

**CITY OF MINNETONKA
SUMMARY FINANCIAL REPORT**

Per M.S. 471.697, the purpose of this report is to provide a summary of financial information concerning the City of Minnetonka to interested citizens. The complete financial statements may be examined at the City Hall, 14600 Minnetonka Boulevard. Questions about this report should be directed to Merrill King, Director of Finance at (952) 939-8200.

**REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS
(Governmental Funds)**

	<u>Total 2009</u>	<u>Total 2008</u>	<u>Percent Increase (Decrease)</u>
REVENUES:			
Taxes:			
Property	\$ 30,088,341	\$ 28,221,316	6.6%
Franchise	1,477,059	1,483,731	-0.4%
Special Assessments	454,492	430,278	5.6%
Licenses and Permits	1,876,184	2,574,866	-27.1%
Intergovernmental	4,077,426	3,827,767	6.5%
Charges for Services	1,469,808	1,534,637	-4.2%
Fines and Forfeitures	665,907	644,680	3.3%
Miscellaneous	2,059,364	4,877,252	-57.8%
	<u>\$ 42,168,581</u>	<u>\$ 43,594,527</u>	<u>-3.3%</u>
Total Revenues	<u>815</u>	<u>847</u>	<u>-3.8%</u>
Per Capita			
EXPENDITURES:			
Current:			
General Government	\$ 3,984,884	\$ 4,690,725	-15.0%
Development Services	5,913,107	5,926,346	-0.2%
Public Works	4,919,395	5,365,413	-8.3%
Public Safety	11,372,566	10,897,161	4.4%
Park and Recreation	5,062,868	4,855,598	4.3%
Debt Service			
Principal	595,000	575,000	3.5%
Interest and Fiscal Charges	475,020	406,959	16.7%
Capital Outlay	11,945,616	12,685,903	-5.8%
	<u>\$ 44,268,456</u>	<u>\$ 45,403,105</u>	<u>-2.5%</u>
Total Expenditures	<u>855</u>	<u>882</u>	<u>-3.0%</u>
Per Capita			
Total Long-term Indebtedness	\$ 14,860,175	\$ 15,173,099	-2.1%
Per Capita	287	295	-2.5%
General Fund and Special Revenue Funds Unreserved			
Fund Balance - December 31	\$ 14,813,275	\$ 13,446,989	10.2%
Per Capita	286	261	9.6%

CITY OF MINNETONKA
Hennepin County, Minnesota

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
December 31, 2009

	Business-Type Activities - Enterprise Funds							
	Water and Sewer Utilities	Ice Arena	Environmental	Williston Fitness Center	Grays Bay Marina	Storm Water	Total Enterprise Funds	Total Internal Service Funds
ASSETS:								
Current Assets:								
Cash and Cash Equivalents	\$ 12,005,480	\$ 500	\$ 1,439,306	\$ 83,699	\$ 285,115	\$ -	\$ 13,814,100	\$ 812,983
Accounts Receivable	1,561,741	2,636	75,400	-	712	322,416	1,962,905	-
Interest Receivable	123,907	-	14,192	(182)	2,487	-	140,404	6,307
Taxes Receivable	4,762	-	-	-	-	-	4,762	-
Special Assessments Receivable	300,292	-	-	-	-	-	300,292	-
Due from Other Funds	605,420	-	-	-	-	-	605,420	-
Due from Other Governments	-	-	7,390	-	-	-	7,390	10,100
Prepays	15,333	-	-	-	-	-	15,333	-
Inventories	69,652	150	-	-	-	-	69,802	56,425
Total Current Assets	14,686,587	3,286	1,536,288	83,517	288,314	322,416	16,920,408	885,815
Noncurrent Assets:								
Capital Assets:								
Land	247,650	-	-	348,000	-	454,453	1,050,103	-
Buildings and Structures	6,675,368	4,709,336	-	2,889,681	-	352,240	14,626,625	-
Water Facilities	4,700,591	-	-	-	-	-	4,700,591	-
Water Mains and Lines	126,558,665	-	-	-	-	-	126,558,665	-
Sewer Lift Stations	2,823,196	-	-	-	-	-	2,823,196	-
Storm Drainage System	-	-	-	-	-	34,625,576	34,625,576	-
Improvements Other than Buildings	1,071,935	30,000	-	224,464	740,000	-	2,066,399	-
Machinery and Equipment	4,465,462	189,739	-	168,445	13,334	529,547	5,366,527	-
Total Cost	146,542,867	4,929,075	-	3,630,590	753,334	35,961,816	191,817,682	-
Less Accumulated Depreciation	(70,352,125)	(3,372,921)	-	(2,114,396)	(205,343)	(11,497,065)	(87,541,850)	-
Net Capital Assets	76,190,742	1,556,154	-	1,516,194	547,991	24,464,751	104,275,832	-
Total Noncurrent Assets	76,190,742	1,556,154	-	1,516,194	547,991	24,464,751	104,275,832	-
Total Assets	\$ 90,877,329	\$ 1,559,440	\$ 1,536,288	\$ 1,599,711	\$ 836,305	\$ 24,787,167	\$ 121,196,240	\$ 885,815
LIABILITIES AND NET ASSETS:								
Liabilities:								
Current Liabilities:								
Salaries and Wages Payable	\$ 19,119	\$ 6,189	\$ 1,108	\$ 9,083	\$ -	\$ -	\$ 35,499	\$ 5,999
Accounts Payable	415,005	6,973	60,193	11,257	879	50,804	545,111	77,424
Accrued Interest Payable	125,752	-	-	-	-	-	125,752	-
Due to Other Funds	-	266,495	-	-	-	605,420	871,915	-
Unearned Revenue	-	-	-	14,063	57,000	-	71,063	-
Current Portion of Compensated Absences	75,372	13,688	7,705	13,903	-	-	110,668	20,802
Bonds Payable	840,000	-	-	-	-	-	840,000	-
Total Current Liabilities	1,475,248	293,345	69,006	48,306	57,879	656,224	2,600,008	104,225
Long-Term Liabilities:								
Compensated Absences	59,478	39,259	11,830	9,210	-	-	119,777	29,414
Unamortized Bond Premium	134,636	-	-	-	-	-	134,636	-
Unfunded OPEB Obligation	27,078	8,568	3,435	13,316	363	1,086	53,846	9,924
Revenue Bonds Payable, Net	6,795,000	-	-	-	-	-	6,795,000	-
Total Noncurrent Liabilities	7,016,192	47,827	15,265	22,526	363	1,086	7,103,259	39,338
Total Liabilities	8,491,440	341,172	84,271	70,832	58,242	657,310	9,703,267	143,563
Net Assets:								
Invested in Capital Assets, Net of Related Debt	68,421,106	1,556,154	-	1,516,194	547,991	24,464,751	96,506,196	-
Unrestricted	13,964,783	(337,886)	1,452,017	12,685	230,072	(334,894)	14,986,777	742,252
Total Net Assets	82,385,889	1,218,268	1,452,017	1,528,879	778,063	24,129,857	111,492,973	742,252
Total Liabilities and Net Assets	\$ 90,877,329	\$ 1,559,440	\$ 1,536,288	\$ 1,599,711	\$ 836,305	\$ 24,787,167	\$ 121,196,240	\$ 885,815
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds (See Note 2.C)							220,875	
Total Business-Type Activities Net Assets							\$ 111,713,848	

CITY OF MINNETONKA
Hennepin County, Minnesota

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS**
For the Year Ended December 31, 2009

	Business-Type Activities - Enterprise Funds							Governmental
	Water and Sewer Utilities	Ice Arena	Environmental	Williston Fitness Center	Grays Bay Marina	Storm Water	Total Enterprise Funds	Total Internal Service Funds
OPERATING REVENUES:								
Water Sales and Sewer Charges	\$ 10,462,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,462,411	\$ -
Storm Water Charges	-	-	-	-	-	1,965,159	1,965,159	-
Ice Rental Charges	-	546,072	-	-	-	-	546,072	-
Memberships and Fees	-	-	-	1,082,088	113,457	-	1,195,545	-
Recycling Charges	-	-	487,588	-	-	-	487,588	-
Charges to City Departments	-	-	-	-	-	-	-	1,435,472
Other Revenue	51,140	306,147	72,370	51,771	87,207	2,500	571,135	65,188
Total Operating Revenues	<u>10,513,551</u>	<u>852,219</u>	<u>559,958</u>	<u>1,133,859</u>	<u>200,664</u>	<u>1,967,659</u>	<u>15,227,910</u>	<u>1,500,660</u>
OPERATING EXPENSES:								
Personal Services	1,325,777	427,632	161,356	676,853	27,248	27,062	2,645,928	420,501
Supplies, Repairs and Maintenance	752,182	59,583	6,923	80,750	70,852	81,584	1,051,874	631,228
Other Services and Charges	6,964,075	304,088	680,588	215,193	32,047	252,748	8,448,739	805,905
Total Operating Expenses	<u>9,042,034</u>	<u>791,303</u>	<u>848,867</u>	<u>972,796</u>	<u>130,147</u>	<u>361,394</u>	<u>12,146,541</u>	<u>1,857,634</u>
Operating Income (Loss) before Depreciation	1,471,517	60,916	(288,909)	161,063	70,517	1,606,265	3,081,369	(356,974)
Depreciation Expense	3,365,541	209,350	-	189,747	25,983	800,179	4,590,800	-
Operating Income (Loss)	<u>(1,894,024)</u>	<u>(148,434)</u>	<u>(288,909)</u>	<u>(28,684)</u>	<u>44,534</u>	<u>806,086</u>	<u>(1,509,431)</u>	<u>(356,974)</u>
NONOPERATING REVENUES (EXPENSES):								
Investment Income	237,004	-	33,377	(498)	8,138	-	278,021	7,900
Intergovernmental	-	-	133,780	-	-	-	133,780	-
Interest Expense	(282,485)	-	-	-	-	-	(282,485)	-
Proceeds on Disposition of Capital Assets	3,466	-	-	-	-	-	3,466	-
Other Revenues (Expenses)	(3,250)	-	-	-	-	-	(3,250)	-
Total Nonoperating Revenues (Expenses)	<u>(45,265)</u>	<u>-</u>	<u>167,157</u>	<u>(498)</u>	<u>8,138</u>	<u>-</u>	<u>129,532</u>	<u>7,900</u>
Income (Loss) before Contributions and Transfers	<u>(1,939,289)</u>	<u>(148,434)</u>	<u>(121,752)</u>	<u>(29,182)</u>	<u>52,672</u>	<u>806,086</u>	<u>(1,379,899)</u>	<u>(349,074)</u>
Capital Contributions	110,610	-	-	35,021	-	73,740	219,371	-
Transfers In	-	-	-	-	-	-	-	248,400
Transfers Out	<u>(1,035,100)</u>	<u>(51,300)</u>	<u>(187,740)</u>	<u>(51,300)</u>	<u>(37,200)</u>	<u>(145,760)</u>	<u>(1,508,400)</u>	<u>-</u>
Change in Net Assets	<u>(2,863,779)</u>	<u>(199,734)</u>	<u>(309,492)</u>	<u>(45,461)</u>	<u>15,472</u>	<u>734,066</u>	<u>(2,668,928)</u>	<u>(100,674)</u>
NET ASSETS:								
Net Assets - Beginning	<u>85,249,668</u>	<u>1,418,002</u>	<u>1,761,509</u>	<u>1,574,340</u>	<u>762,591</u>	<u>23,395,791</u>		<u>842,926</u>
Net Assets - Ending	<u>\$ 82,385,889</u>	<u>\$ 1,218,268</u>	<u>\$ 1,452,017</u>	<u>\$ 1,528,879</u>	<u>\$ 778,063</u>	<u>\$ 24,129,857</u>		<u>\$ 742,252</u>
							<u>123,458</u>	
							<u>\$ (2,545,470)</u>	

CITY OF MINNETONKA
Hennepin County, Minnesota

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended December 31, 2009

	Business-Type Activities - Enterprise Funds							Governmental
	Water and Sewer Utilities	Ice Arena	Environmental	Williston Fitness Center	Grays Bay Marina	Storm Water	Total Enterprise Funds	Total Internal Service Funds
CASH FLOWS - OPERATING ACTIVITIES:								
Receipts from Customers and Users	\$ 10,494,537	\$ 865,568	\$ 576,410	\$ 1,134,081	\$ 205,652	\$ 1,956,705	\$ 15,232,953	\$ -
Receipts from Interfund Services Provided	-	-	-	-	-	-	-	1,436,045
Other Revenues	-	-	-	-	-	-	-	65,188
Payments to Suppliers	(7,601,587)	(361,933)	(616,743)	(296,139)	(102,269)	(416,887)	(9,395,558)	(840,216)
Payments to Employee:	(1,299,464)	(417,137)	(162,805)	(669,973)	(27,248)	(26,875)	(2,603,502)	(413,807)
Payments of Benefits on Behalf of Employees	-	-	-	-	-	-	-	(643,901)
Net Cash Flows - Operating Activities	1,593,486	86,498	(203,138)	167,969	76,135	1,512,943	3,233,893	(396,691)
CASH FLOWS - NONCAPITAL FINANCING ACTIVITIES:								
Intergovernmental	-	-	268,625	-	-	-	268,625	-
Advances from Other Funds	-	(7,839)	-	-	-	84,491	76,652	-
Advances to Other Funds	(84,491)	-	-	-	-	-	(84,491)	-
Transfers to Other Funds	(1,035,100)	(51,300)	(187,740)	(51,300)	(37,200)	(145,760)	(1,508,400)	-
Transfers from Other Funds	-	-	-	-	-	-	-	248,400
Net Cash Flows - Noncapital Financing Activities	(1,119,591)	(59,139)	80,885	(51,300)	(37,200)	(61,269)	(1,247,614)	248,400
CASH FLOWS - CAPITAL AND RELATED FINANCING ACTIVITIES:								
Acquisition and Construction of Capital Assets	(548,652)	(27,359)	-	(97,964)	-	(1,451,674)	(2,125,649)	-
Advances from Other Funds	-	-	-	(10,000)	-	-	(10,000)	-
Proceeds on the Disposition of Capital Assets	3,466	-	-	-	-	-	3,466	-
Principal Paid on Capital Debt	(775,000)	-	-	-	-	-	(775,000)	-
Interest and Fiscal Charges Paid on Capital Debt	(335,974)	-	-	-	-	-	(335,974)	-
Net Cash Flows - Capital and Related Financing Activities	(1,656,160)	(27,359)	-	(107,964)	-	(1,451,674)	(3,243,157)	-
CASH FLOWS - INVESTING ACTIVITIES:								
Interest and Dividends Received	216,076	-	30,791	(267)	7,176	-	253,776	8,035
Net Change in Cash and Cash Equivalents	(966,189)	-	(91,462)	8,438	46,111	-	(1,003,102)	(140,256)
Cash and Cash Equivalents, January 1	12,971,669	500	1,530,768	75,261	239,004	-	14,817,202	953,239
Cash and Cash Equivalents, December 31	\$ 12,005,480	\$ 500	\$ 1,439,306	\$ 83,699	\$ 285,115	\$ -	\$ 13,814,100	\$ 812,983
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS - OPERATING ACTIVITIES:								
Operating Income (Loss)	\$ (1,894,024)	\$ (148,434)	\$ (288,909)	\$ (28,684)	\$ 44,534	\$ 806,086	\$ (1,509,431)	\$ (356,974)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows - Operating Activities								
Depreciation Expense	3,365,541	209,350	-	189,747	25,983	800,179	4,590,800	-
Accounts Receivable	39,833	13,349	16,452	2,804	(712)	(10,954)	60,772	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Other Governments	597	-	10,575	-	-	-	11,172	573
Special Assessments Receivable	(57,774)	-	-	-	-	-	(57,774)	-
Other Receivables	(1,670)	-	-	-	-	-	(1,670)	-
Inventories	(14,619)	-	-	-	-	-	(14,619)	6,363
Prepays	(15,333)	-	-	-	-	-	(15,333)	-
Accounts Payable	144,622	1,738	60,193	(196)	630	(82,555)	124,432	(53,347)
Salaries and Wages Payable	5,337	1,057	94	957	-	-	7,445	875
Severance Payable	-	-	-	-	-	-	-	-
Compensated Absences Payable	7,803	6,463	(3,073)	1,291	-	-	12,484	1,501
Unfunded OPEB Obligation	13,173	2,975	1,530	4,632	-	187	22,497	4,318
Deferred Revenue	-	-	-	(2,582)	5,700	-	3,118	-
Total Adjustments	3,487,510	234,932	85,771	196,653	31,601	706,857	4,743,324	(39,717)
Net Cash Flows - Operating Activities	\$ 1,593,486	\$ 86,498	\$ (203,138)	\$ 167,969	\$ 76,135	\$ 1,512,943	\$ 3,233,893	\$ (396,691)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES								
Contributions of capital assets from Developers	110,610	-	-	-	-	73,740	184,350	-
Contributions of capital assets from other Governmental Funds	-	-	-	35,021	-	-	35,021	-