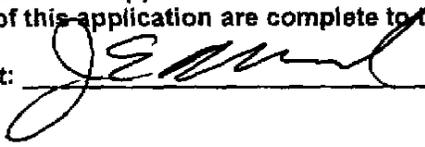
The processing fee for the application is \$50.00 and must be submitted with the application form to City Hall. Any additional fees and expenses associated with this request are the responsibility of the applicant/property owner, and will be billed to the applicant/property owner by the city.

Attachments to be submitted with application

- A diagram of the proposed premises
- If the request involves the sale of produce, uncooked meat, or dairy, etc., the applicant must provide a copy of all license applications required by the Department of Agriculture for City Council approval. For license information, please contact JoNell O'Neil at 651-779-5015
- If the request involves cooked/prepared food or beverages, the applicant must provide a copy of all license applications required by Washington County Public Health and Environment for City Council approval. For license information, please contact 651-430-6655.

The undersigned understand that this application will be processed in accordance with established city review procedures at such time as it is deemed complete. Failure by the applicant to supply accurate and necessary information as requested by the city may be cause for denying this application.

The undersigned hereby apply for the request as stated in this application form and in understanding the conditions of this application as described above, declare that the information and materials submitted in support of this application are complete to the best of their knowledge.

Applicant: 

Date: 4/25/08

Property Owner: _____

Date: _____

Office Use - Dept. Review	Inspection	Date	Approved/Denied	Inspector
Administration	<input type="checkbox"/> Site inspection			
Office Use - Fees	Amount Received	Date Received	Method of Payment	Staff Initials
Processing Fee	\$50.00			
Escrow or cost incurred				



City of Bayport
 294 North Third Street
 Bayport, Minnesota 55003
 Phone 651-275-4404
 Fax 651-275-4411
 http://bayport.govoffice.com

City of Bayport
SPECIAL EVENT APPLICATION

Licensing Requirements

A special event application form is required for individuals or organizations who wish to hold a public or private event in the city and require the use of city property and/or special city services. For most special events, City Council approval is required. Therefore, it is important to plan ahead and submit the application form to City Hall at least two weeks prior to a regularly scheduled City Council meeting, which is usually held the first Monday of the month. For example, if the proposed event is to be held on April 15, 2006, the special event application form and fee must be submitted by March 20, 2006 in order to be considered at the April 3, 2006 City Council meeting.

Following the City Council meeting, city staff will inform the applicant whether or not the event was approved. City staff will also work with the applicant to coordinate special requests for city services associated with the event.

Property Information	
Address	
City: Bayport	State: Minnesota Zip Code: 55003
Owner Name:	
Home Phone Number:	Work/Cell Phone Number:
Owner Address	
City/State/Zip:	
Applicant Information	
Applicant Name: <i>Andersen Corporation</i>	
Home Phone Number:	Work/Cell Phone Number: <i>651. 264. 4460</i>
Address: <i>100 4th Ave No.</i>	
City/State/Zip:	<i>Bayport, MN 55003</i>
Description of Request	
<i>Andersen Corp. Quarter Century Picnic</i>	
Event Information	Start Date: <i>8/8/08</i> End Date: <i>8/9/08</i>
Days of Operation (check all that apply)	
<input type="checkbox"/> Sunday <input type="checkbox"/> Monday <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday <input type="checkbox"/> Thursday <input checked="" type="checkbox"/> Friday <input checked="" type="checkbox"/> Saturday	
Hours of Operation:	
Weekdays:	<i>Friday Setup begins A.M.</i>
Weekends:	<i>Event ends 5:00 p.m. 8/9/08 Tear Down begins @ 5:30</i>

Requested City Assistance and/or Services

Request police pier e lake side beginning Friday, August 8, 2008, about 7:00 p.m. until August 9 about 7:00 a.m. for security reasons.

Please post No-Parking signs on both sides of the road exiting the parking area on West side. Please block city works bldg lot so guests don't park there either. Add'l pkg will be in Andersen South lot.

Application Process and Fees

The processing fee for the application is \$50 00 and must be submitted with the application form to City Hall. Any additional fees and expenses associated with this request are the responsibility of the applicant/property owner, and will be billed to the applicant/property owner by the city

Attachments to be submitted with application

- A diagram of the proposed premises
- If the request involves the sale of produce, uncooked meat, or dairy, etc., the applicant must provide a copy of all license applications required by the Department of Agriculture for City Council approval. For license information, please contact JoNell O'Neil at 651-779-5015
- If the request involves cooked/prepared food or beverages, the applicant must provide a copy of all license applications required by Washington County Public Health and Environment for City Council approval. For license information, please contact 651-430-6655.

The undersigned understand that this application will be processed in accordance with established city review procedures at such time as it is deemed complete. Failure by the applicant to supply accurate and necessary information as requested by the city may be cause for denying this application

The undersigned hereby apply for the request as stated in this application form and in understanding the conditions of this application as described above, declare that the information and materials submitted in support of this application are complete to the best of their knowledge.

Applicant: Alane Rod

Date: 3/24/08

Property Owner: Andersen Corporation

Date: 3/24/08

Office Use - Dept Review	Inspection	Date	Approved/Denied	Inspector
Administration	<input type="checkbox"/> Site Inspection			
Office Use - Fees	Amount Received	Date Received	Method of Payment	Staff Initials
Processing Fee	\$50 00	4/8/08	CK 330273	ST
Escrow or cost incurred				



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar Street Suite 133, St. Paul MN 55101-5133
 (651) 215-6209 Fax (651) 297-5259 TTY: (651) 282-6555
 WWW.DPS.STATE.MN.US



APPLICATION AND PERMIT
 FOR A 1 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION <u>ENJPORT MARINA</u>		DATE ORGANIZED <u>10/1988</u>	TAX EXEMPT NUMBER <u>250-59-25</u>
STREET ADDRESS <u>200 5TH AVE S</u>		CITY <u>Bayport</u>	STATE <u>MN</u> ZIP CODE <u>55003</u>
NAME OF PERSON MAKING APPLICATION <u>MAZSNAW NOWLIN</u>		BUSINESS PHONE <u>(651) 439-2040</u>	HOME PHONE <u>()</u>
DATES LIQUOR WILL BE SOLD <u>5/10/08</u>		TYPE OF ORGANIZATION <u>CLUB CHARITABLE RELIGIOUS OTHER NONPROFIT</u>	
ORGANIZATION OFFICER'S NAME <u>B. Behren's President</u>		ADDRESS <u>3204 Park Overlook Dr. Shoreview, MN 55126</u>	
ORGANIZATION OFFICER'S NAME <u>Newton Kirby - Vice President</u>		ADDRESS <u>2308 Milwaukee Ave. Mpls, MN 55404</u>	
ORGANIZATION OFFICER'S NAME <u>Bob Harvey Sec/Treas.</u>		ADDRESS <u>309 LINDSAY RD. Hudson WI 54016</u>	
Location license will be used If an outdoor area, describe <u>CLUB HOUSE - 200 5TH AVE S Bayport, MN 55003</u>			
Will the applicant contract for intoxicating liquor service? If so give the name and address of the liquor licensee providing the service <u>SAGE MARKET & WINE BAR / THE WINE BAR</u> <u>120 MAIN ST MENDOTA HEIGHTS, MN 55118</u>			
Will the applicant carry liquor liability insurance? If so please provide the carrier's name and amount of coverage <u>YES CLUBB INSURANCE 1 MILLION</u>			

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT

CITY/COUNTY City of Bayport DATE APPROVED _____

CITY FEE AMOUNT \$50.00 LICENSE DATES _____

DATE FEE PAID 4-11-08

SIGNATURE CITY CLERK OR COUNTY OFFICIAL _____ APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT _____

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the License for the event.



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
PHONE 651-275-4404 FAX 651-275-4411

To: Mayor and City Council
Mike McGuire, City Administrator

From: Mel Horak, Public Works Supervisor

Date: April 25, 2008

Re: Repainting City Plow Truck

During the last ten months, Bayport Public Works purchased a new truck cab and chassis and other truck-mounted equipment for the completion of a new snowplow truck. This new 2007 Sterling truck will replace Bayport's 1988 Ford plow truck. The new truck was put into service on January 18, 2008, and is performing to our expectations. We are expecting a 20-year useful life out of this unit.

The truck was purchased through a special one-time sale program, and truck color choice was not an option. Currently, the Bayport Public Works fleet color is a light sky blue and the new replacement truck cab and chassis is dark blue. The newly installed dump body and related appurtenances were painted the Bayport blue from the factory, at no extra charge.

Staff recognizes the importance of maintaining a city's identity, which includes a uniform fleet color scheme. Public Works would like to complete the replacement plow truck project by having the 2007 Sterling truck painted to match the existing fleet. A May 30, 2007 memo to the City Council estimated the costs of the replacement plow truck as follows: truck cab and chassis at \$66,589.00 and an estimated \$60,000.00 for all truck-mounted equipment, for a total of \$126,589.00. Previously approved actual expenditures to date are \$122,099.00, which is below the original estimate by \$4,490.00.

Quotes were solicited from three reputable truck refinishing contractors and the quotes are as follows:

- | | |
|--|------------|
| 1. Dusty's Body Shop, Blaine, Minnesota | \$2,862.50 |
| 2. Downtown Collision, Minneapolis, Minnesota | \$3,360.00 |
| 3. Stillwater Collision, Stillwater, Minnesota | \$3,575.00 |

Recommendation

Staff recommends the City Council adopt a motion authorizing the Bayport Public Works department to contract with Dusty's Body Shop, Blaine, Minnesota for the repainting of the city's 2007 Sterling plow truck to match the existing Bayport fleet color for the estimated amount of \$2,862.50. Funding for this expenditure would be obtained from the Public Works Equipment Replacement Fund #203, which currently has a balance of \$520,406.19.

City of Bayport
294 N. 3rd St.
Bayport, Mn. 55003

People's Congregational Church
293 N. 3rd St.
Bayport, Mn. 55003

Bayport City Council,

We are planning a fundraising event for the youth of Bayport. We are asking to use Perro Park, the space & hockey arena next to People's church.

A Night for Dane's Place is an overnight service experience for youth from People's Congregational, Bethlehem Lutheran and St. Charles churches. The youth will sleep outside with only a cardboard box as shelter, learning firsthand about the challenges of being homeless. This experience is not just to learn about homelessness but to be part of the solution. Each teen will receive a pledge envelope prior to the event with a goal to collect \$100.00 in donations to be donated to Dane's Place.

Volunteers will be present and awake during the entire event. In addition, we will have chaperones from each church that will stay the night with each group of 7 youth. We will have the perimeters covered to keep the youth contained in the park. We anticipate around 30 youth will be in attendance.

We would like very much if the Bayport police could be apart of this night. The homeless are often met and questioned by the police. It would be great if an officer could stop during the night and "question" the teens. I sent a letter to Chief Laura Eastman about the event.

The park will be left as clean if not cleaner than when we arrived. Last year we had a fire contained in a 55 gallon drum for a short time, we would like to do the same thing this year. Enclosed with this letter is a schedule of events for the evening.

We appreciate your consideration of this request and would also ^{like} ~~let~~ to request the fee waved for using the park as this is a fundraiser for Bayport's community housing shelter.

Thank You,

Debbie

Debbie Muhlenkord,
Director of Youth Ministry
People's Congregational Church



City of Bayport
 294 North Third Street
 Bayport, Minnesota 55003
 Phone 651-275-4404
 Fax 651-275-4411
<http://bayport.govoffice.com>

City of Bayport
SPECIAL EVENT APPLICATION

Licensing Requirements

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Following the City Council meeting, city staff will inform the applicant whether or not the event was approved. City staff will also work with the applicant to coordinate special requests for city services associated with the event.

Property Information	
Address: <u>Perro Park</u>	
City: <u>Bayport</u>	State: <u>Minnesota</u> Zip Code: <u>55003</u>
Owner Name:	
Home Phone Number:	Work/Cell Phone Number:
Owner Address:	
City/State/Zip:	

Applicant Information	
Applicant Name: <u>Peoples Congregational Church</u>	
Home Phone Number: <u>651-439-5667</u>	Work/Cell Phone Number:
Address: <u>293 N. 3rd St.</u>	
City/State/Zip: <u>Bayport, Mn. 55003</u>	

Description of Request:	
<p>We would like to hold a youth event called: <u>Box City A Night for Dane's Place</u>. The youth will set-up boxes in the hockey arena to sleep in. We will use the ice skating area for a time of games and music. We would like to have a small recreational fire for about 1/2 hr</p>	

Event Information:	
Start Date: <u>May 16th</u>	End Date: <u>May 17th</u>
Days of Operation (check all that apply)	
<input type="checkbox"/> Sunday <input type="checkbox"/> Monday <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday <input type="checkbox"/> Thursday <input checked="" type="checkbox"/> Friday <input checked="" type="checkbox"/> Saturday	
Hours of Operation:	
Weekdays: <u>Friday @ 5:00 pm thru</u>	
Weekends: <u>Saturday @ 2:00 pm</u>	

Requested City Assistance and/or Services

We would like the police to come by a few times and question the youth. I have a letter that was sent to Chris Eastman.

Application Process and Fees

The processing fee for the application is \$50.00 and must be submitted with the application form to City Hall. Any additional fees and expenses associated with this request are the responsibility of the applicant/property owner, and will be billed to the applicant/property owner by the city.

Attachments to be submitted with application

- A diagram of the proposed premises
- If the request involves the sale of produce, uncooked meat, or dairy, etc., the applicant must provide a copy of all license applications required by the Department of Agriculture for City Council approval. For license information, please contact JoNeil O'Neil at 651-779-5015.
- If the request involves cooked/prepared food or beverages, the applicant must provide a copy of all license applications required by Washington County Public Health and Environment for City Council approval. For license information, please contact 651-430-6655.

The undersigned understand that this application will be processed in accordance with established city review procedures at such time as it is deemed complete. Failure by the applicant to supply accurate and necessary information as requested by the city may be cause for denying this application.

The undersigned hereby apply for the request as stated in this application form and in understanding the conditions of this application as described above, declare that the information and materials submitted in support of this application are complete to the best of their knowledge.

Applicant: Debra J. K. Gordon Date: 4-29-08
 Director of Youth Ministry, People's Church
 Property Owner: _____ Date: _____

Office Use - Dept Review	Inspection	Date	Approved/Denied	Inspector
Administration	<input type="checkbox"/> Site Inspection			
Office Use - Fees	Amount Received	Date Received	Method of Payment	Staff Initials
Processing Fee	\$50.00			
Escrow or cost incurred				

Schedule of Events for Dane's Place

5:00 P.M.	Sign In/Set up Box Display
5:30	Soup Kitchen/Directions
6:00	Opening & Worship People's Sanctuary
6:45	Tribal Game Directions
7:00	Tribal Game
8:00	Music Concert
9:00	Service Project/Andrea Hinkle
10:00	Set up Boxes/ Free Time
10:30	Tribal Game
11:30	Lisa Law/Evening Devotions
12:30A.M	Box City Time to Sleep
6:30	Wake up/Rise and Shine
7:00	Breakfast
7:30	Closing Worship People's Sanctuary
8:00 A.M.	Time to Go Home

April 11th , 2208

Chief Eastman,

For some reason I can't send emails to your address and you can't send to me (Karen tried) so this is the next best thing.

On May 16th from 5:00 p.m. until 8:00 a.m. on the 17th the youth from all 3 churches will be participating in a fund-raiser to help raise funds for Dane's Place, our community Shelter House.

As they did last year, the kids will be sleeping outdoors in the hockey arena in nothing but cardboard boxes. We want them to get a sense of what it is really like to be homeless and on the streets with no place to sleep. The police involvement had a great impact on the kids.

This year the schedule allows the kids some free time (about 30 minutes) at around 10:00 P.M. to set up their boxes. This would be a great time for the officers to come by and check it out. Tap the boxes, question the kids and just let the kids know that they are being watched. Last year the officers really played the part and had the kids believing they were really in trouble (at first). It was awesome!!

The kids will be busy until around 12:30 a.m. when we send them to their boxes for the night. If the officers would like to come back again around 12:30 a.m. they would surely be welcomed to do that. Any and all involvement from them would be greatly appreciated.

We will have chaperones keeping tabs on the kids all night so we shouldn't expect any problems. If you have any questions please call me at 651-271-8406. Thank you so much for helping us with this great event. We hope the awareness and the funds we raise will be a blessing to Dane's Place and our community.

Thanks again,
Debbie

Debbie Muhlenkord,
Director of Youth Ministry
People's Congregational Church
293 N. 3rd Street
Bayport, Mn. 55003
651-439-5667 (Church)
651-271-8406 (Cell)



April 30, 2008

RE: Bayport, Minnesota
Pete Miller Water Main Extension
Feasibility Report
SEH No A-BAYPO0801.00 14 00

Honorable Mayor and City Council
City of Bayport
294 North Third Street
Bayport, MN 55003

Attn: Mike McGuire, City Administrator:

The City of Bayport has received a request to extend City water service to property owned by Pete Miller. The property is located in the southwest corner of the 30th Street North and Stagecoach Trail (CSAH 21) intersection, just east of the Miller Farms South plat. The site is located within Baytown Township, however through cooperative agreements; the City has previously extended water service to the properties within Baytown Township, including the Miller Farms South just to west of the property under consideration. The preparation of a Feasibility Report was required to investigate the ability to provide service, estimated costs and cost recovery. Since the project was initiated by petitioned from the affected property owner, a public hearing will not be required. The attached map shows the project location.

With the discovery of trichloroethylene (TCE) in the aquifers that supply water to much of Baytown Township, and the City of Bayport, both communities have worked to minimize the number of wells drilled into the Minnesota Department of Health (MDH) Special Well Construction Area (SWCA). Through cooperative agreements, Bayport has agreed to supply water service to limited properties located in the Township. The area under consideration is located to the east of the Miller Farms South development, a 5 lots plat that has under previous agreements been served with water.

It is proposed to connect to the existing 8" ductile iron pipe (DIP) water main located at the intersection of 30th Street North and 30th Court North, the entrance into Miller Farms South. An 8" DIP water main would be constructed westerly along the south side of 30th Street North to east property line of the Miller Farms South plat. The lateral would be extended southerly within the proposed parcels to be served. A hydrant is proposed to be constructed along 30th Street and a second at the southerly end of the water main extension, to provide fire protection and for maintenance. One inch (1") water services would be extended for each parcel. It is recommended that the water mains be public, so utility easements will be required from the property owners for maintenance purposes. Drawing No. 1 shows the proposed water main improvements. Drawing No. 3 shows the temporary and perpetual easements required.

The estimated project cost for the water main improvements is \$84,430. This cost is estimated based on 2008 construction and includes contingencies, and 25% for engineering, legal, and administrative costs. A copy of the cost estimate is attached.

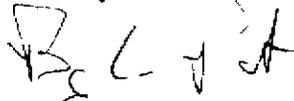
In addition to the above project costs, properties developing in Bayport and Baytown Township that connect to the City of Bayport water system are required to pay Area and Connection charges and to reimburse the Inspiration and Baytown Developers for costs associated with the construction of trunk improvements within Baytown Township (ground reservoir, booster station, trunk water mains). The area and connection charges are required to help pay the costs associated with the installation of trunk sanitary

sewer and water facilities and to reserve capacities for additional facilities to be connected to the system Bayport Area Charges are determined based on gross area. Current Bayport water area rate is \$1,200 per acre. Water Availability Charges (WAC) are billed based on Metropolitan Council of Environmental Services (MCES) SAC units. The current Bayport WAC rate is \$1,200/unit. The rate for reimbursement to the Inspiration and Baytown Township developers is currently \$2,472.62 per lot. Based on the current rates, the following is a summary of the Area and Connection charges.

	Rate	Parcel 1		Parcel 2		Parcel 3	
		Units	Total	Units	Total	Units	Total
Water Area Charge	\$1,200.00	2.77 Ac.	\$3,324.00	2.15 Ac.	\$2,580.00	2.12 Ac.	\$2,544.00
City WAC (Connection)	\$1,200.00	1 SAC	\$1,200.00	1 SAC	\$1,200.00	1 SAC	\$1,200.00
Developer Reimbursement	\$2,472.62	1 Lot	\$2,472.62	1 Lot	\$2,472.62	1 Lot	\$2,472.62
Total Area, Connection and Reimbursable Charges			\$6,996.62		\$6,252.62		\$6,216.62
Estimated Project (split 3 ways) \$84,430/3 parcels			\$28,143.33		\$28,143.33		\$28,143.33
Total Estimated Costs			\$35,139.95		\$34,395.95		\$34,359.95

The extension of water service to the proposed 3 parcels in Baytown Township as noted above are feasible and economical from the engineering standpoint. The property owners will need to determine their own economic feasibility. The improvements are also necessary to allow for development of the property and to minimize the need to drill a private well in the contaminated aquifer in the Minnesota Department of Health (MDH) Special Well Construction Area (SWCA). It is recommended that the water main improvements be public facilities with the Bayport Public Work providing maintenance similar to the water mains currently installed in Baytown Township. This will require that utility easements be provided to cover the water main lateral.

Sincerely,

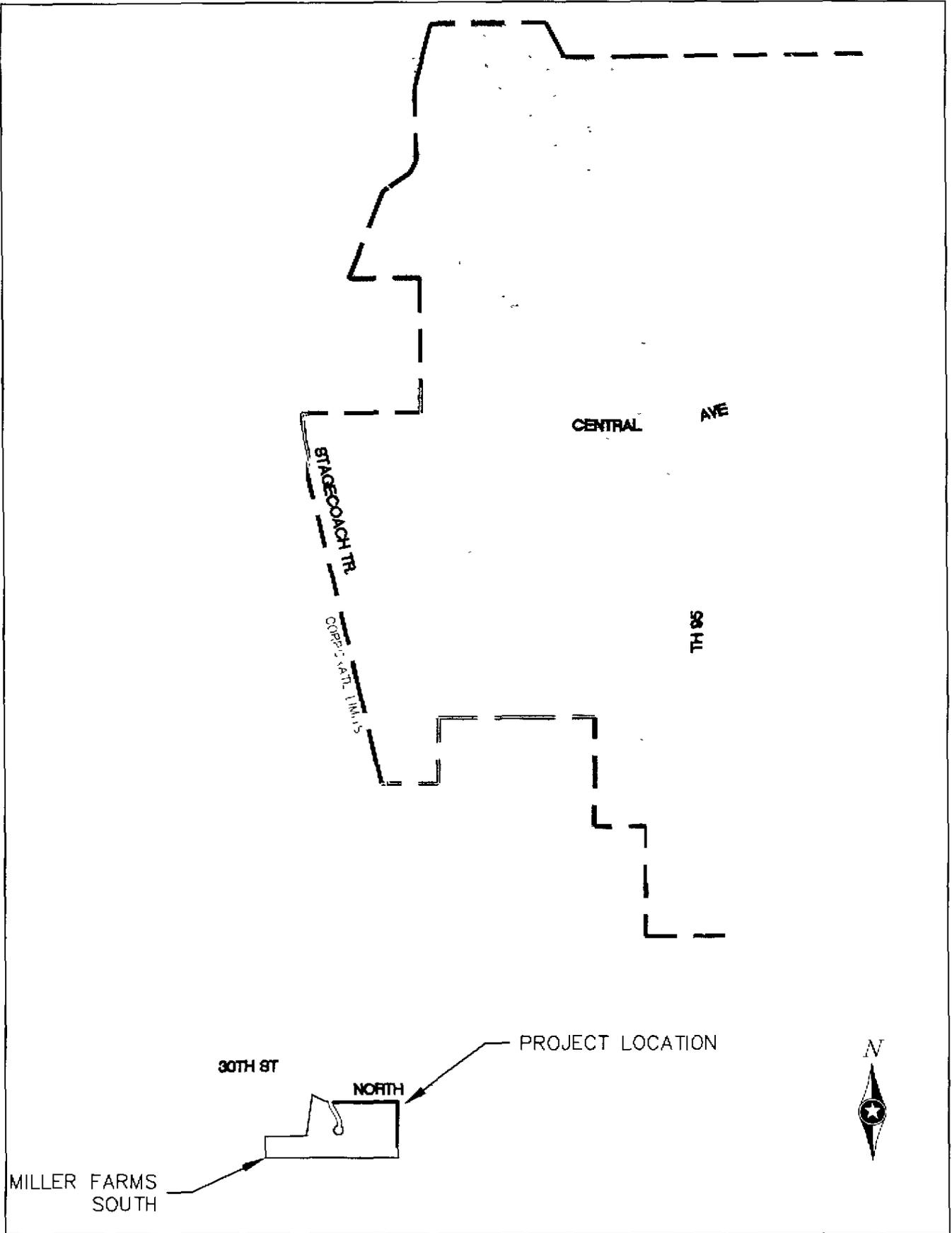


Barry C. Peters, PE
 City Engineer, Reg. No. 14148

bcp

Attachments

s:\sub\bayport\080100\pete.miller.w\108_04_15.tr.doc



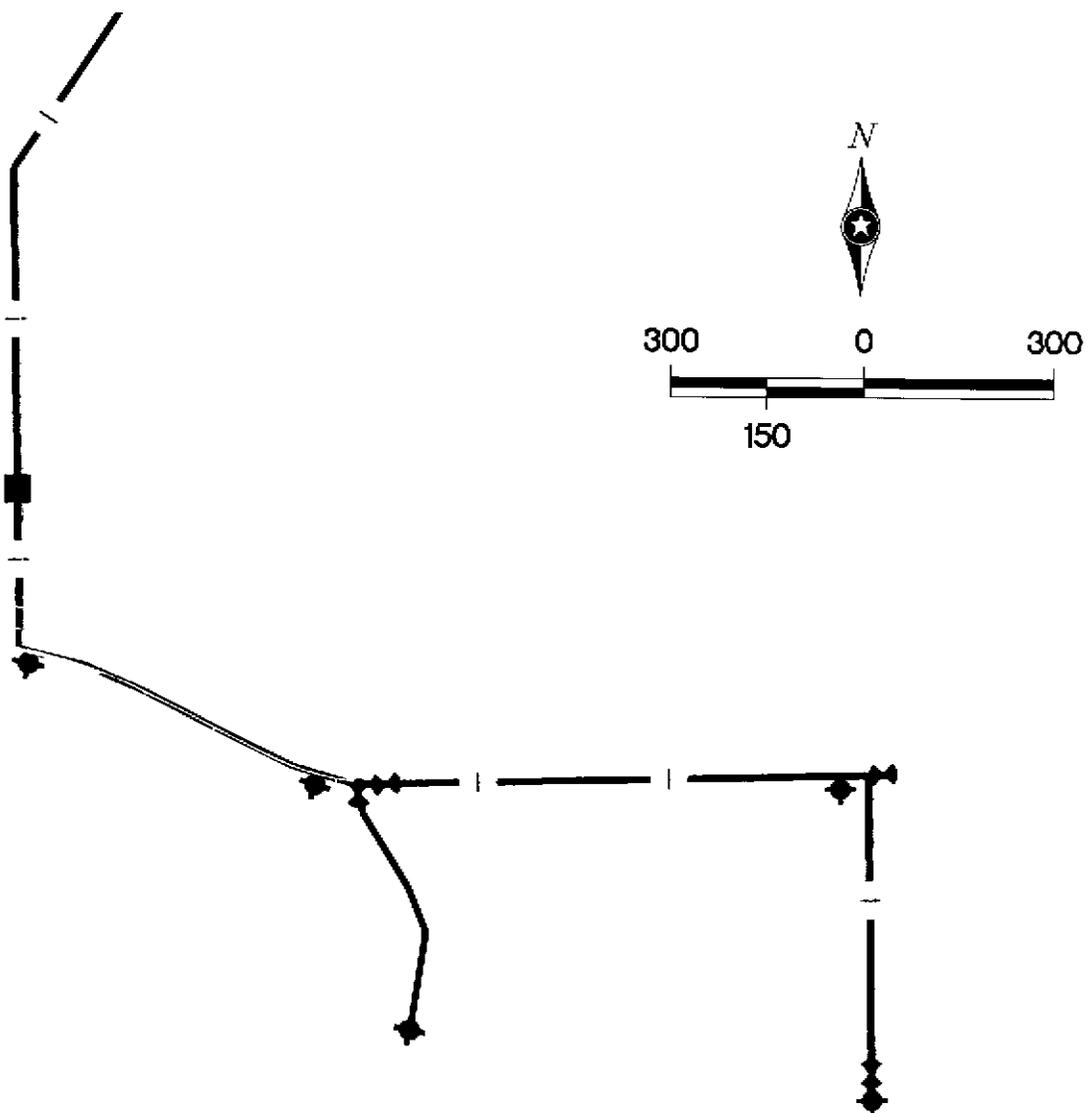

PHONE (651) 490-2000
3535 VADNAIS CENTER DR
ST PAUL, MN 55110

FILE NO.
ABAYP00801.00

DATE:
4/16/08

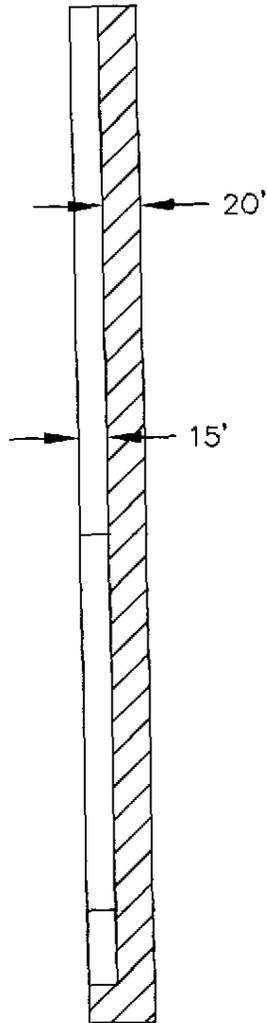
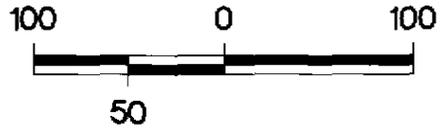
LOCATION MAP
PETE MILLER WATER MAIN
BAYPORT, MINNESOTA

EXHIBIT
NO. 1



- | — EXIST. WATER MAIN
- | — PROP. WATER MAIN
- ◆ EXIST. HYDRANT
- ◆ PROP. HYDRANT
- ⊘ EXIST. GATE VALVE
- ⊘ PROP. GATE VALVE

30TH ST. N.



PARCEL 1

PARCEL 2

PARCEL 3

STAGECOACH TRAIL

PERPETUAL EASEMENT



TEMPORARY EASEMENT



PHONE: (651) 490-2000
3535 VAONNAIS CENTER DR
ST. PAUL, MN 55110

FILE NO.
ABAYP00801.00

DATE:
4/23/08

PROPOSED EASEMENTS
PETE MILLER WATER MAIN
BAYPORT, MINNESOTA

EXHIBIT
NO. 3

Bayport, Minnesota
Pete Miller Water Main Extension
SEH File A-BAYPO0810.00

Item	Unit	Est. Unit Price	Est. Quant.	Est. Total
Mobilization	LS	\$2,500.00	1	\$2,500.00
Traffic Control	LS	\$2,500.00	1	\$2,500.00
Saw Cut Bit. Pavement	LF	\$3.00	80	\$240.00
Bituminous Removal	SY	\$3.00	70	\$210.00
Connect to Ex. Water Main	Each	\$1,000.00	1	\$1,000.00
8" DIP	LF	\$28.00	1320	\$36,960.00
6" DIP	LF	\$25.00	10	\$250.00
8" Gate Valve and Box	Each	\$1,000.00	2	\$2,000.00
6" Gate Valve and Box	Each	\$800.00	1	\$800.00
Hydrant	Each	\$2,500.00	2	\$5,000.00
Fittings	lbs	\$4.00	310	\$1,240.00
Corporation Stop	Each	\$75.00	3	\$225.00
Curb Stop and Box	Each	\$125.00	3	\$375.00
1" Copper	LF	\$20.00	30	\$600.00
Silt Fence	LF	\$2.50	1000	\$2,500.00
Bituminous Patch	SY	\$20.00	70	\$1,400.00
Seeding	Acre	\$1,200.00	0.5	\$600.00
Sodding	SY	\$2.50	1200	\$3,000.00
	Subtotal			\$61,400.00
	10% Contingencies			\$6,140.00
	Est. Construction			\$67,540.00
	25% Eng., Legal, Admin.			\$16,890.00
	Est. Project Cost			\$84,430.00

ECKBERG LAMMERS
MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Nicholas J. Vivian

DATE: April 9, 2008

RE: Bayport, City of - Extension of Water System to Peter Miller Property
13467-17225

Enclosed for your review and consideration, you will find proposed Addendum No. 3 to the Joint Powers Agreement dated October 3, 2005 by and between the City of Bayport and the Town of Baytown. It is my understanding that Peter J. Miller and William J. Keefer have been granted permits and zoning approval by the Town of Baytown for the development of three (3) residential parcels of real estate located immediately south of the Miller Farms property that was the subject of Addendum No. 1 to the Joint Powers Agreement between the City of Bayport and the Town of Baytown

In order to facilitate the Miller/Keefer development, the Town of Baytown has requested that the City of Bayport consider the extension of its municipal water service to provide to the development to provide the advantage of municipal water service to the newly created parcels. As the original Joint Powers Agreement between the City of Bayport and the Town of Baytown requires the express written consent of both the City and the Town before the water service can be enlarge or extended, the City Council must approve any change to the original Joint Powers Agreement.

Much like the addendum to the Joint Powers Agreement that was approved by the Council with respect to the St. Croix Prep property, Addendum No. 3 for the Miller/Keefer development requires that the design of the water service to serve the development is subject to the approval of the Bayport City Engineer, that the City of Bayport and the petitioners will work cooperatively to design and construct the necessary connections with the City of Bayport provided that a deposit is made by the petitioners in an amount equal to the estimated costs of the work and all other conditions of the original Joint Powers Agreement, Addendum No. 1 and Addendum No. 2 remain in full force and effect.

Staff recommends approval of Addendum No. 3 to the Joint Powers Agreement for the extension of the water system to the Miller/Keefer development located in the Town of Baytown.

NJV/dn

ADDENDUM NO. 3
TO
JOINT POWERS AGREEMENT

This is Addendum No. 3 to the Joint Powers Agreement dated October 3, 2005, (the "Agreement") by and between the City of Bayport, Washington County, Minnesota ("Bayport") and the Town of Baytown, Washington County, Minnesota ("Baytown").

RECITALS

1. Peter J. Miller and William J. Keefer (Petitioners) have been granted permits and zoning approval by Baytown for the development of three residential parcels on real estate described in Exhibit "A" (the "Development").

2. In order to facilitate the Development, Baytown has requested Bayport to consider the extension of its municipal water service to provide the advantage of municipal water service to the Development.

3. The Agreement requires the express written consent of both Baytown and Bayport before the water service, already extended into Baytown, can be enlarged or extended.

4. The parties therefore agree that the Agreement, as amended by Addendum No. 1 and Addendum No. 2, be further amended to include the following conditions:

- a. The water service shall be extended to the Development at the sole cost of the Petitioners.
- b. The design of the water service to serve the Development will be subject to the approval of the Bayport City Engineer; and
- c. Bayport and Petitioner will work cooperatively to design and construct the necessary connections with Bayport in order to extend the water service to the boundary of the Development, provided that a deposit is made by the Petitioners in an amount equal to the estimated costs of the work as outlined in the feasibility report prepared by the Bayport City Engineer.

This Instrument Drafted By:
David T. Magnuson
Magnuson Law Firm
333 North Main Street, Suite 303
Stillwater, MN 55083
651-439-9464 main
651-439-5641 fax



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
PHONE 651-275-4404 FAX 651-275-4411

To: Mayor and City Council
Mike McGuire, City Administrator

From: Mel Horak, Public Works Supervisor

Date: April 28, 2008

Re: **Hazelwood Cemetery Cremains Area**

Background

In the past, city staff has received many inquiries about different issues at Hazelwood Cemetery. As a result of these questions and requests, the city assembled a Cemetery Advisory Commission to clarify the existing rules and make suggestions for the improvement of the cemetery. As a result of this group's action, some rules were amended and/or added.

One suggestion the group offered was to create a cremains-only burial area. This area would offer smaller graves for cremains burial. This approach would better utilize the dwindling available cemetery space and offer a more economical burial option than currently exists. The City Council previously authorized the replatting of the north ½ of Block 17, Alley 17, and Block 18 into 896 2.5 foot by 2.5 foot cremains burial graves. This has been completed.

To complete the cremains burial area, staff is proposing the following rules for discussion and possible adoption by the City Council. These rules are specific to the cremains burial area and are in addition to the existing rules for Hazelwood Cemetery.

- The cremains burial area, as defined by the Certificate of Survey prepared by Landmark Surveying, Inc., and dated March 20, 2008, shall be deemed part of Hazelwood Cemetery and shall be governed under the existing cemetery rules.
- Cremains grave size is 2.5 feet (30 inches) by 2.5 feet (30 inches).
- Purchase price is \$200.00 per grave.
- Graves are to be sold in numerical order and will be assigned by the cemetery sextant.
- A gravesite shall contain one cremains burial.
- Cremains must be encased in a permanent type outer burial receptacle. Fiberglass (Marbleon) vaults are acceptable.
- All cremains must be buried. Scattering of cremains within the confines of Hazelwood Cemetery is prohibited.
- All gravesites must have a flat headstone identifying the interred cremains. Maximum headstone size is 1 foot (12 inches) by 2 feet (24 inches). Minimum headstone size is 8 inches by 16 inches.
- No upright or aboveground protrusions are allowed in the cremains burial area.
- Flowers may be displayed in the cremains burial area flower garden only.

Potential Revenue Comparison – Full Burial versus Cremains Burial for the Replatted Area:

Revenue potential if sold as full 40" by 10' burial graves: 168 graves at \$600.00 each = \$100,800.00

Revenue potential if sold as 2.5' by 2.5' cremains graves: 896 graves at \$200.00 each = \$179,200.00

Recommendation

Staff recommends the City Council discuss the proposed rules, make revisions as deemed necessary, and instruct the city attorney to revise the current cemetery ordinance to incorporate these changes and additions.

ECKBERG LAMMERS
MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Nicholas J. Vivian, City Attorney

DATE: May 1, 2008

RE: Xcel Energy Franchise Agreement Ordinances

Attached for your review and consideration you will find two draft Ordinances which we have been negotiating and revising for the past several months. The Ordinances grant franchises to North States Power Company d/b/a Xcel Energy for electrical and gas distribution within the City of Bayport. The purpose of the Ordinances is to provide Xcel Energy with a franchise or a twenty year right to furnish gas and electrical energy with the City. The Ordinances outline the rights and responsibilities of both the City and Xcel Energy

Of specific significance, Section 9 of the Ordinances provide the City with the right to impose a franchise fee on the Company as an additional means to generate revenue. The Ordinances authorize the City to charge a fee of up to five percent of the Company's total gross revenues. The fee is then collected by the Company from City users on a per meter / per month, per meter basis.

Xcel has also assured the City that the City does not have to charge its users equally by class. Rather, so long as the total user fees collected do not exceed five percent of the Company's total gross revenues, the City may charge its commercial class users a higher percentage fee than its residential class users. This presumes of course that the City desires to charge a fee. In the event the City desires to impose a fee, the fee must be agreed to by both the City and Xcel Energy and must be adopted by separate ordinance.

After you have had the opportunity to review the draft Ordinances, please give me a call if you have any questions.

GAS FRANCHISE ORDINANCE

ORDINANCE NO. _____.

CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA

AN ORDINANCE GRANTING TO NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, D/B/A XCEL ENERGY, ITS SUCCESSORS AND ASSIGNS, PERMISSION TO ERECT A GAS DISTRIBUTION SYSTEM FOR THE PURPOSES OF CONSTRUCTING, OPERATING, REPAIRING AND MAINTAINING IN THE CITY OF BAYPORT, MINNESOTA, THE NECESSARY GAS PIPES, MAINS AND APPURTENANCES FOR THE TRANSMISSION OR DISTRIBUTION OF GAS TO THE CITY AND ITS INHABITANTS AND OTHERS AND TRANSMITTING GAS INTO AND THROUGH THE CITY AND TO USE THE PUBLIC GROUNDS AND PUBLIC WAYS OF THE CITY FOR SUCH PURPOSES.

THE CITY COUNCIL OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, ORDAINS:

SECTION 1. DEFINITIONS.

For purposes of this Ordinance, the following capitalized terms listed in alphabetical order shall have the following meanings:

- 1.1 **City.** The City of Bayport, County of Washington, State of Minnesota
- 1.2 **City Utility System.** Facilities used for providing non-energy related public utility service owned or operated by City or agency thereof, including sewer and water service, but excluding facilities for providing heating, lighting or other forms of energy.
- 1.3 **Commission.** The Minnesota Public Utilities Commission, or any successor agency or agencies, including an agency of the federal government, which preempts all, or part of the authority to regulate Gas retail rates now vested in the Minnesota Public Utilities Commission.
- 1.4 **Company.** Northern States Power Company, a Minnesota corporation, d/b/a Xcel Energy, its successors and assigns.
- 1.5 **Gas.** "Gas" as used herein shall be held to include natural gas, manufactured gas, or other form of gaseous energy.
- 1.6 **Gas Facilities.** Pipes, mains, regulators, and other facilities owned or operated by Company for the purpose of providing gas service for public use.
- 1.7 **Notice.** A written notice served by one party on the other party referencing one or more provisions of this Ordinance. Notice to Company shall be mailed to the General Counsel, 414 Nicollet Mall, 5th Floor, Minneapolis, MN 55401. Notice to the City shall be mailed to the City Administrator, City Hall, 294 North Third Street, Bayport, MN 55003. Either party may change its respective address for the purpose of this Ordinance by written notice to the other party.

1.8 **Public Ground.** Land owned by the City for park, open space or similar purpose, which is held for use in common by the public.

1.9 **Public Way.** Any street, alley, walkway or other public right-of-way within the City.

SECTION 2. ADOPTION OF FRANCHISE.

2.1 **Grant of Franchise.** City hereby grants Company, for a period of 20 years from the date passed and approved by the City, the right to transmit and furnish Gas energy for light, heat, power and other purposes for public and private use within and through the limits of the City as its boundaries now exist or as they may be extended in the future. For these purposes, Company may construct, operate, repair and maintain Gas Facilities in, on, over, under and across the Public Grounds and Public Ways of City, subject to the provisions of this Ordinance. Company may do all reasonable things necessary or customary to accomplish these purposes, subject, however, to such reasonable regulations as may be imposed by the City pursuant to ordinance and to the further provisions of this franchise agreement.

2.2 **Effective Date; Written Acceptance.** This franchise agreement shall be in force and effect from and after passage of this Ordinance, its acceptance by Company, and its publication as required by law. The City by Council resolution may revoke this franchise agreement if Company does not file a written acceptance with the City within 90 days after publication.

2.3 **Service and Rates.** The service to be provided and the rates to be charged by Company for Gas service in City are subject to the jurisdiction of the Commission.

2.4 **Publication Expense.** The expense of publication of this Ordinance will be paid by City and reimbursed to City by Company.

2.5 **Dispute Resolution.** If either party asserts that the other party is in default in the performance of any obligation hereunder, the complaining party shall notify the other party of the default and the desired remedy. The notification shall be written. Representatives of the parties must promptly meet and attempt in good faith to negotiate a resolution of the dispute. If the dispute is not resolved within 30 days of the written notice, the parties may jointly select a mediator to facilitate further discussion. The parties will equally share the fees and expenses of this mediator. If a mediator is not used or if the parties are unable to resolve the dispute within 30 days after first meeting with the selected mediator, either party may commence an action in District Court to interpret and enforce this franchise or for such other relief as may be permitted by law or equity for breach of contract, or either party may take any other action permitted by law.

SECTION 3. LOCATION, OTHER REGULATIONS.

3.1 **Location of Facilities.** Gas Facilities shall be located, constructed and maintained so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways and so as not to disrupt normal operation of any City Utility System previously installed therein. Gas Facilities shall be located on Public Grounds as determined by the City. Company's construction, reconstruction, operation, repair, maintenance and location of Gas Facilities shall be subject to permits if required by separate ordinance and to other reasonable regulations of the City to the extent not inconsistent with

the terms of this franchise agreement. Company may abandon underground gas facilities in place, provided, at City's request, Company will remove abandoned metal pipe interfering with a City improvement project, but only to the extent such metal pipe is uncovered by excavation as part of the City's improvement project.

3.2 Field Locations. Company shall provide field locations for its underground Gas Facilities within City consistent with the requirements of Minnesota Statutes, Chapter 216D.

3.3 Street Openings. Company shall not open or disturb any Public Ground or Public Way for any purpose without first having obtained a permit from the City, if required by a separate ordinance, for which the City may impose a reasonable fee. Permit conditions imposed on Company shall not be more burdensome than those imposed on other utilities for similar facilities or work. Company may, however, open and disturb any Public Ground or Public Way without permission from the City where an emergency exists requiring the immediate repair of Gas Facilities. In such event Company shall notify the City by telephone to the office designated by the City as soon as practicable. Not later than the second working day thereafter, Company shall obtain any required permits and pay any required fees.

3.4 Restoration. After undertaking any work requiring the opening of any Public Ground or Public Way, Company shall restore the same, including paving and its foundation, to as good a condition as formerly existed, and shall maintain any paved surface in good condition for two years thereafter. The work shall be completed as promptly as weather permits, and if Company shall not promptly perform and complete the work, remove all dirt, rubbish, equipment and material, and put the Public Ground or Public Way in the said condition, the City shall have, after demand to Company to cure and the passage of a reasonable period of time following the demand, but not to exceed five days, the right to make the restoration at the expense of Company. Company shall pay to the City the cost of such work done for or performed by the City. This remedy shall be in addition to any other remedy available to the City for noncompliance with this Section 3.4, but the City hereby waives any requirement for Company to post a construction performance bond, certificate of insurance, letter of credit or any other form of security or assurance that may be required, under a separate existing or future ordinance of the City, of a person or entity obtaining the City's permission to install, replace or maintain facilities in a Public Way.

3.5 Avoid Damage to Gas Facilities. Nothing in this Ordinance relieves any person from liability arising out of the failure to exercise reasonable care to avoid damaging Gas Facilities while performing any activity.

3.6 Notice of Improvements. The City must give Company reasonable notice of plans for improvements to Public Grounds or Public Ways where the City has reason to believe that Gas Facilities may affect or be affected by the improvement. The notice must contain: (i) the nature and character of the improvements, (ii) the Public Grounds and Public Ways upon which the improvements are to be made, (iii) the extent of the improvements, (iv) the time when the City will start the work, and (v) if more than one Public Ground or Public Way is involved, the order in which the work is to proceed. The notice must be given to Company a sufficient length of time in advance of the actual commencement of the work to permit Company to make any necessary additions, alterations or repairs to its Gas Facilities.

SECTION 4. RELOCATIONS.

4.1 Relocation of Gas Facilities in Public Ways. If the City determines to vacate a Public Way for a City improvement project, or at City's cost to grade, regrade, or change the line of any Public Way, or construct or reconstruct any City Utility System in any Public Way, it may order Company to relocate its Gas Facilities located therein if relocation is reasonably necessary to accomplish the City's proposed public improvement. Except as provided in Section 4.3, Company shall relocate its Gas Facilities at its own expense. The City shall give Company reasonable notice of plans to vacate for a City improvement project, or to grade, regrade, or change the line of any Public Way or to construct or reconstruct any City Utility System. If a relocation is ordered within five years of a prior relocation of the same Gas Facilities, which was made at Company expense, the City shall reimburse Company for Non-Betterment Costs on a time and material basis, provided that if a subsequent relocation is required because of the extension of a City Utility System to a previously unserved area, Company may be required to make the subsequent relocation at its expense. Nothing in this Ordinance requires Company to relocate, remove, replace or reconstruct at its own expense its Gas Facilities where such relocation, removal, replacement or reconstruction is solely for the convenience of the City and is not reasonably necessary for the construction or reconstruction of a Public Way or City Utility System or other City improvement.

4.2 Relocation of Gas Facilities in Public Ground. City may require Company at Company's expense to relocate or remove its Gas Facilities from Public Ground upon a finding by City that the Gas Facilities have become or will become a substantial impairment to the existing or proposed public use of the Public Ground.

4.3 Projects with Federal Funding. Relocation, removal, or rearrangement of any Company Gas Facilities made necessary because of the extension into or through City of a federally-aided highway project shall be governed by the provisions of Minnesota Statutes, Section 161.46, as supplemented or amended. It is understood that the right herein granted to Company is a valuable right. City shall not order Company to remove or relocate its Gas Facilities when a Public Way is vacated, improved or realigned because of a renewal or a redevelopment plan which is financially subsidized in whole or in part by the Federal Government or any agency thereof, unless the reasonable non-betterment Costs of such relocation and the loss and expense resulting therefrom are first paid to Company, but the City need not pay those portions of such for which reimbursement to it is not available.

4.4 No Waiver. The provisions of this franchise apply only to facilities constructed in reliance on a franchise from the City and shall not be construed to waive or modify any rights obtained by Company for installations within a Company right-of-way acquired by easement or prescriptive right before the applicable Public Ground or Public Way was established, or Company's rights under state or county permit.

SECTION 5. TREE TRIMMING.

Company is also granted the permission and authority to trim all shrubs and trees, including roots, in the Public Ways of City to the extent Company finds necessary to avoid interference with the proper construction, operation, repair and maintenance of Gas Facilities, provided that Company shall save City harmless from any liability arising therefrom, and subject to permit or other reasonable regulation by the City.

SECTION 6. INDEMNIFICATION.

6.1 Indemnity of City. Company shall indemnify, keep and hold the City free and harmless from any and all liability on account of injury to persons or damage to property occasioned by the construction, maintenance, repair, inspection, the issuance of permits, or the operation of the Gas Facilities located in the Public Grounds and Public Ways. The City shall not be indemnified for losses or claims occasioned through its own negligence except for losses or claims arising out of or alleging the City's negligence as to the issuance of permits for, or inspection of, Company's plans or work. The City shall not be indemnified if the injury or damage results from the performance in a proper manner of acts reasonably deemed hazardous by Company, and such performance is nevertheless ordered or directed by City after notice of Company's determination.

6.2 Defense of City. In the event a suit is brought against the City under circumstances where this agreement to indemnify applies, Company at its sole cost and expense shall defend the City in such suit if written notice thereof is promptly given to Company within a period wherein Company is not prejudiced by lack of such notice. If Company is required to indemnify and defend, it will thereafter have control of such litigation, but Company may not settle such litigation without the consent of the City, which consent shall not be unreasonably withheld. This section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City and Company, in defending any action on behalf of the City shall be entitled to assert in any action every defense or immunity that the City could assert in its own behalf.

SECTION 7. VACATION OF PUBLIC WAYS.

The City shall give Company at least two weeks prior written notice of a proposed vacation of a Public Way. Except where required for a City improvement project, the vacation of any Public Way, after the installation of Gas Facilities, shall not operate to deprive Company of its rights to operate and maintain such Gas Facilities, until the reasonable cost of relocating the same and the loss and expense resulting from such relocation are first paid to Company. In no case, however, shall City be liable to Company for failure to specifically preserve a right-of-way under Minnesota Statutes, Section 160.29.

SECTION 8. CHANGE IN FORM OF GOVERNMENT.

Any change in the form of government of the City shall not affect the validity of this Ordinance. Any governmental unit succeeding the City shall, without the consent of Company, succeed to all of the rights and obligations of the City provided in this Ordinance.

SECTION 9. FRANCHISE FEE.

9.1 Fee Schedule. During the term of the franchise hereby granted, and in lieu of any permit or other fees being imposed on Company, the City may impose on Company a franchise fee not to exceed five percent (5%) of the Company's total Gross Revenues, as hereinafter defined, by collecting the applicable percentage amounts calculated on a flat fee per meter/per class, per/month basis as indicated in a Fee Schedule set forth in a separate ordinance from each customer in the designated Customer Classification for service at each and every customer location, based on a Fee Schedule form similar to the following:

<u>Class</u>	<u>Fee Per Premise Per Month</u>
Residential	\$ _____
Commercial Firm – Non-Dem	\$ _____
Commercial Firm – Demand	\$ _____
Small Interruptible	\$ _____
Medium and Large Interruptible	\$ _____
Firm Transportation	\$ _____
Interruptible Transportation	\$ _____

In the event the City desires to collect a franchise fee as set forth above, the City shall give Company Notice to amend this franchise agreement to authorize collection of a franchise fee by separate ordinance in an amount and upon such terms and conditions as Company and City at that time are willing to incorporate in their gas franchise agreements, subject to the provisions of this Section 9. Upon receipt of such Notice, Company shall negotiate in good faith with City to so amend this franchise agreement in accordance with the following provisions.

9.2 Separate Ordinance. The franchise fee shall be imposed by a separate ordinance duly adopted by the City Council, which ordinance shall not be adopted until at least 60 days after written notice enclosing such proposed ordinance has been served upon Company by certified mail and written acceptance thereof by Company. Section 2.5 shall constitute the sole remedy for solving disputes between Company and the City in regard to the interpretation of, or enforcement of, the separate ordinance. No action by the City to implement a separate ordinance will commence until this Ordinance is effective. A separate ordinance which imposes a lesser franchise fee on the residential class of customers than the maximum amount set forth in the Fee Schedule shall not be effective against Company unless the fee imposed on each other Customer Classification is reduced proportionately in the same or greater amount per class as the reduction represented by the lesser fee on the residential class.

9.3 Terms Defined. For the purpose of this Section 9, the following definitions apply:

9.3.1 "Customer Classification" shall refer to the classes listed on the Fee Schedule and as defined or determined in Company's gas tariffs on file with the Commission.

9.3.2 "Fee Schedule" refers to the schedule in Section 9.1 setting forth the various customer classes from which a franchise fee would be collected if a separate ordinance were implemented immediately after the effective date of this franchise agreement. The Fee Schedule in the separate ordinance may include new Customer Classifications added by Company to its gas tariffs after the effective date of this franchise agreement.

9.3.3 "Gross Revenue" means all sums, excluding any surcharge or similar addition to the Company's charges to customers for the purpose of reimbursing the Company for the cost resulting from the franchise fee, received by the Company from the sale of gas to its retail customers within the corporate limits of the City.

9.4 Collection of the Fee. The franchise fee shall be paid based on the amount collected by Company during complete billing months during the period for which payment is to be

made by imposing a surcharge ("additional fee") equal to the designated franchise fee for the applicable Customer Classification in all customer billings for metered service in each class. The payment shall be paid four times a year and due the last business day of the calendar month following the end of each quarter (payments being due January 31, April 30, July 31, and October 31 during each calendar year). The franchise fee may be changed by ordinance from time to time; however, each change shall meet the same notice requirements and not occur more often than annually, and no change shall require a collection from any customer for metered service in excess of the amounts specifically permitted by this Section 9. The time and manner of collecting the franchise fee is subject to the approval of the Commission, which Company agrees to use its best efforts to obtain. No franchise fee shall be payable by Company if Company is legally unable to first collect an amount equal to the franchise fee from its customers in each applicable class of customers by imposing a surcharge in Company's applicable rate for gas service. Company may pay the City the fee based upon the surcharge billed subject to subsequent reductions to account for uncollectibles, refunds and correction of erroneous billings. Company agrees to make its records available for inspection by the City at reasonable times provided that the City and its designated representative agree in writing not to disclose any information which would indicate the amount paid by any identifiable customer or customer or any other information regarding identified customers.

9.5 Equivalent Fee Requirement. The separate ordinance imposing the fee shall not be effective against Company unless it lawfully imposes and the City quarterly or more often collects a fee or tax of the same or greater equivalent amount on the receipts from sales of energy within the City by any other energy supplier, provided that, as to such a supplier, the City has the authority to require a franchise fee or to impose a tax. The "same or greater equivalent amount" shall be measured, if practicable, by comparing amounts collected as a franchise fee from each similar customer, or by comparing, as to similar customers, the percentage of the annual bill represented by the amount collected for the franchise fee purposes. The franchise fee or tax shall be applicable to energy sales for any energy use related to heating, cooling, or lighting, as well as to the supply of energy needed to run machinery and appliances on premises located within or adjacent to the City, but shall not apply to energy sales for the purpose of providing fuel for vehicles.

SECTION 10. PROVISIONS OF ORDINANCE.

10.1 Severability. Every section, provision, or part of this Ordinance is declared separate from every other section, provision, or part and if any section, provision, or part shall be held invalid, it shall not affect any other section, provision, or part. Where a provision of any other City ordinance conflicts with the provisions of this Ordinance, the provisions of this Ordinance shall prevail.

10.2 Limitation on Applicability. This Ordinance constitutes a franchise agreement between the City and Company as the only parties and no provision of this franchise shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

SECTION 11. AMENDMENT PROCEDURE.

Either party to this franchise agreement may at any time propose that the agreement be amended to address a subject of concern and the other party will consider whether it agrees that the

amendment is mutually appropriate. If an amendment is agreed upon, this Ordinance may be amended at any time by the City passing a subsequent ordinance declaring the provisions of the amendment, which amendatory ordinance shall become effective upon the filing of Company's written consent thereto with the City Clerk within 90 days after the date of final passage by the City of the amendatory ordinance.

SECTION 12. PREVIOUS FRANCHISES SUPERSEDED.

This franchise supersedes any previous Gas franchise granted to Company or its predecessor.

Passed and approved: _____, 2008.

Mayor

Attest:

City Clerk

Date Published: _____

ELECTRIC FRANCHISE ORDINANCE

ORDINANCE NO. _____.

CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA

AN ORDINANCE GRANTING TO NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, D/B/A XCEL ENERGY ITS SUCCESSORS AND ASSIGNS, PERMISSION TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF BAYPORT, MINNESOTA, AN ELECTRIC DISTRIBUTION SYSTEM AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC ENERGY TO THE CITY, ITS INHABITANTS, AND OTHERS, AND TO USE THE PUBLIC WAYS AND PUBLIC GROUNDS OF THE CITY FOR SUCH PURPOSES.

THE CITY COUNCIL OF THE CITY OF BAYPORT, WASHINGTON COUNTY, MINNESOTA, ORDAINS:

SECTION 1. DEFINITIONS.

For purposes of this Ordinance, the following capitalized terms listed in alphabetical order shall have the following meanings:

- 1.1 **City.** The City of Bayport, County of Washington, State of Minnesota.
- 1.2 **City Utility System.** Facilities used for providing non-energy related public utility service owned or operated by City or agency thereof, including sewer and water service, but excluding facilities for providing heating, lighting or other forms of energy.
- 1.3 **Commission.** The Minnesota Public Utilities Commission, or any successor agency or agencies, including an agency of the federal government, which preempts all, or part of the authority to regulate electric retail rates now vested in the Minnesota Public Utilities Commission.
- 1.4 **Company.** Northern States Power Company, a Minnesota corporation, d/b/a Xcel Energy its successors and assigns.
- 1.5 **Electric Facilities.** Electric transmission and distribution towers, poles, lines, guys, anchors, conduits, fixtures, and necessary appurtenances owned or operated by Company for the purpose of providing electric energy for public use.
- 1.6 **Notice.** A written notice served by one party on the other party referencing one or more provisions of this Ordinance. Notice to Company shall be mailed to the General Counsel, 414 Nicollet Mall, 5th Floor, Minneapolis, MN 55401. Notice to the City shall be mailed to the City Administrator, City Hall, 294 North Third Street, Bayport, MN 55003. Either party may change its respective address for the purpose of this Ordinance by written notice to the other party.
- 1.7 **Public Ground.** Land owned by the City for park, open space or similar purpose, which is held for use in common by the public

1.8 **Public Way.** Any street, alley, walkway or other public right-of-way within the City.

SECTION 2. ADOPTION OF FRANCHISE.

2.1 **Grant of Franchise.** City hereby grants Company, for a period of 20 years from the date passed and approved by the City, the right to transmit and furnish electric energy for light, heat, power and other purposes for public and private use within and through the limits of the City as its boundaries now exist or as they may be extended in the future. For these purposes, Company may construct, operate, repair and maintain Electric Facilities in, on, over, under and across the Public Ways and Public Grounds of City, subject to the provisions of this Ordinance. Company may do all reasonable things necessary or customary to accomplish these purposes, subject, however, to such reasonable regulations as may be imposed by the City pursuant to ordinance and to the further provisions of this franchise agreement.

2.2 **Effective Date; Written Acceptance.** This franchise agreement shall be in force and effect from and after passage of this Ordinance, its acceptance by Company, and its publication as required by law. The City by Council resolution may revoke this franchise agreement if Company does not file a written acceptance with the City within 90 days after publication.

2.3 **Service and Rates.** The service to be provided and the rates to be charged by Company for electric service in City are subject to the jurisdiction of the Commission. The area within the City in which Company may provide electric service is subject to the provisions of Minnesota Statutes, Section 216B.40

2.4 **Publication Expense.** The expense of publication of this Ordinance will be paid by City and reimbursed to City by Company.

2.5 **Dispute Resolution.** If either party asserts that the other party is in default in the performance of any obligation hereunder, the complaining party shall notify the other party of the default and the desired remedy. The notification shall be written. Representatives of the parties must promptly meet and attempt in good faith to negotiate a resolution of the dispute. If the dispute is not resolved within 30 days of the written notice, the parties may jointly select a mediator to facilitate further discussion. The parties will equally share the fees and expenses of this mediator. If a mediator is not used or if the parties are unable to resolve the dispute within 30 days after first meeting with the selected mediator, either party may commence an action in District Court to interpret and enforce this franchise or for such other relief as may be permitted by law or equity for breach of contract, or either party may take any other action permitted by law.

SECTION 3. LOCATION, OTHER REGULATIONS.

3.1 **Location of Facilities.** Electric Facilities shall be located, constructed and maintained so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways and so as not to disrupt normal operation of any City Utility System previously installed therein. Electric Facilities shall be located on Public Grounds as determined by the City. Company's construction, reconstruction, operation, repair, maintenance and location of Electric Facilities shall be subject to permits if required by separate ordinance and to other reasonable regulations of the City to the extent not inconsistent with the terms of this franchise agreement. Company may abandon

underground Electric Facilities in place, provided at the City's request, Company will remove abandoned metal or concrete encased conduit interfering with a City improvement project, but only to the extent such conduit is uncovered by excavation as part of the City improvement project.

3.2 Field Locations. Company shall provide field locations for its underground Electric Facilities within City consistent with the requirements of Minnesota Statutes, Chapter 216D.

3.3 Street Openings. Company shall not open or disturb any Public Way or Public Ground for any purpose without first having obtained a permit from the City, if required by a separate ordinance, for which the City may impose a reasonable fee. Permit conditions imposed on Company shall not be more burdensome than those imposed on other utilities for similar facilities or work. Company may, however, open and disturb any Public Way or Public Ground without permission from the City where an emergency exists requiring the immediate repair of Electric Facilities. In such event Company shall notify the City by telephone to the office designated by the City as soon as practicable. Not later than the second working day thereafter, Company shall obtain any required permits and pay any required fees.

3.4 Restoration. After undertaking any work requiring the opening of any Public Way or Public Ground, Company shall restore the same, including paving and its foundation, to as good a condition as formerly existed, and shall maintain any paved surface in good condition for two years thereafter. The work shall be completed as promptly as weather permits, and if Company shall not promptly perform and complete the work, remove all dirt, rubbish, equipment and material, and put the Public Way or Public Ground in the said condition, the City shall have, after demand to Company to cure and the passage of a reasonable period of time following the demand, but not to exceed five days, the right to make the restoration at the expense of Company. Company shall pay to the City the cost of such work done for or performed by the City. This remedy shall be in addition to any other remedy available to the City for noncompliance with this Section 3.4, but the City hereby waives any requirement for Company to post a construction performance bond, certificate of insurance, letter of credit or any other form of security or assurance that may be required, under a separate existing or future ordinance of the City, of a person or entity obtaining the City's permission to install, replace or maintain facilities in a Public Way.

3.5 Avoid Damage to Electric Facilities. Nothing in this Ordinance relieves any person from liability arising out of the failure to exercise reasonable care to avoid damaging Electric Facilities while performing any activity.

3.6 Notice of Improvements. The City must give Company reasonable notice of plans for improvements to Public Ways or Public Ground where the City has reason to believe that Electric Facilities may affect or be affected by the improvement. The notice must contain: (i) the nature and character of the improvements, (ii) the Public Ways and Public Grounds upon which the improvements are to be made, (iii) the extent of the improvements, (iv) the time when the City will start the work, and (v) if more than one Public Way or Public Ground is involved, the order in which the work is to proceed. The notice must be given to Company a sufficient length of time in advance of the actual commencement of the work to permit Company to make any necessary additions, alterations or repairs to its Electric Facilities.

3.7 Shared Use of Poles. Company shall make space available on its poles or towers for City fire, water utility, police or other City facilities upon terms and conditions acceptable to Company

whenever such use will not interfere with the use of such poles or towers by Company, by another electric utility, by a telephone utility, or by any cable television company or other form of communication company. In addition, the City shall pay for any added cost incurred by Company because of such use by City.

SECTION 4. RELOCATIONS.

4.1 Relocation of Electric Facilities in Public Ways. If the City determines to vacate a Public Way for a City improvement project, or at City's cost to grade, regrade, or change the line of any Public Way, or construct or reconstruct any City Utility System in any Public Way, it may order Company to relocate its Electric Facilities located therein if relocation is reasonably necessary to accomplish the City's proposed public improvement. Except as provided in Section 4.3, Company shall relocate its Electric Facilities at its own expense. The City shall give Company reasonable notice of plans to vacate for a City improvement project, or to grade, regrade, or change the line of any Public Way or to construct or reconstruct any City Utility System. If a relocation is ordered within five years of a prior relocation of the same Electric Facilities, which was made at Company expense, the City shall reimburse Company for non-betterment costs on a time and material basis, provided that if a subsequent relocation is required because of the extension of a City Utility System to a previously unserved area, Company may be required to make the subsequent relocation at its expense. Nothing in this Ordinance requires Company to relocate, remove, replace or reconstruct at its own expense its Electric Facilities where such relocation, removal, replacement or reconstruction is solely for the convenience of the City and is not reasonably necessary for the construction or reconstruction of a Public Way or City Utility System or other City improvement.

4.2 Relocation of Electric Facilities in Public Ground. City may require Company at Company's expense to relocate or remove its Electric Facilities from Public Ground upon a finding by City that the Electric Facilities have become or will become a substantial impairment to the existing or proposed public use of the Public Ground.

4.3 Projects with Federal Funding. Relocation, removal, or rearrangement of any Company Electric Facilities made necessary because of the extension into or through City of a federally-aided highway project shall be governed by the provisions of Minnesota Statutes, Section 161.46, as supplemented or amended. It is understood that the right herein granted to Company is a valuable right. City shall not order Company to remove or relocate its Electric Facilities when a Public Way is vacated, improved or realigned because of a renewal or a redevelopment plan which is financially subsidized in whole or in part by the Federal Government or any agency thereof, unless the reasonable non-betterment costs of such relocation and the loss and expense resulting therefrom are first paid to Company, but the City need not pay those portions of such for which reimbursement to it is not available.

4.4 No Waiver. The provisions of this franchise apply only to facilities constructed in reliance on a franchise from the City and shall not be construed to waive or modify any rights obtained by Company for installations within a Company right-of-way acquired by easement or prescriptive right before the applicable Public Way or Public Ground was established, or Company's rights under state or county permit.

SECTION 5. TREE TRIMMING.

Company may trim all trees and shrubs in the Public Ways and Public Grounds of City to the extent Company finds necessary to avoid interference with the proper construction, operation, repair and maintenance of any Electric Facilities installed hereunder, provided that Company shall save the City harmless from any liability arising therefrom, and subject to permit or other reasonable regulation by the City.

SECTION 6. INDEMNIFICATION.

6.1 Indemnity of City. Company shall indemnify, keep and hold the City free and harmless from any and all liability on account of injury to persons or damage to property occasioned by the construction, maintenance, repair, inspection, the issuance of permits, or the operation of the Electric Facilities located in the Public Ways and Public Grounds. The City shall not be indemnified for losses or claims occasioned through its own negligence except for losses or claims arising out of or alleging the City's negligence as to the issuance of permits for, or inspection of, Company's plans or work. The City shall not be indemnified if the injury or damage results from the performance in a proper manner of acts reasonably deemed hazardous by Company, and such performance is nevertheless ordered or directed by City after notice of Company's determination.

6.2 Defense of City. In the event a suit is brought against the City under circumstances where this agreement to indemnify applies, Company at its sole cost and expense shall defend the City in such suit if written notice thereof is promptly given to Company within a period wherein Company is not prejudiced by lack of such notice. If Company is required to indemnify and defend, it will thereafter have control of such litigation, but Company may not settle such litigation without the consent of the City, which consent shall not be unreasonably withheld. This section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City; and Company, in defending any action on behalf of the City shall be entitled to assert in any action every defense or immunity that the City could assert in its own behalf.

SECTION 7. VACATION OF PUBLIC WAYS.

The City shall give Company at least two weeks prior written notice of a proposed vacation of a Public Way. Except where required for a City improvement project, the vacation of any Public Way, after the installation of Electric Facilities, shall not operate to deprive Company of its rights to operate and maintain such Electric Facilities, until the reasonable cost of relocating the same and the loss and expense resulting from such relocation are first paid to Company. In no case, however, shall City be liable to Company for failure to specifically preserve a right-of-way under Minnesota Statutes, Section 160.29.

SECTION 8. CHANGE IN FORM OF GOVERNMENT.

Any change in the form of government of the City shall not affect the validity of this Ordinance. Any governmental unit succeeding the City shall, without the consent of Company, succeed to all of the rights and obligations of the City provided in this Ordinance.

SECTION 9. FRANCHISE FEE.

9.1 Fee Schedule. During the term of the franchise hereby granted, and in lieu of any permit or other fees being imposed on Company, the City may impose on Company a franchise fee not to exceed five percent (5%) of the Company's total Gross Revenues, as hereinafter defined, by collecting the applicable percentage amounts calculated on a flat fee per meter/per class, per/month basis as indicated in a Fee Schedule set forth in a separate ordinance from each customer in the designated Customer Classification for service at each and every customer location, based on a Fee Schedule form similar to the following:

<u>Class</u>	<u>Fee Per Premise Per Month</u>
Residential	\$ _____
Sm C & I – Non-Dem	\$ _____
Sm C & I – Demand	\$ _____
Large C & I	\$ _____
Public Street Lighting	\$ _____
Muni Pumping N/D	\$ _____
Muni Pumping Dem	\$ _____

In the event the City desires to collect a franchise fee as set forth above, the City shall give Company Notice to amend this franchise agreement to authorize collection of a franchise fee by separate ordinance in an amount and upon such terms and conditions as Company and City at that time are willing to incorporate in their electric franchise agreements, subject to the provisions of this Section 9. Upon receipt of such Notice, Company shall negotiate in good faith with City to so amend this franchise agreement in accordance with the following provisions

9.2 Separate Ordinance. The franchise fee shall be imposed by a separate ordinance duly adopted by the City Council, which ordinance shall not be adopted until at least 60 days after written notice enclosing such proposed ordinance has been served upon Company by certified mail and written acceptance thereof by Company. Section 2.5 shall constitute the sole remedy for solving disputes between Company and the City in regard to the interpretation of, or enforcement of, the separate ordinance. No action by the City to implement a separate ordinance will commence until this Ordinance is effective. A separate ordinance which imposes a lesser franchise fee on the residential class of customers than the maximum set forth in the Fee Schedule shall not be effective against Company unless the fee imposed on each other customer classification is reduced proportionately in the same or greater amount per class as the reduction represented by the lesser fee on the residential class. The payment of a franchise fee as provided by this Section 9 does not relieve Company from paying fees to City unrelated to the installation, ownership or operation of Electric Facilities, such as building permit fees.

9.3 Terms Defined. For the purpose of this Section 9, the following definitions apply:

9.3.1 "Customer Classification" shall refer to the classes listed on the Fee Schedule and as defined or determined in Company's electric tariffs on file with the Commission.

9.3.2 "Fee Schedule" refers to the schedule in Section 9.1 setting forth the various customer classes from which a franchise fee would be collected if a separate ordinance were implemented immediately after the effective date of this franchise agreement. The Fee Schedule in the separate ordinance may include new Customer Classifications added by Company to its electric tariffs after the effective date of this franchise agreement.

9.3.3 "Gross Revenue" means all sums, excluding any surcharge or similar addition to the Company's charges to customers for the purpose of reimbursing the Company for the cost resulting from the franchise fee, received by the Company from the sale of electricity to its retail customers within the corporate limits of the City.

9.4 Collection of the Fee. The franchise fee shall be paid based on the amount collected by Company during complete billing months during the period for which payment is to be made by imposing a surcharge ("additional fee") equal to the designated franchise fee for the applicable Customer Classification in all customer billings for metered service in each class. The payment shall be paid four times a year and due the last business day of the calendar month following the end of each quarter (payments being due January 31, April 30, July 31, and October 31 during each calendar year). The franchise fee may be changed by ordinance from time to time; however, each change shall meet the same notice requirements and not occur more often than annually, and no change shall require a collection from any customer for metered service in excess of the amounts specifically permitted by this Section 9. The time and manner of collecting the franchise fee is subject to the approval of the Commission, which Company agrees to use its best efforts to obtain. No franchise fee shall be payable by Company if Company is legally unable to first collect an amount equal to the franchise fee from its customers in each applicable class of customers by imposing a surcharge in Company's applicable rate for electric service. Company may pay the City the fee based upon the surcharge billed subject to subsequent reductions to account for uncollectibles, refunds and correction of erroneous billings. Company agrees to make its records available for inspection by the City at reasonable times provided that the City and its designated representative agree in writing not to disclose any information which would indicate the amount paid by any identifiable customer or customer or any other information regarding identified customers.

9.5 Equivalent Fee Requirement The separate ordinance imposing the fee shall not be effective against Company unless it lawfully imposes and the City quarterly or more often collects a fee or tax of the same or greater equivalent amount on the receipts from sales of energy within the City by any other energy supplier, provided that, as to such a supplier, the City has the authority to require a franchise fee or to impose a tax. The "same or greater equivalent amount" shall be measured, if practicable, by comparing amounts collected as a franchise fee from each similar customer, or by comparing, as to similar customers, the percentage of the annual bill represented by the amount collected for the franchise fee purposes. The franchise fee or tax shall be applicable to energy sales for any energy use related to heating, cooling, or lighting, as well as to the supply of energy needed to run machinery and appliances on premises located within or adjacent to the City, but shall not apply to energy sales for the purpose of providing fuel for vehicles.

SECTION 10. PROVISIONS OF ORDINANCE.

10.1 Severability. Every section, provision, or part of this Ordinance is declared separate from every other section, provision, or part; and if any section, provision, or part shall be held invalid, it shall not affect any other section, provision, or part. Where a provision of any other City

ordinance conflicts with the provisions of this Ordinance, the provisions of this Ordinance shall prevail.

10.2 Limitation on Applicability. This Ordinance constitutes a franchise agreement between the City and Company as the only parties and no provision of this franchise shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

SECTION 11. AMENDMENT PROCEDURE.

Either party to this franchise agreement may at any time propose that the agreement be amended to address a subject of concern and the other party will consider whether it agrees that the amendment is mutually appropriate. If an amendment is agreed upon, this Ordinance may be amended at any time by the City passing a subsequent ordinance declaring the provisions of the amendment, which amendatory ordinance shall become effective upon the filing of Company's written consent thereto with the City Clerk within 90 days after the date of final passage by the City of the amendatory ordinance.

SECTION 12. PREVIOUS FRANCHISES SUPERSEDED.

This franchise supersedes any previous electric franchise granted to Company or its predecessor

Passed and approved: _____, 2008.

Mayor

Attest:

City Clerk

Date Published: _____



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
PHONE 651-275-4404 FAX 651-275-4411

Date: April 30, 2008

To: Mayor and City Council

From: Mike McGuire, City Administrator
Sara Taylor, Assistant City Administrator

Subject: Disbursement of \$500.00 Allied Waste Recycling Scholarship funds

BACKGROUND

This is the third year that the city, in conjunction with the city's waste hauler Allied Waste, has promoted this scholarship program. No scholarship was awarded in 2006 and one was awarded in 2007. Since there was a surplus of \$500.00 from previous years, last year the City Council earmarked the remaining \$500.00 to be used toward the purchase of designated recycling receptacles to be placed in Lakeside Park.

This year, the city received two very impressive scholarship applications from individuals both furthering their education in an environmental field (see attached applications). Since the city has not yet used the \$500.00 surplus scholarship funds to purchase the recycling receptacles for the park, staff feels that it may be appropriate to award a \$500.00 scholarship to each applicant this year.

RECOMMENDATION

Staff recommends the City Council adopt a motion to disburse scholarship funds in the amount of \$500.00 each to Sarah Nelson, 140 7th Street North and James Robinson, 337 3rd Street South.



Bayport Recycling and Solid Waste Scholarship Application

Apply today for a \$500 scholarship!

Any Bayport resident seeking post high school education at a technical, vocational, community college, or university in an environmental field may apply. Applicants will be evaluated on their grade point average, as well as the following criteria:

- Environmental Concerns (some examples that the student may have been involved with: proper hazardous waste disposal, proper waste disposal – no littering, home composting, community clean up)
- Recycling (proper collection and disposal of recyclable items, buy recycled items when possible, encourage recycling at home and in the community)
- Community Involvement
- Life Goals and Interests
- Quality of Character

The City of Bayport is dedicated to fairness in matters of diversity related to race, creed, gender, culture, national origin, political or religious beliefs, sexual orientation, family structure or social background. Completed applications should be returned to the City of Bayport, 294 North Third Street, Bayport, MN, 55003. The application deadline for this year's scholarship is May 1, 2008.

Applicant information (please print)

Last Name Nelson First Name Sarah

Home address 140 N 7th Street Phone Number (651) 439-6633

City Bayport State MN Zip 55003

E-Mail Address se.nelson@8@yahoo.com

Year in high school Senior Anticipated graduation date May 30, 2008

Anticipated college/university College of St Catherine

Anticipated college/university start date August 2008 Major/Study Biochemistry

Parent/guardian information if applicant is under 18 years of age (please print)

Last Name Nelson First Name Dave and Jean

Home address 140 N 7th Street Phone Number (651) 439-6633

City Bayport State MN Zip 55003

Please answer the following questions on a separate sheet of paper and attach it to this application form.

A. ACTIVITIES, INTERESTS AND INVOLVEMENT

1. Briefly describe why you would like to be considered for this scholarship.
2. Beyond your weekly recycling responsibility, how have you been an advocate for the environment and recycling concerns? How will you continue to be an advocate for those issues in the future?
3. Briefly describe your community and organizational involvements in the past 5 years.
4. What are your life's goals and interests?
5. Briefly describe what you would most like to study in your post high school education and how you might apply that learning to future endeavors.
6. Provide at least two (2) examples of new recycling programs or initiatives that the city could implement to encourage recycling among its residents and give a brief explanation of each.

B. CHARACTER STATEMENTS (You may also include letters of recommendation)

Relate an experience from your life that reveals a significant aspect of your character.

C. PERSONAL ACHIEVEMENTS/ HONORS/AWARDS/DISTINCTIONS

List any awards or honors you have received.

Student verification and information

All applicants must provide proof of upcoming or current enrollment in a post high school educational program at a technical, vocational, community college, or university and attach it to this application form. Please sign below to certify that the information on this application is accurate.

Applicant Signature Sarah Nelson

Date 2/3/09

Parent/guardian Signature Jean Nelson

Date 2/3/08

**** Students are encouraged to keep a photocopy of their completed application****

SARAH NELSON
140 N. 7th Street
Bayport MN, 55003
Bayport Recycling and Solid Waste Scholarship

A. ACTIVITIES, INTERESTS AND INVOLVEMENT

1. I am very interested in the environment and this scholarship would assist me in pursuing a course of study that could help preserve and improve the environment.

2. I have helped educate my classmates about the dangers of ozone depletion and informed them about ways to preserve the atmosphere, one of which is recycling. In the future, I will continue to recycle and continue to encourage my family and friends to recycle as much as possible.

3.
 - Habitat for Humanity Volunteer (24 hours, Sophomore, Junior and Senior years)
 - Lakeview Hospital Volunteer (71 hours, Sophomore, Junior and Senior years)
 - Volunteer at St. Charles Church (164 hours, Freshman, Sophomore, Junior and Senior years)
 - Bible camp Counselor for ages 5-6 (15 hours)
 - Building Web pages for Hill-Murray's Math, Mock Trial, Quiz/Knowledge Bowl, and Band Programs (108 hours)
 - Altar server at St. Michael's Church, Stillwater (5th- 10th grade)
 - St. Paul Priory – visit with elderly nuns, helped in the kitchen
 - Mock Trial (Freshman, Sophomore and Junior years)
 - Quiz/Knowledge Bowl (Freshman, Sophomore and Junior years)
 - 2005, 2006 and 2007 Hill-Murray Artist in Residence Summer Studio Art Session
 - Symphonic Band (Freshman, Sophomore, Junior and Senior years)
 - Pep Band (Freshman, Sophomore, Junior and Senior years)
 - Marching Band (Freshman, Sophomore, Junior and Senior years)
 - Hill-Murray Book Club (Freshman, Sophomore, Junior and Senior years)
 - Math Team (Freshman year)
 - Theatre (Senior year)
 - Clarinet lessons (Freshman, Sophomore, Junior and Senior years)
 - Voice lessons (Sophomore and Junior years)
 - Dance: Ballet, Modern, Can-Can line, Irish and Hip-Hop (Freshman, Sophomore, Junior and Senior years)
 - Girl Scouts (Freshman, Sophomore, Junior and Senior years)

4. My life goals are to improve people's lives through medical or environmental research. Areas of environmental research could include alternative fuels and more efficient forms of energy. Because I have had family members and friends struggle with cancer, one area of medical research I would be interested in pursuing would be cancer research

5. While in college I plan to major in Biochemistry and minor in Studio Arts. After graduating from college, I plan to attend graduate school, hopefully at the University of Minnesota, and earn my masters degree in either medical or environmental research.

6. One program the City of Bayport could implement to increase recycling would be to add recycling cans near sidewalks and in the parks around town so people have an opportunity to recycle during activities and sporting events. Bayport could also conduct periodic recycling events for electronic devices such as computers and televisions.

SARAH NELSON
140 N. 7th Street
Bayport MN, 55003
Bayport Recycling and Solid Waste Scholarship

B. CHARACTER STATEMENTS

Most teenagers think they're invincible. They're young, strong and healthy, they have a whole life ahead of them to live, they have all the time in the world. They think their family and friends will always be there, because they have always been there. They forget that life can change in an instant. I used to believe that too, but throughout my years in high school I've learned not to take time or people for granted. I have lost, and almost lost many people I cared about to learn that lesson

When you're spending time with your friends you don't think about life and death, you spend most of your time talking about school, clothes, movies, and relationships. You don't even consider that one day someone might be absent from the group. One Friday afternoon during my sophomore year, I was called down to the office. While I was there, I learned that one of my best friends had tried to commit suicide. I was told that she was going to be alright, but that she was in the hospital. I was in shock. I wanted to know what happened and why, and I wondered what it would be like if my friend had succeeded, if I had just been told that she was dead. Fortunately, my friend was able to heal in both mind and body. Her recovery took time and a lot of help from both her family and her friends, and reminded me that our time is not guaranteed and that people can be gone in an instant.

My junior year of high school, I learned that one of my friend's who had bone cancer in middle school had relapsed. The cancer had metastasized in her lungs, and her prognosis wasn't good. As the year progressed I watched her get weaker and weaker, she came to school less frequently and when she was there she spent most of her classes in the nurse's office resting. Throughout my friend's struggle I also witnessed her courage. She knew that there was a good chance that she wouldn't live long enough to graduate, but she didn't want to give up. If she was going to die she was going to live as much as she could first. Then in the spring a miracle happened, she ran up to me in the hallway and showed me an image of her lungs and joyfully to me that her cancer was receding

Two surgeries and a few months later, her cancer is gone and she is getting stronger every day. Her struggle taught me that life is not guaranteed just because we're young. As Joan Baez once said, "You don't get to choose how you're going to die. Or when. You can only decide how you're going to live. Now." My friend taught me to make the best of the time I have, because I never know when it will be gone

My family is very close. We spend every holiday together and have an annual family reunion every Fourth of July. We are always ready to help each other and always know that someone will be there when we need them. While I was in high school, I lost three of my uncles. It was difficult to realize that I would never see them again. Never talk or joke with them, never play cribbage with them, and never hear them tell stories after a long day on the lake. Knowing that they were gone, I thought of so many questions I wanted to ask them, so many stories I had never heard. I learned not to take people for granted because they won't always be around

My years in high school have taught me the real value of life. It has taught me how precious each day is, and that each moment you spend with your family and friends is priceless. Elisabeth Kübler-Ross, a renowned psychiatrist, said, "It's only when we truly know and understand that we have a limited time on earth – and that we have no way of knowing when our time is up, we will then begin to live each day to the fullest, as if it was the only one we had." I have learned how valuable our time together is, and I will always strive to make the most of what I have.

SARAH NELSON
140 N. 7th Street
Bayport MN, 55003
Bayport Recycling and Solid Waste Scholarship

C. PERSONAL ACHIEVEMENTS/HONORS/AWARDS/DISTINCTIONS

Class Rank: 1 out of 240

GPA: 4.222

SAT scores: Critical Reading: 760

Math: 630

Writing: 750

ACT score: 31

Academic Awards:

- National Merit Semifinalist
- National Honor Society
- Advanced Placement (AP) Scholar with Honor
- 2006 State History Day Competition Category Award Winner
- 2006 Regional History Day Competition Award Winner
- Hill-Murray Academic Letter (10th and 11th grade)
- Science Wizard (9th, 10th, and 11th grade)
- Excellence in Physical Science
- Excellence in Biology I
- Science Student of the Month (11th grade)
- English Student of the Month (9th grade)

Leadership:

- 2007 Minnesota Girl's State
- Girl Scout Gold Award
- Senior Girl Scout Leadership Award
- Mock Trial Captain (11th grade)
- Peer Tutoring (11th and 12th grade)
- Peer Ministry (11th and 12th grade)
- Band Governing Board Officer (11th and 12th grade)
- Band Section Leader and First Chair (11th and 12th grade)

Other Awards:

- Presidential Volunteer Service Award (9th, 10th, and 11th grade)
- All-conference Band (12th grade)
- Superior Solo Award at State Solo and Ensemble Contest on Clarinet (9th and 10th grade)

- Excellent Solo Award at State Solo and Ensemble Contest on Clarinet (11th grade)
- Hill-Murray Gold Service Award (11th grade)
- Hill-Murray Service Letter (9th, 10th, and 11th grade)
- Hill-Murray Band Letter (9th, 10th, and 11th grade)
- Hill-Murray Mock Trial Letter (9th, 10th, and 11th grade)
- National Physical Fitness Award
- Hill-Murray Silver Athletic Award



HILL-MURRAY

A CATHOLIC MIDDLE AND HIGH SCHOOL

January 24, 2008

Dear Bayport Recycling and Solid Waste Scholarship Committee:

Sarah Nelson is a student of mine in our Hill-Murray School Peer Helping Program. As a Peer Helper, Sarah is trained and works as a Peer Tutor. She is currently in our program for her second year, and she is one of our most reliable, friendly, talented, and effective tutors. Sarah was selected to be a Peer Tutor based on teacher recommendations, her outstanding academic ability, her leadership qualities, and her willingness to share her exceptional talents with other students. Sarah is one of the most dependable and hard-working tutors in our program; I can count on her to be prompt, encouraging, prepared, resourceful, and dedicated. The students who have Sarah for a tutor are encouraged by their academic improvement. Her ability to tutor in all core subject areas at the highest honors and advanced placement levels makes her a much sought-after Peer Tutor. She is an outstanding role model for students both academically and socially.

Sarah is a multi-involved and multi-talented young woman. She takes her studies extremely seriously, and she carves out time to be successful in many other time-demanding activities. Sarah has been invited to participate in the 2008 National Merit Scholarship Program which culminates her brilliant high school career. She is a member of the Hill-Murray Chapter of the National Honor Society, an Advanced Placement Scholar with Honor, a recipient of the Hill-Murray Academic letter along with several Student of the Month and Excellence in Science awards. She currently ranks number one in her high school class. Sarah's comprehensive talents are further evident by her participation in symphonic, pep and marching band, Mock Trial, Math Team, Book Club, Quiz and Knowledge Bowl, and three summers in the Hill-Murray Artist in Residence Summer Studio Art Session. Sarah is clearly involved in high school, but she also initiates time for community service.

Sarah's service and community activities are exceptionally noteworthy. She has continually volunteered at her church, local hospital, and Habitat for Humanity throughout high school, earning the Presidential Volunteer Service Award for three years. She has worked as a counselor at a summer bible camp, built web pages for the Hill-Murray band program and for the Mock Trial and Quiz Bowl Teams. She has earned awards in Girl Scouting most notably the Gold Award and the Senior Girl Scout Leadership Award.

I highly recommend Sarah Nelson as a recipient of the Bayport Recycling and Solid Waste Scholarship. Sarah is a top choice because she is talented, intelligent, dedicated, and demonstrates high character qualities. She is an outstanding candidate.

Sincerely,

Colleen Jamieson

Hill-Murray School Faculty, 31 years; Peer Helping and French Instructor



Bayport Recycling and Solid Waste Scholarship Application

Apply today for a \$500 scholarship!

Any Bayport resident seeking post high school education at a technical, vocational, community college, or university in an environmental field may apply. Applicants will be evaluated on their grade point average, as well as the following criteria:

- Environmental Concerns (some examples that the student may have been involved with: proper hazardous waste disposal, proper waste disposal – no littering, home composting, community clean up)
- Recycling (proper collection and disposal of recyclable items, buy recycled items when possible, encourage recycling at home and in the community)
- Community Involvement
- Life Goals and Interests
- Quality of Character

The City of Bayport is dedicated to fairness in matters of diversity related to race, creed, gender, culture, national origin, political or religious beliefs, sexual orientation, family structure or social background. Completed applications should be returned to the City of Bayport, 294 North Third Street, Bayport, MN, 55003. The application deadline for this year's scholarship is May 1, 2008.

Applicant information (please print)

Last Name Robinson First Name James
 Home address 337 3rd St. South Phone Number 651-351-7360
 City Bayport State MN Zip 55003
 E-Mail Address Robinson_434@msn.com
 Year in high school Senior Anticipated graduation date 6/2008
 Anticipated college/university Michigan Tech University
 Anticipated college/university start date 9/2008 Major/Study Environmental Engineering

Parent/guardian information if applicant in under 18 years of age (please print)

Last Name Robinson First Name Betty Lou
 Home address 337 3rd St. South Phone Number 651-351-7360
 City Bayport State MN Zip 55003

Applicant Name James Robinson

Please answer the following questions on a separate sheet of paper and attach it to this application form.

- A. ACTIVITIES, INTERESTS AND INVOLVEMENT** *See attached*
1. Briefly describe why you would like to be considered for this scholarship.
 2. Beyond your weekly recycling responsibility, how have you been an advocate for the environment and recycling concerns? How will you continue to be an advocate for those issues in the future?
 3. Briefly describe your community and organizational involvements in the past 5 years.
 4. What are your life's goals and interests?
 5. Briefly describe what you would most like to study in your post high school education and how you might apply that learning to future endeavors.
 6. Provide at least two (2) examples of new recycling programs or initiatives that the city could implement to encourage recycling among its residents and give a brief explanation of each.
- B. CHARACTER STATEMENTS** (You may also include letters of recommendation) *See attached*
Relate an experience from your life that reveals a significant aspect of your character.
- C. PERSONAL ACHIEVEMENTS/ HONORS/AWARDS/DISTINCTIONS** *See attached*
List any awards or honors you have received.

Student verification and information

All applicants must provide proof of upcoming or current enrollment in a post high school educational program at a technical, vocational, community college, or university and attach it to this application form. Please sign below to certify that the information on this application is accurate.

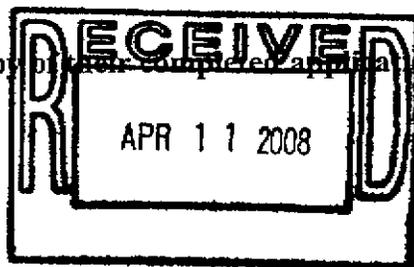
Applicant Signature James Robinson

Date 4-10-08

Parent/guardian Signature Betty Robinson

Date 4-10-08

**** Students are encouraged to keep a photocopy of their completed application ****



Bayport Recycling and Solid Waste Scholarship Application For
James Robinson

A. Activities, Interests and Involvement

1. Briefly describe why you would like to be considered for this scholarship.

I would like to be considered for this scholarship because I believe I meet all the requirements and I have a keen interest in helping our environment. Also, the money would help me reach my goals of becoming an environmental engineer.

2. Beyond your weekly recycling responsibility, how have you been an advocate for the environment and recycling concerns? How will you continue to be an advocate for those issues in the future?

I have become a huge advocate for anything that saves on energy. I have influenced my friends and family to change to fluorescent light bulbs, turn lights off and use energy saving technology. I drive a fuel-efficient car and I try to run and bike whenever possible. When driving, I try to carpool if possible. My college education at Michigan Tech will help me help the environment I love.

3. Briefly describe your community and organizational involvements in the past 5 years.

I have been in SADD for the last two years in school. We have participated in various activities to help kids make better choices for their own and others safety. Also I was involved in Habitat for Humanity last summer. I attended regularly over the summer to build a house in River Falls. It was a lot of fun and I learned a lot. As a member of the National Honor Society, I have participated in numerous fundraisers. On Valentine's Day, I played my guitar throughout the day at SAHS to raise money for NHS. Last week, I again performed at the SAHS Coffee House to raise money for Darfur. We helped to raise over \$1,500.

4. What are your life's goals and interests?

My life goals go beyond making money. I want to be financially stable and be able to travel, but most importantly I just want to be happy. It will make me

happy to be successful in my career, especially if I can help make strides towards new sources of energy or anything that can help people. Along with my career I plan on having a happy family...YAY!

5. Briefly describe what you would most like to study in your post high school education and how you might apply that learning to future endeavors.

I want to study engineering in some form. I have not decided on any specific area, but I am leaning towards environmental engineering or chemical engineering. As far as applying that, I hope to work for a company creating new fuels or something of that sort. I want to help make something.

6. Provide at least two (2) examples of new recycling programs or initiatives that the city could implement to encourage recycling among its residents and give a brief explanation of each.

A community can drive would be awesome. We could collect and sell the cans to a recycling plant and use the proceeds to make or repair something around the community. I would suggest the tennis courts. Or use it to invest in something at Lakeside Park.

Another thing that would be neat is if we actually got involved in Earth Day. Make it available for volunteers to help plant trees in the Village Green, Barkers Alps or Lakeside. I know I would be in attendance.

B. Character Statements (See attached letters of recommendation)

Relate an experience from your life that reveals a significant aspect of your character. (See attached personal essay)

C. Personal Achievements/Honors/Awards/Distinctions. (See attached)

Personal Achievements/Honors/Awards/Distinctions

Section leader (first chair) in orchestra (viola in grades 10, 11, and 12)

Two superior ratings and two excellent ratings in Solo and Ensemble completion (7th, 8th, 9th, 11th grades)

Varsity letter awards for skiing (11th and 12th grade)

JV Tennis doubles #2 in 11th grade & JV Tennis singles #2 in 12th grade

Varsity letter awards for academics (Cum. GPA 3.6 and higher) (10th, 11th, and 12th grade)

Silver medals for Crops and Dairy cattle judging CDE's in FFA (11th grade)

SADD member (10th, 11th, 12th grade)

National Honor Society member (11th, 12th grade)

Habitat for Humanity member

Co-owner of a successful lawn care business in the Stillwater/Afton area:

Big River Lawn Keeper's. The company's gross income last year was over \$16,000. (Taxes have been paid)

The Bayport Scholarship Character Statement

James M. Robinson

I spent about a week trying to think of situations I faced and overcame in my life. I've lost friends, but also gained new ones. I've struggled in some classes and sports. I've taken the bus to school. I've driven to school. I've grown up. Thus, I've come to the conclusion that for the most part, I've been very fortunate. There is one challenge that I have been forced to deal with. It's not an uncommon one in this day and age. It is a challenge I am faced with almost everyday.

When I was three and a half years old my mom and dad got divorced. My mom moved to Stillwater, Minnesota, while my dad stayed living in St. Michael, Minnesota. I've lived primarily with my mom ever since, going to Dad's on weekends and sometimes more during the summer. It wasn't hard to deal with at first, but as I've grown to have a life of my own, things have gotten harder.

When I was in elementary school my mom would tell me when dad was coming to pick me up, and when she would be picking me up from my dad's. All I had to do is watch for dad or mom and march out the door with my backpack and hop in the car to go to my other home.

When I got to Jr. High things began to change. Mom no longer told me when dad was coming. The responsibility had shifted to me. I was expected to call my dad weekly and coordinate my pick up times. Conflicts came about between my parents about where I should be on weekends and I was forced to act as a sort of mediator in some cases. I also started to get sick of going to my dad's. It was like living a partial life in which I had no friends and nothing to do besides hang out with my dad. Dad would sometimes guilt trip me into coming and we seemed to grow apart. This was to be expected since he had little to do with what I considered my life.

Things really changed in high school. With more obligations due to school, work, sports, music and my social life I began to despise the wasted weekends at Dad's. As these recent years have passed I think my dad and I have both gained more of a tolerance towards the other's needs and wishes. Sharing time with both my families is important to me but my home is in Stillwater and he knows that. I try to call my dad more because a lot of times driving out to see him is just not practical. With both myself and my dad making sacrifices, I think we have begun to build a better relationship than we have had in recent years. It's a give-and-take relationship that, in a perfect world, wouldn't have needed to happen. Nothing is perfect though and I love my family the way it is. I wouldn't change a thing.



STILLWATER
AREA PUBLIC
SCHOOLS

STILLWATER AREA HIGH SCHOOL

Rachel Nicholas
English Department
Stillwater Area High School
5701 Stillwater Boulevard North
Stillwater, Minnesota 55082

June 6, 2007

To Whom It May Concern:

I am delighted to write this letter on behalf of James Robinson. During the past year, James has been an active participant in my American Literature (11th grade English) course at Stillwater Area High School. I am continually impressed by his dedication to academic excellence, sincere and gregarious personality, and involvement in extra-curricular activities. These attributes prove that James is a balanced individual who has the necessary tools to succeed wherever his path may lead.

One of James' greatest strengths is his dedication to success. He demonstrates an astute curiosity, mature responsibility, genuine love of learning, and exceptional critical thinking skills. This combination is a teacher's dream. James is a voracious reader, which illustrates his curious nature. In fact, I have found him more than once with a book in hand during down time. He demonstrates a desire to discover new concepts and understand how people 'work'. During discussion, he is always ready with insightful comments and challenging questions. He is also a natural writer with a talent for storytelling. In addition to his talents in language arts, James demonstrates a mature responsibility which carries into all aspects of his life. He is always aware of due dates, prepares work if he is to be absent, and takes ownership of his actions. James' dedication to success will only serve him well in future endeavors.

James' sincere and gregarious personality makes him a joy to have in class. During class discussions, he rarely shies away from sharing his opinions and thoughts, and he has a personality that blends well with a variety of students. James exudes a confidence that is welcoming and accepting to all students in class, and his classmates respect him in return. Humor is also one of James' attributes, which reflects his genuine love of life, as well as his keen mind. James' outgoing and enthusiastic nature will serve him well as he prepares to make the challenging transition from high school to college.

Beyond the classroom, James is an active student at Stillwater Area High School, expressing his talents in a variety of venues. Athletically, he is currently a member of the high school Nordic ski and tennis teams. Musically, he has participated in orchestra for four years. And, to top it off, James participates in National Honor Society, SADD, and is a Red Cross volunteer. His active schedule demonstrates his variety of interests, willingness to try new things, and many talents.

James is an intelligent, capable, dedicated, and personable young man. I am confident in saying that James will benefit from his future opportunities. Please feel free to contact me as I would welcome further discussion of James' many positive qualities.

Sincerely,

Rachel Nicholas

5701 Stillwater Blvd. N. Tel. 651-351-8040
Stillwater, Fax: 651-351-8049
Minnesota 55082 www.stillwater.k12.mn.us



STILLWATER
AREA PUBLIC
SCHOOLS

STILLWATER AREA HIGH SCHOOL

June 5, 2007

To Whom It May Concern:

This letter is intended to serve as a college recommendation for James Robinson. I first came to know him last year when he was a sophomore in my General Biology class

Over the course of that year, I witnessed a growth in James' knowledge base and scientific skills. His scores on daily academic assignments and tests reflected this fact as they consistently ranged from the ninety-fifth to one hundredth percentiles.

I must make note of James' exceptional academic performance. He ranked within the top 10% of my 140 General Biology students last year. This performance was a direct result of his hard work and strong focus.

James always exhibited a curiosity about science, and would pursue answers until they clarified the questions in his mind. This helped the other students in class as well because he vocalized those difficult questions they may have been afraid to ask.

James' sense of humor and his academic ability made him a natural leader. In lab settings and group activities, he was able to keep everyone on task by both his keen understanding of the subject and his ability to lead without ever becoming overbearing.

In over 10 years of teaching, I have known other students with talent equivalent to James'. However, most lacked his good nature and humility, and few demonstrated the genuine intellectual curiosity that James exhibited over and over in the classroom.

To conclude, it gives me great pleasure to recommend James Robinson. He will be a tremendous asset to whatever college or university accepts him into their program.

If you have any further questions, please do not hesitate to contact me

Sincerely,

A handwritten signature in black ink that reads "Laura Krajewski".

Laura Krajewski
Biology Teacher

MINNESOTA DEPARTMENT OF PUBLIC SAFETY



Minnesota State Patrol Investigative Services Section

2055 North Lilac Drive, Golden Valley, MN 55422
Phone 763/591-4701 • Fax 763/591-2010

February 2, 2008

Dear Scholarship Committee,

It has come to my attention that James M. Robinson has applied for a scholarship with your organization. I have known James for several years, since he is a high school classmate of my oldest daughter.

James is an exceptional young man who is a dedicated student, a mature and responsible person, and a good friend to all who know him. While attending Stillwater Area High School, James has participated in Nordic skiing, Tennis, SADD, National Honor Society, and has successfully completed a number of AP courses.

While the above accomplishments in school are significant, I am also aware that outside of school James has donated many hours to the local Habitat For Humanity chapter, and for several years has operated his own lawn service company (in partnership with a friend) called Big River Lawn Keepers. I have seen how hard James has worked to meet the challenges that all small business owners face, and he has done so with a level of maturity that far exceeds his age.

I am aware that as he begins his college career, James will have a need for significant financial assistance. My hope is that you will give strong consideration to providing some level of assistance to this very worthy candidate. There is no doubt in my mind that any assistance you are able to provide him will be a very worthwhile investment.

Should you have any further questions of me, please feel free to contact me at 612-868-6024, or jay.swanson@state.mn.us Thank you.

Sincerely,

Captain Jay Swanson
Minnesota State Patrol
Commander
Investigative Services Section



Alcohol &
Gambling
Enforcement

Bureau of
Criminal
Apprehension

Capitol Security

Driver & Vehicle
Services

Emergency
Management/
Emergency
Response
Commission

State Fire
Marshal/
Pipeline Safety

State Patrol

Traffic Safety

MichiganTech

Michigan Technological University

Admissions Office

1400 Townsend Drive
Houghton, Michigan 49931-1295
906-487-2335 • 1-888-688-1885
Fax 906-487-2125
Email mtu4u@mtu.edu

December 5, 2007

James Marcell Robinson
337 3rd St S
Bayport MN 55003

Dear James,

Congratulations on your acceptance to Michigan Technological University. We are proud to welcome you as a member of our student body and are pleased that you have chosen to continue your education at Michigan Tech. Based on your academic achievement and your potential for success at Michigan Tech, you have been admitted into the College of Engineering to major in Environmental Engineering for the fall 2008 semester.

The College of Engineering has a Foundations of Engineering program for all majors, allowing you the flexibility to make a final decision regarding your major once you have completed the program.

Your acceptance to Tech serves as your scholarship application for the majority of merit-based opportunities offered by the University.

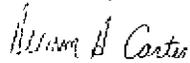
Enclosed you will find your personalized Action Packet which contains important details, including:

- how to submit your enrollment deposit
- the housing forms you'll need to complete
- your Michigan Tech user name, password, and HuskyMail email address that you'll need to access important online information

We recognize the importance of choosing the college that is right for you. To help with your decision, I invite you to visit the Michigan Tech campus. Even if you've been here before, chances are you'll be looking at different aspects of campus as you narrow down your search. Guided tours are available weekdays during the academic year and summer. Learn more at www.admissions.mtu.edu/visit.

If you have any questions or need our assistance, contact us at 888-688-1885 or email mtu4u@mtu.edu

Sincerely,



Allison Carter
Director of Admissions

P.S. Your Michigan Tech ID number is M68235624

www.mtu.edu

We prepare students to create the future.

Michigan Technological University is an equal opportunity educational institution/equal opportunity employer
Printed on recycled paper

CITY OF BAYPORT
BAYPORT, MINNESOTA

MANAGEMENT LETTER

YEAR ENDED
DECEMBER 31, 2007

**ABDO
EICK &
MEYERS** LLP
Certified Public Accountants & Consultants

Grandview Square
5201 Eden Avenue
Suite 370
Edina, MN 55436

Honorable Mayor and Council
City of Bayport, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information the City of Bayport (the City), Minnesota, as of and for the year ended December 31, 2007 and have issued our report thereon dated April 7, 2008. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Audit Findings

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and other significant deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies listed on the following pages to be significant deficiencies in internal control over financial reporting.



Limited Segregation of Duties

<i>Condition</i>	During our audit, we found that the City has a limited segregation of duties related to many aspects of its accounting systems.
<i>Criteria</i>	There are four general categories of duties, authorization, custody, record keeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities.
<i>Cause</i>	Specific situations include, cash receipts, cash disbursements, payroll and utility billing. The Finance Officer has responsibility over all areas of authorization, custody of assets, recording and reconciling activity. While there is some review of transactions by the Council and City Administrator, there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential could go undetected.
<i>Effect</i>	The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in segregation of duties and internal controls can result in undetected errors or misappropriation of assets of the City.
<i>Recommendation</i>	Under these circumstances the most effective controls lie in 1) management's knowledge of the City's financial operations and 2) striving to obtain as much segregation of duties as possible so that no one person has complete control of any type of financial transaction. We recommend the City evaluate its controls and make any changes considered necessary. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost and other considerations.
<i>Management Response</i>	There is no disagreement with the audit finding. The City reviews and makes improvements to its internal control structure on an ongoing basis and attempts to maximize the segregation of duties in all areas with the limits of the staff available. However, the City does not consider it cost beneficial at this time to increase the size of its staff in order to further segregate accounting functions.



Preparation of Financial Statements

<i>Condition</i>	We were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Recent auditing standards require auditors to communicate this situation to the Council as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of your statements and footnotes, and the responsibility of the auditor to determine the fairness of presentation of those statements. From a practical standpoint we do both for you at the same time in connection with our audit. This is not unusual for us to do with organizations of your size. However, based on recent auditing standards, it is our responsibility to inform you that this deficiency could result in a material misstatement to the financial statements that could have been prevented or detected by your management. Essentially, the auditors can not be part of your internal control process.
<i>Criteria</i>	Internal controls should be in place to provide reasonable assurance over financial reporting.
<i>Cause</i>	From a practical standpoint we do both for you at the same time in connection with our audit. This is not unusual for us to do with organization of your size.
<i>Effect</i>	The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in internal controls can result in undetected errors in financial reporting.
<i>Recommendation</i>	It is your responsibility to make the ultimate decision to accept this degree of risk associated with this condition because of cost or other considerations. As in prior years, we have instructed management to review a draft of the auditor prepared financials in detail for their accuracy; we have answered any questions they might have, and have encouraged research of any accounting guidance in connection with the adequacy and appropriateness of classification of disclosure in your statements. We are satisfied that the appropriate steps have been taken to provide you with the completed financial statements. While the City is reviewing the financial statements we recommend a disclosure checklist is utilized to ensure all required disclosures are presented and the City should agree its financial software to the numbers reported in the financial statements.
<i>Management Response.</i>	We concur with this recommendation, and will correct this issue for next year's audit.



A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entry's internal control. We believe the following significant deficiencies constitute material weaknesses.

Bank Reconciliations

<i>Condition</i>	During our preliminary fieldwork conducted in January 2008, we noted that the City had not completed bank reconciliations since August.
<i>Criteria</i>	Bank reconciliations are an important control activity that ensures all transactions are addressed in the accounting system.
<i>Cause</i>	Unknown
<i>Effect</i>	The City has increased risk of material misstatement and undetected errors in processing transactions
<i>Recommendation</i>	We recommend the City develop policies and procedures to ensure that bank checking, bank savings, and investment accounts are reconciled within two weeks of month end
<i>Management Response</i>	There is no disagreement with the audit finding. The City has this procedure under control

Material Audit Adjustments

<i>Condition</i>	During our audit, we were required to make numerous material adjustments to the City's year end trial balance
<i>Criteria</i>	The financial statements are the responsibility of the City's management
<i>Cause</i>	The City was not able to prepare a year end trial balance reflecting all necessary accounting entries.
<i>Effect</i>	This indicates that it would be likely that a misstatement may occur and not be detected by the City's system of internal control. The audit firm cannot serve as a compensating control over this deficiency
<i>Recommendation</i>	We recommend that management review each journal entry. Management should obtain an understanding as to how the entry was determined as well as why the entry was necessary. Management should modify current procedures and develop work papers for each balance sheet account that ensures the proper entries are made.
<i>Management Response</i>	The City concurs with this recommendation, and will take the necessary controls to ensure that the entries are reviewed and the procedures are developed for the work papers for each balance sheet account along with your firm assistance.



Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of Minnesota statutes. However, the objective of our tests was not to provide an opinion on compliance with such provisions. We noted one instance of noncompliance with Minnesota statutes as follows.

Legal Compliance - Contracting and Bidding

<i>Condition</i>	During our audit, we tested certain legal compliance provisions for the purchase of a truck used by the Fire Department, and found the City to be out of compliance.
<i>Criteria</i>	Minnesota Statute 471.435 requires the City to obtain sealed bids for purchases over \$50,000 and keep the documentation on file for at least one year.
<i>Cause</i>	The City did not have evidence of obtaining sealed bids for the purchase of the truck.
<i>Effect</i>	The City is out of compliance with statutes set forth by the State of Minnesota.
<i>Recommendation</i>	We recommend the City develop a purchasing policy that addresses procedures for purchases defined in Minnesota Statute 471.435. We also recommend the City keep all contracting and bidding documents in a separate folder used to document the process.
<i>Management Response.</i>	There is no disagreement with the audit finding. Two bids were received for the fire truck and were awarded to the low bidder. However, the original copy of the bid that was not selected was misplaced and the Fire Chief is in the process of obtaining a copy of this bid. The City is aware of the bidding procedures and requirements and will take precautions to make sure future bids are retained for the required period of the time.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2007. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was capital asset basis and depreciation.

Management's estimate of these accounting estimates is based on estimated or actual historical cost and the estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop these accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.



Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In total we prepared 44 journal entries as noted in the table below. These entries are necessary to adjust balances to the proper year end amount. It is important that the City understand these entries and prepare to make them in the future. Internal preparation enhances the quality of internal information.

Audit entries	7
Accounting entries	37
	<hr/>
Total	44
	<hr/> <hr/>

The following material misstatements detected as a result of audit procedures were corrected by management

Adjusting Journal Entries JE # 3

to correct beginning balances

	<u>Debit</u>	<u>Credit</u>
101-12700 DUE FROM COUNTY - TAXES	\$ 1,368 00	
101-20800 A/P YE ACCRUAL	30,000 00	
102-13101 SPECIAL ASSESSMENT REC GEN	20,953.00	
102-25300 FUND BALANCE	4,202.00	
103-34101 REVENUE SUMMARY	392 00	
106-34101 REVENUE SUMMARY	4 00	
200-34101 REVENUE SUMMARY	433.00	
201-34101 REVENUE SUMMARY	12.00	
202-34101 REVENUE SUMMARY	12 00	
203-34101 REVENUE SUMMARY	518.00	
204-34101 REVENUE SUMMARY	74 00	
205-34101 REVENUE SUMMARY	2,274.00	
206-13101 special assessments deferred	112,300.00	
206-13103 special assessments	170,600 00	
206-34101 REVENUE SUMMARY	1,449 00	
207-34101 REVENUE SUMMARY	595 00	
211-34101 REVENUE SUMMARY	2,039.00	
303-34101 REVENUE SUMMARY	594 00	
601-16605 WATER EQUIP	242 00	
601-16606 WATER EQUIP ACC DEPR	709.00	
601-16606 WATER EQUIP ACC DEPR	21,300.00	
601-22603 ACCRUED SEV	2,184 00	
602-16609 SEWER EQUIPMENT	242 00	
602-16610 SEWER EQUIP ACC DEPR	13 888 00	
602-22605 ACCRUED PAYROLL	2,638 00	
602-22607 ACCRUED SEV	4,365.00	
602-22608 ACCRUED O T	3 00	
851-10100 CASH	19,236.00	



Adjusting Journal Entries JE # 3 - Continued

to correct beginning balances

	<u>Debit</u>	<u>Credit</u>
101-10100 CASH		\$ 2,645.00
101-25300 FUND BALANCE		28 723 00
102-10100 CASH		4,202 00
102-22102 DEFERRED REVENUE		20,953 00
103-10100 CASH		392 00
106-10100 CASH		4.00
200-10100 CASH		433 00
201-10100 CASH		12 00
202-10100 CASH		12 00
203-10100 CASH		518 00
204-10100 CASH		74 00
205-10100 CASH		2 274 00
206-10100 CASH		1,449 00
206-22102 deferred revenue		282,900 00
207-10100 CASH		595 00
211-10100 CASH		672 00
211-12700 DUE FROM COUNTY - TAXES		1,367.00
303-10100 CASH		594 00
601-10100 CASH		2,082 00
601-34101 REVENUE SUMMARY		22,353 00
602-10100 CASH		2,075 00
602-16607 SEWER IMPROVEMENTS		9,247.00
602-22606 ACCRUED VAC		2,638 00
602-24101 EXPENDITURE SUMMARY		7,176 00
851-34101 REVENUE SUMMARY		19,236.00
Total	\$ 412,626.00	\$ 412,626.00



Adjusting Journal Entries JE # 11

		<u>Debit</u>	<u>Credit</u>
To reclass cash to accounts payable			
101-10100	CASH	\$ 4,780 00	
101-10100	CASH	27,338 00	
206-10100	CASH	37 00	
207-10100	CASH	4,723.00	
209-10100	CASH	424 00	
211-10100	CASH	1,557.00	
601-10100	CASH	5,908 00	
602-10100	CASH	854 00	
803-10100	CASH	1,607 00	
101-20101	A/P GEN		\$ 4,780.00
101-20101	A/P GEN		27,338 00
206-20101	A/P GEN		37 00
207-20101	A/P GEN		4,723 00
209-20101	A/P GEN		424 00
211-20101	A/P GEN		1,557.00
601-20101	A/P GEN		5,908.00
602-20101	A/P GEN		854 00
803-20101	A/P GEN		1,607 00
Total		\$ 47,228.00	\$ 47,228.00

Adjusting Journal Entries JE # 12

To record additional 2007 accounts payable			
101-41240-302	CONTRACT SERVICES	\$ 136 00	
101-41400-302	CONTRACT SERVICES	1,267 00	
101-41910-301	PROF SER-ENGINEER	1,131 00	
107-00000-306	PROF SER-OTHER	13,997 00	
601-46120-302	CONTRACT SERVICES	996 00	
602-46200-302	CONTRACT SERVICES	996 00	
101-20101	A/P GEN		\$ 2,534 00
107-20101	A/P GEN		13,997.00
601-20101	A/P GEN		996.00
602-20101	A/P GEN		996.00
Total		\$ 18,523.00	\$ 18,523.00



Adjusting Journal Entries JE # 15

	<u>Debit</u>	<u>Credit</u>
to reclass assessment revenue		
101-00000-36102 SPECIAL ASSM'T COLL'D CTY	\$ 8,689 00	
101-00000-36104 SPEC ASSM'T PEN & INT COLL CTY	19 00	
102-10100 CASH	8,708.00	
101-10100 CASH		\$ 8,708 00
102-41602-36102 SPECIAL ASSM'T COLL'D CTY		8,708 00
Total	\$ 17,416.00	\$ 17,416.00

Adjusting Journal Entries JE # 17

to record 2007 retainage for Jensen Builders & Pember Co		
206-41603-305 PROF SER-CONTRACTORS	\$ 25,787 00	
207-44100-530 CAPITAL OUTLAY	15,330 00	
206-20101 A/P GEN		\$ 25,787 00
207-20101 A/P GEN		15,330.00
Total	\$ 41,117.00	\$ 41,117.00

Adjusting Journal Entries JE # 26

to reclass 2007 accounts payable as 2008 accounts payable		
602-20101 A/P GEN	\$ 23,685.00	
602-46990-434 STATE FEES FOR WATER-SEWER		\$ 23,685.00
Total	\$ 23,685.00	\$ 23,685.00

Adjusting Journal Entries JE # 27

to reclass TIF payment		
101-20100 DUE TO OTHER GOV'T UNITS	\$ 8.00	
101-41200-885 TIF SETTLEMENT	30,000 00	
101-20800 A/P YE ACCRUAL		\$ 30,000 00
101-41200-885 TIF SETTLEMENT		8.00
Total	\$ 30,008.00	\$ 30,008.00



Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 7, 2008

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



Financial Position and Results of Operations

Our principal observations and recommendations are summarized below. These recommendations resulted from our observations made in connection with our audit of the City's financial statements for the year ended December 31, 2007

General Fund

The General fund is used to account for resources traditionally associated with government, which are not required legally or by sound principal management to be accounted for in another fund. The General fund balance decreased \$30,057 from 2006. The fund balance of \$2,891,548 is 113 percent of the 2008 budgeted expenditures. We recommend the fund balance be maintained at a level sufficient to fund operations until the major revenue sources are received in June. We feel a reserve of approximately 50 percent of planned expenditures and transfers out is adequate to meet working capital and small emergency needs.

The Minnesota Office of the State Auditor has classified cities' unreserved fund balance levels relative to expenditures as follows:

	Percent of Planned <u>Expenditures</u>	Months Expenditures <u>on hand</u>
Extremely low	Under 20%	Under 2.5
Low	21 - 34	2.5 - 4
Acceptable	35 - 50	4 - 6
Moderately high	51 - 64	6 - 7
High	65 - 100	8 - 12
Very high	100 - 150	12 - 18
Extremely high	Above 150	Above 18

The State Auditor does group all General and special revenue funds of the government when making this calculation where our calculation is based only on the General fund. The Office of the State Auditor (the OSA) has issued a *Statement of Position* relating to fund balance stating "a local government should identify fund balance separately between reserved and unreserved fund balance. The local government may assign and report some or all of the fund balance as designated and undesignated." The OSA also recommends local governments adopt a formal policy on the level of unreserved fund balance that should be maintained in the general and special revenue funds. This helps address citizen concerns as to the use of fund balance and tax levels



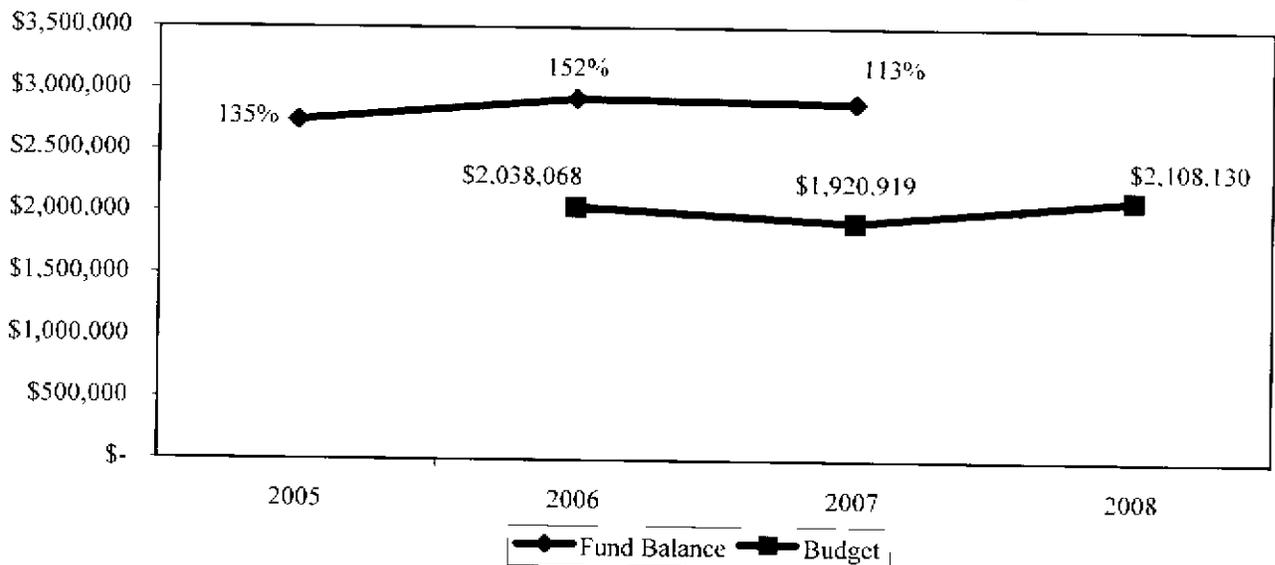
The purposes and benefits of a strong fund balance are as follows

- Expenditures are incurred somewhat evenly throughout the year. However, property tax and state aid revenues are not received until the second half of the year. An adequate fund balance will provide the cash flow required to finance the governmental fund expenditures.
- The City is vulnerable to legislative actions at the State and Federal level. The State continually adjusts the local government aid and property tax credit formulas. We also have seen the State mandate levy limits for cities over 2,500 in population. An adequate fund balance will provide a temporary buffer against those aid adjustments or levy limits.
- Expenditures not anticipated at the time the annual budget was adopted may need immediate Council action. These would include capital outlay, replacement, lawsuits and other items. An adequate fund balance will provide the financing needed for such expenditures.
- A strong fund balance will assist the City in maintaining, improving or obtaining its bond rating. The result will be better interest rates in future bond sales.

A table summarizing the general fund balance in relation to budget follows

Year	Total Fund Balance December 31	Unreserved - Designated Fund Balance December 31	Budget Year	General Fund Budget	Percent of Unreserved Fund Balance to Budget
2005	\$ 2,741,495	\$ 2,741,495	2006	\$ 2,038,068	135 %
2006	2,921,605	2,921,605	2007	1,920,919	152
2007	2,891,548	2,389,848	2008	2,108,130	113

Unreserved Fund Balance as a Percent of Next Year's Budget





A summary of the 2007 operations is as follows

	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues	\$ 2,135,299	\$ 1,992,695	\$ (142,604)
Expenditures	<u>1,920,919</u>	<u>1,811,895</u>	<u>109,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>214,380</u>	<u>180,800</u>	<u>(33,580)</u>
Other financing sources (uses)			
Transfers in	-	4,023	4,023
Sale of capital assets	500	-	(500)
Transfers out	<u>(214,880)</u>	<u>(214,880)</u>	<u>-</u>
Total other financing sources (uses)	<u>(214,380)</u>	<u>(210,857)</u>	<u>3,523</u>
Net change in fund balance	-	(30,057)	(30,057)
Fund balance, January 1	<u>2,921,605</u>	<u>2,921,605</u>	<u>-</u>
Fund balance, December 31	<u>\$ 2,921,605</u>	<u>\$ 2,891,548</u>	<u>\$ (30,057)</u>

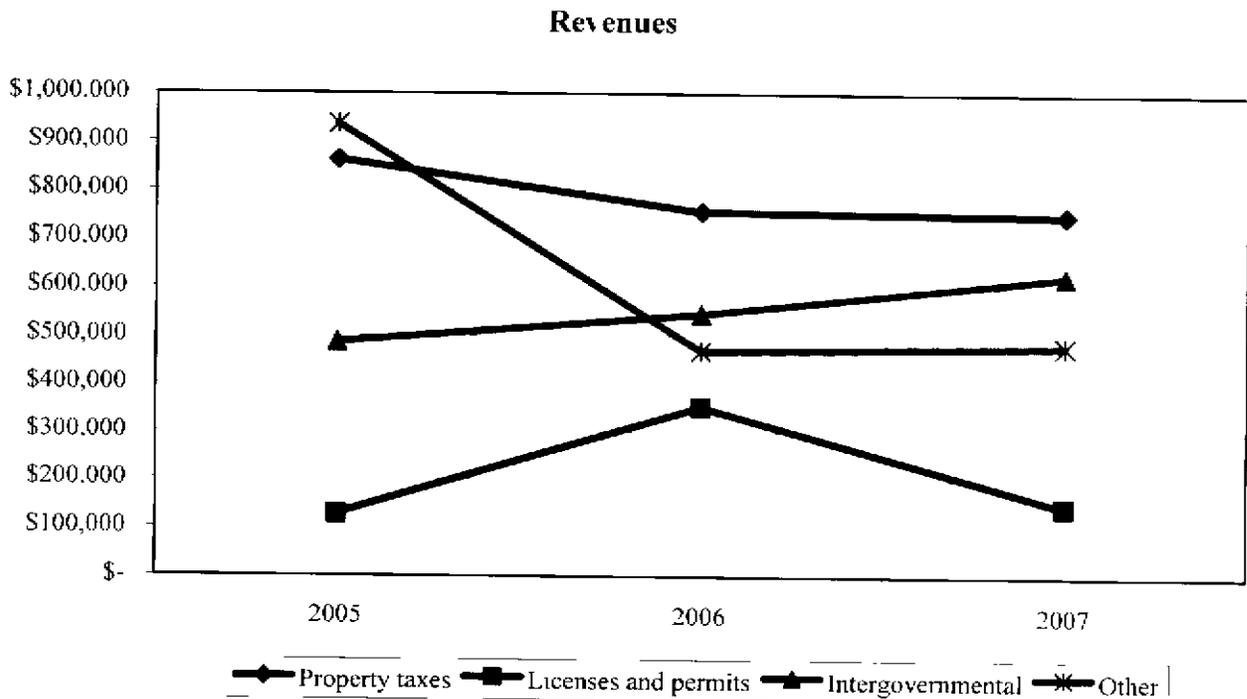
- The negative revenue variance was due mainly to licenses and permits being \$246,637 under budget. This large variance was offset by positive variances with interest on investments and intergovernmental revenues.
- The positive expenditure variance was due to capital expenditures being under budget by \$128,082, of which general government was the largest contributor. Current expenditures for general government and culture and recreation were all over budget.
- The General fund transferred \$214,880 for funding of capital purchases.



A more detailed comparison of general fund revenues for the past three years is as follows:

Source	2005	2006	2007	Percent of Total
Property taxes	\$ 862,237	\$ 754,915	\$ 747,767	37.5 %
Licenses and permits	126,663	351,667	143,163	7.2
Intergovernmental	486,456	544,882	623,253	31.3
Charges for services	248,835	244,863	253,732	12.7
Fines and forfeits	40,231	44,377	32,991	1.7
Special assessments	8,593	3,895	3,609	0.2
Interest on investments	77,417	102,669	149,546	7.5
Miscellaneous	561,434	73,104	38,634	1.9
Total revenues	\$ 2,411,866	\$ 2,120,372	\$ 1,992,695	100.0 %

The sources of revenue summarized above are presented graphically as follows:



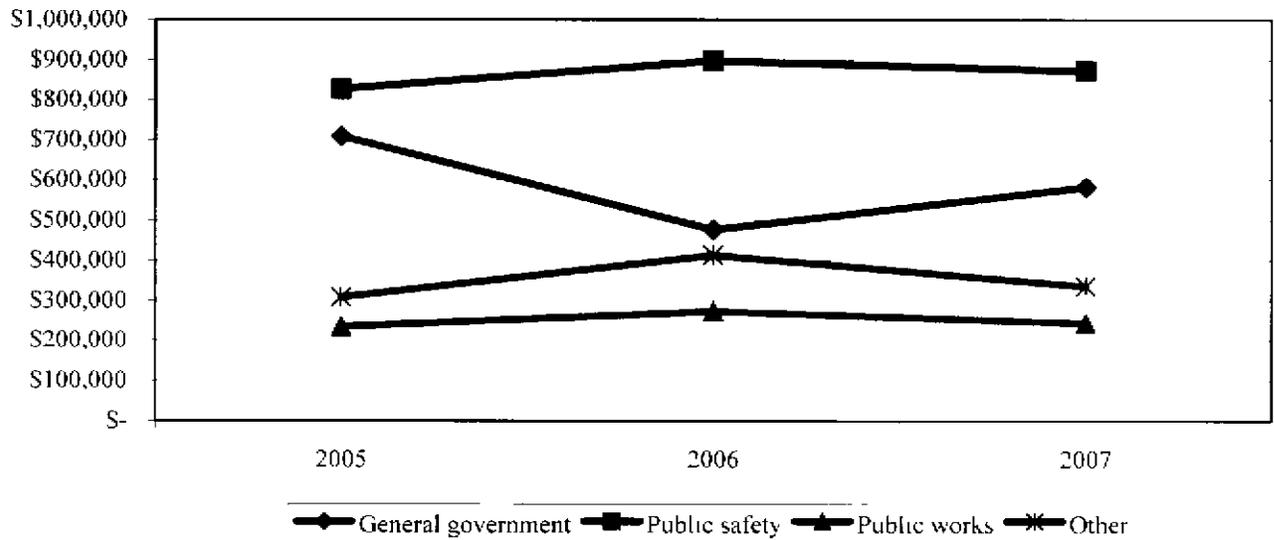


A more detailed comparison of general fund expenditures and transfers is as follows

Program	2005	2006	2007	Percent of Total
General government	\$ 707,667	\$ 475,343	\$ 580,350	28.6 %
Public safety	826,878	896,696	870,623	43.0
Public works	233,355	271,017	241,178	11.9
Culture and recreation	59,429	68,615	85,288	4.2
Miscellaneous	4,762	5,608	2,538	0.1
Unallocated	-	31,820	-	-
Capital outlay	243,856	72,663	31,918	1.6
Transfers out	-	233,500	214,880	10.6
Total expenditures and transfers	\$ 2,075,947	\$ 2,055,262	\$ 2,026,775	100.0 %

The expenditures and transfers summarized above are presented graphically as follows

Expenditures and Transfers





Special Revenue Funds

Special revenue funds include funds used to account for revenue derived from specific revenue sources that are restricted to expenditures for specified purposes. The fund balances of each fund in this group are as follows:

Fund	Fund Balances December 31,		Increase (Decrease)
	2007	2006	
Major			
Fire Equipment Replacement	\$ 151,773	\$ 351,761	\$ (199,988)
Tax Stabilization	1,361,372	1,292,047	69,325
Park Improvement	11,836	385,698	(373,862)
Nonmajor			
DARI	-	7,351	(7,351)
Drug Forfeiture	22,537	5,117	17,420
Public Works Equipment Replacement	539,858	472,312	67,546
Recreation Capital Equipment Maintenance	53,878	47,548	6,330
Library	320,078	351,769	(31,691)
Total	<u>\$ 2,461,332</u>	<u>\$ 2,913,603</u>	<u>\$ (452,271)</u>

Large decreases in the Fire Equipment Replacement and Park Improvement fund balances resulted from capital expenditures during 2007. The City currently has no special revenue funds with deficit balances. These funds receive a significant portion of their revenues from interfund transfers, so it is important that the City continue to monitor these funds as well as budget properly to ensure no funds have deficit balances.

Debt Service Funds

Debt service funds are used to account for the payment of long-term debt principal and interest. Governmental accounting does not report the outstanding debt as a liability of the fund. The following is a summary of the assets accumulated in each debt service fund and the related long-term debt at year end.

Debt Description	December 31, 2007			Final Maturity Date
	Total Cash	Total Assets	Bonds Outstanding	
G O Tax Increment Bonds				
Tax Increment Refunding, Series 2001	<u>\$ 430,350</u>	<u>\$ 430,350</u>	<u>\$ 1,075,000</u>	11/30/2012



Capital Projects Funds

These funds accumulate resources to finance major capital acquisition and construction projects. A recap of each fund and fund balances (deficits) follows:

Fund	Fund Balances (Deficits)		Increase (Decrease)
	December 31,		
	2007	2006	
Major			
Street Reconstruction	\$ 2,816,901	\$ 2,610,815	\$ 206,086
Water & Sewer Improvements	617,675	522,432	95,243
Developer Reimbursed Projects	133,396	167,142	(33,746)
Nonmajor			
Tax Increment District 1	254,504	243,724	10,780
Tax Increment District 2	89	85	4
Tax Increment District 2-1	2,587	(408)	2,995
Prison Sewer Project	851	787	64
Total	<u>\$ 3,826,003</u>	<u>\$ 3,544,577</u>	<u>\$ 281,426</u>

As projects are completed the City should transfer the remaining resources to the original funding source or to a permanent reserve fund.

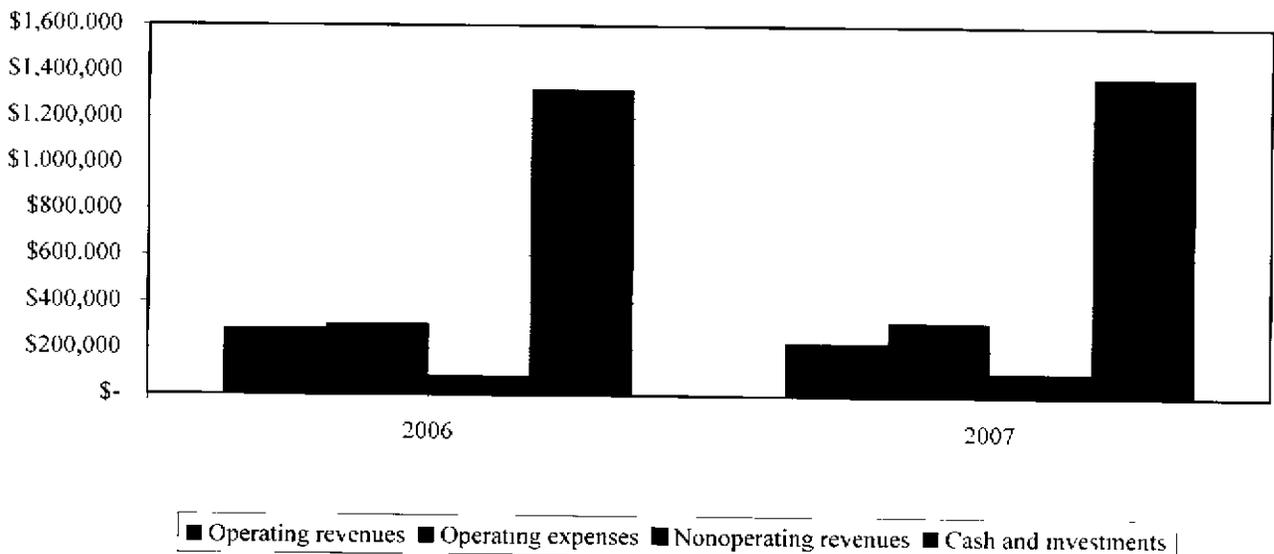


Enterprise Funds

The Water Utility and Sewer Utility make up this fund type. A comparison of the Water Utility Fund follows:

	2006	Percent of Revenues	2007	Percent of Revenues
Operating revenues	\$ 286,167	100.0 %	\$ 232,204	100.0 %
Operating expenses	307,509	107.5	320,885	138.2
Loss from operations	(21,342)	(7.5)	(88,681)	(38.2)
Nonoperating revenues	78,081	27.3	98,990	42.6
Net transfers	(5,000)	(1.7)	(2,919)	(1.3)
Capital contributions	1,010,047	353.0	3,831,917	1,650.2
Change in net assets	<u>\$ 1,061,786</u>	<u>371.1 %</u>	<u>\$ 3,839,307</u>	<u>1,653.3 %</u>
Cash and investments	<u>\$ 1,322,158</u>		<u>\$ 1,382,213</u>	

Water Utility Fund



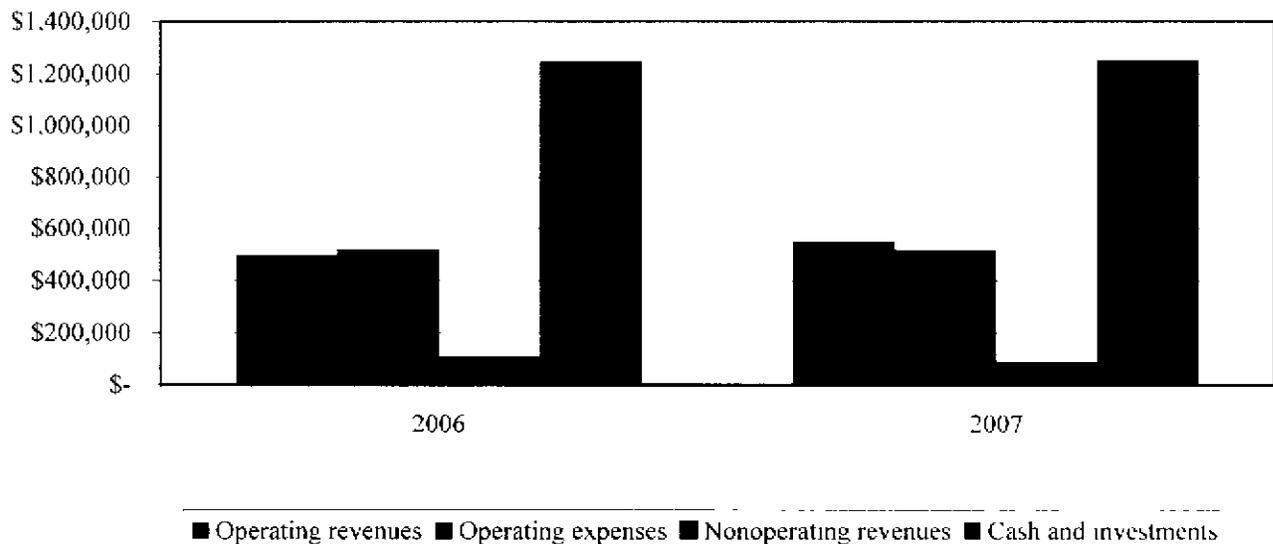
The fund showed a large increase in net assets, due to assets contributed from other funds and developers. Charges for services decreased during 2007 while operating expenses increased. The fund incurred an operating loss for the second consecutive year. The increase in nonoperating revenue is due to interest earned on investments. The City should review its current rates to ensure charges for services are adequate to cover operating expenses. We can assist the City in conducting a rate study as well as cash flow projections.



A comparison for the Sewer Utility fund follows:

	2006	Percent of Revenues	2007	Percent of Revenues
Operating revenues	\$ 496,132	100.0 %	\$ 550,732	100.0 %
Operating expenses	520,025	104.8	516,675	93.8
Income (loss) from operations	(23,893)	(4.8)	34,057	6.2
Nonoperating revenues	103,798	20.9	82,054	14.9
Net transfers	(115,000)	(23.2)	(112,925)	(20.5)
Capital contributions	685,132	138.1	692,411	125.7
Change in net assets	<u>\$ 650,037</u>	<u>131.0 %</u>	<u>\$ 695,597</u>	<u>126.3 %</u>
Cash and investments	<u>\$ 1,248,439</u>		<u>\$ 1,250,475</u>	

Sewer Utility Fund



Much like the Water fund, the large increase in net assets was the cause of assets contributed from other funds and developers. Charges for services increased and operating expenditures decreased, which allowed the fund to show operating income. The decrease in nonoperating revenues was caused by fewer new connections to the City's sewer system. The fund transferred \$115,000 for future capital purchases. It is important for the City to review its rates to ensure that operating expenses are covered by charges for services. We can assist the City in doing a rate study as well as future cash flow projections.



Ratio Analysis

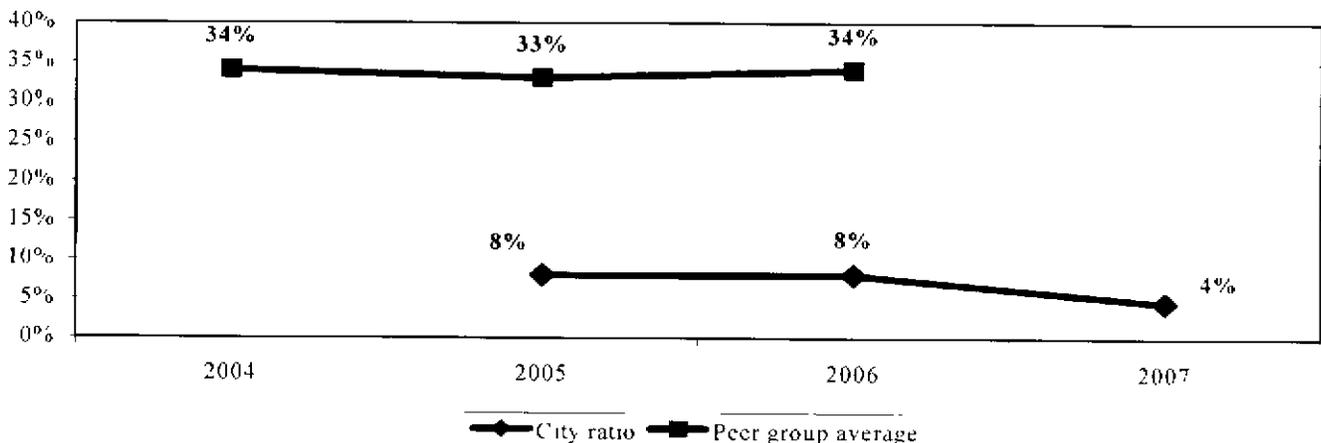
The following captures a few ratios from the City's financial statements that give some additional information for trend and peer group analysis. The peer group average consists of the average of Abdo, Eick & Meyers' client base of approximately 100 cities. The majority of these ratios facilitate the use of economic resources focus and accrual basis of accounting at the government-wide level. A combination of liquidity (ability to pay its most immediate obligations), solvency (ability to pay its long-term obligations), funding (comparison of financial amounts and economic indicators to measure changes in financial capacity over time) and common-size (comparison of financial data with other cities regardless of size) ratios are shown below.

Ratio	Calculation	Source	2004	2005	2006	2007
Debt to assets	Total liabilities/total assets	Government-wide	N/A 34%	8% 33%	8% 34%	4% N/A
Debt per capita	Bonded debt/population	Government-wide	N/A \$ 2,160	\$ 390 \$ 2,264	\$ 364 \$ 2,488	\$ 331 N/A
Taxes per capita	Tax revenues/population	Government-wide	N/A \$ 337	\$ 347 \$ 365	\$ 299 \$ 398	\$ 311 N/A
Capital assets % left to depreciate - Governmental	Net capital assets/ gross capital assets	Government-wide	N/A 68%	67% 67%	71% 69%	79% N/A
Capital assets % left to depreciate - Business-type	Net capital assets/ gross capital assets	Government-wide	N/A 67%	62% 67%	76% 66%	88% N/A

Represents the City of Bayport
 Represents the Peer Group Average

Debt-to-Assets Leverage Ratio (Solvency Ratio)

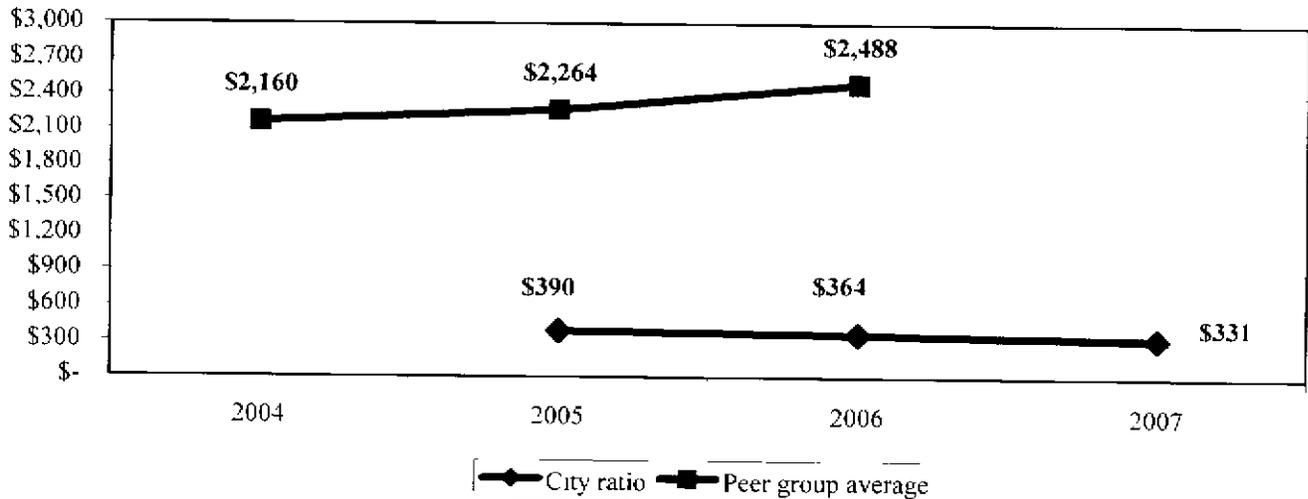
The debt-to-assets leverage ratio is a comparison of a city's total liabilities to its total assets or the percentage of total assets that are provided by creditors. It indicates the degree to which the City's assets are financed through borrowings and other long-term obligations (i.e. a ratio of 50 percent would indicate half of the assets are financing with outstanding debt).





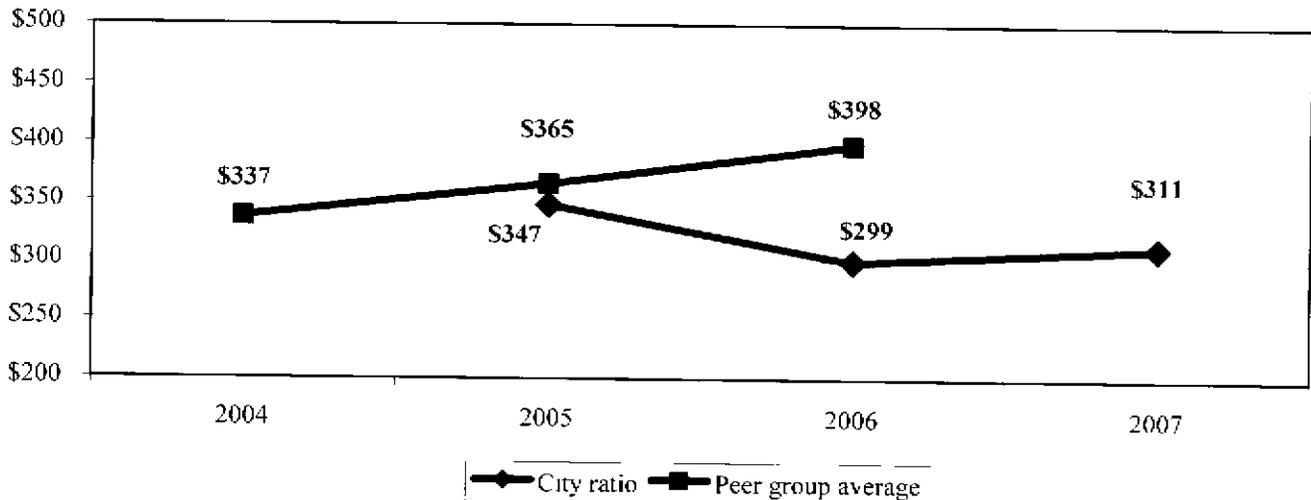
Bonded Debt per Capita (Funding Ratio)

This dollar amount is arrived at by dividing the total bonded debt by the population of the city and represents the amount of bonded debt obligation for each citizen of the city at the end of the year. The higher the amount, the more resources are needed in the future to retire these obligations through taxes, assessments or user fees.



Taxes per Capita (Funding Ratio)

This dollar amount is arrived at by dividing the total tax revenues by the population of the city and represents the amount of taxes for each citizen of the city for the year. The higher this amount is, the more reliant the city is on taxes to fund its operations.

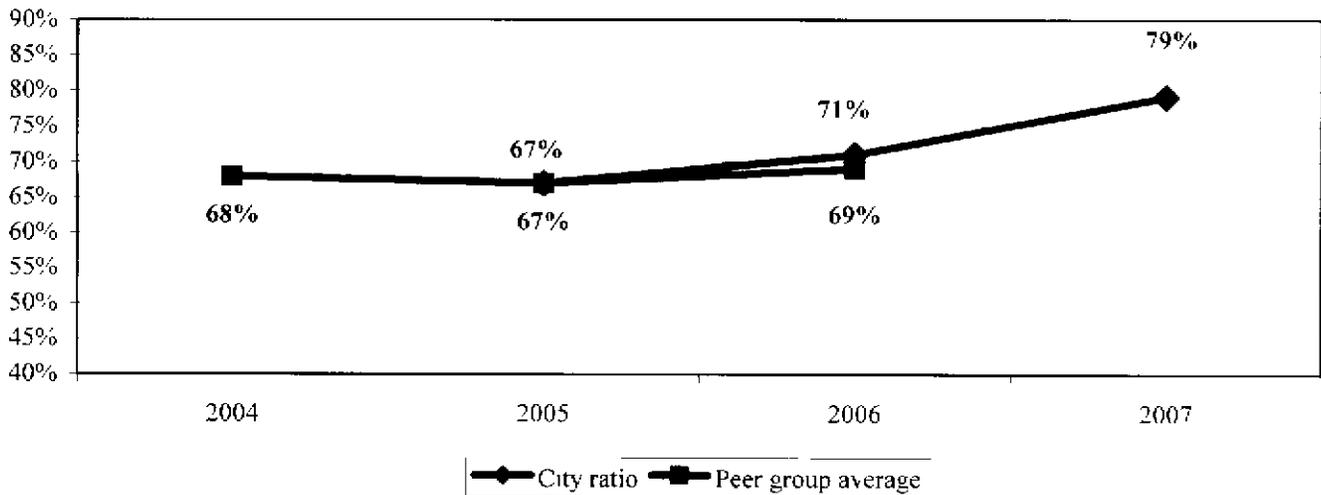




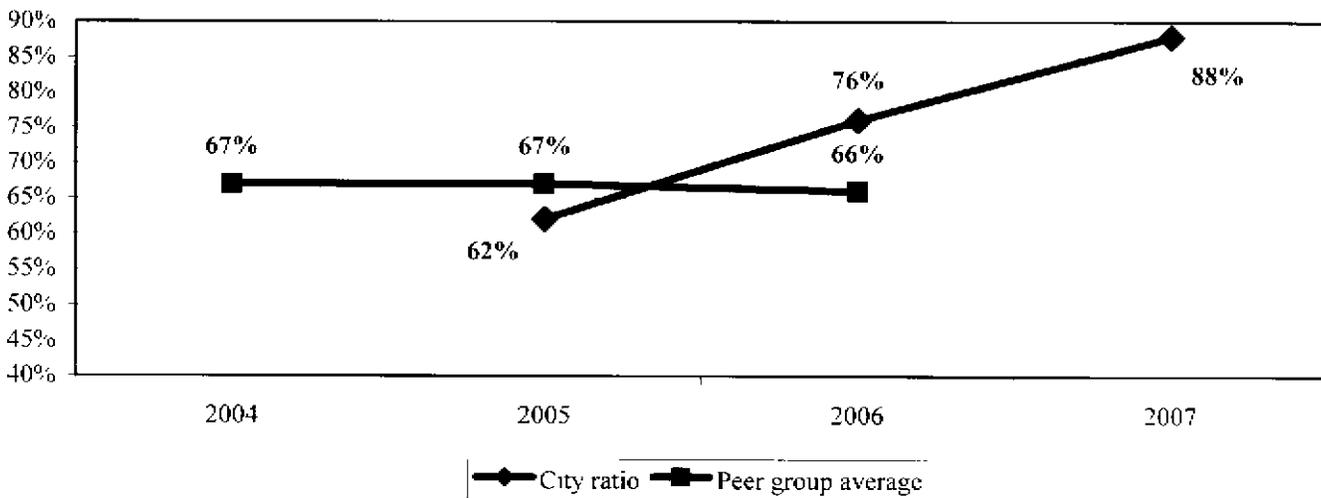
Capital Assets Percentage (Common-size Ratio)

This percentage represents the percent of governmental or business-type capital assets that are left to be depreciated. The lower this percentage, the older the city's capital assets are and may need major repairs or replacements in the near future. A higher percentage may indicate newer assets being constructed or purchased and may coincide with higher debt ratios or bonded debt per capita.

Governmental Activities



Business-type Activities





Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future City financial statements:

GASB Statement No. 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*

This statement is effective in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999

- Governments that were phase 1 governments for the purpose of implementation of Statement No. 34 - those with annual revenues of \$100 million or more - are required to implement this Statement in financial statements for periods beginning after December 15, 2006
- Governments that were phase 2 governments for the purpose of implementation of Statement No. 34 - those with total annual revenues of \$10 million or more but less than \$100 million - are required to implement this Statement in financial statements for periods beginning after December 15, 2007
- Governments that were phase 3 governments for the purpose of implementation of Statement No. 34 - those with total annual revenues of less than \$10 million - are required to implement this Statement in financial statements for periods beginning after December 15, 2008. The City qualifies under this phase, and therefore would have to implement in the 2009 financial statements

Statement No. 45 gives the following summary. "In addition to pensions, many state and local governmental employers provide other postemployment benefits (OPEB) as part of the total compensation offered to attract and retain the services of qualified employees. OPEB includes postemployment healthcare, as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers."



GASB Statement No. 49 - Accounting and Financial Reporting for Pollution Remediation Obligations

This statement was issued November 2007 and is effective for periods beginning after December 15, 2007, but liabilities should be measured at the beginning of that period so that beginning net assets can be restated.

This standard is intended to ensure that certain cost and long-term obligations related to pollution clean up not specifically addressed by current governmental accounting standards will be included in financial reports. The standards set forth the key circumstances under which a government would be required to report a liability related to pollution remediation. A government would have to determine whether one or more components of a pollution remediation liability are recognizable if any of the following five obligating events or triggers occurs:

- A government is compelled to take remediation action because pollution creates an imminent endangerment to the public health or welfare or environment leaving it little or no discretion to avoid remediation action.
- A government is in violation of a pollution prevention-related permit or license.
- The government is named, or evidence indicates it will be named, by a regulator that has identified the government as a responsible party or potentially responsible party for remediation, or as a government responsible for sharing costs.
- A government is named, or evidence indicates that it will be named, in a lawsuit to compel the government to participate in remediation.
- A government commences or legally obligates itself to commence clean up activities or monitoring or operation and maintenance of the remediation effort.

If any of the above bullets are met, the pollution remediation liabilities should be measured at their current value using the expected cash flow technique, which measures the liability as a sum of probability-weighted amounts in a range of possible estimated amounts. Expected recoveries from other responsible parties and from insurers reduce the amount of remediation expense. Statement No. 49 also specifies criteria for capitalization of some pollution remediation outlays.

GASB Statement No. 50 - Pension Disclosures

This statement was issued May 2007 and is effective for periods beginning after June 15, 2007, except for requirements related to the use of the entry age actuarial cost method for the purpose of reporting a surrogate funded status and funding progress of plans that use the aggregate actuarial cost method, which are effective for periods for which the financial statements and RSI contain information resulting from actuarial valuations as of June 15, 2007 or later.

This statement more closely aligns the financial reporting requirements for pensions with those for OPEB and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by this statement amend applicable note disclosure and RSI requirements of Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 27, Accounting for Pensions by State and Local Governmental Employers, to conform with requirements of Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, and 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This statement requires defined benefit pension plans and sole and agent employers present the following information related to note disclosures:

- Notes to financial statements should disclose the funded status of the plan as of the most recent actuarial valuation date. Defined benefit pension plans also should disclose actuarial methods and significant assumptions used in the most recent actuarial valuation in notes to financial statements instead of in notes to RSI.



- If the aggregate actuarial cost method is used to determine the annual required contribution of the employer (ARC), notes to financial statements should disclose the funded status of the plan, and a schedule of funding progress should be presented as RSI, using the entry age actuarial cost method. Plans and employers also should disclose that the purpose of doing so is to provide information that serves as a surrogate for the funded status and funding progress of the plan.
- Notes to financial statements should include a reference linking the funded status disclosure in the notes to financial statements to the required schedule of funding progress in RSI.
- If applicable, notes to financial statements should disclose legal or contractual maximum contribution rates. In addition, if relevant, they should disclose that the maximum contribution rates have not been explicitly taken into consideration in the projection of pension benefits for financial accounting measurement purposes.
- If an actuarial assumption is different for successive years, notes to financial statements should disclose the initial and ultimate rates.

GASB Statement No. 51 - *Accounting and Financial Reporting for Intangible Assets*

This statement was issued in June 2007 and is effective for periods beginning after June 15, 2009.

The new standard characterizes an intangible asset as an asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, computer software, water rights, timber rights, patents, and trademarks.

This statement requires that intangible assets be classified as capital assets (except for those explicitly excluded from the scope of the new standard, such as capital leases). Relevant authoritative guidance for capital assets should be applied to these intangible assets. The statement provides additional guidance that specifically addresses the unique nature of intangible assets, including:

- Requiring that an intangible asset be recognized in the statement of net assets only if it is considered identifiable.
- Establishing a specified-conditions approach to recognizing intangible assets that are internally generated (for example, patents and copyrights).
- Providing guidance on recognizing internally generated computer software.
- Establishing specific guidance for the amortization of intangible assets.



* * * * *

This report is intended solely for the information and use of management, Council and the Minnesota Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendations in the report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the opportunity to be of service and for the courtesy and cooperation extended to us by your staff.

April 7, 2008
Minneapolis, Minnesota

Abdo, Eick & Meyers, LLP
ABDO. EICK & MEYERS, LLP
Certified Public Accountants

CITY OF BAYPORT
BAYPORT, MINNESOTA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2007

CITY OF BAYPORT, MINNESOTA
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INTRODUCTORY SECTION

CITY OF BAYPORT
BAYPORT, MINNESOTA

YEAR ENDED
DECEMBER 31, 2007

CITY OF BAYPORT, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
YEAR ENDED DECEMBER 31 2007

ELECTED

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Jon Nowaczek	Mayor	12/31/08
Conne Carlson	Council Member	12/31/08
Sharon Ridgway	Council Member	12/31/08
Dan Johnson	Council Member	12/31/10
Torry Kraftson	Council Member	12/31/10

APPOINTED

<u>Name</u>	<u>Title</u>
Michael McGuire	Administrator
Wanda Madsen	Finance Officer

FINANCIAL SECTION

**CITY OF BAYPORT
BAYPORT, MINNESOTA**

**YEAR ENDED
DECEMBER 31, 2007**



Grandview Square
5201 Eden Avenue
Suite 370
Edina MN 55436

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Bayport, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information the City of Bayport (the City), Minnesota, as of and for the year ended December 31, 2007 which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the City as of December 31, 2006 were audited by other auditors whose report dated August 30, 2007, expressed an unqualified opinion on those statements.

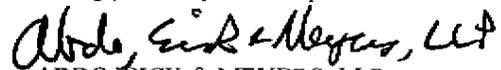
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2007 and the respective changes in financial position and cash flows and budgetary comparison for the General fund, where applicable for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages I through XII is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor and fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

April 7, 2008
Minneapolis, Minnesota


ABDO, EICK & MEYERS, LLP
Certified Public Accountants

Management's Discussion and Analysis

As management of the City of Bayport (the City), Minnesota, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2007

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$32,934,607 (net assets). Of this amount, \$12,796,900 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors
- The City's total net assets increased by \$9,404,165. A majority of this increase is attributable to contributions from developers
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,162,454, a decrease of \$161,486 in comparison with the prior year
- At the end of the current fiscal year, the unreserved fund balance for the General fund was \$2,826,492, or 156 percent of 2007 fund expenditures. The remaining fund balance of the General fund has been reserved for prepaid items and notes receivable in the amount of \$22,178 and \$42,878 respectively

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

Figure 1
Required Components of the
City's Annual Financial Report

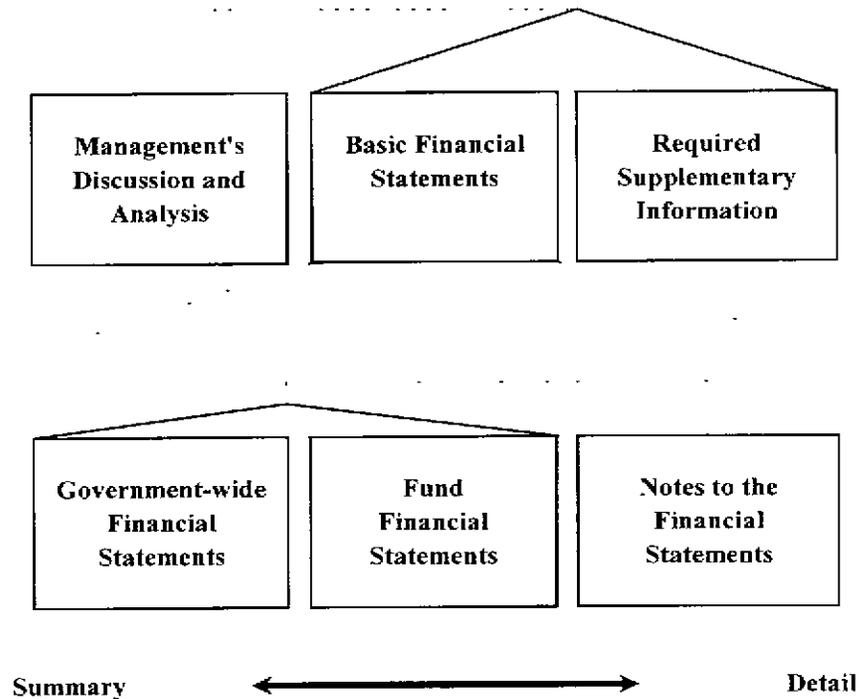


Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements

**Figure 2
 Major features of the Government-wide and Fund Financial Statements**

	Fund Financial Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Assets • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statements of Net Assets • Statements of Revenues, Expenses and Changes in Fund Net Assets • Statements of Cash Flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of in flow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, and interest on long-term debt. The business-type activities of the City include water and sewer utilities

The government-wide financial statements can be found on pages 3 - 5 of this report

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. The funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a city's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 18 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, the Debt Service fund, the Fire Equipment Replacement fund, the Tax Stabilization fund, the Park Improvement fund, the Street Reconstruction fund, the Water and Sewer Improvements fund and the Developer Reimbursed Project fund, all of which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund and all special revenue funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found on pages 6 - 15 of this report.

Proprietary funds. The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 16 - 23 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 - 45 of this report.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to financial statements. Combining and individual fund financial statements and schedules can be found on pages 46 - 64 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities \$32,934,607 at the close of the most recent fiscal year.

The largest portion of the City's net assets (60 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens, consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Net Assets

	Governmental Activities			Business-type Activities		
	2007	2006	Increase (Decrease)	2007	2006	Increase (Decrease)
Assets						
Current and other assets	\$ 10,868,224	\$ 11,621,654	\$ (753,430)	\$ 2,824,716	\$ 2,733,000	\$ 91,716
Capital assets (net of depreciation)	13,233,727	8,156,254	5,077,473	7,552,370	3,109,672	4,442,698
Total assets	24,101,951	19,777,908	4,324,043	10,377,086	5,842,672	4,534,414
Liabilities						
Long-term liabilities outstanding	1,111,799	1,216,297	(104,498)	8,481	15,884	(7,403)
Other liabilities	382,610	823,330	(440,720)	41,540	34,477	7,063
Total liabilities	1,494,409	2,039,627	(545,218)	50,021	50,361	(340)
Net assets						
Invested in capital assets net of related debt	12,158,727	7,001,254	5,157,473	7,552,370	3,109,672	4,442,698
Restricted	426,610	395,742	30,868	-	-	-
Unrestricted	10,022,205	10,341,285	(319,080)	2,774,695	2,682,489	92,206
Total net assets	\$ 22,607,542	\$ 17,738,281	\$ 4,869,261	\$ 10,327,065	\$ 5,792,161	\$ 4,534,904

An additional portion of the City's net assets (426,610 or 1 percent) represents resources that are subject to external restrictions on how they may be used. These restrictions are basically obligation for future debt service. The remaining balance of *unrestricted net assets* (\$12,796,900) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the City as a whole, as well as for its separate governmental and business-type activities.

The City's net assets increased \$9,404,165 during the current fiscal year, primarily due to contributions from developers.

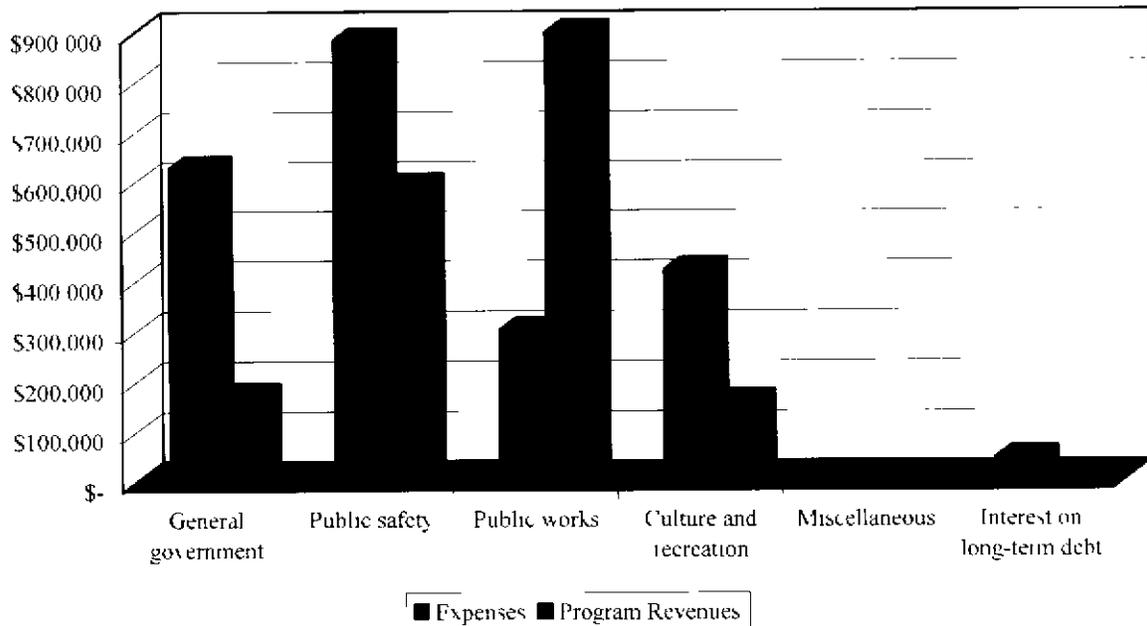
Governmental activities Governmental activities increased the City's net assets \$4,869,261 thereby accounting for 52 percent of the total growth in the net assets of the City. Key elements of this increase are as follows:

Changes in Net Assets

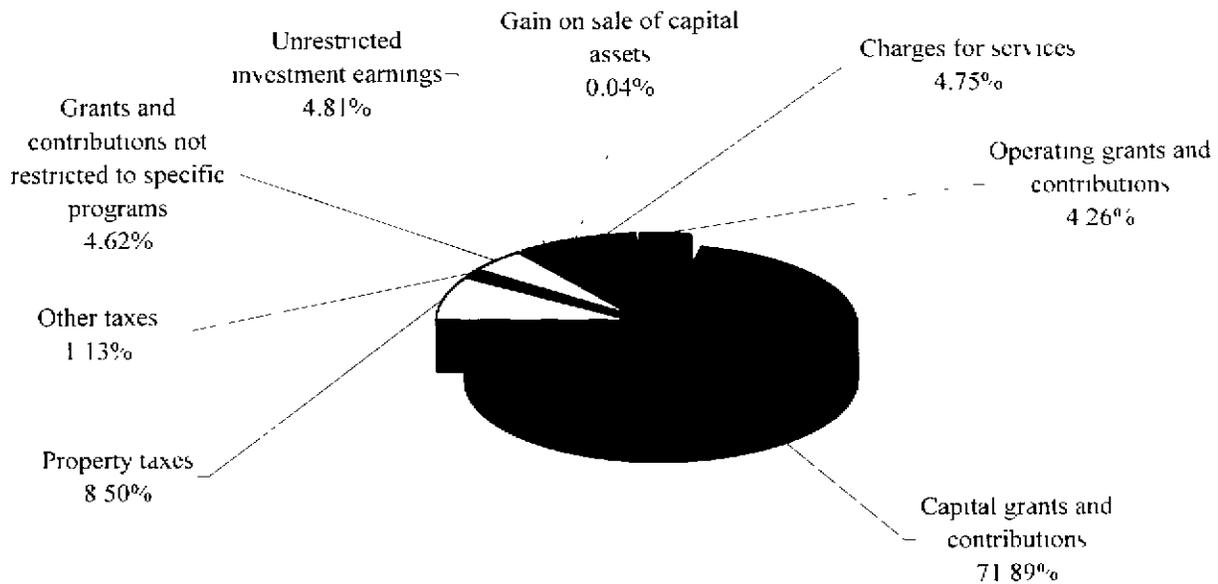
	Governmental Activities			Business-type Activities		
	2007	2006	Increase (Decrease)	2007	2006	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 497,035	\$ 3,423,329	\$ (2,926,294)	\$ 782,936	\$ 873,649	\$ (90,713)
Operating grants and contributions	446,512	275,663	170,849	-	-	-
Capital grants and contributions	7,529,500	982,006	6,547,494	1,149,918	-	1,149,918
General revenues						
Property taxes	890,780	865,447	25,333	-	-	-
Tax increments	118,203	83,097	35,106	-	-	-
Gambling taxes	634	6,057	(5,423)	-	-	-
Grants and contributions not restricted to specific programs						
Unrestricted investment earnings	483,738	398,564	85,174	-	-	-
Gain on sale of capital assets	503,471	362,715	140,756	134,877	90,529	44,348
	4,500	-	4,500	-	-	-
Total revenues	10,474,373	6,396,878	4,077,495	2,067,731	964,178	1,103,553
Expenses						
General government	630,096	615,340	14,756	-	-	-
Public safety	885,172	1,030,053	(144,881)	-	-	-
Public works	304,214	292,410	11,804	-	-	-
Culture and recreation	423,181	439,852	(16,671)	-	-	-
Miscellaneous	10,338	5,608	4,730	-	-	-
Interest on long-term debt	47,378	49,915	(2,537)	-	-	-
Water	-	-	-	320,885	307,508	13,377
Sewer	-	-	-	516,675	520,025	(3,350)
Total expenses	2,300,379	2,433,178	(132,799)	837,560	827,533	10,027
Increase in net assets before transfers	8,173,994	3,963,700	4,210,294	1,230,171	136,645	1,093,526
Capital transfers	(3,420,577)	-	(3,420,577)	3,420,577	-	3,420,577
Transfers	115,844	(1,575,179)	1,691,023	(115,844)	1,575,179	(1,691,023)
Change in net assets	4,869,261	2,388,521	2,480,740	4,534,904	1,711,824	2,823,080
Net assets January 1	17,738,281	15,349,760	2,388,521	5,792,161	4,065,433	1,726,728
Prior period adjustment	-	-	-	-	14,904	(14,904)
Net assets, December 31	\$ 22,607,542	\$ 17,738,281	\$ 4,869,261	\$ 10,327,065	\$ 5,792,161	\$ 4,534,904

The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities

Expenses and Program Revenues - Governmental Activities



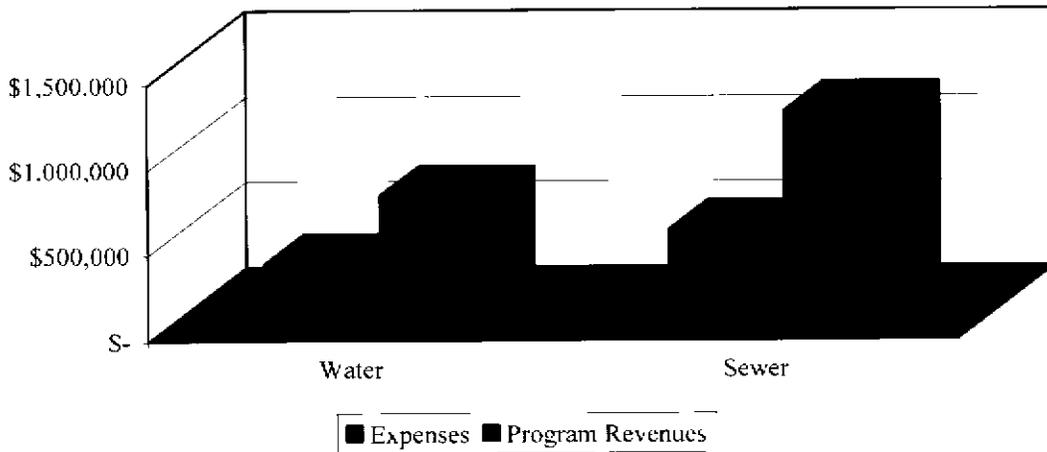
Revenues by Source - Governmental Activities



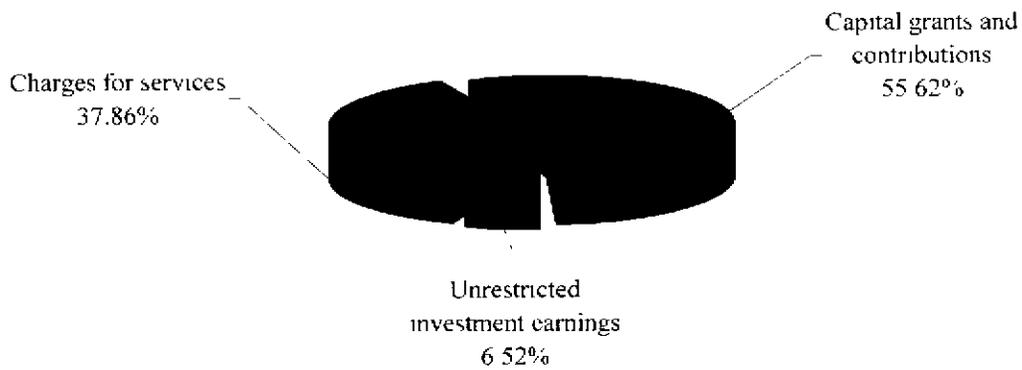
Business-type activities. Business-type activities increased the City's net assets by \$4,534,904, accounting for 48 percent of the total growth of the City's net assets. Key elements of this increase are as follows:

- Capital contributions and developer contributions totaled \$4,524,328

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements

Governmental funds The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,162,454 a decrease of \$161,486 in comparison with the prior year. Approximately 90 percent of this total amount \$9,139,610 constitutes *unreserved fund balance*. \$4,517,634 has been targeted for specific projects. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for prepaid items (\$24,616), for notes receivable (\$42,878), to pay debt service (\$430,350) and for city council restricted investments (\$525,000)

The General fund is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund was \$2,891,548. As a measure of the General fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 134 percent of the following year's budget, while total fund balance represents 113 percent of that same amount.

The fund balance of the City's General fund decreased \$30,057 during the current fiscal year. The key factor of this decrease was transfers to fund capital expenditures.

The Debt Service fund has a total fund balance of \$430,350, all of which is reserved for the payment of debt service. The net increase in fund balance during the current year in the Debt Service fund was \$30,431.

The Fire Equipment Replacement fund showed a decrease of \$199,988, for an ending fund balance of \$151,773. The decrease is due to capital expenditures related to a new truck.

The Tax Stabilization fund balance is \$1,361,372. The fund balance increased \$69,325 during the year, due to interest on investments and a transfer in.

The Park Improvement fund balance decreased \$373,862, for an ending fund balance of \$11,836. This decrease was attributable to capital expenditures for the City's parks system.

The Street Reconstruction fund has a fund balance of \$2,816,901 and showed an increase of \$206,086. This increase in fund balance was primarily due to interest on investments and special assessment collections.

The Water and Sewer Improvements fund had an increase in fund balance of \$95,423. The City received \$396,566 of grant proceeds from the Minnesota Pollution Control Agency. This grant revenue offset major capital expenditures during 2007.

The Developer Reimbursed Projects fund ended the year with a fund balance of \$133,396, which was a decrease of \$33,746 in comparison with the prior year. This decrease was due to capital expenditures during 2007.

Proprietary fund. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to \$2,774,695. The total increase in net assets for the funds was \$4,534,904. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

Budgetary Highlights

The City's General fund budget was not amended during the year. The 2007 budget was a balanced budget. Actual change in fund balance was a decrease of \$30,057. This decrease was due to revenues falling short of budgeted figures by \$142,604. This negative variance was somewhat offset by expenditures, which were under budget by \$109,024.

The largest variances were provided by Licenses and Permits, a negative variance of \$246,637 and Capital Outlay, a positive variance of \$128,082.

The Fire Equipment Replacement fund budget provided only a \$12 variance from actual. Revenues and expenditures both had negative variances, however the sale of capital assets created a positive variance overall.

The Tax Stabilization fund had a positive budget variance. Interest on investments, \$12,050 in excess of budget, was the primary reason for the increased fund balance.

The Park Improvement fund balance decreased \$227,362 during the year. Revenues provided a positive budget variance of \$14,079, due to rents. Expenditures were in excess of budget by \$242,035, primarily due to capital outlay expenditures.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2007, amounts to \$20,786,097 (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, park facilities, and streets. The total increase in the City's investment in capital assets for the current fiscal year was 95 percent.

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

- The City received over \$8 million of developer contributed assets involved with the Inspiration Phase 1 Development. The contributed assets include land as well as street, water, sewer and storm infrastructure assets.
- The Baytown Utility Extension Project was completed, with an ending value of over \$2 million.
- The Well 2 Stripping System Project was completed, with an ending value of over \$1 million.
- A fire truck was purchased, totaling over \$540,000.

Additional information on the City's capital assets can be found in Note 3C on pages 35 - 37 of this report.

Capital Assets Net of Depreciation

	Governmental Activities			Business-type Activities		
	2007	2006	Increase (Decrease)	2007	2006	Increase (Decrease)
Land	\$ 6,198,024	\$ 477,380	\$ 5,720,644	\$ -	\$ -	\$ -
Buildings and improvements	3,020,984	3,110,971	(89,987)	3,565	3,903	(338)
Machinery and equipment	2,093,010	1,539,300	553,710	60,763	21,440	39,323
Library books	36,981	60,812	(23,831)	-	-	-
Infrastructure	1,499,446	-	1,499,446	7,488,042	3,084,329	4,403,713
Construction in process	385,282	2,967,791	(2,582,509)	-	-	-
Total	\$ 13,233,727	\$ 8,156,254	\$ 5,077,473	\$ 7,552,370	\$ 3,109,672	\$ 4,442,698

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements

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Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Wanda Madsen, Finance Director, City of Bayport, 294 North 3rd Street, Bayport MN, 55003.

BASIC FINANCIAL STATEMENTS

CITY OF BAYPORT
BAYPORT, MINNESOTA

YEAR ENDED
DECEMBER 31, 2007

CITY OF BAYPORT, MINNESOTA
STATEMENT OF NET ASSETS
DECEMBER 31, 2007

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and temporary investments	\$ 9,844,523	\$ 2,632,688	\$ 12,477,211
Receivables			
Accrued interest	176,363	-	176,363
Delinquent taxes	45,428	-	45,428
Accounts	441,150	188,767	629,917
Special assessments	293,266	-	293,266
Notes	42,878	-	42,878
Prepaid items	24,616	3,261	27,877
Capital assets			
Land and construction in progress	6,583,306	-	6,583,306
Depreciable assets (net of accumulated depreciation)	6,650,421	7,552,370	14,202,791
TOTAL ASSETS	24,101,951	10,377,086	34,479,037
LIABILITIES			
Accounts payable	250,806	30,523	281,329
Accrued salaries payable	30,790	7,935	38,725
Accrued interest payable	3,740	-	3,740
Due to other governments	30,290	3,082	33,372
Deposits payable	500	-	500
Unearned revenue	66,484	-	66,484
Noncurrent liabilities			
Due within one year			
Bonds payable	80,000	-	80,000
Compensated absences payable	7,495	1,728	9,223
Due in more than one year			
Bonds payable	995,000	-	995,000
Compensated absences payable	29,304	6,753	36,057
TOTAL LIABILITIES	1,494,409	50,021	1,544,430
NET ASSETS			
Invested in capital assets net of related debt	12,158,727	7,552,370	19,711,097
Restricted for			
Debt service	426,610	-	426,610
Unrestricted	10,022,205	2,774,695	12,796,900
TOTAL NET ASSETS	\$ 22,607,542	\$ 10,327,065	\$ 32,934,607

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

CITY OF BAYPORT, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 630,096	\$ 155,936	\$ 13,861	\$ 4,606
Public safety	885,172	282,604	311,548	-
Public works	304,214	3,645	14,340	7,524,894
Culture and recreation	423,181	54,850	106,763	-
Miscellaneous	10,338	-	-	-
Interest on long-term debt	47,378	-	-	-
Total governmental activities	2,300,379	497,035	446,512	7,529,500
Business-type activities				
Water	320,885	232,204	-	486,201
Sewer	516,675	550,732	-	663,717
Total business-type activities	837,560	782,936	-	1,149,918
Total	\$ 3,137,939	\$ 1,279,971	\$ 446,512	\$ 8,679,418

General revenues

- Taxes
 - Property taxes
 - Gravel taxes
 - Tax increments
- Grants and contributions not restricted to specific programs
- Unrestricted investment earnings
- Gain on sale of capital assets
- Transfers
 - Capital transfers

Total general revenues and transfers

Change in net assets

Net assets, January 1

Net assets, December 31

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

Net Revenues (Expenses)
and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (455,693)	\$ -	\$ (455,693)
(291,020)	-	(291,020)
7,238,665	-	7,238,665
(261,568)	-	(261,568)
(10,338)	-	(10,338)
(47,378)	-	(47,378)
<u>6,172,668</u>	<u>-</u>	<u>6,172,668</u>
-	397,520	397,520
-	697,774	697,774
<u>-</u>	<u>1,095,294</u>	<u>1,095,294</u>
<u>6,172,668</u>	<u>1,095,294</u>	<u>7,267,962</u>
890,780	-	890,780
634	-	634
118,203	-	118,203
483,738	-	483,738
503,471	134,877	638,348
4,500	-	4,500
115,844	(115,844)	-
(3,420,577)	3,420,577	-
<u>(1,303,407)</u>	<u>3,439,610</u>	<u>2,136,203</u>
4,869,261	4,534,904	9,404,165
<u>17,738,281</u>	<u>5,792,161</u>	<u>23,530,442</u>
<u>\$ 22,607,542</u>	<u>\$ 10,327,065</u>	<u>\$ 32,934,607</u>

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CITY OF BAYPORT, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2007

	General	Debt Service	Fire Equipment Replacement	Tax Stabilization
ASSETS				
Cash and temporary investments	\$ 2,592,900	\$ 430,350	\$ 151,773	\$ 1,361,372
Receivables				
Accounts	410	-	-	-
Accrued interest	176,363	-	-	-
Delinquent taxes	45,428	-	-	-
Special assessments				
Delinquent	289	-	-	-
Deferred	11,143	-	-	-
Notes	42,878	-	-	-
Due from other funds	283,006	-	-	-
Prepaid items	22,178	-	-	-
TOTAL ASSETS	\$ 3,174,595	\$ 430,350	\$ 151,773	\$ 1,361,372
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 113,962	\$ -	\$ -	\$ -
Accrued salaries payable	26,582	-	-	-
Due to other funds	-	-	-	-
Due to other governments	30,290	-	-	-
Deposits payable	500	-	-	-
Deferred revenue	111,713	-	-	-
TOTAL LIABILITIES	283,047	-	-	-
FUND BALANCES				
Reserved for				
Prepaid items	22,178	-	-	-
Note receivable	42,878	-	-	-
Debt service	-	430,350	-	-
City Council restricted investments	-	-	-	-
Unreserved				
Designated for, reported in				
Special revenue fund	-	-	151,773	-
Capital projects funds	-	-	-	-
Undesignated, reported in				
General fund	2,826,492	-	-	-
Special revenue fund	-	-	-	1,361,372
Permanent fund	-	-	-	-
TOTAL FUND BALANCES	2,891,548	430,350	151,773	1,361,372
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,174,595	\$ 430,350	\$ 151,773	\$ 1,361,372

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

FUND FINANCIAL STATEMENTS

CITY OF BAYPORT
BAYPORT, MINNESOTA

YEAR ENDED
DECEMBER 31, 2007

Park Improvement	Street Reconstruction	Water & Sewer Improvements	Developer Reimbursed Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 94,985	\$ 2,816,738	\$ 619,961	\$ -	\$ 1,776,444	\$ 9,844,523
-	-	23,538	417,202	-	441,150
-	-	-	-	-	176,363
-	-	-	-	-	45,428
-	-	-	-	-	289
-	47,534	234,300	-	-	292,977
-	-	-	-	-	42,878
-	-	-	-	-	283,006
-	-	-	-	2,438	24,616
<u>\$ 94,985</u>	<u>\$ 2,864,272</u>	<u>\$ 877,799</u>	<u>\$ 417,202</u>	<u>\$ 1,778,882</u>	<u>\$ 11,151,230</u>
\$ 83,149	\$ -	\$ 25,824	\$ 800	\$ 27,071	\$ 250,806
-	-	-	-	4,208	30,790
-	-	-	283,006	-	283,006
-	-	-	-	-	30,290
-	-	-	-	-	500
-	47,371	234,300	-	-	393,384
<u>83,149</u>	<u>47,371</u>	<u>260,124</u>	<u>283,806</u>	<u>31,279</u>	<u>988,776</u>
-	-	-	-	2,438	24,616
-	-	-	-	-	42,878
-	-	-	-	-	430,350
-	-	-	-	525,000	525,000
-	-	-	-	539,858	691,631
-	2,816,901	617,675	133,396	258,031	3,826,003
-	-	-	-	-	2,826,492
11,836	-	-	-	394,055	1,767,263
-	-	-	-	28,221	28,221
<u>11,836</u>	<u>2,816,901</u>	<u>617,675</u>	<u>133,396</u>	<u>1,747,603</u>	<u>10,162,454</u>
<u>\$ 94,985</u>	<u>\$ 2,864,272</u>	<u>\$ 877,799</u>	<u>\$ 417,202</u>	<u>\$ 1,778,882</u>	<u>\$ 11,151,230</u>

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CITY OF BAYPORT, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
DECEMBER 31, 2007

Total fund balances - governmental funds	\$ 10,162,454
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	16,732,544
Less. accumulated depreciation	(3,498,817)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds	
Long-term liabilities at year-end consist of:	
Bond principal payable	(1,075,000)
Compensated absences payable	(36,799)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	
Delinquent taxes	34,065
Special assessments	292,835
Governmental funds do not report a liability for accrued interest until due and payable.	<u>(3,740)</u>
Total net assets - governmental activities	<u><u>\$ 22,607,542</u></u>

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

CITY OF BAYPORT, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	General	Debt Service	Fire Equipment Replacement	Tax Stabilization
REVENUES				
Taxes	\$ 747,767	\$ 87,099	\$ -	\$ -
Licenses and permits	143,163	-	-	-
Intergovernmental	623,253	1,549	-	-
Charges for services	253,732	-	-	-
Fines and forfeitures	32,991	-	-	-
Special assessments	3,609	-	-	-
Interest on investments	149,546	19,414	7,907	67,050
Miscellaneous	38,634	-	240,682	-
TOTAL REVENUES	1,992,695	108,062	248,589	67,050
EXPENDITURES				
Current				
General government	580,350	-	-	-
Public safety	870,623	-	-	-
Public works	241,178	-	-	-
Culture and recreation	85,288	-	-	-
Miscellaneous	2,538	-	-	-
Capital outlay				
General government	80	-	-	-
Public safety	23,151	-	543,510	-
Public works	887	-	-	-
Culture and recreation	-	-	-	-
Miscellaneous	7,800	-	-	-
Debt service				
Principal	-	80,000	-	-
Interest and other	-	47,605	-	-
TOTAL EXPENDITURES	1,811,895	127,605	543,510	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	180,800	(19,543)	(294,921)	67,050
OTHER FINANCING SOURCES (USES)				
Transfers in	4,023	49,974	90,433	2,275
Sale of capital assets	-	-	4,500	-
Transfers out	(214,880)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(210,857)	49,974	94,933	2,275
NET CHANGE IN FUND BALANCES	(30,057)	30,431	(199,988)	69,325
FUND BALANCES, JANUARY 1	2,921,605	399,919	351,761	1,292,047
FUND BALANCES, DECEMBER 31	\$ 2,891,548	\$ 430,350	\$ 151,773	\$ 1,361,372

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

Park Improvement	Street Reconstruction	Water & Sewer Improvements	Developer Reimbursed Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 160,424	\$ 995,290
-	-	-	-	-	143,163
-	-	396,566	-	-	1,021,368
23,000	-	52,168	-	1,267	330,167
-	-	-	-	20,754	53,745
-	30,626	41,438	-	-	75,673
9,579	136,834	30,600	-	82,541	503,471
15,000	-	5,540	8,800	105,558	414,214
<u>47,579</u>	<u>167,460</u>	<u>526,312</u>	<u>8,800</u>	<u>370,544</u>	<u>3,537,091</u>
-	-	-	-	-	580,350
-	-	-	-	5,596	876,219
-	-	432,517	42,546	30,900	747,141
59,295	-	-	-	281,554	426,137
-	-	-	-	-	2,538
-	-	-	-	-	80
-	-	-	-	6,143	572,804
-	577	-	-	114,043	115,507
362,740	-	-	-	-	362,740
-	-	-	-	-	7,800
-	-	-	-	-	80,000
-	-	-	-	-	47,605
<u>422,035</u>	<u>577</u>	<u>432,517</u>	<u>42,546</u>	<u>438,236</u>	<u>3,818,921</u>
<u>(374,456)</u>	<u>166,883</u>	<u>93,795</u>	<u>(33,746)</u>	<u>(67,692)</u>	<u>(281,830)</u>
594	39,203	1,448	-	169,361	357,311
-	-	-	-	-	4,500
-	-	-	-	(26,587)	(241,467)
<u>594</u>	<u>39,203</u>	<u>1,448</u>	<u>-</u>	<u>142,774</u>	<u>120,344</u>
(373,862)	206,086	95,243	(33,746)	75,082	(161,486)
<u>385,698</u>	<u>2,610,815</u>	<u>522,432</u>	<u>167,142</u>	<u>1,672,521</u>	<u>10,323,940</u>
<u>\$ 11,836</u>	<u>\$ 2,816,901</u>	<u>\$ 617,675</u>	<u>\$ 133,396</u>	<u>\$ 1,747,603</u>	<u>\$ 10,162,454</u>

CITY OF BAYPORT, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICITS) TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

Total net change in fund balances - governmental funds	\$ (161,486)
Amounts reported for governmental activities in the statement of activities are different because:	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.</p>	
Capital outlays	1,589,524
Depreciation expense	(261,427)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amount are deferred and amortized in the statement of activities.</p>	
Principal repayments	80,000
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Capital assets contributed by developers	7,169,953
<p>Some assets that were previously classified as governmental type capital assets, have now been contributed to business-type activities.</p>	
	(3,420,577)
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.</p>	
	227
<p>Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.</p>	
Property taxes	18,015
Special assessments	(169,466)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Compensated absences	24,498
	\$ 4,869,261
Change in net assets - governmental activities	\$ 4,869,261

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

CITY OF BAYPORT, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 765,556	\$ 765,556	\$ 747,767	\$ (17,789)
Licenses and permits	389,800	389,800	143,163	(246,637)
Intergovernmental	601,189	601,189	623,253	22,064
Charges for services	253,261	253,261	253,732	471
Fines and forfeitures	34,000	34,000	32,991	(1,009)
Special assessments	-	-	3,609	3,609
Interest on investments	58,161	58,161	149,546	91,385
Miscellaneous	33,332	33,332	38,634	5,302
TOTAL REVENUES	2,135,299	2,135,299	1,992,695	(142,604)
EXPENDITURES				
Current				
General government	514,158	514,158	580,350	(66,192)
Public safety	906,851	906,851	870,623	36,228
Public works	257,745	257,745	241,178	16,567
Culture and recreation	76,265	76,265	85,288	(9,023)
Miscellaneous	5,900	5,900	2,538	3,362
Capital outlay	160,000	160,000	31,918	128,082
TOTAL EXPENDITURES	1,920,919	1,920,919	1,811,895	109,024
EXCESS OF REVENUES OVER EXPENDITURES	214,380	214,380	180,800	(33,580)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	4,023	4,023
Sale of capital assets	500	500	-	(500)
Transfers out	(214,880)	(214,880)	(214,880)	-
TOTAL OTHER FINANCING SOURCES (USES)	(214,380)	(214,380)	(210,857)	3,523
NET CHANGE IN FUND BALANCES	-	-	(30,057)	(30,057)
FUND BALANCES, JANUARY 1	2,921,605	2,921,605	2,921,605	-
FUND BALANCES, DECEMBER 31	\$ 2,921,605	\$ 2,921,605	\$ 2,891,548	\$ (30,057)

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

CITY OF BAYPORT, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FIRE EQUIPMENT REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest on investments	\$ 10,000	\$ 10,000	\$ 7,907	\$ (2,093)
Contributions and donations	240,000	240,000	240,682	682
 TOTAL REVENUES	 250,000	 250,000	 248,589	 (1,411)
EXPENDITURES				
Capital outlay				
Public safety	540,000	540,000	543,510	(3,510)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(290,000)	(290,000)	(294,921)	(4,921)
OTHER FINANCING SOURCES				
Transfers in	90,000	90,000	90,433	433
Sale of capital assets	-	-	4,500	4,500
 TOTAL OTHER FINANCING SOURCES	 90,000	 90,000	 94,933	 4,933
NET CHANGE IN FUND BALANCES	(200,000)	(200,000)	(199,988)	12
FUND BALANCES, JANUARY 1	351,761	351,761	351,761	-
FUND BALANCES, DECEMBER 31	<u>\$ 151,761</u>	<u>\$ 151,761</u>	<u>\$ 151,773</u>	<u>\$ 12</u>

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

CITY OF BAYPORT, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 TAX STABILIZATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest on investments	\$ 55,000	\$ 55,000	\$ 67,050	\$ 12,050
OTHER FINANCING SOURCES				
Transfers in	-	-	2,275	2,275
NET CHANGE IN FUND BALANCES	55,000	55,000	69,325	14,325
FUND BALANCES, JANUARY 1	<u>1,292,047</u>	<u>1,292,047</u>	<u>1,292,047</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,347,047</u>	<u>\$ 1,347,047</u>	<u>\$ 1,361,372</u>	<u>\$ 14,325</u>

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

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CITY OF BAYPORT, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
PARK IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 20,000	\$ 20,000	\$ 23,000	\$ 3,000
Interest on investments	13,500	13,500	9,579	(3,921)
Rents	-	-	15,000	15,000
TOTAL REVENUES	<u>33,500</u>	<u>33,500</u>	<u>47,579</u>	<u>14,079</u>
EXPENDITURES				
Current				
Culture and recreation	-	-	59,295	(59,295)
Capital outlay				
Culture and recreation	180,000	180,000	362,740	(182,740)
TOTAL EXPENDITURES	<u>180,000</u>	<u>180,000</u>	<u>422,035</u>	<u>(242,035)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(146,500)	(146,500)	(374,456)	(227,956)
OTHER FINANCING SOURCES				
Transfers in	-	-	594	594
NET CHANGE IN FUND BALANCES	(146,500)	(146,500)	(373,862)	(227,362)
FUND BALANCES, JANUARY 1	<u>385,698</u>	<u>385,698</u>	<u>385,698</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 239,198</u>	<u>\$ 239,198</u>	<u>\$ 11,836</u>	<u>\$ (227,362)</u>

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

CITY OF BAYPORT, MINNESOTA
 STATEMENTS OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2007

	Business-type Activities - Enterprise Funds			
	Water		Sewer	
	2007	2006	2007	2006
ASSETS				
CURRENT ASSETS				
Cash and temporary investments	\$ 1,382,213	\$ 1,322,158	\$ 1,250,475	\$ 1,248,439
Receivables				
Accounts	66,873	72,157	121,894	48,729
Due from other governments	-	-	-	15,200
Prepaid items	2,102	1,482	1,159	24,685
TOTAL CURRENT ASSETS	1,451,188	1,395,797	1,373,528	1,337,053
NONCURRENT ASSETS				
Capital assets				
Buildings	52,408	52,408	-	-
Machinery and equipment	195,626	195,626	98,625	54,356
Improvements other than buildings	5,822,360	1,990,444	2,428,926	1,780,784
Less: accumulated depreciation	(636,979)	(593,193)	(408,596)	(370,753)
TOTAL NONCURRENT ASSETS	5,433,415	1,645,285	2,118,955	1,464,387
TOTAL ASSETS	6,884,603	3,041,082	3,492,483	2,801,440
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	23,136	11,609	7,387	10,131
Accrued salaries payable	3,354	1,470	4,581	2,070
Due to other governments	2,853	8,968	229	229
Compensated absences payable - current	568	4,530	1,160	2,637
TOTAL CURRENT LIABILITIES	29,911	26,577	13,357	15,067
NONCURRENT LIABILITIES				
Compensated absences payable	2,218	1,338	4,535	7,379
TOTAL LIABILITIES	32,129	27,915	17,892	22,446
NET ASSETS				
Invested in capital assets	5,433,415	1,645,285	2,118,955	1,464,387
Unrestricted	1,419,059	1,367,882	1,355,636	1,314,607
TOTAL NET ASSETS	\$ 6,852,474	\$ 3,013,167	\$ 3,474,591	\$ 2,778,994

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

Business-type Activities -
Enterprise Funds - Continued

Totals	
2007	2006
\$ 2,632,688	\$ 2,570,597
188,767	120,886
-	15,200
3,261	26,167
<u>2,824,716</u>	<u>2,732,850</u>
52,408	52,408
294,251	249,982
8,251,286	3,771,228
(1,045,575)	(963,946)
<u>7,552,370</u>	<u>3,109,672</u>
<u>10,377,086</u>	<u>5,842,522</u>
30,523	21,740
7,935	3,540
3,082	9,197
1,728	7,167
<u>43,268</u>	<u>41,644</u>
<u>6,753</u>	<u>8,717</u>
<u>50,021</u>	<u>50,361</u>
7,552,370	3,109,672
2,774,695	2,682,489
<u>\$ 10,327,065</u>	<u>\$ 5,792,161</u>

CITY OF BAYPORT, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Business-type Activities - Enterprise Funds			
	Water		Sewer	
	2007	2006	2007	2006
OPERATING REVENUES				
Charges for services	\$ 232,204	\$ 286,167	\$ 550,732	\$ 496,132
OPERATING EXPENSES				
Personal services	98,006	97,215	127,965	127,674
Supplies	28,526	32,951	5,737	5,165
Insurance	6,168	3,984	2,520	1,534
Utilities	39,844	33,875	6,486	8,348
Repair and maintenance	53,675	54,599	12,388	18,399
Other services and charges	50,890	40,937	35,491	33,705
MCES charges	-	-	288,235	289,523
Depreciation	43,776	43,948	37,853	35,677
TOTAL OPERATING EXPENSES	320,885	307,509	516,675	520,025
OPERATING INCOME (LOSS)	(88,681)	(21,342)	34,057	(23,893)
NONOPERATING REVENUES				
Connection fees	30,592	32,750	15,575	58,600
Interest on investments	68,398	45,331	66,479	45,198
TOTAL NONOPERATING REVENUES	98,990	78,081	82,054	103,798
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	10,309	56,739	116,111	79,905
TRANSFERS AND CONTRIBUTIONS				
Transfers in	2,081	-	2,075	-
Capital contributions from other funds	3,376,308	1,010,047	44,269	685,132
Developer capital contributions	455,609	-	648,142	-
Transfers out	(5,000)	(5,000)	(115,000)	(115,000)
CHANGE IN NET ASSETS	3,839,307	1,061,786	695,597	650,037
NET ASSETS, JANUARY 1	3,013,167	1,942,835	2,778,994	2,122,599
PRIOR PERIOD ADJUSTMENT	-	8,546	-	6,358
NET ASSETS, DECEMBER 31	<u>\$ 6,852,474</u>	<u>\$ 3,013,167</u>	<u>\$ 3,474,591</u>	<u>\$ 2,778,994</u>

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

Business-type Activities -
Enterprise Funds - Continued

Totals	
2007	2006
<u>\$ 782,936</u>	<u>\$ 782,299</u>
225,971	224,889
34,263	38,116
8,688	5,518
46,330	42,223
66,063	72,998
86,381	74,642
288,235	289,523
81,629	79,625
<u>837,560</u>	<u>827,534</u>
<u>(54,624)</u>	<u>(45,235)</u>
46,167	91,350
<u>134,877</u>	<u>90,529</u>
<u>181,044</u>	<u>181,879</u>
126,420	136,644
4,156	-
3,420,577	1,695,179
1,103,751	-
<u>(120,000)</u>	<u>(120,000)</u>
4,534,904	1,711,823
5,792,161	4,065,434
<u>-</u>	<u>14,904</u>
<u>\$ 10,327,065</u>	<u>\$ 5,792,161</u>

CITY OF BAYPORT, MINNESOTA
STATEMENTS OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Business-type Activities - Enterprise Funds			
	Water		Sewer	
	2007	2006	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 237,488	\$ 281,259	\$ 477,567	\$ 564,768
Payments to suppliers	(174,311)	(150,632)	(330,075)	(393,538)
Payments to employees	(99,204)	(97,500)	(129,775)	(123,597)
	<u>(36,027)</u>	<u>33,127</u>	<u>17,717</u>	<u>47,633</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
	<u>(36,027)</u>	<u>33,127</u>	<u>17,717</u>	<u>47,633</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Transfers in	2,081	-	2,075	-
Intergovernmental	-	-	15,200	-
Transfers out	(5,000)	(5,000)	(115,000)	(115,000)
	<u>(2,919)</u>	<u>(5,000)</u>	<u>(97,725)</u>	<u>(115,000)</u>
NET CASH USED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES				
	<u>(2,919)</u>	<u>(5,000)</u>	<u>(97,725)</u>	<u>(115,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection fees received	30,603	32,750	15,565	58,600
Acquisition of capital assets	-	(4,793)	-	-
	<u>30,603</u>	<u>27,957</u>	<u>15,565</u>	<u>58,600</u>
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES				
	<u>30,603</u>	<u>27,957</u>	<u>15,565</u>	<u>58,600</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	68,398	45,331	66,479	45,198
	<u>68,398</u>	<u>45,331</u>	<u>66,479</u>	<u>45,198</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS				
	60,055	101,415	2,036	36,431
CASH AND CASH EQUIVALENTS JANUARY 1	<u>1,322,158</u>	<u>1,220,743</u>	<u>1,248,439</u>	<u>1,212,008</u>
CASH AND CASH EQUIVALENTS DECEMBER 31	<u>\$ 1,382,213</u>	<u>\$ 1,322,158</u>	<u>\$ 1,250,475</u>	<u>\$ 1,248,439</u>

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

Business-type Activities -
Enterprise Funds - Continued

Totals	
2007	2006
\$ 715,055	\$ 846,027
(504,386)	(544,170)
<u>(228,979)</u>	<u>(221,097)</u>
<u>(18,310)</u>	<u>80,760</u>
4,156	-
15,200	-
<u>(120,000)</u>	<u>(120,000)</u>
<u>(100,644)</u>	<u>(120,000)</u>
46,168	91,350
<u>-</u>	<u>(4,793)</u>
<u>46,168</u>	<u>86,557</u>
<u>134,877</u>	<u>90,529</u>
62,091	137,846
<u>2,570,597</u>	<u>2,432,751</u>
<u>\$ 2,632,688</u>	<u>\$ 2,570,597</u>

CITY OF BAYPORT, MINNESOTA
 STATEMENTS OF CASH FLOWS - CONTINUED
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Business-type Activities - Enterprise Funds - Continued			
	Water		Sewer	
	2007	2006	2007	2006
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (88,681)	\$ (21,342)	\$ 34,057	\$ (23,893)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	43,776	43,948	37,853	35,677
(Increase) decrease in assets:				
Accounts receivable	5,284	(4,907)	(73,165)	68,636
Prepaid items	(620)	(1,482)	23,526	(24,685)
Increase (decrease) in liabilities:				
Accounts payable	11,527	17,363	(2,744)	(11,797)
Accrued salaries payable	1,884	-	2,511	-
Due to other governments	(6,115)	-	-	-
Compensated absences payable	(3,082)	(453)	(4,321)	3,695
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>\$ (36,027)</u>	 <u>\$ 33,127</u>	 <u>\$ 17,717</u>	 <u>\$ 47,633</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions from developers and other funds	 <u>\$ 3,831,917</u>	 <u>\$ 1,010,047</u>	 <u>\$ 692,411</u>	 <u>\$ 685,132</u>

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

Business-type Activities -
Enterprise Funds - Continued

Totals	
2007	2006
\$ (54,624)	\$ (45,235)
81,629	79,625
(67,881)	63,729
22,906	(26,167)
8,783	5,566
4,395	-
(6,115)	-
(7,403)	3,242
<u>\$ (18,310)</u>	<u>\$ 80,760</u>
 <u>\$ 4,524,328</u>	 <u>\$ 1,695,179</u>

CITY OF BAYPORT, MINNESOTA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2007

	<u>Agency</u>
	803
	<u>Escrow</u>
ASSETS	
Cash and temporary investments	<u>\$ 32,572</u>
LIABILITIES	
Accounts payable	<u>\$ 32,572</u>

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

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bayport (the City), Minnesota, operates under "Optional Plan A" as defined in the State of Minnesota statutes. The City is governed by an elected Mayor and a four-member Council. The Council exercises legislative authority and determines all matters of policy. The Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the 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 no component units.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the City. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental and proprietary funds and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tax increments, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the 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. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred revenue 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. On the modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue in the fund financial statements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The City reports the following major governmental funds:

The *General fund* is the government's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Debt Service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Fire Equipment Replacement fund* accounts for the accumulation of resources set aside for future fire department equipment purchases.

The *Tax Stabilization fund* is used to account for resources set aside to protect the City's financial stability should there be future cuts to State Aids or the Andersen fee for service.

The *Park Improvement fund* accounts for the accumulation of resources for future improvements to the City's park system.

The *Street Reconstruction fund* accounts for the resources collected and the funds disbursed for portions of street improvement projects.

The *Water and Sewer Improvements fund* accounts for the resources accumulated for future improvements to the enterprise operations of the City.

The *Developer Reimbursed Projects fund* is used to keep track of expenditures and reimbursements related to development of Baytown and Inspiration subdivisions. The agreement between developers and the City provided that the City would pay for the water main improvements and developers would reimburse the City.

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The City reports the following major proprietary funds:

The *Water fund* accounts for the water service charges that are used to finance the water system operations.

The *Sewer fund* accounts for the sewer service charges that are used to finance the sanitary sewer operations.

Additionally, the City reports the following fund types:

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. The agency fund is accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the City holds for others in an agency capacity. It accounts for deposits refundable to developers.

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

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contribution, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

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 whose only investments are in securities in (1) above.
3. General obligations of the State of Minnesota or any of its municipalities.
4. Banker's acceptances of United States banks eligible for purchase by the Federal Reserve System.
5. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality, and maturing in 270 days or less.
6. Repurchase or reverse repurchase agreements 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.
7. Guaranteed investment contracts (GIC's) issued or guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies if similar debt obligations of the issuer or the collateral pledged by the issuer is in the top two rating categories, or in the top three rating categories for long-term GIC's issued by Minnesota banks

Investments for the City are reported at fair value. The Minnesota Municipal Money Market Fund and broker money market investment pools operate in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool share.

It is the policy of the City to invest funds in those investments authorized for Minnesota public sector entities under state statutes. There are no further restrictions outside of the statutes.

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Due To/From other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property Taxes

The Council annually adopts a tax levy in December and certifies it to the County for collection the following year. The County is responsible for collecting all property taxes for the City. These taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments. The taxes are collected by the County Treasurer and tax settlements are made to the City during January, July and December each year.

Taxes payable on homestead property, as defined by Minnesota statutes, were partially reduced by a market value credit aid. The credit is paid to the City by the State in lieu of taxes levied against the homestead property. The State remits this credit in two equal installments in October and December each year.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred revenue liability for taxes not received within 60 days after year end in the fund financial statements.

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2007. The City annually certifies delinquent water and sewer accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

Special Assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivable upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred revenue liability in the fund financial statements.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of one year. Donated capital assets are recorded at estimated fair market value at the date of donation. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition on infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount.

Pursuant to GASB Statement #34, the City has elected to only record and depreciate general infrastructure assets acquired after the implementation date set forth in GASB Statement #34. General infrastructure acquired before January 1, 2004 is, therefore, not reported within these financial statements. General infrastructure assets include streets, street lighting, sidewalks and trails, etc. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Buildings and structures	20 - 50
Equipment and machinery	3 - 15
Distribution and collection systems	50
Library books	5

Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave. All vacation pay, compensatory pay and vested sick pay are accrued when incurred in the government-wide and proprietary fund financial statements

A liability for these amounts is reported in governmental funds only if they have matured, for example, as the result of an employee's resignation or retirement.

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets

In the government-wide and proprietary fund financial statements, net assets represent the difference between assets and liabilities. Net assets are displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net assets - Consist of net assets restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt"

Comparative Data/Reclassifications

Comparative total data for the prior year have been presented only for the individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund and all special revenue funds. All annual appropriations lapse at fiscal year end. The City does not use encumbrance accounting.

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - CONTINUED

In August of each year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Before September 15th, the proposed budget is presented to the Council for review. The Council adopts a preliminary maximum budget. Truth-in-taxation notices are mailed out to residents by Washington County. The Council holds public hearings and adopts a budget and tax levy in December.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Budgeted amounts are as originally adopted, or as amended by the Council. No budget amendments were made during the year.

B. Excess of Expenditures over Appropriations

The following funds had expenditures in excess of appropriations:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
Major			
Fire Equipment Replacement	\$ 540,000	\$ 543,510	\$ 3,510
Park Improvement	180,000	422,035	242,035
Nonmajor			
Drug Forfeiture	7,723	11,739	4,016

The expenditures in excess of budget were funded by available fund balance in the Fire Equipment Replacement and the Park Improvement funds. The excess was funded by revenues in excess of budget for the Drug Forfeiture fund.

Note 3: DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Authorized collateral includes the legal investments described below, as well as certain first mortgage notes, and certain other State or local government obligations. Minnesota statutes require that securities pledged as collateral be held in safekeeping by the City or in a financial institution other than that furnishing the collateral.

At year end, the City's carrying amount of deposits was \$6,780,516 and the bank balance was \$6,789,988. Of the bank balance, \$5,424,379 was covered by federal depository insurance. The remaining balance was covered by collateral held in the City's name.

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Investments

The Minnesota Municipal Money Market Fund (the 4M Fund) is a customized cash management and investment program for Minnesota public funds. Sponsored and governed by the League of Minnesota Cities since 1987, the 4M Fund is a unique investment alternative designed to address the daily and long term investment needs of Minnesota cities and other municipal entities. Allowable under Minnesota statutes, the 4M Fund is comprised of top quality, rated investments.

As of December 31, 2007, the City had the following investments that are insured or registered, or securities held by the City or its agent in the City's name:

Type of Investment	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Pooled investments			
Broker Money Markets	N/A	less than 6 months	\$ 556,505
Minnesota Municipal Money Market	P-1	less than 6 months	<u>1,026,959</u>
Total pooled investments			<u>1,583,464</u>
Non-pooled investments			
U.S. Government Securities	AAA	less than 1 year	749,074
U.S. Government Securities	AAA	1 to 5 years	1,102,466
U.S. Government Securities	AAA	more than 6 years	2,213,612
Municipal Government Securities	AAA	less than 1 year	<u>80,401</u>
Total non-pooled investments			<u>4,145,553</u>
Total investments			<u>\$ 5,729,017</u>

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available

A reconciliation of cash and investments as shown on the Statement of Net Assets for the City follows:

Carrying amount of deposits	\$ 6,780,516
Investments	5,729,017
Petty cash	<u>250</u>
Total	<u>\$ 12,509,783</u>

The following reconciles the total cash and temporary investments to the basic financial statements

Cash and investments	
Government-wide	\$ 12,477,211
Agency	<u>32,572</u>
Total	<u>\$ 12,509,783</u>

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS – CONTINUED

Concentration of credit risk/interest rate risk. In accordance with the City's investment policy, the City diversifies its investment portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. The maturities selected shall provide for stability of income and reasonable liquidity.

Custodial credit risk - investments. In accordance with the City's investment policy, the investment officer shall structure all investments, deposits and repurchase agreements so that the custodial risk is categorized as either insured or register, or securities held by the City or its agent in the City's name or uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name. All investments are placed in safekeeping at financial institutions.

B. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Fund	Unavailable	Unearned
General		
Delinquent taxes	\$ 34,065	\$ -
Special assessments		
Delinquent	21	-
Deferred	11,143	-
Grant drawdowns prior to meeting all eligibility requirements	-	17,137
Fire contract fees received but unearned	-	36,947
License fees received but unearned	-	12,400
Street Reconstruction		
Special assessments		
Delinquent	155	-
Deferred	47,216	-
Water & Sewer Improvements		
Special assessments		
Deferred	234,300	-
Total	<u>\$ 326,900</u>	<u>\$ 66,484</u>

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

C. Capital Assets

Capital asset activity for the governmental activities for year ended December 31, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated				
Land	\$ 477,380	\$ 5,720,644	\$ -	\$ 6,198,024
Construction in progress	2,967,791	843,936	(3,426,445)	385,282
Total capital assets not being depreciated	<u>3,445,171</u>	<u>6,564,580</u>	<u>(3,426,445)</u>	<u>6,583,306</u>
Capital assets, being depreciated				
Buildings	4,503,223	-	-	4,503,223
Machinery and equipment	3,317,090	701,319	(90,000)	3,928,409
Infrastructure	-	1,499,446	-	1,499,446
Library books	218,160	-	-	218,160
Total capital assets being depreciated	<u>8,038,473</u>	<u>2,200,765</u>	<u>(90,000)</u>	<u>10,149,238</u>
Less accumulated depreciation for				
Buildings	(1,392,252)	(89,991)	-	(1,482,243)
Machinery and equipment	(1,777,790)	(147,605)	90,000	(1,835,395)
Library books	(157,348)	(23,831)	-	(181,179)
Total accumulated depreciation	<u>(3,327,390)</u>	<u>(261,427)</u>	<u>90,000</u>	<u>(3,498,817)</u>
Total capital assets being depreciated, net	<u>4,711,083</u>	<u>1,939,338</u>	<u>-</u>	<u>6,650,421</u>
Governmental activities capital assets, net	<u>\$ 8,156,254</u>	<u>\$ 8,503,918</u>	<u>\$ (3,426,445)</u>	<u>\$ 13,233,727</u>

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Capital asset activity for the business-type activities for year ended December 31, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets being depreciated				
Water mains and lines	\$ 1,990,444	\$ 3,831,916	\$ -	\$ 5,822,360
Sewer mains and lines	1,780,784	648,142	-	2,428,926
Structures	52,408	-	-	52,408
Machinery and equipment	249,982	44,269	-	294,251
	<u>4,073,618</u>	<u>4,524,327</u>	<u>-</u>	<u>8,597,945</u>
Total capital assets being depreciated				
Less accumulated depreciation for				
Water mains and lines	(360,817)	(41,750)	-	(402,567)
Sewer mains and lines	(326,089)	(34,603)	-	(360,692)
Structures	(48,504)	(340)	-	(48,844)
Machinery and equipment	(228,536)	(4,936)	-	(233,472)
	<u>(963,946)</u>	<u>(81,629)</u>	<u>-</u>	<u>(1,045,575)</u>
Total accumulated depreciation				
Business-type activities capital assets, net	<u>\$ 3,109,672</u>	<u>\$ 4,442,698</u>	<u>\$ -</u>	<u>\$ 7,552,370</u>

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

Governmental activities		
General government		\$ 50,150
Public safety		104,320
Public works		19,405
Culture and recreation		87,552
		<u>261,427</u>
Total depreciation expense - governmental activities		<u>\$ 261,427</u>
Business-type activities		
Water		\$ 43,776
Sewer		37,853
		<u>81,629</u>
Total depreciation expense - business-type activities		<u>\$ 81,629</u>

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Construction Commitments

The City has active construction projects as of December 31, 2007. At year end the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to date</u>	<u>Remaining Commitment</u>
Lakeside Park Phase One	\$ 296,607	\$ 11,801

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities General	Governmental activities Developer Reimbursed Projects	<u>\$ 283,006</u>

The General fund provided this amount to supplement cash flow needs of the Developer Reimbursed Projects fund.

Interfund transfers

<u>Fund</u>	<u>Transfers out</u>				<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor governmental Funds</u>	<u>Water Enterprise Fund</u>	<u>Sewer Enterprise Fund</u>	
Transfers in					
General	\$ -	\$ 4,023	\$ -	\$ -	\$ 4,023
Debt Service	49,380	594	-	-	49,974
Fire Equipment Replacement	90,000	433	-	-	90,433
Tax Stabilization	-	2,275	-	-	2,275
Park Improvement	-	594	-	-	594
Street Reconstruction	35,000	4,203	-	-	39,203
Water & Sewer Improvements	-	1,448	-	-	1,448
Nonmajor governmental funds	40,500	8,861	5,000	115,000	169,361
Water Enterprise	-	2,081	-	-	2,081
Sewer Enterprise	-	2,075	-	-	2,075
Total	<u>\$ 214,880</u>	<u>\$ 26,587</u>	<u>\$ 5,000</u>	<u>\$ 115,000</u>	<u>\$ 361,467</u>

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

A description of interfund transfers follows:

Capital Expenditures

- The Sewer fund transferred \$115,000 to the Public Works Equipment Replacement fund.
- The Water fund transferred \$5,000 to the Public Works Equipment Replacement fund.
- The General fund transferred \$40,500, \$35,000 and \$90,000 to the Public Works Equipment Replacement fund, the Street Reconstruction fund and the Fire Equipment Replacement fund respectively.

Debt Service Payments

- The General fund transferred \$49,380 to the G.O. Tax Increment Refunding Bond fund.

Close Completed Funds

- The DARE fund transferred \$7,351 to the Drug Forfeiture fund.

Interest Earnings

- \$4,023 to the General fund.
- \$4,203 to the Street Reconstruction fund.
- \$392 to the Tax Increment District 1 fund.
- \$4 to the Tax Increment District 2 fund.
- \$433 to the Fire Equipment Replacement fund.
- \$25 to the Drug Forfeiture fund.
- \$518 to the Public Works Equipment Replacement fund.
- \$72 to the Recreation Capital Equipment Maintenance fund.
- \$2,275 to the Tax Stabilization fund.
- \$1,448 to the Water and Sewer Improvements fund.
- \$594 to the Park Improvement fund.
- \$499 to the Library fund.
- \$594 to the G.O. Tax Increment Refunding Bond fund.
- \$2,081 to the Water fund.
- \$2,075 to the Sewer fund.
- All the above transfers were made from the Restricted Investments fund.

E. Long-term Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation tax increment bonds have been issued for redevelopment purposes. They will be repaid from future tax increment collections. General obligation tax increment bonds currently outstanding are as follows:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Governmental Activities					
General Obligation Bonds					
Tax Increment Refunding					
Bonds of 2001	\$ 1,535,000	4.09 %	09/30/97	11/30/16	<u>\$ 1,075,000</u>

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending December 31,</u>	<u>G.O. Tax Increment Refunding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 80,000	\$ 44,885	\$ 124,885
2009	100,000	41,965	141,965
2010	100,000	38,215	138,215
2011	105,000	34,365	139,365
2012	125,000	30,165	155,165
2013 - 2016	<u>565,000</u>	<u>64,606</u>	<u>629,606</u>
Total	<u>\$ 1,075,000</u>	<u>\$ 254,201</u>	<u>\$ 1,329,201</u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2007 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
G.O. Tax Increment Refunding Bonds	\$ 1,155,000	\$ -	\$ (80,000)	\$ 1,075,000	\$ 80,000
Compensated Absences Payable	<u>61,297</u>	<u>10,245</u>	<u>(34,743)</u>	<u>36,799</u>	<u>7,495</u>
Total governmental activities	<u>\$ 1,216,297</u>	<u>\$ 10,245</u>	<u>\$ (114,743)</u>	<u>\$ 1,111,799</u>	<u>\$ 87,495</u>
Business-type activities					
Compensated absences Payable	<u>\$ 15,884</u>	<u>\$ 2,362</u>	<u>\$ (9,765)</u>	<u>\$ 8,481</u>	<u>\$ 1,728</u>

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

F. Tax Increment Districts

The City of Bayport is the administering authority for the following tax increment finance districts:

	Tax Increment District No. 1	Tax Increment District No. 2
Authorizing Law	M.S. 469	M.S. 469
Type of District	Redevelopment	Redevelopment
Year Established	1991	N/A
Duration of District	25 years	25 years
Tax Capacity		
Original	\$ 29,718	\$ 76,117
Current	<u>145,081</u>	<u>116,597</u>
Captured - Retained	<u>\$ 115,363</u>	<u>\$ 40,480</u>

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

G. Reserved/Designated Fund Balance

Fund balances in the various funds have been reserved and designated for the following purposes as of December 31, 2007:

<u>Fund</u>	<u>Purpose</u>	<u>Amount</u>
Reserved		
General	Prepaid items	\$ 22,178
	Notes receivable	42,878
Debt Service	Debt service	430,350
Nonmajor governmental	Prepaid items	2,438
	Restricted investments	<u>525,000</u>
Total reserved fund balance		<u>\$ 1,022,844</u>
Unreserved - Designated		
Fire Equipment Replacement	Equipment Replacement	\$ 151,773
Street Reconstruction	Capital Expenditures	2,816,901
Water & Sewer Improvements	Capital Expenditures	617,675
Developer Reimbursed Projects	Capital Expenditures	133,396
Nonmajor governmental	Equipment Replacement	539,858
	Capital Expenditures	851
	Economic Development	<u>257,180</u>
Total designated fund balance		<u>\$ 4,517,634</u>

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 4: DEFINED PENSION PLANS - STATEWIDE

A. Plan Description

All full-time and certain part-time employees of the City are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356.

PERF 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 and fire-fighters who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota 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 the 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 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 for each year of service.

For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For PERF and PEPFF 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 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 age 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 PERF and PEPFF. That report may be obtained on the Internet at mnpera.org, by writing to PERA, 60 Empire Street, #200, St. Paul, Minnesota 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

CITY OF BAYPORT, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

Note 4: DEFINED PENSION PLANS - STATEWIDE - CONTINUED

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 Minnesota statutes. PERF Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 5.75 percent, respectively, of their annual covered salary in 2007. Contribution rates in the Coordinated Plan will increase in 2008 to 6.0 percent. PEPFF members were required to contribute 7.80 percent of their annual covered salary in 2007. That rate will increase to 8.60 percent in 2008. The City is required to contribute the following percentages of annual covered payroll: 11.78 percent for Basic Plan PERF members, 6.25 percent for Coordinated Plan PERF members, and 11.70 percent for PEPFF members. Employer contribution rates for the Coordinated Plan and PEPFF will increase to 6.50 percent and 12.90 percent, respectively, effective January 1, 2008. The City's contributions to the PERF for the years ending December 31, 2007, 2006, and 2005 were \$31,328, \$30,029, and \$23,310, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ending December 31, 2007, 2006, and 2005 were \$40,773, \$40,089, and \$32,290, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

C. Defined Contribution Plan

One council member of the City is covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer defined 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.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies 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 City during fiscal year 2007 and 2006 were \$135 and \$146 respectively.

Note 5: OTHER INFORMATION

A. Legal Debt Margin

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of two percent of the market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increments. The market value of taxable property totaled \$236,547,000 for an allowable margin of \$4,730,940. As of December 31, 2007, the City has no debt applicable to this limit.

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 5: OTHER INFORMATION - CONTINUED

B. Risk Management

The City is exposed to various risks 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 (LMCIT), which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

C. Economic Dependency

The property owned by the Andersen Corporation represents approximately 18% of the net tax capacity of the City. The Corporation challenged their taxable valuation and received a reduction during 1998. Andersen Corporation had agreed to contribute an amount equal to the estimated reduced City taxes to the City of Bayport, Minnesota until 2004.

D. Pending Litigation

The City is involved in an administrative appeal with PERA, which is related to the separation of City Administrator Michael McGuire from employment of the City of Bayport. The litigation involves the question as to whether Mr. McGuire properly terminated his employment with the City before returning to serve as an independent contractor. A secondary matter is also under question as to whether Mr. McGuire actually serves in the capacity of an independent contractor or if he remains an employee of the City. The City has been informed that PERA is unwilling to mediate this case; therefore the City will be proceeding to trial in June of 2008. The City intends to prosecute this matter and believes they have a strong possibility of succeeding. In the event the City is successful, the City will not be liable for anything, except legal fees. However, in the case the City is unsuccessful in this matter, fines, penalties and contributions to PERA could be up to \$50,000.

E. Conduit Debt

From time to time, the City has issued Qualified Tax Exempt Obligations to provide financial assistance to private-sector entities for the acquisition and construction of rental housing deemed to be in the public interest. The notes are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the notes, ownership of the acquired facilities transfers to the private-sector entity served by the note issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the notes. Accordingly, the notes are not reported as liabilities in the accompanying financial statements.

As of December 31, 2007, there was three series of conduit debt issues outstanding as follows

Series	Amount Issued	Balance Outstanding
Rental Housing Note, Series 2002	\$ 10,000,000	N/A
Senior Housing Revenue Note, Series 2003	10,000,000	N/A
Elderly Housing and Health Care Facility Revenue Note, Series 2004	10,000,000	N/A

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 6: BAYPORT VOLUNTEER FIREFIGHTER'S RELIEF ASSOCIATION

A. Plan Description

All members of the Bayport Fire Department (Department) are covered by a defined benefit plan administered by the Bayport Firemen's Relief Association (Association). The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Bayport Firefighter's Relief Association, 3800 Laverne Avenue North, Bayport, Minnesota 55042.

B. Funding Policy

The financial requirements of the Special fund are determined in accordance with Minnesota statutes, section 69.772, which requires the payment of pension benefits in a lump sum or optionally in annual installments. The benefits are payable after age 50, 20 years of service, and 10 years of Association membership or upon death. The City's annual pension cost for the current year and related information for the plan is as follows:

Annual pension cost	\$	85,720
Contributions made		
State aid	\$	85,720
Actuarial valuation date		12/31/07
Actuarial cost method		Entry age normal
Amortization method		Level dollar closed
Remaining amortization period		
Normal cost		20 years
Prior service cost		10 years
Asset valuation method		Fair value
Actuarial assumptions		
Investment rate of return		5%
Projected salary increases		N/A
Inflation rate		N/A
Cost of living adjustments		None

CITY OF BAYPORT, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2007

Note 6: BAYPORT VOLUNTEER FIREFIGHTER'S RELIEF ASSOCIATION - CONTINUED

<u>Year Ending</u>	<u>Three Year Trend Information</u>		
	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/07	\$ 85,720	100 %	\$ -
12/31/06	96,303	100	-
12/31/05	92,601	100	-

<u>Required Supplementary Information</u>					
<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Assets in Excess of (Unfunded) Accrued Liability</u>	<u>Funded Rate</u>	<u>Pension Benefit Per Year of Service</u>
12/31/07	*	*	*	*	*
12/31/06	\$ 1,783,143	\$ 1,457,603	\$ 325,540	122.3 %	\$ 4,750
12/31/05	1,770,618	1,632,137	138,481	108.5	4,750

* Information unavailable at time of audit.

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**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

**CITY OF BAYPORT
BAYPORT, MINNESOTA**

**YEAR ENDED
DECEMBER 31, 2007**

CITY OF BAYPORT, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2007

	Special Revenue	Capital Project	Permanent Restricted Investments	Total
ASSETS				
Cash and temporary investments	\$ 951,195	\$ 272,028	\$ 553,221	\$ 1,776,444
Prepaid items	2,438	-	-	2,438
TOTAL ASSETS	\$ 953,633	\$ 272,028	\$ 553,221	\$ 1,778,882
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 13,074	\$ 13,997	\$ -	\$ 27,071
Accrued salaries payable	4,208	-	-	4,208
TOTAL LIABILITIES	17,282	13,997	-	31,279
FUND BALANCES				
Reserved for:				
Prepaid items	2,438	-	-	2,438
City Council restricted investments	-	-	525,000	525,000
Unreserved				
Designated for equipment replacement	539,858	-	-	539,858
Designated for capital expenditures	-	851	-	851
Designated for economic development	-	257,180	-	257,180
Undesignated	394,055	-	28,221	422,276
TOTAL FUND BALANCES	936,351	258,031	553,221	1,747,603
TOTAL LIABILITIES AND FUND BALANCES	\$ 953,633	\$ 272,028	\$ 553,221	\$ 1,778,882

CITY OF BAYPORT, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007

	Special Revenue	Capital Project	Permanent Restricted Investments	Total
REVENUES				
Taxes				
Property	\$ 125,632	\$ -	\$ -	\$ 125,632
Tax increments	-	31,104	-	31,104
Gambling	3,688	-	-	3,688
Charges for services	1,267	-	-	1,267
Fines and forfeitures	20,754	-	-	20,754
Interest of investments	41,077	13,243	28,221	82,541
Miscellaneous	105,558	-	-	105,558
TOTAL REVENUES	297,976	44,347	28,221	370,544
EXPENDITURES				
Current				
Public safety	5,596	-	-	5,596
Public works	-	30,900	-	30,900
Culture and recreation	281,554	-	-	281,554
Capital outlay				
Public safety	6,143	-	-	6,143
Public works	114,043	-	-	114,043
TOTAL EXPENDITURES	407,336	30,900	-	438,236
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(109,360)	13,447	28,221	(67,692)
OTHER FINANCING SOURCES (USES)				
Transfers in	168,965	396	-	169,361
Transfers out	(7,351)	-	(19,236)	(26,587)
TOTAL OTHER FINANCING SOURCES (USES)	161,614	396	(19,236)	142,774
NET CHANGE IN FUND BALANCES	52,254	13,843	8,985	75,082
FUND BALANCES, JANUARY 1	884,097	244,188	544,236	1,672,521
FUND BALANCES, DECEMBER 31	\$ 936,351	\$ 258,031	\$ 553,221	\$ 1,747,603

CITY OF BAYPORT, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2007

	201	202	203
	DARE	Drug Forfeiture	Public Works Equipment Replacement
ASSETS			
Cash and temporary investments	\$ -	\$ 28,680	\$ 539,858
Prepaid items	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 28,680</u>	<u>\$ 539,858</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 6,143	\$ -
Accrued salaries payable	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>6,143</u>	<u>-</u>
FUND BALANCES			
Reserved for prepaid items	-	-	-
Unreserved			
Designated for equipment replacement	-	-	539,858
Undesignated	-	22,537	-
TOTAL FUND BALANCES	<u>-</u>	<u>22,537</u>	<u>539,858</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 28,680</u>	<u>\$ 539,858</u>

204 Recreation Capital Equipment Maintenance	211 Library	Total
\$ 53,878	\$ 328,779	\$ 951,195
-	2,438	2,438
<u>\$ 53,878</u>	<u>\$ 331,217</u>	<u>\$ 953,633</u>
-	-	-
-	6,931	\$ 13,074
-	4,208	4,208
<u>-</u>	<u>11,139</u>	<u>17,282</u>
-	2,438	2,438
-	-	539,858
53,878	317,640	394,055
<u>53,878</u>	<u>320,078</u>	<u>936,351</u>
<u>\$ 53,878</u>	<u>\$ 331,217</u>	<u>\$ 953,633</u>

CITY OF BAYPORT, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007

	201	202	203
	DARE	Drug Forfeiture	Public Works Equipment Replacement
REVENUES			
Taxes			
Property	\$ -	\$ -	\$ -
Gambling	-	-	-
Charges for services	-	-	-
Fines and forfeits	-	20,754	-
Interest on investments	-	1,029	20,571
Miscellaneous	-	-	-
TOTAL REVENUES	<u>-</u>	<u>21,783</u>	<u>20,571</u>
EXPENDITURES			
Current			
Public safety	-	5,596	-
Culture and recreation	-	-	-
Capital outlay			
Public safety	-	6,143	-
Public works	-	-	114,043
TOTAL EXPENDITURES	<u>-</u>	<u>11,739</u>	<u>114,043</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>10,044</u>	<u>(93,472)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	7,376	161,018
Transfers out	(7,351)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(7,351)</u>	<u>7,376</u>	<u>161,018</u>
NET CHANGE IN FUND BALANCES	(7,351)	17,420	67,546
FUND BALANCES, JANUARY 1	<u>7,351</u>	<u>5,117</u>	<u>472,312</u>
FUND BALANCES, DECEMBER 31	<u>\$ -</u>	<u>\$ 22,537</u>	<u>\$ 539,858</u>

204 Recreation Capital Equipment Maintenance	211 Library	Total
\$ -	\$ 125,632	\$ 125,632
3,688	-	3,688
-	1,267	1,267
-	-	20,754
2,570	16,907	41,077
-	105,558	105,558
<u>6,258</u>	<u>249,364</u>	<u>297,976</u>
-	-	5,596
-	281,554	281,554
-	-	6,143
-	-	114,043
<u>-</u>	<u>281,554</u>	<u>407,336</u>
<u>6,258</u>	<u>(32,190)</u>	<u>(109,360)</u>
72	499	168,965
<u>-</u>	<u>-</u>	<u>(7,351)</u>
<u>72</u>	<u>499</u>	<u>161,614</u>
6,330	(31,691)	52,254
<u>47,548</u>	<u>351,769</u>	<u>884,097</u>
<u>\$ 53,878</u>	<u>\$ 320,078</u>	<u>\$ 936,351</u>

CITY OF BAYPORT, MINNESOTA
 DRUG FORFEITURE FUND
 BUDGETED SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2007
 (With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance with Final Budget - Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES					
Fines and forfeitures	\$ 9,590	\$ 9,590	\$ 20,754	\$ 11,164	\$ 9,000
Interest on investments	300	300	1,029	729	286
TOTAL REVENUES	<u>9,890</u>	<u>9,890</u>	<u>21,783</u>	<u>11,893</u>	<u>9,286</u>
EXPENDITURES					
Current					
Public safety	7,723	7,723	5,596	2,127	4,373
Capital outlay					
Public safety	-	-	6,143	(6,143)	6,136
TOTAL EXPENDITURES	<u>7,723</u>	<u>7,723</u>	<u>11,739</u>	<u>(4,016)</u>	<u>10,509</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,167	2,167	10,044	7,877	(1,223)
OTHER FINANCING SOURCES					
Transfers in	7,363	7,363	7,376	13	-
NET CHANGE IN FUND BALANCES	9,530	9,530	17,420	7,890	(1,223)
FUND BALANCES, JANUARY 1	5,117	5,117	5,117	-	6,340
FUND BALANCES, DECEMBER 31	<u>\$ 14,647</u>	<u>\$ 14,647</u>	<u>\$ 22,537</u>	<u>\$ 7,890</u>	<u>\$ 5,117</u>

CITY OF BAYPORT, MINNESOTA
PUBLIC WORKS EQUIPMENT REPLACEMENT FUND
BUDGETED SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance with Final Budget - Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES					
Interest on investments	\$ 12,000	\$ 12,000	\$ 20,571	\$ 8,571	\$ 11,276
EXPENDITURES					
Capital outlay					
Public works	206,000	206,000	114,043	91,957	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(194,000)	(194,000)	(93,472)	100,528	11,276
OTHER FINANCING SOURCES					
Transfers in	160,500	160,500	161,018	518	160,500
NET CHANGE IN FUND BALANCES	(33,500)	(33,500)	67,546	101,046	171,776
FUND BALANCES, JANUARY 1	472,312	472,312	472,312	-	300,536
FUND BALANCES, DECEMBER 31	<u>\$ 438,812</u>	<u>\$ 438,812</u>	<u>\$ 539,858</u>	<u>\$ 101,046</u>	<u>\$ 472,312</u>

CITY OF BAYPORT, MINNESOTA
RECREATION CAPITAL EQUIPMENT MAINTENANCE FUND
BUDGETED SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance with Final Budget - Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES					
Gambling tax	\$ 6,060	\$ 6,060	\$ 3,688	\$ (2,372)	\$ 6,057
Interest on investments	1,650	1,650	2,570	920	1,560
TOTAL REVENUES	7,710	7,710	6,258	(1,452)	7,617
EXPENDITURES					
Current					
Culture and recreation	-	-	-	-	799
EXCESS OF REVENUES OVER EXPENDITURES	7,710	7,710	6,258	(1,452)	6,818
OTHER FINANCING SOURCES					
Transfers in	-	-	72	72	-
NET CHANGE IN FUND BALANCES	7,710	7,710	6,330	(1,380)	6,818
FUND BALANCES, JANUARY 1	47,548	47,548	47,548	-	40,730
FUND BALANCES, DECEMBER 31	<u>\$ 55,258</u>	<u>\$ 55,258</u>	<u>\$ 53,878</u>	<u>\$ (1,380)</u>	<u>\$ 47,548</u>

CITY OF BAYPORT, MINNESOTA
LIBRARY FUND
BUDGETED SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance with Final Budget - Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES					
Property taxes	\$ 125,632	\$ 125,632	\$ 125,632	\$ -	\$ 106,768
Intergovernmental	-	-	-	-	5,573
Charges for services	-	-	1,267	1,267	481
Interest on investments	4,000	4,000	16,907	12,907	10,877
Miscellaneous					
Rents	10,000	10,000	3,383	(6,617)	5,410
Contributions and donations	106,100	106,100	102,075	(4,025)	106,665
Refunds and reimbursements	-	-	100	100	677
TOTAL REVENUES	245,732	245,732	249,364	3,632	236,451
EXPENDITURES					
Current					
Culture and recreation	284,574	284,574	281,554	3,020	262,999
Capital outlay					
Culture and recreation	-	-	-	-	10,056
TOTAL EXPENDITURES	284,574	284,574	281,554	3,020	273,055
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(38,842)	(38,842)	(32,190)	6,652	(36,604)
OTHER FINANCING SOURCES					
Transfers in	39,842	39,842	499	(39,343)	12,563
NET CHANGE IN FUND BALANCES	1,000	1,000	(31,691)	(32,691)	(24,041)
FUND BALANCES, JANUARY 1	351,769	351,769	351,769	-	375,810
FUND BALANCES, DECEMBER 31	\$ 352,769	\$ 352,769	\$ 320,078	\$ (32,691)	\$ 351,769

CITY OF BAYPORT, MINNESOTA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2007

	103 Tax Increment <u>District 1</u>	106 Tax Increment <u>District 2</u>	107 Tax Increment <u>District 2-1</u>
ASSETS			
Cash and temporary investments	\$ 254,504	\$ 89	\$ 16,584
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 13,997
FUND BALANCES			
Unreserved			
Designated for capital expenditures	-	-	-
Designated for economic development	254,504	89	2,587
TOTAL FUND BALANCES	<u>254,504</u>	<u>89</u>	<u>2,587</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 254,504</u>	<u>\$ 89</u>	<u>\$ 16,584</u>

208 Prison Sewer Project	Total
<u>\$ 851</u>	<u>\$ 272,028</u>
<u>\$ -</u>	<u>\$ 13,997</u>
851	851
-	<u>257,180</u>
<u>851</u>	<u>258,031</u>
<u>\$ 851</u>	<u>\$ 272,028</u>

CITY OF BAYPORT, MINNESOTA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICITS)
FOR THE YEAR ENDED DECEMBER 31, 2007

	103 Tax Increment District 1	106 Tax Increment District 2	107 Tax Increment District 2-1
REVENUES			
Tax increments	\$ -	\$ -	\$ 31,104
Interest on investments	12,600	-	579
	12,600	-	31,683
TOTAL REVENUES	12,600	-	31,683
EXPENDITURES			
Current			
Public works	2,212	-	28,688
	2,212	-	28,688
EXCESS OF REVENUES OVER EXPENDITURES	10,388	-	2,995
OTHER FINANCING SOURCES			
Transfers in	392	4	-
	392	4	-
NET CHANGE IN FUND BALANCES	10,780	4	2,995
FUND BALANCES (DEFICITS), JANUARY 1	243,724	85	(408)
FUND BALANCES, DECEMBER 31	\$ 254,504	\$ 89	\$ 2,587

208 Prison Sewer Project	Total
\$ -	\$ 31,104
<u>64</u>	<u>13,243</u>
64	44,347
-	<u>30,900</u>
64	13,447
<u>-</u>	<u>396</u>
64	13,843
<u>787</u>	<u>244,188</u>
<u>\$ 851</u>	<u>\$ 258,031</u>

CITY OF BAYPORT, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance With Final Budget Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES					
Taxes					
Property	\$ 764,956	\$ 764,956	\$ 747,133	\$ (17,823)	\$ 754,263
Gravel	600	600	634	34	652
Total	<u>765,556</u>	<u>765,556</u>	<u>747,767</u>	<u>(17,789)</u>	<u>754,915</u>
Licenses and permits					
Business	17,200	17,200	20,287	3,087	22,360
Nonbusiness	372,600	372,600	122,876	(249,724)	329,307
Total	<u>389,800</u>	<u>389,800</u>	<u>143,163</u>	<u>(246,637)</u>	<u>351,667</u>
Intergovernmental					
Federal					
Safe and sober	-	-	-	-	7,358
State					
Local government aid	439,726	439,726	439,726	-	348,687
Property tax credits	39,803	39,803	39,803	-	39,371
Fire state aid	94,000	94,000	85,720	(8,280)	96,303
Police aid	25,000	25,000	36,958	11,958	32,143
PERA aid	2,660	2,660	2,660	-	2,660
Other	-	-	1,000	1,000	-
County					
Compost grant	-	-	4,546	4,546	9,270
Local					
Other grants and aids	-	-	12,840	12,840	9,090
Total	<u>601,189</u>	<u>601,189</u>	<u>623,253</u>	<u>22,064</u>	<u>544,882</u>
Charges for services					
General government	20,150	20,150	3,073	(17,077)	-
Public safety	218,111	218,111	225,674	7,563	225,664
Public works	-	-	12,885	12,885	-
Culture and recreation	10,000	10,000	8,375	(1,625)	9,799
Other	5,000	5,000	3,725	(1,275)	9,400
Total	<u>253,261</u>	<u>253,261</u>	<u>253,732</u>	<u>471</u>	<u>244,863</u>
Fines and forfeitures	34,000	34,000	32,991	(1,009)	44,377
Special assessments	-	-	3,609	3,609	3,895
Interest on investments	58,161	58,161	149,546	91,385	102,669

CITY OF BAYPORT, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance With Final Budget Positive Negative (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES - CONTINUED					
Miscellaneous					
Rental income	\$ 13,032	\$ 13,032	\$ -	\$ (13,032)	\$ 36,811
Contributions and donations	4,000	4,000	4,418	418	12,784
Refunds and reimbursements	12,900	12,900	34,216	21,316	21,117
Other	3,400	3,400	-	(3,400)	2,392
Total	<u>33,332</u>	<u>33,332</u>	<u>38,634</u>	<u>5,302</u>	<u>73,104</u>
TOTAL REVENUES	<u>2,135,299</u>	<u>2,135,299</u>	<u>1,992,695</u>	<u>(142,604)</u>	<u>2,120,372</u>
EXPENDITURES					
Current					
General government					
Mayor and Council					
Personal services	14,991	14,991	22,484	(7,493)	9,496
Supplies	300	300	423	(123)	112
Other services and charges	125,294	125,294	157,076	(31,782)	111,217
Total	<u>140,585</u>	<u>140,585</u>	<u>179,983</u>	<u>(39,398)</u>	<u>120,825</u>
Election					
Personal services	3,605	3,605	1,397	2,208	2,421
Supplies	100	100	242	(142)	376
Other services and charges	245	245	425	(180)	313
Total	<u>3,950</u>	<u>3,950</u>	<u>2,064</u>	<u>1,886</u>	<u>3,110</u>
Administration					
Personal services	74,379	74,379	73,297	1,082	69,464
Supplies	1,800	1,800	3,703	(1,903)	3,061
Other services and charges	55,840	55,840	87,607	(31,767)	65,785
Total	<u>132,019</u>	<u>132,019</u>	<u>164,607</u>	<u>(32,588)</u>	<u>138,310</u>
Building					
Supplies	750	750	577	173	679
Other services and charges	35,629	35,629	40,381	(4,752)	35,623
Total	<u>36,379</u>	<u>36,379</u>	<u>40,958</u>	<u>(4,579)</u>	<u>36,302</u>

CITY OF BAYPORT, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance With Final Budget Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
EXPENDITURES - CONTINUED					
Current - Continued					
General government - continued					
Recycling					
Other services and charges	\$ 12,259	\$ 12,259	\$ 6,106	\$ 6,153	\$ 9,330
Planning and zoning					
Personal services	133,642	133,642	128,110	5,532	127,590
Supplies	5,000	5,000	2,909	2,091	1,110
Other services and charges	50,324	50,324	55,613	(5,289)	38,766
Total	188,966	188,966	186,632	2,334	167,466
Total general government	514,158	514,158	580,350	(66,192)	475,343
Public safety					
Police					
Personal services	490,405	490,405	500,426	(10,021)	502,598
Supplies	38,250	38,250	34,109	4,141	33,573
Other services and charges	100,953	100,953	94,991	5,962	92,485
Total	629,608	629,608	629,526	82	628,656
Fire protection					
Personal services	112,161	112,161	100,022	12,139	111,075
Supplies	13,950	13,950	13,080	870	11,882
Other services and charges	151,132	151,132	127,995	23,137	145,083
Total	277,243	277,243	241,097	36,146	268,040
Total public safety	906,851	906,851	870,623	36,228	896,696
Public works					
Streets					
Personal services	66,258	66,258	77,839	(11,581)	84,568
Supplies	21,500	21,500	24,963	(3,463)	16,801
Other services and charges	140,987	140,987	114,903	26,084	141,645
Total	228,745	228,745	217,705	11,040	243,014
Street lighting	29,000	29,000	23,473	5,527	28,003
Total public works	257,745	257,745	241,178	16,567	271,017

CITY OF BAYPORT, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance With Final Budget Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
EXPENDITURES - CONTINUED					
Current - Continued					
Culture and recreation					
Parks					
Personal services	\$ 41,372	\$ 41,372	\$ 43,554	\$ (2,182)	\$ 37,513
Supplies	6,245	6,245	4,375	1,870	8,858
Other services and charges	28,648	28,648	37,359	(8,711)	22,244
Total culture and recreation	<u>76,265</u>	<u>76,265</u>	<u>85,288</u>	<u>(9,023)</u>	<u>68,615</u>
Miscellaneous					
Cemetery					
Supplies	900	900	659	241	468
Other services and charges	5,000	5,000	1,879	3,121	5,140
Total miscellaneous	<u>5,900</u>	<u>5,900</u>	<u>2,538</u>	<u>3,362</u>	<u>5,608</u>
Unallocated					
TIF settlement	-	-	-	-	30,000
Contingency	-	-	-	-	1,820
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,820</u>
Total current expenditures	<u>1,760,919</u>	<u>1,760,919</u>	<u>1,779,977</u>	<u>(19,058)</u>	<u>1,749,099</u>
Capital outlay					
General government	151,500	151,500	80	151,420	4,573
Public safety	8,500	8,500	23,151	(14,651)	36,989
Public works	-	-	887	(887)	31,101
Miscellaneous	-	-	7,800	(7,800)	-
Total capital outlay	<u>160,000</u>	<u>160,000</u>	<u>31,918</u>	<u>128,082</u>	<u>72,663</u>
TOTAL EXPENDITURES	<u>1,920,919</u>	<u>1,920,919</u>	<u>1,811,895</u>	<u>109,024</u>	<u>1,821,762</u>
EXCESS OF REVENUES OVER EXPENDITURES					
	<u>214,380</u>	<u>214,380</u>	<u>180,800</u>	<u>(33,580)</u>	<u>298,610</u>

CITY OF BAYPORT, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2007
(With comparative actual amounts for the year ended December 31, 2006)

	2007			Variance With Final Budget Positive (Negative)	2006
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
OTHER FINANCING USES (SOURCES)					
Transfers in	\$ -	\$ -	\$ 4,023	\$ 4,023	\$ 115,000
Sale of capital assets	500	500	-	(500)	-
Transfers out	(214,880)	(214,880)	(214,880)	-	(233,500)
TOTAL OTHER FINANCING USES (SOURCES)	(214,380)	(214,380)	(210,857)	3,523	(118,500)
NET CHANGE IN FUND BALANCES	-	-	(30,057)	(30,057)	180,110
FUND BALANCES, JANUARY 1	2,921,605	2,921,605	2,921,605	-	2,741,495
FUND BALANCES, DECEMBER 31	<u>\$ 2,921,605</u>	<u>\$ 2,921,605</u>	<u>\$ 2,891,548</u>	<u>\$ (30,057)</u>	<u>\$ 2,921,605</u>

CITY OF BAYPORT, MINNESOTA
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 DECEMBER 31, 2007

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31</u>
Escrow				
ASSETS				
Cash and temporary investments	<u>\$ 33,786</u>	<u>\$ 11,484</u>	<u>\$ (12,698)</u>	<u>\$ 32,572</u>
LIABILITIES				
Accounts payable	<u>\$ 33,786</u>	<u>\$ 11,484</u>	<u>\$ (12,698)</u>	<u>\$ 32,572</u>

CITY OF BAYPORT, MINNESOTA
SUMMARY FINANCIAL REPORT
REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS
GOVERNMENTAL FUNDS
YEARS ENDED DECEMBER 31, 2007 AND 2006

	Total		Percent Increase (Decrease)
	2007	2006	
REVENUES			
Taxes	\$ 995,290	\$ 950,797	4.68 %
Licenses and permits	143,163	351,667	(59.29)
Intergovernmental	1,021,368	1,060,698	(3.71)
Charges for services	330,167	606,541	(45.57)
Fines and forfeits	53,745	53,377	0.69
Special assessments	75,673	151,780	(50.14)
Interest on investments	503,471	362,715	38.81
Miscellaneous	414,214	2,561,493	(83.83)
TOTAL REVENUES	\$ 3,537,091	\$ 6,099,068	(42.01)
Per Capita	1,090.01	1,923.39	
EXPENDITURES			
Current			
General government	\$ 580,350	\$ 478,193	21.36 %
Public safety	876,219	901,069	(2.76)
Public works	747,141	354,952	110.49
Culture and recreation	426,137	349,729	21.85
Miscellaneous	2,538	5,608	(54.74)
Capital outlay			
General government	80	4,573	(98.25)
Public safety	572,804	43,125	1,228.24
Public works	115,507	3,566,260	(96.76)
Culture and recreation	362,740	42,427	754.97
Miscellaneous	7,800	-	100.00
Debt service			
Principal	80,000	80,000	-
Interest and other charges	47,605	95,520	(50.16)
TOTAL EXPENDITURES	\$ 3,818,921	\$ 5,921,456	(35.51)
Per Capita	1,176.86	1,867.38	
Total Long-term Indebtedness	\$ 1,075,000	\$ 1,155,000	(6.93) %
Per Capita	331.28	364.24	
General Fund Balance - December 31	\$ 2,891,548	\$ 2,921,605	(1.03) %
Per Capita	891.08	921.35	

The purpose of this report is to provide a summary of financial information concerning the City of Bayport to interested citizens. The complete financial statements may be examined at City Hall, 294 North Third Street, Bayport, MN 55003. Questions about this report should be directed to Wanda Madsen, Finance Officer at (651) 275-4404.

Grandview Square
5201 Eden Avenue
Suite 370
Edina, MN 55436

REPORT ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and Council
City of Bayport, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information the City of Bayport (the City), Minnesota, as of and for the year ended December 31, 2007 which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated April 7, 2008.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the Minnesota Office of the State Auditor pursuant to Minnesota statute, section 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* covers seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, tax increment financing, and miscellaneous city provisions. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the City complied with the material terms and conditions of applicable legal provisions except as noted as finding 2007-2 in the Schedule of Findings and Responses.

This report is intended solely for the information and use of the Council, management and the Minnesota Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

April 7, 2008
Minneapolis, Minnesota

Abdo, Eick & Meyers, LLP
ABDO, EICK & MEYERS, LLP
Certified Public Accountants

OTHER REPORTS

CITY OF BAYPORT
BAYPORT, MINNESOTA

YEAR ENDED
DECEMBER 31, 2007



Grandview Square
5201 Eden Avenue
Suite 370
Edina, MN 55436

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS

Honorable Mayor and City Council
City of Bayport, Minnesota

In planning and performing our audit, we considered the City of Bayport, Minnesota, (the City) internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies and others that we consider material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. We consider findings 2007-1 and 2007-3 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We consider findings 2007-4 and 2007-5 to be material weaknesses in internal control over financial reporting.

We noted certain matters that we reported to management of the City, in a separate letter dated April 7, 2008.

The City's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the City's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, City Council and the Minnesota Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

April 7, 2008
Minneapolis, Minnesota

Abdo, Eick & Meyers, LLP
ABDO, EICK & MEYERS, LLP
Certified Public Accountants

CITY OF BAYPORT, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2007

<u>Finding</u>	<u>Description</u>
2007-1	Limited Segregation of Duties
<i>Condition</i>	During our audit, we found that the City has a limited segregation of duties related to many aspects of its accounting systems.
<i>Criteria</i>	There are four general categories of duties: authorization, custody, record keeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities.
<i>Cause:</i>	Specific situations include: cash receipts, cash disbursements, payroll and utility billing. The Finance Officer has responsibility over all areas of authorization, custody of assets, recording and reconciling activity. While there is some review of transactions by the Council and City Administrator, there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential could go undetected.
<i>Effect:</i>	The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in segregation of duties and internal controls can result in undetected errors or misappropriation of assets of the City.
<i>Recommendation:</i>	Under these circumstances the most effective controls lie in 1) managements knowledge of the City's financial operations and 2) striving to obtain as much segregation of duties as possible so that no one person has complete control of any type of financial transaction. We recommend the City evaluate its controls and make any changes considered necessary. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost and other considerations.
<i>Management Response:</i>	There is no disagreement with the audit finding. The City reviews and makes improvements to its internal control structure on an ongoing basis and attempts to maximize the segregation of duties in all areas with the limits of the staff available. However, the City does not consider it cost beneficial at this time to increase the size of its staff in order to further segregate accounting functions.

CITY OF BAYPORT, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES - CONTINUED
DECEMBER 31, 2007

<u>Finding</u>	<u>Description</u>
2007-2	Legal Compliance - Contracting and Bidding
<i>Condition:</i>	During our audit, we tested certain legal compliance provisions for the purchase of a truck used by the Fire Department, and found the City to be out of compliance.
<i>Criteria:</i>	Minnesota Statute 471.435 requires the City to obtain sealed bids for purchases over \$50,000 and keep the documentation on file for at least one year.
<i>Cause:</i>	The City did not have evidence of obtaining sealed bids for the purchase of the truck.
<i>Effect:</i>	The City is out of compliance with statutes set forth by the State of Minnesota.
<i>Recommendation:</i>	We recommend the City develop a purchasing policy that addresses procedures for purchases defined in Minnesota Statute 471.435. We also recommend the City keep all contracting and bidding documents in a separate folder used to document the process.
<i>Management Response:</i>	There is no disagreement with the audit finding. Two bids were received for the fire truck and were awarded to the low bidder. However, the original copy of the bid that was not selected was misplaced and the Fire Chief is in the process of obtaining a copy of this bid. The City is aware of the bidding procedures and requirements and will take precautions to make sure future bids are retained for the required period of the time.

CITY OF BAYPORT, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES - CONTINUED
DECEMBER 31, 2007

<u>Finding</u>	<u>Description</u>
2007-3	Preparation of Financial Statements
<i>Condition:</i>	We were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Recent auditing standards require auditors to communicate this situation to the Council as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of your statements and footnotes, and the responsibility of the auditor to determine the fairness of presentation of those statements. From a practical standpoint we do both for you at the same time in connection with our audit. This is not unusual for us to do with organizations of your size. However, based on recent auditing standards, it is our responsibility to inform you that this deficiency could result in a material misstatement to the financial statements that could have been prevented or detected by your management. Essentially, the auditors can not be part of your internal control process.
<i>Criteria:</i>	Internal controls should be in place to provide reasonable assurance over financial reporting.
<i>Cause:</i>	From a practical standpoint we do both for you at the same time in connection with our audit. This is not unusual for us to do with organization of your size.
<i>Effect</i>	The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in internal controls can result in undetected errors in financial reporting
<i>Recommendation:</i>	It is your responsibility to make the ultimate decision to accept this degree of risk associated with this condition because of cost or other considerations. As in prior years, we have instructed management to review a draft of the auditor prepared financials in detail for there accuracy; we have answered any questions they might have, and have encouraged research of any accounting guidance in connection with the adequacy and appropriateness of classification of disclosure in your statements. We are satisfied that the appropriate steps have been taken to provide you with the completed financial statements. While the City is reviewing the financial statements we recommend a disclosure checklist is utilized to ensure all required disclosures are presented and the City should agree its financial software to the numbers reported in the financial statements.
<i>Management Response:</i>	We concur with this recommendation, and will correct this issue for next year's audit.

CITY OF BAYPORT, MINNESOTA
 SCHEDULE OF FINDINGS AND RESPONSES - CONTINUED
 DECEMBER 31, 2007

<u>Finding</u>	<u>Description</u>
2007-4	Bank Reconciliations
<i>Condition:</i>	During our preliminary fieldwork conducted in January 2008, we noted that the City had not completed bank reconciliations since August
<i>Criteria:</i>	Bank reconciliations are an important control activity that ensures all transactions are addressed in the accounting system.
<i>Cause:</i>	Unknown.
<i>Effect:</i>	The City has increased risk of material misstatement and undetected errors in processing transactions.
<i>Recommendation:</i>	We recommend the City develop policies and procedures to ensure that bank checking, bank savings, and investment accounts are reconciled within two weeks of month end.
<i>Management Response:</i>	There is no disagreement with the audit finding. The City has this procedure under control.
2007-5	Material Audit Adjustments
<i>Condition:</i>	During our audit, we were required to make numerous material adjustments to the City's year end trial balance.
<i>Criteria:</i>	The financial statements are the responsibility of the City's management
<i>Cause:</i>	The City was not able to prepare a year end trial balance reflecting all necessary accounting entries.
<i>Effect:</i>	This indicates that it would be likely that a misstatement may occur and not be detected by the City's system of internal control. The audit firm cannot serve as a compensating control over this deficiency.
<i>Recommendation:</i>	We recommend that management review each journal entry. Management should obtain an understanding as to how the entry was determined as well as why the entry was necessary. Management should modify current procedures and develop work papers for each balance sheet account that ensures the proper entries are made.
<i>Management Response:</i>	The City concurs with this recommendation, and will take the necessary controls to ensure that the entries are reviewed and the procedures are developed for the work papers for each balance sheet account along with your firm assistance.



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
PHONE 651-275-4404 FAX 651-275-4411

Date: April 30, 2008

To: Mayor and City Council

From: Mike McGuire, City Administrator
Sara Taylor, Assistant Administrator
Laura Eastman, Police Chief
John Buckley, Building Official
Mike Bell, Fire Chief

Subject: Consideration of liquor licenses for "Refuge on the River" located at 101 5th Avenue South

BACKGROUND

The city has received a new liquor license application from Mike Scanlon, the individual that will be leasing the restaurant previously know as "Clyde's", which is located adjacent to the Bayport Marina. As part of the liquor license application, a background investigation of the applicant is required, as well as a health, safety, and welfare inspection of the premises by city staff and Washington County. Any issues that arise out of the investigation/inspection must then be resolved prior to the issuance of the liquor license, to ensure the premise is fit for occupancy and service.

In addition to the issues related to the liquor license, the conditional use permit for the property that allows the restaurant use has expired. Mike Scanlon has applied for a new conditional use permit, which will be reviewed at the upcoming Planning Commission meeting on May 19th. However, because of the amount of time associated with the review of the conditional use permit and that the proposed use will remain a restaurant, staff feels that it may be appropriate to allow the restaurant to open at such time the other outstanding issues are complete. The City Council will then have the opportunity to review all use conditions at the June meeting.

As of the date of this memo, the following are comments from staff related to the investigations/inspections and/or issues that have vet to be completed before a liquor license can be issued:

Administration/Planning

All necessary forms and fees associated with the new liquor license application have been received and are complete. The liquor licenses being requested are on-sale liquor, off-sale liquor, and on-sale Sunday liquor. Once approved by the city, staff will forward the paperwork to the Minnesota Alcohol and Gambling Enforcement Division (AGE). AGE will notify the city when the licenses have been approved and when the sale of liquor is allowed.

All necessary forms and fees associated with the new conditional use permit have been received and are complete. All conditions related to hours of operation, parking, noise, etc. will be discussed at the May 19th Planning Commission meeting, which is a public hearing. However, the City Council may want to impose temporary hours of operation until the conditional use permit is reviewed. Mr. Scanlon

is requesting to be open 11:00 a.m. – 11:00 p.m., 7 days a week. The City Council will review the conditional use permit at the June 2nd meeting.

Police

In April of 2008, Washington County Background Investigator Fure completed a check on Mr. Mike Scanlon. At that time a full background including a criminal history was completed. Mr. Scanlon is free of any felony records which would prevent the city from allowing him a liquor license.

Building

On April 3, 2008, an inspection was completed to ensure compliance with building codes. The following correction items have yet to be completed:

1. The exhaust vent pipe for the water heater that terminates at the roof on the north side needs a cap installed, per the Minnesota Mechanical Code.
2. The fire sprinkler system must be tested and monitored. All work must be done by a licensed contractor, per the Minnesota Fire Code.
3. The exterior ramp must have handrails at 34" minimum to 38" maximum, and they must return into a newel post or building, per Minnesota Building Code.
4. The walking surface for the ramp must be of a nonskid surface, per the Minnesota Accessibility Code
5. The northeast exit door landing must meet the minimum building code for handrails and walking surface.
6. Front stairs must have handrails on each side and must return back into a post or building.
7. The main and northeast exit doors must be labeled with a minimum of 1" letters stating, ***These doors shall remain unlocked during normal business hours.***
8. Must install and hardwire exit signs with emergency lights by the main door and northeast exit door.
9. The kitchen hood system must be tested and approved per state code.
10. The carbon dioxide tanks must be attached to the wall area with an approved device.
11. A licensed plumber must install a check valve or an RPZ on the water supply before the sprinkler system, per the Minnesota Plumbing Code.
12. Service Availability Charges (SAC) fees must be paid to the Metropolitan Council, as well as all City of Bayport fees associated with the SAC fees and connection fees, based off of the SAC units.

Health

Washington County has issued work orders that relate to health, safety, and welfare. Per staff, several of the work orders have yet to be complete. An inspection to verify completion has been scheduled for May 21, 2008.

Fire

Most work orders related to fire were covered under the building inspection. A lock box still needs to be installed to allow the fire department access, in case of an emergency.

RECOMMENDATION

Based on the information stated above, staff recommends the City Council either 1) adopt a motion to continue the review and discussion of the liquor license and any outstanding conditions at the June 2, 2008 meeting, or 2) adopt a motion approving the liquor licenses, subject to completion of all outstanding items stated above, and any other health, safety, and welfare issues that city staff determines are necessary to be completed, to ensure the establishment is fit for occupancy and service.

April 14, 2008

Mr. Michael McGuire
Bayport City Administrator
Bayport City Hall
294 3rd Street North
Bayport, MN 55003

Dear Mr. McGuire,

The following activity has come to the attention of Waterford on the St. Croix Condominium Association Board of Directors:

- Ownership of Clyde's Restaurant property has changed hands and the apparent intent on the part of the new owner or its tenant to operate a restaurant/liquor establishment on those premises.

The Condominium is a registered Minnesota Non-Profit Corporation under the provisions of Minnesota Statue 317. The formal declaration for the Condominium was filed on May 18, 1989 and operates pursuant to Minnesota Statue 515A. This declaration states that the units shall be used exclusively for residential purposes, and the units shall be occupied and used only by holders of interest, their families, lessees, and social guests for residential purposes. With this in mind. Waterford on the St. Croix Condominium Association, Inc., consisting of forty-one (41) condominium units organized as a "residential real estate management association" within the meaning of Section 528 of the Internal Revenue Code, has the following concerns to present to the City of Bayport:

- We understand that an application for **on-sale/off-sale liquor license** as been made for the Clyde's Restaurant property. We request that "Waterford" be advised in advance of the actions that the City proposes to take with respect to granting of the requested liquor license, including being given advance notice of all hearings pertaining to this application and notice of public hearings on the matter.
- We request that in connection with the City's review of this liquor license application, that it limit any license it might issue to insure compliance with the Conditional Use Permit that applies to the Clyde's Restaurant property.
- We request notification to all Waterford Unit Owners should there be an application for a separate Conditional Use Permit from the Clyde's property owners or lessee.

Waterford on the St. Croix Condominium Association, Inc. would welcome and support a restaurant/on-sale liquor establishment on the Clyde's Restaurant property that operates in a manner consistent with the use of the adjoining marina property and our residential condominium property. However, it is important that the all three entities (Condominiums, Marina, Restaurant) work together to enhance the whole

Waterford is a quiet, riverside, planned unit development/community consisting of both full and part-time permanent residents. We are Bayport City taxpayers and want our voices heard with regard to the operation of a restaurant/on-sale liquor establishment. Our community complies with the City of Bayport laws which include the right to control and regulate noise, rights, or any other environment nuisance factors. We request the operation of a new restaurant/liquor establishment also comply with all rules, regulations and ordinances pertaining to the regulation of noise and general operation within a residential community.

Having a restaurant on-sale/off-sale establishment operating directly adjacent to our residential condominium association homes is not the typical adjacent land use that one would expect to see.

Historically, the three entities consisting of a restaurant, private marina and privately owned residential condominium homes have related in a mutually agreeable way due in large part to the fact the restaurant/on-sale liquor establishment known as Clyde's did not draw large volumes of customers to the facility, but rather catered primarily to the marina members and local residents. The facility typically limited its hours of operation from just before Noon to 8:00 p.m. on weekdays and to 10:00 or 11:00 p.m. on weekends.

In considering approval of the conditions for the requested liquor license for the Clyde's Restaurant property, we, residents of the City of Bayport, request the City of Bayport to include the following as part of the conditional use permit associated with granting a liquor license:

1. Limit hours of operation – similar to the precedent that has been previously established
2. Limit the capacity of the operations and the traffic into and out of the facility;
3. Limit entertainment;
4. Limit noise – control and regulate noise and any other environment nuisance factors;
5. Ensure that the operations on the property are first and primarily that of a restaurant which serves alcohol as opposed to an on-sale liquor establishment which could continue to operate as a bar even if the restaurant business failed
6. Require outside maintenance of surrounding areas be appropriately cleaned and cared for in way that is consistent with the adjacent properties and does not pose any health and/or safety issues.

We ask the City of Bayport to limit access into and out of this immediate area and consider the health and safety of all those who live in the condominiums, many of whom also own or lease private boat slips in the Bayport Marina.

We seek assistance from the City of Bayport to control parking. The roads with direct access to the condominium homes are private and for the exclusive use of residents, their families, lessees and social guests.

In event of flooding, Condominium cross-easement controlling documents allocate 25 parking spaces be reserved for the owners of the Condominium units on the Marina property that is currently laid out and improved between the Restaurant Property and the sales and service building of the Marina Property, and that part of the Marina Property that is currently laid out and improved along the Boat Slips situated on the Marina Property. Therefore, the Conditional Use Permit should include language which protects these parking allocations if such risks or perils are presented.

Waterford on the St. Croix Condominium Association believes that the use of the Restaurant property, Condominium Association and the adjoining Marina property is protected under the terms and conditions of the Conditional Use Permit dated as of August 10, 1983 which was issued by the City of Bayport. It is significant that the zoning classification for the property in question carries the designation of "Residential" which is the predominant nature of the use of the two directly adjacent properties; Bayport Marina and Waterford on the St. Croix Condominium Association.

It is imperative any conditions that are imposed on the conditional use permit be the same as would be expressly attached to an ongoing permit.

We would also like to bring to your attention a situation that occurred in the year 2006 relative to the community sewage pumping station that must be addressed as it directly impacts the health and safety of the residents in Waterford on the St. Croix Condominium Association. The sewage pumping station failed resulting in a back up of raw sewage into the garage of Unit 110 Mariner Drive. After inspection, it was determined a large amount of kitchen grease, combined with other matter inappropriately deposited into the sewer system servicing the restaurant, marina, and condominium homes, directly impacted the functionality of the system resulting in the discharge of raw sewage into the environment.

We ask the City of Bayport to incorporate the general set of standards found in the City of Bayport ordinances in considering a conditional use permit, i.e., the general welfare standard, nuisance standard, general plan consistency standard and zoning consistency standard. We request the City of Bayport to consider the residents of Waterford on the St. Croix Condominium Association and ask that the integrity and character of this zoned district within our community not be adversely impacted.

We ask the City of Bayport to schedule an annual review with Waterford on the St. Croix Condominium Association, Bayport Marina and the owner's of Clyde's Restaurant

property (to include lessee) in an effort to proactively address and resolve the concerns of all residents.

We look to the City of Bayport to support the positions presented by the forty-one, active and interested Residential Units of Waterford on the St. Croix Condominium Association. We look to work together with the City of Bayport, the Bayport Marina, as well as the Clyde's Restaurant property owners (and Lessee) to achieve a mutually beneficial resolution for all concerned.

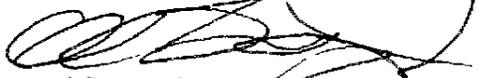
Respectfully submitted,

Waterford on the St. Croix Condominium Association Board of Directors, as follows.


Ron Jorgensen
President


Nancy Nelson
Vice President


Sue Larimer
Secretary


Al Sawczuk
Treasurer


Nancy Hall
Member at Large


Diane Legato
Member at Large


Marie Doyle
Member at Large

c: Mr. Marsh Nowlin, Bayport Marina Manager
Ms. Sara Taylor, Bayport City Planner
Mr. William Kranz, Bayport Marina Attorney

MIDDLE ST. CROIX WATERSHED MANAGEMENT ORGANIZATION

1380 WEST FRONTAGE ROAD, HIGHWAY 36
STILLWATER, MINNESOTA 55082

Phone 651 275 1136 x22 fax 651.275 1254 www mscwmo org



MEMORANDUM

DATE: April 18, 2008

TO: Mike McGuire, City of Bayport
Eric Johnson, City of Oak Park Heights

FROM: Dave Beaudet, Middle St. Croix Watershed Management Organization

SUBJECT: BAYPORT STORM SEWER DESIGN SUPPORT LOAN REQUEST

The Middle St Croix Water Management Organization (MSCWMO) has secured an additional \$150,000.00 to design and construct the Bayport Storm sewer. The most recent legislative bonding bill included the funding in waste water treatment component of the legislature, which has been signed by the governor. One of the restrictions for using the recently approved design funds is that they can only be used once it has been demonstrated the project can be built within the \$1.77 million already allocated for the project.

In other words, the MSCWMO must demonstrate the design can be built within the allocated budget prior to receiving the funds allocated for this design. Accordingly, at the April 10, 2008 public meeting, the MSCWMO board decided to request the Cities of Bayport and Oak Park Heights to loan the funds necessary to design and bid the project. The loan amount needed for design is estimated to be up to \$100,000.

The project is planned for spring of 2009 and to meet that deadline, the design work must begin this year. Ideally, the loaned funds would begin to be made available to the MSCWMO by June of 2008. Repayment of the loan would occur by March 2009. An updated construction budget and more detailed timeline is available upon your request.

We look forward to hearing from Bayport and Oak Park Heights regarding this request in the near future. Please call if you have any questions.



City of Oak Park Heights

14168 Oak Park Blvd N • Box 2007 • Oak Park Heights, MN 55082 • Phone (651) 439-4439 • Fax (651) 439-0574

April 22nd, 2008

MEMO

TO: City Council Members
FROM: Eric Johnson, City Administrator
RE: Loan Request - \$50,000 from MSCWMO

At this time Staff has had an opportunity to review the letter from the MSCWMO in which they request from the City a loan in the amount of \$50,000 necessary to perform and complete the design and specifications for the Perro Pond Project. Apparently, this aspect of the work must be completed and subsequently bid to determine financial feasibility relative to the dollars allocated in the most recent bonding bill. Once this is proven, (demonstrated) the City will be reimbursed.

Technically, there appears to be parameters that would allow the City to loan these funds from the City to the MSCWMO, and this has been verified through the League of Minnesota Cities. Moreover, the City has no policy or rule that would similarly prohibit the use of such funds for loan purposes, but that such loans (or investments) must be prudent.

Perhaps one of the more difficult issues in considering this loan request is that the City would not have direct recourse with the MSCWMO to recover such funds should these dollars not be repaid; as the MSCWMO have no direct taxing authority to generate revenues to repay this loan. It is my understanding however that the MSCWMO may implement assessment charges to cover possible costs, but then these may be assessed back to participating properties and/or cities, which the City constitutes 51% of the area.

Accordingly, should the MSCWMO not refund the City for its cash outlay, the recourse for the City is more political and legislative, such as withdrawing from the organization as opposed to real recovery via the courts or other sanctions. Again, from a practical standpoint, 51 percent of the water flowing through this area is generated by the City and should the project need to be funded via local dollars, the City could be requested to participate to such percentage.

Staff does not have material issues with the loan being made to the MSCWMO, but please be aware of the comments as above. Should the City decide to make this loan the following are requirements should be implemented:

1. Contingent on the City of Bayport funding the other \$50,000 (totaling \$100,000)
2. The City receives an interest rate of 3% (this totals \$1,500 per year)
3. The term of the loan not exceed 12 months.
4. That the MSCWMO pay for all costs associated with loan document preparation and that such documents shall be prepared by the City Attorney.
5. That all costs and interest payments may not be charged back to the City and funded from MSCWMO reserves.