

**Council Meeting**  
**Tuesday, June 21, 2011**  
**City Council Chambers**  
**7:30 p.m.**



**AGENDA**

Call to Order  
Pledge of Allegiance

1. Approval of Minutes
  - Council Minutes–June 7, 2011
2. Consent Agenda
  - Minutes
    - Park & Recreation Commission – May 18 & June 13, 2011
    - Tree Commission – June 8, 2011
    - EDA Commission – June 13, 2011
    - Street Committee – June 13, 2011
    - Library Board – June 14, 2011
    - Planning Commission – June 14, 2011
  - Correspondence
    - State Auditor – Comprehensive Performance Measurement System
    - State of MN – Suspension of Activities During Shutdown
  - Licenses
    - Exempt Gambling Permit – Hockey Association
3. Department Heads
4. 2010 City Audit Report – Dennis Rick LTD
5. Planning Commission
  - Conditional Use Permit – 1165 Lakeview Avenue
6. Ordinance Revision – Section 11.60 Variances and Appeals – First Reading
7. Insect Control 2011
8. Resolution Accepting Donation – Coralee Krueger – Picture Frame
9. Shared Manager Agreement – Telecom & SMBG
10. Tax Forfeited Properties – 2011 Designation
11. Unfinished Business
12. New Business
13. Old Business
  - Long Range Planning – Springsted Schedule
14. Regular Bills
15. Council Concerns
16. Adjourn



**Council Meeting**  
**Windom City Hall, Council Chamber**  
**June 7, 2011**  
**7:30 p.m.**

1. Call to Order: The meeting was called to order by Mayor Kruse at 7:30 p.m.

2. Roll Call: Mayor: Kirby Kruse

Council Members: Dominic Jones, Corey Maricle, Bradley Powers and JoAnn Ray

Council Members Absent: Kelsey Fossing

City Staff Present: Steve Nasby, City Administrator; Marv Grunig, Electric Utility Manager; Bruce Caldwell, Street Superintendent; Al Baloun, Recreation Director; Jeff Shirkey, Police Chief (Retired) and Jeremy Rolfes, Telecom

3. Pledge of Allegiance

4. Approval of Minutes:

**Motion by Maricle second by Ray, to approve the City Council minutes from May 17, 2011. Motion carried 4 – 0 (Fossing absent).**

5. Consent Agenda:

Kruse said there were minutes from the following Boards\Commissions:

- Telecommunications Commission – May 13, 2011
- Community Center Commission – May 23, 2011
- Utility Commission – May 25, 2011

Kruse said that correspondence was received from the Cottonwood County Assessor's Office regarding a public hearing on June 14, 2011 regarding "True" County Assessing.

**Motion by Jones second by Maricle, to approve the Consent Calendar. Motion carried 4 – 0 (Fossing absent).**

## Preliminary

### 6. Department Heads:

Bruce Caldwell, Street Superintendent, notified the public that Kastle Kingdom will be closed from June 16 – 24 for maintenance, repairs and the addition of new wood chips. Notices have been made on the City web site and Channel 3.

Caldwell reminded the public to keep grass on private property mowed. The City ordinance states a maximum length of six inches. Many properties this year have not been well taken care of and he is urging citizens and businesses to keep up with maintenance. This year he has already sent out 49 violation letters. If the City has to address the mowing on a private property in violation of the ordinance the fee is a minimum of \$100 and may be higher depending on the staff time needed to maintain the property. He asked that businesses also pay attention to this matter as property maintenance is their responsibility as well.

The Tree Committee's planting program has been completed with 30 new trees being planted by the Minnesota Conservation Corps. Caldwell thanked the Minnesota Conservation Corps, the Tree Commission, citizens and the Cottonwood County Soil and Water Conservation District staff for their assistance and help. A grant from the Soil and Water Conservation District will be used to help off-set the cost of 26 trees.

Jones asked if most of the properties in violation of the long grass ordinance were vacant. Caldwell said that a majority of the properties are occupied, but the owners are out of state or a bank so getting them to do the maintenance is more difficult.

Powers asked how the fees are paid if the City has to do the work. Caldwell said the expense is invoiced to the property owner of record and if it is unpaid then the City can assess it to the property taxes.

Jones asked what the assessment date is for this billing. Nasby said the deadline is October 1, but the County Auditor has been flexible on this date.

Al Baloun, Recreation Director, noted that school was out early this year so the recreation programs started last week. The swimming pool opened on June 6 as scheduled and the new slide had been installed. Swimming lessons will start next week. Baloun reminded the public to watch out for children walking and biking in the community. The recreation program held a bike safety talk for the kids participating in the recreation programs.

Jones asked if the cross walks on Highway 62 were the City's responsibility or MN DOT as they need to be painted. Caldwell said that they are the responsibility of MN DOT and he would contact them to see if they could be painted.

Baloun said the attendance at the pool the last two days has been high due to the hot weather and the new slide is very popular.

Jones asked Baloun to let the public know about the rules for the slide relating to metal on swimming suits. Baloun said that no metal on swimming suits is allowed on the new slide

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as it could scratch the fiberglass tube and this rule is common among pools with these types of attractions. Swimming suits with metal snaps, buttons or rivets are prohibited.

7. Proclamation for Years of Service:

**Council member Powers introduced the Resolution No. 2011-21, entitled “A RESOLUTION EXPRESSING SINCERE APPRECIATION TO JEFFERY SHIRKEY FOR HONORABLE AND DEVOTED SERVICE TO THE CITY OF WINDOM, MINNESOTA” and moved its adoption. The resolution was seconded by Ray and on roll call vote: Aye: Jones, Maricle, Powers and Ray. Nay: None. Absent: Fossing. Resolution passed 4 – 0.**

**Council member Maricle introduced the Resolution No. 2011-22, entitled “A RESOLUTION EXPRESSING SINCERE APPRECIATION TO BARRY MARCY FOR HONORABLE AND DEVOTED SERVICE TO THE CITY OF WINDOM, MINNESOTA” and moved its adoption. The resolution was seconded by Ray and on roll call vote: Aye: Jones, Maricle, Powers and Ray. Nay: None. Absent: Fossing. Resolution passed 4 – 0.**

Powers read the proclamation for Jeffery Shirkey and Maricle read the proclamation for Barry Marcy.

The City Council members expressed their thanks and best wishes to both for their service to the City.

Jeff Shirkey, thanked the City Council and the citizens for the opportunity to serve the community.

8. Park & Recreation Commission – Recommendation of Fee Waiver:

Baloun said that the Park & Recreation Commission has recommended a fee waiver for the use of the two small ball fields at Island Park for the Windom Baseball Association’s youth baseball program for grades 4 – 6. The Windom Baseball Association will be using the fields this summer on Monday, Wednesday and Friday and they will perform all of the field prep and maintenance with their equipment.

Jones noted for the record that he is a director for this Windom Baseball Association program, but this does not constitute a conflict of interest and he will be supporting the Park & Recreation Commission’s recommendation.

**Motion by Maricle, seconded by Powers, to approve a waiver of the fee for use of the two small fields at Island Park for the Windom Baseball Association for the 2011 season. Motion carried 4 – 0 (Fossing absent).**

9. Utilities Plus Energy Services – Phase I Study for NESHAP Requirements – Electric Dept.:

Marv Grunig, Electric Utility Manager, said that federal law related to energy production pollution standards will impact the generation operations at Windom. As such, we will

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need to be in compliance with the NESHAP rules. The study proposed by Utilities Plus Energy Services is for \$3,110 and will determine emissions data, cost/benefit analysis, price guidelines for the necessary work and timeframes. Grunig said there is discussion at the federal level about the definition of emergency vs. non-emergency use, but these discussions will not exempt the generation at the Windom facility. The Utility Commission has recommended the approval of this consultant agreement for the study and City Council approval is needed to sign the agreement.

**Motion by Jones, second by Maricle, to approve the proposed consultant agreement with Utilities Plus Energy Services for the Phase I study. Motion carried 4 – 0 (Fossing absent).**

10. Community Engagement & Goal Setting Agreement – Springsted, Inc:

Nasby said this consultant agreement is for the strategic planning and goal setting work the City Council previously discussed. The consultant will work with the Finding Windom group on community input and involvement. The work to be completed is outlined in the proposal. The cost is \$5,000 plus some expenses such as travel.

Jones asked about the time line. Nasby said the consultants are ready to start the project anytime in the next 30 days and he would suggest starting soon so the information received and goals established by the City Council could be incorporated into the 2012 budget planning that will start in July/August.

**Motion by Jones, second by Maricle, to approve the consultant agreement with Springsted, Inc. for facilitation services as proposed. Motion carried 4 – 0 (Fossing absent).**

11. Civil Service\Personnel Committee – Police Chief Hiring Recommendation:

Kruse asked Powers, as Chair of the Personnel Committee if he would introduce this item. Powers said the Civil Service Commission had a first round of interviews and then both groups had interviewed Mr. Peterson. Mr. Peterson's qualifications were excellent and both the Civil Service Commission and Personnel Committee were recommending the hiring of Mr. Peterson for the position of Police Chief.

**Motion by Powers, second by Ray to approve the offer of employment for the position of Police Chief to Scott Peterson. Motion carried 4 – 0 (Fossing absent).**

Scott Peterson introduced himself and said he and his family are excited by the opportunity to come to Windom. He has been the Chief Deputy in Dickinson County Iowa for eight years and has been in law enforcement for nearly 20 years.

12. MN DNR – Dam Safety Agreement (Amendment #2)

Nasby said that the City had previously gotten Dam Safety money from the MN DNR as part of its bonding request. The first part of the funding had been used for feasibility studies and preliminary engineering work. Now that the City Council has decided to move

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ahead with the removal of the dam the MN DNR is amending our grant agreement to include \$190,000 from the Dam Safety account and allow the grant to be used without the 50% matching requirement.

Jones asked if the City is expecting the \$300,000 requested at the bonding hearing. Nasby said that the City is expecting at least \$300,000 and other funding will likely come from the DNR's Ecological Services funds. The City is also anticipating money from U.S. Fish & Wildlife.

**Motion by Powers, second by Jones to approve Amendment #2 to the grant agreement between the City of Windom and MN DNR as presented. Motion carried 4 – 0 (Fossing absent).**

### 13. Unfinished Business:

None.

### 14. New Business:

Jones asked about insect control.

Nasby said that he and Caldwell had been very busy working with vendors and others to obtain information on insect control and options for treatment. He said that the current vendor is getting out of the business, but had been arranged to provide treatment for Riverfest. Due to a scheduling conflict the vendor would not be able to do the treatment this week so other vendors were contacted. The price is \$1,050 per treatment for fogging the community, which would last about a week depending on the weather and it could be less effective if there is high wind or rain. Since this is the first treatment this year, it is recommended that two applications be done. Also, a treatment for breeding insects would be done at an additional cost of \$150. There is \$4,000 budgeted so this will be covered. In discussions with both vendors it was suggested that an annual treatment program be considered. The cost of an annual program is about \$18,000 to \$20,000 per year. Nasby and Caldwell have also contacted the City of Luverne as they do insect treatment with City staff and the costs for their annual program were comparable to the private sector. Caldwell said no one on his staff is certified or licensed to do this work and the cost of equipment; training and staff time would be about equal to Luverne's so using a private vendor is recommended.

Jones and Powers said an increase in insect treatment is needed. Nasby said the treatments this weekend would be completed and then options would be obtained for the rest of 2011 and quotes for an annual program would be gotten for the future and discussed during the budget workshops.

Jones noted that citizens are asking for more insect control and are willing to pay a little more for it.

### 15. Street Shop Improvements:

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Dennis Johnson, Wenck Associates, asked the City Council to approve a change order at this time for the additional \$8,400 of work to repair the support columns.

**Motion by Maricle, second by Ray to approve a change order in the amount of \$8,409.60 as presented. Motion carried 4 – 0 (Fossing absent).**

Jones asked if the engineer was recommending the approval of the contractor payment. Johnson said he has signed off on the request.

**Motion by Powers, second by Ray to approve the contractor payment to Everstrong Construction, Inc. for payment request #2 in the amount of \$80,497.77. Motion carried 4 – 0 (Fossing absent).**

16. Regular Bills:

**Motion by Maricle, seconded by Powers, to approve the bills. Motion carried 4 – 0 (Fossing absent).**

17. Council Concerns:

Powers asked if there are appliance rebates. Grunig said there are rebates available for everything but refrigerators and information is available on the web site or at their offices.

18. Adjourn:

**Kruse adjourned the meeting by unanimous consent at 8:25 p.m.**

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Kirby Kruse, Mayor

Attest: \_\_\_\_\_

Steve Nasby, City Administrator

**PARK AND RECREATION COMMISSION MEETING  
MINUTES MAY 18, 2011**

1. Call to Order: The special meeting was called to order by Terry Fredin at 5:30 p.m. in the council chambers at city hall.
  
2. Roll Call:  
Commission Present: Terry Fredin, Sherri Zimmerman, Kay Clark, & Jeff LaCanne  
Commission Absent: Angie Blanshan  
City Staff Present: Recreation Director Al Baloun
  
3. Youth Sand Volleyball Program- Heather Paulson was present to explain the Youth Sand Volleyball program that she had put together. She had received information from Ken Hoffman on liability insurance and felt she would be able to get insurance if enough children signed up for her program. She will distribute information on her program through the schools and would have registration after she received approval to have the program. Baloun explained that she would be charged \$150 to dig the courts once a week, extra digging would cost \$25 per time. Heather explained that she would run the program for six weeks and divide it into two sessions. Costs for participants would be \$25 for one session and \$45 for 2 sessions.  
**Motion by LaCanne, seconded by Zimmerman to allow Heather Paulson to rent the sand volleyball courts for \$150 for six weeks, with courts being dug once a week, additional digs would be \$25 per time and she must show proof of liability insurance with the City Of Windom put on as additional insured. Motion carried 4-0.**
  
4. Adjourn- Motion by LaCanne, seconded by Zimmerman to adjourn at 5:45 PM.

**PARK AND RECREATION COMMISSION MEETING  
MINUTES JUNE 13, 2011**

1. Call to Order: The meeting was called to order by Chairman Terry Fredin 5:20 p.m. in the council chambers at city hall.
2. Roll Call:  
Commission Present: Kay Clark, Terry Fredin, & Jeff LaCanne,  
Commission Absent: Angie Blanshan & Sherri Zimmerman  
City Staff Present: Recreation Director, Al Baloun  
Council Liaisons: Corey Maricle & JoAnn Ray absent  
Public: None
3. Approve Agenda  
**Motion by Clark, seconded by LaCanne to approve agenda**  
**Motion Carried Unanimous**
4. Approve Minutes May 9, 2011 & May 18, 2011 Park & Recreation Commission Meeting  
**Motion by LaCanne, seconded by Clark**  
**Motion Carried Unanimous**
5. Park Superintendent Report – Bruce Caldwell – via transcript due to his absence:
  - a. Island Park Restroom Facility water problem has not been repair due to continued high underground water making it impossible to dig. So a temporary water service has been installed.
  - b. Kastle Kingdom Repairs; the structure will be closed beginning June 16<sup>th</sup> through June 24<sup>th</sup> for repairs and wood sealer. New wood chips will also be installed during this time. Closure has been advertized on the city web site and the TV roll up.
6. Recreation Director's Report- Al Baloun
  - a. Youth Baseball- Baloun reported that he has received many positive comments about the changes with the coach pitch/T Ball program. Concerns expressed to him that participants are showing up late to avoid warm up and fundamentals. A possible solution to this is to require participants to do their warm ups if they arrive late and miss part of their game time to do warm ups. Fundamentals are being worked on at different times during the hour long session. Staff was reminded to be working with and talking to the participants while they are in the field and show enthusiasm when working with the participants.
  - b. Pool- The Windom Pool opened on Monday, June 6 as planned. The slide project was completed for the opening. The kids seem like they are enjoying using the slide and excited about the improvement. Baloun made the commission aware that swim suits worn must be free of snaps and rivets when the slide is used. This is standard policy for most water parks. Snaps or rivets can scar the fiberglass surface of the slide.
  - c. Sand Volleyball- The commission was made aware that Heather Paulson did not have enough participants to run a youth sand volleyball in the mornings.
7. Open Mike: None
8. Meeting Adjourned at 5:43 P.M.

**CITY OF WINDOM TREE COMMISSION MEETING  
MINUTES June 8, 2011**

1. Call to Order: The meeting was called to order by Chairperson, Lindsey Cartwright at 5:20 p.m. in the council chambers at city hall.
  
2. Roll Call:

Commission Present:	Joanne Kaiser, Deborah Polzin, Lindsey Cartwright
Commission Absent:	Eldon Moon, Craig Zimmerman
City Staff Present:	Bruce Caldwell, City of Windom Tree Inspector
Council Liaisons:	Kelsey Fossing (Absent)
Public Present:	David Bucklin
  
3. Approve Minutes of April 6, 2011  
**Motion by Joanne Kaiser, seconded by Deborah Polzin**  
**Motion Carried.**
  
4. Treasurer Report \$2,725.00 which includes \$725.00 purchase price of 29 trees x \$25 paid by local citizens for trees planted in May 2011.
  
5. Old Business
  - a. Trees Planted Now Need Weekly Watering: The recent windy days have caused a few trees to tip and some trees need more water. Joanne Kaiser called most of the new tree owners with watering tips. Bruce Caldwell was commended for use of the blue water barrels which leak water slowed to the new trees resulting in little water lost.
  
6. New Business:
  - a. Grant Money: Lindsey Cartwright quizzed David Bucklin about possible grant money available from Cottonwood Water Plan. It was surmised the Tree Commission might be in line to receive a grant in 2011.
  - b. Target Area for 2011: While the Corp was in the area planting trees, they also did a survey of the East Hill and Rolling Green area, counting trees and mapping possible planting spots. The tree count in all inventoried areas stands at 37% maple and 40% ash trees. Lindens were a distant third at 6%.
  
7. Open Mike: Discussion was held concerning the need for another informative newspaper article to bring attention to the progress made in the past months concerning tree diversification in the City of Windom. More trees will be ordered in September or October for planting during the spring of 2012.
  
8. Meeting adjourned at 5:57 pm.

**Next Tree Commission Meeting September 7, 2011 at 5:15 p.m. at Council Chambers.**

ATTEST:

Tree Commission President \_\_\_\_\_

Tree Commission Secretary \_\_\_\_\_

**ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
MINUTES  
JUNE 13, 2011**

Board Members met at BARC for a tour of the proposed incubator area and potential office space for new businesses.

1. Call to Order: The meeting was called to order by President Erickson at 12:24 p.m.

2. Roll Call & Guest Introductions:

EDAWN Commissioners: Juhl Erickson, Trevor Slette, Sally Larson, Corey Maricle, and Kelsey Fossing.

Also Present: EDA Staff –Mark Hanson, Executive Director, and Mary Hensen, Admin. Asst.; City Administrator Steve Nasby, and Mayor Kirby Kruse.

3. Approval of Minutes:

**Motion by Commissioner Maricle, seconded by Commissioner Larson, to approve the Minutes of the EDA Meeting held on May 9, 2011. Motion carried 5-0.**

4. River Bluff Estates

A. Review of Mowing Quotes: Pursuant to action by the EDA Board at the May 9, 2011, Meeting, an ad was placed in the Citizen and Shopper seeking full season quotes for mowing the lawns at the River Bluff Townhomes and the EDA's eight (8) undeveloped lots in Riverbluff Estates Subdivision. For purposes of the ad, full season was defined as mid-June through the end of the mowing season which would be the end of October or the first week in November depending on the weather. The requirements listed in the ad were: 18 years of age or older, provide own equipment, liability insurance coverage, mow and trim townhome lawns once a week and lots at least once every 10 days. After review of the nine bids submitted, the EDA Board took the following action.

**Motion by Commissioner Slette, seconded by Commissioner Maricle, to accept the low bid of \$1,876 submitted by Lang Jensen of Bingham Lake, Minnesota, for the full season mowing of the lawns at the River Bluff Townhomes and the eight undeveloped lots in Riverbluff Estates Subdivision pending submission of proof of insurance. The motion further provided that the bids will be retained; and in the event that a change needs to be made in the lawn mowing provider, the EDA will select the next lowest bidder. Motion carried 5-0.**

5. Small Cities Development Program

A. Owner-Occupied Rehab Project Review: Western Community Action processed and inspected additional properties for the housing rehabilitation program. The Board received a recap sheet for these projects that outlined the scope of work, the total project costs, owners' match, and proposed loans of SCDP funds. The average SCDP loan is \$15,600. The maximum SCDP loan per project is \$18,000. The proposed projects are within the funding range and are within the designated target areas.

<u>Application No.</u>	<u>Proposed Improvements</u>	<u>Project Costs</u>	<u>SCDP Funds (Maximum for Project)</u>
Windom No. 201	Steps, Doors & Windows, Roofing, Furnace, Electric Codes	\$25,616.00	\$15,308.00
Windom No. 204	Steps, Roofing, Electrical Upgrades	\$14,685.00	\$ 8,811.00

Mountain Lake Basement Steps, Roofing, \$28,888.00 \$17,333.00  
No. 158 Handicap Bathroom, Electric Upgrades

**Motion by Commissioner Slette, seconded by Commissioner Fossing, approving the SCDP owner-occupied rehab requests for Windom Project Nos. 201 and 204 and Mountain Lake Project No. 158 as submitted by Western Community Action. Motion carried 5-0.**

6. Executive Director's Report

A. BARC Facility Improvements

(1) Business Incubator Donation and (2) Donations: Director Hanson advised that BARC is planning to remodel the instrument room, band office, Room 213 and Room 217 on the second floor into a suite of partially-furnished offices to be used as a business incubator. The incubator would include two offices, a commons area, meeting room and break room with fax, phone, and computer capabilities. Jay and Pam Caswell are donating numerous items of office furniture to BARC for the business incubator and the proposed new business office area on the second floor. Director Hanson requested that the Board consider a donation by the EDA to cover expenses for windows, paint, computer and phone hookup, etc. for the business incubator.

**Motion by Commissioner Slette, seconded by Commissioner Larson, approving a donation by the EDA of \$750.00 to BARC for use in the remodeling of the rooms to be used as a business incubator. Motion carried 5-0.**

(3) Office Space Construction Loan: Director Hanson advised that BARC is also planning to remodel the second floor choir room and choir office into an office space to rent to a new business. He requested that the Board consider a loan to BARC for purposes of remodeling this area. There was a discussion concerning use of EDA RLF funds for this loan.

**Motion by Commissioner Maricle, seconded by Commissioner Slette, approving a loan by the EDA of \$19,500 to BARC for use in remodeling the second floor choir room and choir office into an office space to rent to a new business. The terms of the loan would include: Interest at the rate of five percent (5%) per annum; interest-only monthly payments after the first draw until the office is rented; office space to be rented within one (1) year of the date of the loan; monthly payments of principal and interest for a period of five (5) years after the office space is rented. Motion carried 5-0.**

B. HRA Rental Rehab Project: Director Hanson advised that he appeared at the HRA Board Meeting on June 8, 2011, to discuss the need for rental housing in Windom and to request that the HRA provide a revolving loan fund for rental rehab projects. The focus would be on rental homes that are currently non-rentable due to the need for major repairs, such as plumbing, electrical upgrades, etc. On June 8, 2011, the HRA Board approved an allocation of \$20,000 for this program with a maximum of \$10,000 per loan to be used for rehab of residential rental properties. These loans would accrue interest at the rate of 1.5% per annum with monthly payments to commence as soon as a property has been rehabilitated and rented. The HRA Board will approve the proposed projects. Final details and appropriate documentation will be prepared for review by the City Attorney. Director Hanson will also be appearing before the Planning Commission on June 14, 2011, to discuss blighted residential homes in Windom.

C. Minnesota Main Street

(1) Local Workshop: Emily Northey, Minnesota Main Street Program Coordinator with the Preservation Alliance of Minnesota, will be presenting a "Main Street Program" Application Workshop on Friday, July 22, 2011, in Windom. The workshop will cover topics such as: Introduction to the Main Street Approach to Downtown Revitalization, Main Street in Minnesota, Benefits and Responsibilities of being a Main Street Community, Review of Application Process, and Review of Application Materials. Community and business leaders will be invited to participate in this workshop.

D. "Good News" Program – KDOM: Director Hanson advised that he will be participating in KDOM's "Good News Day" program on July 20, 2011, and will be highlighting the Main Street Program Application Workshop.

E. Prospect Update: Director Hanson updated the Board concerning the status of past and recent inquiries.

7. Miscellaneous Information

A. Monthly Budget Recap: The Board received a copy of the monthly budget report for April, 2011.

B. River Bluff Townhomes – Monthly Financial Report: The Board received copies of the financial reports provided by Van Binsbergen & Associates for the period ending April, 2011.

8. Adjourn: By consensus, President Erickson adjourned the meeting at 1:04 p.m.

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Sally Larson, EDA Secretary-Treasurer

Attest: \_\_\_\_\_

Mark P. Hanson, Executive Director

**STREET COMMITTEE  
MINUTES JUNE 13, 2011**

Call to Order: The meeting was called to order at 5:30 P.M. at City Hall

Members Attending: Committee Members Attending - Brad Powers & JoAnn Ray

City Staff Present: Street Superintendent Bruce Caldwell & City Administrator Steve Nasby

Public: SEH Representative Rocky Keehn

1. 18th Avenue Storm Water Project Update Rocky Keehn; the group discussed some options to reduce the flooding on city property. Mr. Keehn said the city needs to get permission from the property owners so his firm can do some surveying so they can determine how the water flows or where it ponds. With this information they would be able to look at several concepts for water retainage. One idea was to construct a couple small berms or levees just outside the housing area and he thought they would only need to be one to two feet high. This concept would hold back some of the high flows outside the city limits until the City's storm sewers could catch up with those higher flows. Another concept along with this design would be to decrease the storm sewer inlet on 18<sup>th</sup> avenue with a mechanical type valve that could be regulated when large rain events happen. With both these designs our current storm sewer system should be able to handle the excess water and not cause a back flow through the catch basins which could create additional flooding. The city will contact the property owners for permission to do the survey then we will be able to proceed with planning. The SWCD is also working on repairing a broken levee in the northeast corner of the drainage area. The committee will met and discuss the options once the information has been received.
2. Street Shop Building Remodel Project Update; the contractor has been working on replacing the steel siding, garage doors and electrical service. The installation of the air exchange units has not started as of this meeting. The contractor is making good progress with minimal changes. Deadline for the project is August 1<sup>st</sup>. Caldwell estimated his crew will do some asphalt repair in the south parking lot the week of August 1<sup>st</sup> after the contractor is completed.
3. Bugs; following two applications of spray to control bugs in town prior to Riverfest it appears the amount of gnats and mosquitoes are down. The cost for the applications ran around \$2,200. General response from the citizens in the community was favorable following the application. The committee agreed to continue the applications for the remainder of this year and contract with a company for next year starting in early spring to help reduce the gnat problem.
4. Work Items Summer of 2011 Discussion and Update:
  - a. Staff is mainly working in the parks with mowing and maintenance items. They will be also making repairs to Kastle Kingdom prior to the contractor coming in to reseal the wood structure.
  - b. Several staff members will be taking vacations and time off in July.
  - c. Storm sewer repairs on a few catch basins.
  - d. Patch streets where there were water or sewer main repairs from last winter.
  - e. On going chemical treatment of weeds along streets in the community.
  - f. Hwy 62 & 4<sup>th</sup> Avenue crosswalks will be painted by our staff the week of June 13<sup>th</sup>. Mn/dot doesn't provide that service and they have given us approval to go ahead but using their standards.

- g. Prior to school opening we will be painting all the crosswalks again by the schools.
  - h. Beginning in September the staff will make repairs to several asphalt bad areas around town and just to mention several bad areas on 20<sup>th</sup> street and 6<sup>th</sup> avenue.
5. Hwy 60/71 Stop light refurbishing; the committee asked when the contractor was coming into town to repair the stop lights. Caldwell said he has not heard from them but he will make a call to see what there time schedule is.
6. Ingress-Egress Easement on city property (landfill) behind Lakeview – currently one property owner has a formal access. Another property owner wants to build a garage which he would be unable to access from Lakeview Avenue. In October of 1996 the property owner at 1221 Lakeview got authorization from the city to access the back of his lot via this city property then following that authorization he then built a large garage. This matter will be discussed at the Planning & Zoning meeting as well as a variance is needed for the proposed garage. Nasby said that there are issues with the ingress\egress related to other property owners. JoAnn Ray stated that she and Darrel are property owners just north of 1165 Lakeview Avenue so she declined to discuss or vote on the subject. Committee member Powers said he didn't have any issues to prevent the property owners to use city property in order to access the back of these lots which would be the same as 1221 Lakeview Avenue.
7. Meeting was adjourned at 6:55 p.m.

Windom Library Board Meeting  
Windom Library  
June 14, 2011  
5:05 p.m.

1. Call to order: The meeting was called to order by Kathy Hiley at 5:09 p.m.
  
2. Roll Call:  
Members Present: Kathy Hiley, Charles Reid, Mary Erickson, Beth Fleming and Anita Winkel  
  
Members Absent: Jan Johnson and John Duscher  
  
Library Staff Present: Dawn Aamot  
  
City Council Member Present: None
  
3. Agenda and Minutes  
Motion by Anita Winkel, seconded by Mary Erickson to approve the Agenda and the Minutes.
  
4. Financial Report:  
Motion by Charles Reid and seconded by Beth Fleming to approve the Financial Report.
  
5. Librarians Report:  
Dawn reported that sign-up for the summer reading program started on Monday, June 13<sup>th</sup>. It has been very busy and they are off to a great start. So far they have had more kids sign up than in past years.  
  
Dawn hosted a library booth at school on the last day. She reports that the whole concept of community booths was a great success and she hopes they make it an annual event.  
  
Lunch Bunch for ages Kindergarten and up will start meeting once a week. They will be reading "Mr. Atwater's Penguins". Afternoon story times are on Thursdays, twice in June and twice in July. Make and Take it craft projects will be offered on Mondays from 4 pm to 7:30pm. Fridays will Popcorn Days, encouraging kids to come to the library and read a book and eat some popcorn. Windom will not be hosting any entertainment this summer. There was nothing really fun offered this summer. The Twins no longer sponsor library day so there is no trip planned to a Twins game.  
  
Dawn and Joan continue to discard old books. They are looking for an alternate location for the annual Book Sale.  
  
Motion by Charles Reid and seconded by Mary Erickson to approve the librarian's report.

6. Old Business:

Anita Winkel has been appointed to the Plum Creek Library Board representing Cottonwood County libraries.

7. New Business:

None

9. New Book Suggestions:

The board presented their suggestions.

10. Adjourn:

Motion by Beth Fleming, seconded by Anita Winkel to adjourn.

Meeting adjourned at 5:31 p.m.

Respectfully submitted,

Kathy Hiley, recording secretary

**CITY OF WINDOM  
PLANNING COMMISSION  
MINUTES  
JUNE 14, 2011**

1. Call to Order: The meeting was called to order by Chairman Hunter at 7:02 p.m.

2. Roll Call & Guest Introductions:

Planning Commission: Renee Giefer, Loie Grandprey, Gary Hunter, Kevin Rose, Tim Hacker, Greg Pfeffer, and Brad Powers (Council Liaison).

Absent: Lindsey Cartwright and Marilyn Wahl.

Also Present: Planning/Zoning Staff-James Kartes (Zoning Administrator), Mary Hensen (Adm. Asst.).

Public Present: Rick Vollan (present for public hearing), Daryl Ray (present for public hearing), Dominic Jones and Mark Hanson.

3. Approval of Minutes:

**Motion by Commissioner Hacker, seconded by Commissioner Pfeffer, to approve the Planning Commission Minutes for the meeting held on January 11, 2011. Motion carried 5-0.**  
(Commissioner Grandprey was not present for the vote.)

4. Public Hearing – 7:05 P.M.: Conditional Use Permit – Accessory Building – 1165 Lakeview Avenue -

(Applicant/Owner: Rick A. Vollan): Chairman Hunter opened the public hearing at 7:05 p.m. The Commission had received copies of the application, site plan, and photographs of the property. Applicant Rick A. Vollan was present at the meeting to answer questions. Zoning Administrator Jim Kartes advised that Rick Vollan is requesting a conditional use permit to allow the construction of a second garage (30' X 40' detached garage) on his property. Property dimensions: 75' X 213.5' = 16,012.5 sq. ft. Current Attached Garage: 14' X 26' (364 sq. ft.) and Proposed Garage: 30' X 40' (1,200 sq. ft.) = 1,564 sq. ft. which is 414 sq. ft. over maximum allowed. Section 11.43, Subd. 3 provides that for lots this size, the total floor area of any garage(s) and accessory buildings may not exceed 1,150 square feet without a conditional use permit. The Applicant would like to construct a second story on the new garage for extra storage which would raise the height of the peak to approximately 25 feet.

Pursuant to City Code Sections 11.43, Subd. 3, Subd. 4, and Subd. 9, a conditional use permit is required to allow:

- (1) An additional 414 square feet of accessory structures over the allowed 1,150 square feet.
- (2) The combined floor area of the two garages to exceed the ground coverage of the dwelling. (City Code Section 11.43, Subd. 3).
- (3) Two garages on a lot that is less than 100 feet wide at the front yard setback. (City Code Section 11.43, Subd. 3).
- (4) Two garages for the single-family dwelling on lots less than 20,000 sq. ft. (City Code Section 11.43, Subd. 4)
- (5) The height of the garage to be 25 feet. [City Code Section 11.43, Subd. 9 requires a conditional use permit if height of accessory building exceeds fifteen (15) feet.]

The Applicant would like to access the new garage from property to the east of his lot which is owned by the City. This property is not a paper street, but is a former landfill site owned by the City. Access to this property will require the Applicant to secure an ingress-egress easement from the City. Information provided by Zoning Administrator Kartes and Applicant Vollan: Gary and Darlene Wood are the only property owners in that area who have an ingress-egress easement with the City to access the back of their property. Homeowners are required to take care of the access. The City does not maintain it. The utility easement is a five foot (5') easement and is on Mr. Vollan's property and would not be in the access easement area. The proposed garage will be set in seventeen feet (17') from the back property line. The lot coverage for all buildings on the lot complies with the City Code. No comments from anyone expressing opposition had been received by the Zoning Office. Mr. Vollan advised that he will not be using the garage for any commercial purposes (such as mechanical work) other than his own. No one from the public spoke at the public hearing. All public testimony was completed and Chairman Hunter closed the public hearing and referred the matter to the Planning Commission for consideration at 7:15 p.m. After a brief discussion, the following action was taken.

Motion by Commissioner Hacker, seconded by Commissioner Giefer, and carried to recommend to the City Council the approval of the conditional use permit application, submitted by Rick A. Vollan, to allow the construction of an additional 30' X 40' detached garage, with a height at the peak not to exceed 25 feet, on property situated in an R-2 District, subject to the following condition: (1) That the Applicant obtain an ingress/egress easement from the City of Windom, across the City's property located to the east of Applicant's property, for the purpose of access to the eastern side of Applicant's property. The property is located at 1165 Lakeview Avenue and is described as: A tract of land in the NE¼ of the SE¼ of Section 25, Township 105, Range 36 in the City of Windom, Cottonwood County, Minnesota, described as: Commencing at the Southwest corner of the SE¼ SE¼ of Section 25, Township 105, Range 36; thence North on the West line ("Eighty line") 1318.5 feet to the Northwest corner of SE¼ SE¼ of said Section 25; thence North on said West line 1285.5 feet to the center of public highway as now located and laid out; thence South, retracting same said West line, for a distance of 273 feet to the point of beginning; thence due East at right angles with said West line a distance of 213.5 feet; thence South at right angles a distance of 75 feet; thence West at right angles a distance of 213.5 feet to said West line; thence North at right angles a distance of 75 feet to the point of beginning. (Abbrev. Description: The North 75 feet of the South 1,012.5 feet of the West 213.5 feet of the NE¼ SE¼ of Section 25, Township 105, Range 36 in the City of Windom, Cottonwood County, Minnesota.) (Parcel No. 25-025-0900)

The motion includes that the jurisdictional documents and the findings of fact be made a part of the hearing record.

**Findings of Fact:**

1. As stated in the narrative herein.
2. That the proposed use is not in conflict with the Comprehensive Plan.
3. That the proposed use is not in conflict with the stated intent of the Zoning District in which it is to be located.
4. That the proposed use will not unreasonably harm the public health, safety, and welfare, create a nuisance, or create unreasonable congestion injurious to nearby properties.
5. That the proposed use does not interfere with the creation of a beneficial environment within its own property boundaries and on adjoining properties.
6. That the proposed use will not interfere with the provision of a reasonable economic benefit to the community.
7. That the provisions for interrelationship between the proposed development and contiguous and noncontiguous adjacent properties will not adversely affect pedestrian and vehicular movement and will not adversely affect the buffering of the service facilities and parking areas.

**Motion was declared carried (6-0).**

Zoning Administrator Kartes advised that these recommendations will now come before the Windom City Council at its meeting next Tuesday night, June 21, 2011; and the Council will make the final decision concerning this application.

5. Ordinance Updates - Variances: Following a lawsuit against the City of Minnetonka, the Minnesota Supreme Court narrowed the interpretation of the "undue hardship" requirement for variances. In the 2011 Session, the Minnesota Legislature adopted a new law to clarify the criteria for variances and appeals including changing the "undue hardship" requirement to "practical difficulties". To comply with State law, a proposed revision of Windom City Code Section 11.60 has been prepared and reviewed by City Attorney Dan McDonald. After review of the proposed revision and discussion of the required procedure, the following action was taken.

**Motion by Commissioner Grandprey, seconded by Commissioner Hacker, recommending to City Council that the revision of Windom City Code Section 11.60 "Variances and Appeals" be adopted. Motion carried 6-0.**

6. Blighted Residential Homes--Discussion: Mark Hanson, EDA Exec. Director, discussed with the Commission current housing issues (shortage of rental property and blighted residential homes) and potential actions to address these issues.

7. Planning Commission Comments, Concerns, Suggestions: A brief discussion was held concerning the departments to contact regarding complaints on junk cars and weeds/grass and also regarding the City's bug spraying, potential future plans for the spraying program, and notification to residents prior to spraying.

8. Adjourn: On motion, Chairman Hunter adjourned the meeting at 7:40 p.m.

---

Gary Hunter, Chairman

Attest:

James Kartes, Zoning Administrator

Planning Commission Minutes – June 14, 2011 - Page Two



REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA

## OFFICE OF THE STATE AUDITOR

SUITE 500  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
state.auditor@state.mn.us (E-mail)  
1-800-627-3529 (Relay Service)

June 1, 2011

Dear City Clerk/Finance Officer/County Auditor:

In 2010, the Legislature created the Council on Local Results and Innovation. In February 2011, the Council released a standard set of ten performance measures for counties and ten performance measures for cities that will aid residents, taxpayers, and state and local elected officials in determining the efficacy of counties and cities in providing services, and measure residents' opinions of those services. By February of 2012, the Council must create comprehensive performance measurement systems for cities and counties to implement in 2012. Cities and counties that choose to participate in the new standards measure program may be eligible for a reimbursement in LGA, and exemption from levy limits.

Participation in the standard measures program by a city or a county is voluntary. Counties and cities that choose to participate in the standard measures program must officially adopt the corresponding 10 performance benchmarks developed by the Council, and implement them in 2011. They will be required to communicate the results of the measures to their residents the following calendar year. A county or city that elects to participate in the standard measures program for 2011 is eligible for a reimbursement of \$0.14 per capita in local government aid, not to exceed \$25,000 and is also exempt from levy limits under sections 275.70 to 275.74 for taxes payable in 2012, if levy limits are in effect.

In order to receive the per capita reimbursement in 2011, and levy limit exemption for calendar year 2012, counties and cities must:

- ✓ File a report with the Office of the State Auditor by July 1, 2011. This report will consist of a declaration approved by the city council or county board stating that the city/county has adopted the corresponding 10 performance measures developed by the Council.

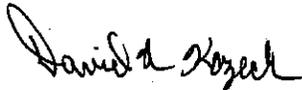
Annual reporting will be required by the cities and counties that participate in the program. By July 1, 2012, cities and counties will be required to report to the OSA that they have adopted both the performance benchmarks, and the performance measure system released by the Council in February of 2012. A declaration will be required that the city/county has reported or will report the results for calendar 2011 of the 10 adopted measures to its residents before the end of calendar year 2012.

To meet the reporting requirements for 2011, a copy of the declaration in a PDF format can be attached to an email and sent to [gid@osa.state.mn.us](mailto:gid@osa.state.mn.us). Beginning next year, the Office of the State Auditor will be using the State Auditor's Form Entry System (SAFES) for the local performance measurement and improvement program reporting.

To view the 10 performance measures for voluntary adoption for both cities and counties, please go to the Office of the State Auditor's website at [www.auditor.state.mn.us](http://www.auditor.state.mn.us), and then in the middle of the home page under *Meetings*, click on *Council on Local Results and Innovation*, and then on *Measurements*.

**Please submit your declaration by July 1, 2011.** There will be no extensions for the reporting deadline. If you have any questions, please contact me at (651) 297-3682 or email me at [Dave.Kazeck@osa.state.mn.us](mailto:Dave.Kazeck@osa.state.mn.us).

Sincerely,



David R. Kazeck, Supervisor  
Government Information Division

Encl: Legislation for new program

## **6.91 LOCAL PERFORMANCE MEASUREMENT AND REPORTING.**

---

### **Subdivision 1. Reports of local performance measures.**

(a) A county or city that elects to participate in the standard measures program must report its results to its citizens annually through publication, direct mailing, posting on the jurisdiction's Web site, or through a public hearing at which the budget and levy will be discussed and public input allowed.

(b) Each year, jurisdictions participating in the local performance measurement and improvement program must file a report with the state auditor by July 1, in a form prescribed by the auditor. All reports must include a declaration that the jurisdiction has complied with, or will have complied with by the end of the year, the requirement in paragraph (a). For jurisdictions participating in the standard measures program, the report shall consist of the jurisdiction's results for the standard set of performance measures under section 6.90, subdivision 2, paragraph (a). In 2012, jurisdictions participating in the comprehensive performance measurement program must submit a resolution approved by its local governing body indicating that it either has implemented or is in the process of implementing a local performance measurement system that meets the minimum standards specified by the council under section 6.90, subdivision 2, paragraph (b). In 2013 and thereafter, jurisdictions participating in the comprehensive performance measurement program must submit a statement approved by its local governing body affirming that it has implemented a local performance measurement system that meets the minimum standards specified by the council under section 6.90, subdivision 2, paragraph (b).

### **Subd. 2. Benefits of participation.**

(a) A county or city that elects to participate in the standard measures program for 2011 is: (1) eligible for per capita reimbursement of \$0.14 per capita, but not to exceed \$25,000 for any government entity; and (2) exempt from levy limits under sections 275.70 to 275.74 for taxes payable in 2012, if levy limits are in effect.

(b) Any county or city that elects to participate in the standard measures program for 2012 is eligible for per capita reimbursement of \$0.14 per capita, but not to exceed \$25,000 for any government entity. Any jurisdiction participating in the comprehensive performance measurement program is exempt from levy limits under sections 275.70 to 275.74 for taxes payable in 2013 if levy limits are in effect.

(c) Any county or city that elects to participate in the standard measures program for 2013 or any year thereafter is eligible for per capita reimbursement of \$0.14 per capita, but not to exceed \$25,000 for any government entity. Any jurisdiction participating in the comprehensive performance measurement program for 2013 or any year thereafter is exempt from levy limits under sections 275.70 to 275.74 for taxes payable in the following year, if levy limits are in effect.

### **Subd. 3. Certification of participation.**

(a) The state auditor shall certify to the commissioner of revenue by August 1 of each year the counties and cities that are participating in the standard measures program and the comprehensive performance measurement program.

(b) The commissioner of revenue shall make per capita aid payments under this section on the second payment date specified in section 477A.015, in the same year that the measurements were reported.

(c) The commissioner of revenue shall notify each county and city that is entitled to exemption from levy limits by August 10 of each levy year.

June 10, 2011

To: Contractors, Vendors and Grantees

Re: Potential Temporary Suspension of State Contract Performance

We are writing because your organization has a relationship with this agency either under a current contract with an expiration date after June 30, 2011, or a new contract that is to become effective on or after July 1, 2011.

As you may know, the Minnesota State Legislature adjourned May 23, 2011, without appropriating money to fund the operations of state government for the fiscal year that begins July 1, 2011.

State agencies operate on a biennial budget. Funds are appropriated by the Minnesota Legislature every two years, with each fiscal year beginning on July 1 and ending on June 30 of the following calendar year. Our current biennial budget is due to end after June 30, 2011. In the absence of legislation specifically appropriating funds for the continuing operations of state agencies for the next biennium, we will have no or very limited authority to expend or release funds to pay for goods or services after June 30, 2011. In this event, expenditures will be limited to fund or support only critical life, health, and safety functions of state government.

Because we do not know whether the biennial budget process will conclude in time to avoid a disruption to our operations, we must advise all contractors, vendors and grantees that in the absence of legislatively authorized appropriations as of July 1, 2011, all work, activity and performances under our contracts must be suspended as of that date, pending authorized appropriations, as will all payments required of this agency under those contracts.

In the event that any contract concerns a critical state function, as described above, you will be notified by separate letter, publication, bulletin or other appropriate means.

We will work to keep you informed of progress regarding legislative authorization of appropriations, and we will make every reasonable effort to issue public notices promptly when budgets are approved and contract performance may be resumed. We do suggest that you monitor state web sites, bulletins and media publications for further information.

Sincerely,



Mark Phillips,  
Commissioner

Paid 25.00  
 CK1019  
 # 80954  
 Page 1 of 2 5/11

**Minnesota Lawful Gambling**  
**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that:  
 - conducts lawful gambling on five or fewer days, and  
 - awards less than \$50,000 in prizes during a calendar year.

Application fee	
If application postmarked or received:	
less than 30 days before the event	more than 30 days before the event
<b>\$100</b>	<b>\$50</b>

**ORGANIZATION INFORMATION** Check# \_\_\_\_\_ \$ \_\_\_\_\_

Organization name <b>Windom Youth Hockey Assoc</b>	Previous gambling permit number <b>00998-004</b>
---	---

Minnesota tax ID number, if any	Federal employer ID number, if any
---------------------------------	------------------------------------

**Type of nonprofit organization.** Check one.

Fraternal   
  Religious   
  Veterans   
  Other nonprofit organization

Mailing address <b>PO Box 41</b>	City <b>Windom</b>	State <b>MN</b>	Zip Code <b>56101</b>	County <b>Cottonwood</b>
-------------------------------------	-----------------------	--------------------	--------------------------	-----------------------------

Name of chief executive officer (CEO) <b>Jenny Hedquist</b>	Daytime phone number <b>507-822-1678</b>	Email address <b>johnhed@swwnet.com</b>
--	---	--

**Attach a copy of ONE of the following for proof of nonprofit status.**

Do not attach a sales tax exempt status or federal employer ID number as they are not proof of nonprofit status.

**Nonprofit Articles of Incorporation OR a current Certificate of Good Standing .**  
 Don't have a copy? This certificate must be obtained each year from:  
 Secretary of State, Business Services Div., 180 State Office Building, St. Paul, MN 55155  
 Phone: 651-296-2803

**IRS income tax exemption [501(c)] letter in your organization's name.**  
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

**IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**  
 If your organization falls under a parent organization, attach copies of **both** of the following:  
 a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and  
 b. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted. For raffles, list the site where the drawing will take place.  
**Phat Pheasant Pub**

Address (do not use PO box) <b>2370 Hwy 60 E</b>	City or township <b>Windom</b>	Zip Code <b>56101</b>	County <b>Cottonwood</b>
---	-----------------------------------	--------------------------	-----------------------------

Date(s) of activity (for raffles, indicate the date of the drawing)  
**August 27, 2011**

Check the box or boxes that indicate the type of gambling activity your organization will conduct:

Bingo\*   
  Raffles   
 Paddlewheels\*   
 Pull-Tabs\*   
 Tipboards\*

\* **Gambling equipment** for pull-tabs, bingo paper, tipboards, and paddlewheels must be obtained from a distributor licensed by the Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

To find a licensed distributor, go to [www.gcb.state.mn.us](http://www.gcb.state.mn.us) and click on List of Licensed Distributors, or call 651-639-4000.

**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT**

**If the gambling premises is within city limits,** a city official must check the action that the city is taking on this application and sign the application.

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print city name \_\_\_\_\_  
 On behalf of the city, I acknowledge this application.  
**Signature** of city personnel receiving application

Title \_\_\_\_\_ Date \_\_\_\_\_

**If the gambling premises is located in a township,** a county official must check the action that the county is taking on this application and sign the application. **A township official is not required to sign the application.**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name \_\_\_\_\_  
 On behalf of the county, I acknowledge this application.  
**Signature** of county personnel receiving application

Title \_\_\_\_\_ Date \_\_\_\_\_

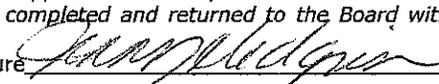
**(Optional) TOWNSHIP:** On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.166]]

Print township name \_\_\_\_\_

**Signature** of township official acknowledging application

Title \_\_\_\_\_ Date \_\_\_\_\_

**CHIEF EXECUTIVE OFFICER'S SIGNATURE** Print form and have CEO sign

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the date of our gambling activity.  
 Chief executive officer's signature  Date 6-14-11

**Complete a separate application** for each gambling event:

- one day of gambling activity
- two or more consecutive days of gambling activity
- each day a raffle drawing is held

**Send** application with:

- a copy of your proof of nonprofit status, and
- application fee for each event

Make check payable to "State of Minnesota."

**To:** Gambling Control Board  
 1711 West County Road B, Suite 300 South  
 Roseville, MN 55113

**Financial report and recordkeeping required**  
 A financial report form and instructions will be sent with your permit, or use the online fill-in form available at [www.gcb.state.mn.us](http://www.gcb.state.mn.us). Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

**Questions?**  
 Call the Licensing Section of the Gambling Control Board at 651-639-4000.

This form will be made available in alternative format (i.e. large print, Braille) upon request.

**Data privacy notice:** The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

**Reset Form**

REPORT

ON

AUDIT

CITY OF WINDOM

COTTONWOOD COUNTY, MINNESOTA

DECEMBER 31, 2010

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# DENNIS L. RICK, LTD.

## CERTIFIED PUBLIC ACCOUNTANTS

American Institute of Certified Public Accountants  
Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA  
TISHA S. PAPLOW, CPA  
ANDREA M. JOHNSON, CPA

### INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of  
the City Council  
City of Windom, 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 of the City of Windom, Minnesota, as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Windom, Minnesota's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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.

The financial statements referred to above do not include the financial data of the Windom Area Hospital Fund, which should be included to conform with accounting principles generally accepted in the United States of America. The financial statements of the Windom Area Hospital Fund were audited by other auditors whose report dated July 8, 2010, expressed an unqualified opinion on those statements. If the omitted fund had been included, based on audited information, the proprietary fund type assets would have increased by \$18,603,846 and liabilities would have increased by \$2,838,001 respectively as of December 31, 2010, and revenues and expenses would have increased \$13,658,523 and \$12,778,012 respectively for the twelve month period ended December 31, 2010.

In our opinion, except for the effect on the financial statements of the omission described in the preceding paragraph, 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 of Windom, Minnesota as of December 31, 2010, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund 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 3 through 13 is not a required part of the basic financial statements but is supplemental 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Windom, Minnesota's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements 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.

*Dennis J. Rick, LTD.*

Worthington, Minnesota

June 15, 2011

CITY OF WINDOM, MINNESOTA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

This section of the City of Windom, Minnesota's annual financial report presents management's discussion and analysis of the City's financial performance during the fiscal year that ended on December 31, 2010. Please read it in conjunction with the City's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Government Accounting Standard Board's (GASB) Statement No. 34 - Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued in June, 1999.

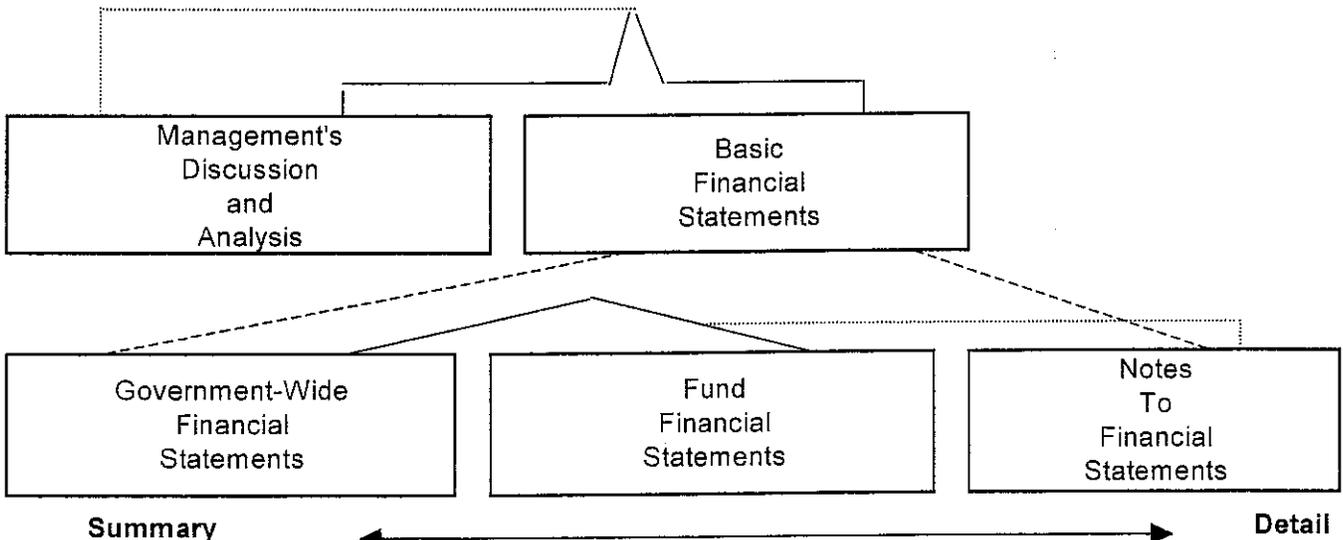
**FINANCIAL AND OTHER HIGHLIGHTS**

Key financial highlights for the 2010 year include the following:

- The assets of the City exceeded its liabilities at the close of the most recent year by \$21,717,322 (net assets).
- The City's total net assets from operations increased by \$892,531.
- As of the close of the current year, the City's governmental funds reported combined ending net assets of 10,762,005. Of this total amount, fifty-six (56) percent or \$6,066,967 is available for use within the City's designations and policies.
- At the end of the current year, designated fund balance for the general fund was \$1,744,729 or eighty-six (86) percent of total general fund expenditures. A portion of this balance will be used to reduce deficits in other governmental funds.
- The City's net total bonded debt decreased by \$3,798,751 during the current fiscal year.
- The City saw a loss of \$321,001 in State Aids and Credits from the Local Government Aid (LGA) and Home Market Value Credit (HMVC) programs. The loss of these funds directly impacts the City's General Fund, as State Aids comprise about 52% of the General Fund budget. Despite the loss of state aid the City Council and Staff were able to hold property tax increases to 2.48%.
- Due to the slow national economy, the Building Department anticipated a down year for building permits and revenue. The actual revenue was higher than the 2010 budget by \$18,384.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Management's Discussion and Analysis is intended to serve as an introduction to the City's financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other statistical information in addition to the basic financial statements themselves. The diagram below depicts how the various parts of this annual report are arranged and related to one another.



CITY OF WINDOM, MINNESOTA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

**OVERVIEW OF THE FINANCIAL STATEMENTS (Cont'd)**

The diagram shown below summarizes the major features of the City's financial statements, including the portion of the City's activities they cover and the types of information they contain. The remainder of the overview section of management's discussion and analysis highlights the structure and contents of each statement.

Major Features of the Government-Wide and Fund Financial Statements

	Government-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
<b>Scope</b>	Entire City	The activities of the City that are not proprietary, such as public safety, public works and recreation	Activities the City operates similar to private businesses: utilities, liquor store
<b>Required Financial Statements</b>	Statement of net assets Statement of activities	Balance Sheet Statement of revenue, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows
<b>Accounting Basis and Measurement Focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<b>Type of Asset/Liability Information</b>	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
<b>Type of Inflow/Outflow Information</b>	All revenues and expenses during year, regardless of when cash is received or paid.	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	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. There are two government-wide statements:

- **Statement of Net Assets** - 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.

CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**OVERVIEW OF THE FINANCIAL STATEMENTS (Cont'd)**

- **Statement of Activities** - 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 revenues (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, health and welfare, culture and recreation, economic development and airport. The business-type activities of the City include the Municipal Liquor Store, Water, Electric, Sewer, Telecom, Arena, Multipurpose Center, and River Bluff Townhomes.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the City's funds--focusing on its most significant or "major" funds--rather than the City as a whole. Funds are accounting devices the City uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The City establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues.

The City has two kinds of funds:

- **Governmental Funds** - The City's basic services are included in governmental funds, which generally focus on: 1) how cash and other financial assets that can readily be converted to cash flow in and out; and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information (reconciliation schedules) follows the governmental funds Balance Sheets and Statements of Revenues and Expenditures and Changes in Fund Balance that explain the relationship (or differences) between these two types of financial statement presentations.
- **Proprietary Funds** - Services for which the City charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as government-wide statements, only in more detail. 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 Municipal Liquor Store, Water, Electric, Sewer, Telecom, Arena, Multipurpose Center, and River Bluff Townhomes funds.

**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.

CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont'd)

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (GOVERNMENT-WIDE STATEMENTS)

**Net Assets**

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 of Windom, Minnesota, assets exceeded liabilities by \$21,717,322 at the close of the most recent fiscal year. By far the largest portion of the City's net assets (73 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is 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.

A summary of the City's net assets as of December 31, 2010, is as follows:

NET ASSETS - 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current and Other Assets	\$ 6,330,159	\$ 7,365,222	\$ 13,695,381
Capital Assets	10,109,508	21,763,798	31,873,306
<b>Total Assets</b>	<u>16,439,667</u>	<u>29,129,020</u>	<u>45,568,687</u>
Current Liabilities	965,199	1,656,368	2,621,567
Non-Current Liabilities	4,712,463	16,517,335	21,229,798
<b>Total Liabilities</b>	<u>5,677,662</u>	<u>18,173,703</u>	<u>23,851,365</u>
Investment in Capital Assets, Net of Related Debt	4,539,783	11,237,179	15,776,962
Restricted	282,920	1,493,786	1,776,706
Unrestricted	5,939,302	(1,775,648)	4,163,654
<b>Total Net Assets - December 31, 2010</b>	<u>\$ 10,762,005</u>	<u>\$ 10,955,317</u>	<u>\$ 21,717,322</u>

An additional portion of the City's net assets (8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance is comprised of unrestricted net assets totaling \$4,163,654. The City is able to report overall positive balances in all three categories of net assets.

A summary of the City's net assets as of December 31, 2009, is as follows:

NET ASSETS - 2009

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current and Other Assets	\$ 6,373,244	\$ 8,816,574	\$ 15,189,818
Capital Assets	10,831,967	22,959,155	33,791,122
<b>Total Assets</b>	<u>17,205,211</u>	<u>31,775,729</u>	<u>48,980,940</u>
Current Liabilities	500,135	4,204,956	4,705,091
Non-Current Liabilities	5,718,518	17,732,540	23,451,058
<b>Total Liabilities</b>	<u>6,218,653</u>	<u>21,937,496</u>	<u>28,156,149</u>
Investment in Capital Assets, Net of Related Debt	4,728,434	10,722,764	15,451,198
Restricted	370,094	3,880,389	4,250,483
Unrestricted	5,888,030	(4,764,920)	1,123,110
<b>Total Net Assets - December 31, 2009</b>	<u>\$ 10,986,558</u>	<u>\$ 9,838,233</u>	<u>\$ 20,824,791</u>

CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (GOVERNMENT-WIDE STATEMENTS) (CONT'D)

Change in Net Assets

Governmental Activities

Governmental activities decreased the City's net assets by \$224,553, thereby accounting for 2 percent of the total decrease in the net assets of the City. The majority of this change is due to an increase in expenses and reductions in property tax revenue and State aids.

Business-Type Activities

Business-type activities increased the City's net assets by \$1,117,084. The increase would have been \$1,778,385 with exclusion of the telecom fund. The largest portion of the lower increase in net assets in the enterprise funds results from liabilities exceeding assets by \$6,148,134 and expenses exceeding revenues by \$661,301 in the telecom fund.

A summary of the City's change in net assets for the year ended December 31, 2010, is as follows:

CHANGE IN NET ASSETS - 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 620,140	\$ 12,563,161	\$ 13,183,301
Capital Grants and Contributions	335,855	26,997	362,852
General Revenues			
Property Taxes	961,390	489,448	1,450,838
Unallocated Federal and State Aid	1,412,137	-	1,412,137
Other	611,426	54,566	665,992
<b>Total Revenues</b>	<u>3,940,948</u>	<u>13,134,172</u>	<u>17,075,120</u>
<b>Expenses</b>			
General Government	432,561	-	432,561
Public Safety	1,374,253	-	1,374,253
Public Works	823,145	-	823,145
Health & Welfare	2,063,342	-	2,063,342
Culture & Recreation	554,529	-	554,529
Conservation & Economic Development	653,803	-	653,803
Airport	191,912	-	191,912
Interest on Long-Term Debt	446,385	-	446,385
Liquor	-	1,362,183	1,362,183
Water	-	804,342	804,342
Electric	-	5,218,889	5,218,889
Sewer	-	991,915	991,915
Telecom	-	2,643,194	2,643,194
Arena	-	327,737	327,737
Multipurpose	-	281,718	281,718
River Bluff Townhomes	-	103,650	103,650
<b>Total Expenses</b>	<u>6,539,930</u>	<u>11,733,628</u>	<u>18,273,558</u>
<b>Increase (Decrease) in</b>			
<b>Net Assets before Transfers</b>	( 2,598,982)	1,400,544	( 1,198,438)
<b>Transfers</b>	2,374,429	( 283,460)	2,090,969
<b>Change in Net Assets</b>	( 224,553)	1,117,084	892,531
<b>Net Assets - Beginning</b>	10,986,558	9,838,233	20,824,791
<b>Net Assets - Ending - December 31, 2010</b>	10,762,005	10,955,317	21,717,322

CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (GOVERNMENT-WIDE STATEMENTS) (Cont'd)

A summary of the City's change in net assets for the year ended December 31, 2009, is as follows:

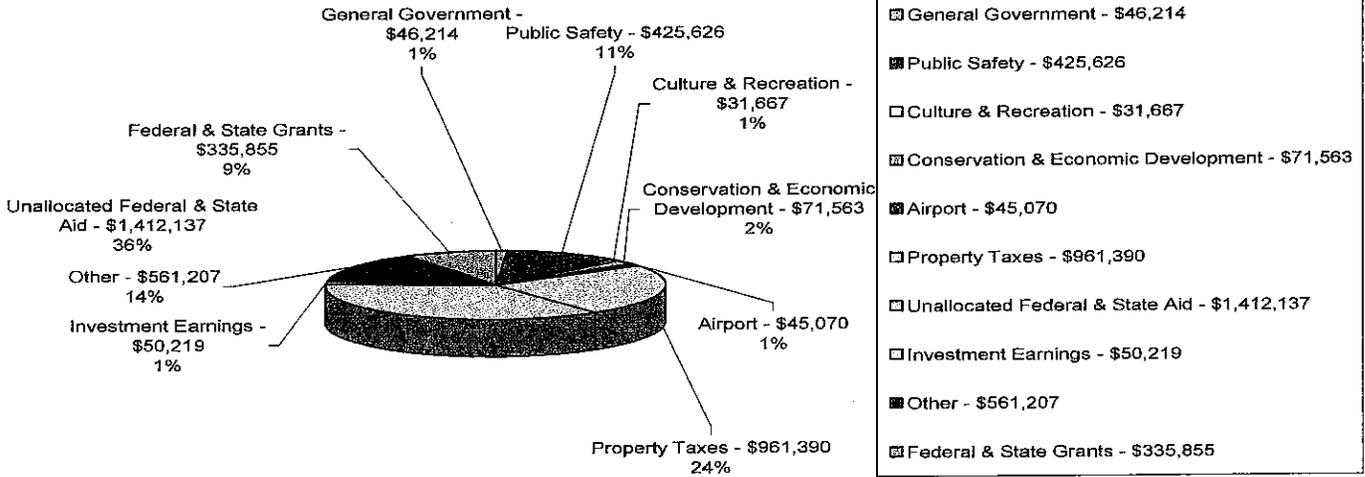
CHANGE IN NET ASSETS - 2009

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 594,449	\$ 10,812,576	\$ 11,407,025
Capital Grants and Contributions	1,533,462	1,385	1,534,847
General Revenues			
Property Taxes	1,318,468	477,795	1,796,263
Unallocated Federal and State Aid	1,536,014	- - -	1,536,014
Other	592,236	76,850	669,086
<b>Total Revenues</b>	<u>5,574,629</u>	<u>11,368,606</u>	<u>16,943,235</u>
<b>Expenses</b>			
General Government	427,943	- - -	427,943
Public Safety	1,323,462	- - -	1,323,462
Public Works	754,690	- - -	754,690
Health & Welfare	135,113	- - -	135,113
Culture & Recreation	548,439	- - -	548,439
Conservation & Economic Development	264,851	- - -	264,851
Airport	165,854	- - -	165,854
Interest on Long-Term Debt	488,347	- - -	488,347
Liquor	- - -	1,295,602	1,295,602
Water	- - -	845,476	845,476
Electric	- - -	4,880,113	4,880,113
Sewer	- - -	953,050	953,050
Telecom	- - -	2,601,527	2,601,527
Arena	- - -	320,301	320,301
Multipurpose	- - -	282,362	282,362
River Bluff Townhomes	- - -	97,249	97,249
<b>Total Expenses</b>	<u>4,108,699</u>	<u>11,275,680</u>	<u>15,384,379</u>
<b>Increase (Decrease) in</b>			
<b>Net Assets before Transfers</b>	1,465,930	92,926	1,558,856
Transfers	242,040	( 35,904)	206,136
<b>Change in Net Assets</b>	1,707,970	57,022	1,764,992
<b>Net Assets - Beginning</b>	9,278,588	9,781,211	19,059,799
<b>Net Assets - Ending - December 31, 2009</b>	10,986,558	9,838,233	20,824,791

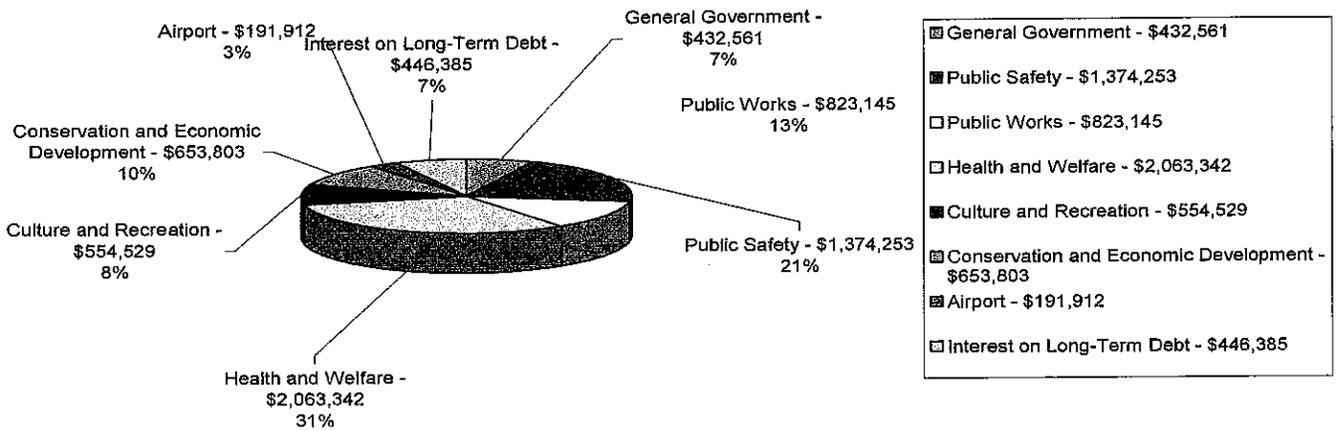
CITY OF WINDOM, MINNESOTA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (GOVERNMENT-WIDE STATEMENTS) (Cont'd)

**GOVERNMENTAL ACTIVITIES - REVENUES**  
 Total: \$3,940,948



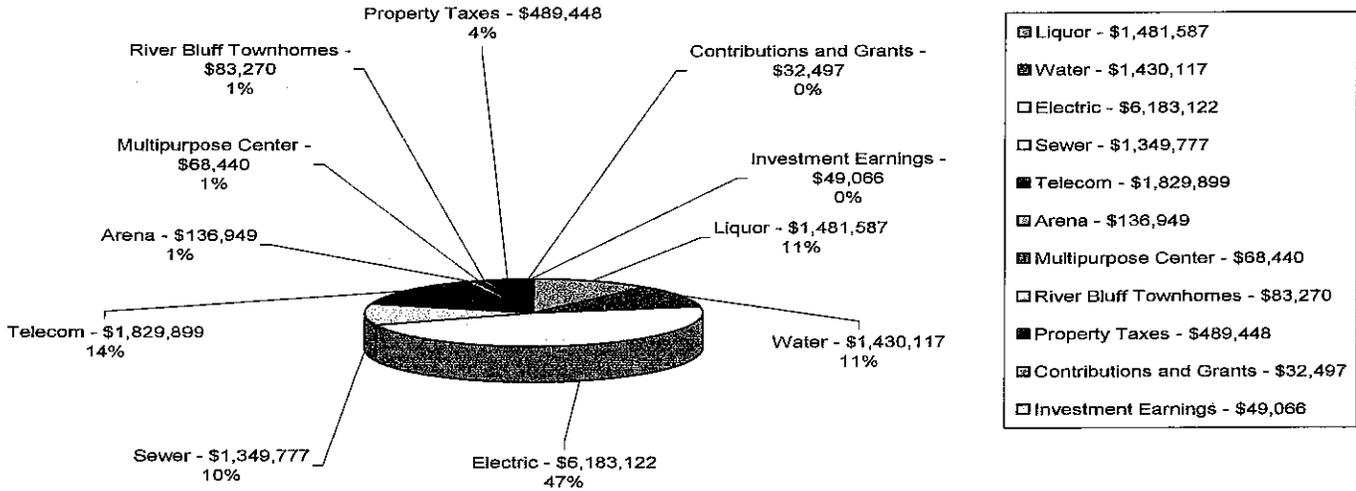
**GOVERNMENTAL ACTIVITIES - EXPENSES**  
 Total: \$6,539,930



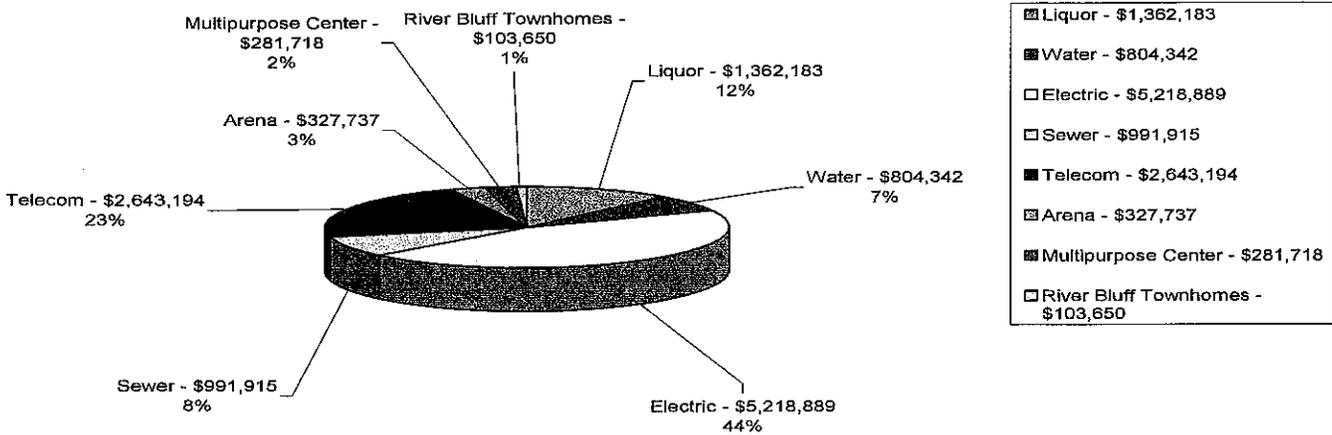
CITY OF WINDOM, MINNESOTA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (GOVERNMENT-WIDE STATEMENTS) (Cont'd)

**BUSINESS TYPE ACTIVITIES - REVENUES**  
 Total: \$13,134,172



**BUSINESS-TYPE ACTIVITIES - EXPENSES**  
 Total: \$11,733,628



CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (FUND FINANCIAL STATEMENTS)**

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 \$4,609,929, an increase of \$348,759 in comparison with the prior year. Of this total, \$2,582,280 of the fund balances are unreserved, which indicates that those funds are available for spending.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance of the general fund was \$1,744,729, which was designated for working capital needs.

The fund balance of the City's general fund increased by \$297,313 during the current fiscal year. This year's increase was due to favorable revenue and expenditure budget variances.

**Business-Type Funds**

The City's business-type ("proprietary") funds provide the same type of information found in the government-wide financial statements, but in more detail. The focus of the City's business-type funds is providing goods and services.

As of the end of the current fiscal year, the City's business-type funds reported combined ending net assets of \$10,955,317, an increase of \$1,117,084 in comparison with the prior year. Of this total, a deficit balance of \$1,755,648 of the net assets is unreserved and unrestricted, which indicates that portion of net assets that are not available for spending. The majority of this deficit is due to the telecom fund.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The City approved the original 2010 general fund budget in December of 2009, anticipating a increase in general fund reserves of \$25,271.

The City's General Fund increased its reserve fund balance by \$297,313 due to slightly higher than anticipated revenues and budget reductions in departmental budgets. A strong City General Fund balance is necessary to balance the cash flow needs of the community, meet bond payment obligations, guard against additional State Aid losses, and keep a good bond rating.

- Actual revenues were \$182,059, or 9.6 percent, more than budget, due primarily to actual state aid revenues being more than budgeted amounts.
- Actual expenditures were \$89,983, or 4.3 percent, less than budget. This overall favorable variance was a combination of positive variances in general government, public safety, public works, and parks 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, 2010, amounts to \$31,873,306 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was \$630,805 or 1.1 percent. Governmental activities and business-type activities accounted for 23 percent and 77 percent of the increase respectively.

CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**CAPITAL ASSET AND DEBT ADMINISTRATION (Cont'd)**

Both the City's governmental and business-type activities have a significant level of outstanding commitments for capital expenditures. These commitments are detailed in the notes to the financial statements.

**CAPITAL ASSETS - NET OF DEPRECIATION - 2010**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Land	\$ 227,061	\$ 154,922	\$ 381,983
Buildings and Improvements	3,615,475	9,064,363	12,679,838
Machinery and Equipment	1,163,487	478,156	1,641,643
Other	5,103,485	12,066,357	17,169,842
<b>Total - December 31, 2010</b>	<b><u>\$ 10,109,508</u></b>	<b><u>\$ 21,763,798</u></b>	<b><u>\$ 31,873,306</u></b>

**CAPITAL ASSETS - NET OF DEPRECIATION - 2009**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Land	\$ 227,061	\$ 154,922	\$ 381,983
Buildings and Improvements	3,666,316	9,666,177	13,332,493
Machinery and Equipment	1,675,566	637,809	2,313,375
Construction in Progress	1,423,372	15,018	1,438,390
Other	3,839,652	12,485,229	16,324,881
<b>Total - December 31, 2009</b>	<b><u>\$ 10,831,967</u></b>	<b><u>\$ 22,959,155</u></b>	<b><u>\$ 33,791,122</u></b>

**Bonded Debt**

At year-end, the City had \$20,217,975 in outstanding bonded debt. Detailed information about the City's bonded debt and other long-term liabilities is presented in the notes to the financial statements.

**OUTSTANDING BONDED DEBT - 2010**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Bonded Debt</b>			
General Obligation Bonds	\$ 4,686,865	\$ 3,307,000	\$ 7,993,865
General Obligation Revenue Bonds	- - -	2,904,110	2,904,110
Revenue Bonds	- - -	9,320,000	9,320,000
<b>Total 2010</b>	<b><u>\$ 4,686,865</u></b>	<b><u>\$ 15,531,110</u></b>	<b><u>\$ 20,217,975</u></b>

**OUTSTANDING BONDED DEBT - 2009**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Bonded Debt</b>			
General Obligation Bonds	\$ 5,006,320	\$ 5,756,000	\$ 10,762,320
General Obligation Revenue Bonds	- - -	3,834,406	3,834,406
Revenue Bonds	- - -	9,420,000	9,420,000
<b>Total 2009</b>	<b><u>\$ 5,006,320</u></b>	<b><u>\$ 19,010,406</u></b>	<b><u>\$ 24,016,726</u></b>

CITY OF WINDOM, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**FACTORS BEARING ON THE CITY'S FUTURE**

- Restructuring of the water used agreement with POET will reduce water use/sales from 130 million gallons a year to 40 million gallons a year with POET's option to purchase 70 million gallons a year. This will reduce the operational costs at the water plant, extend the operating life of equipment and provide an opportunity for the recovery of the aquifers thereby eliminating the short-term need to identify new or additional water sources.
- The agreement by POET also was accompanied with a one-time \$484,000 payment to pay off a portion of the debt on the water plant attributable to POET. This payment was applied to debt service, which will reduce the interest cost on this loan by about \$92,000.
- The Telecommunications enterprise fund continues to build its operations and lower the loss in this account. New partnerships with other telecom providers and the Southwest Minnesota Broadband Group will provide additional revenue to the Telecommunications fund in future years.
- The Electric Fund continues to be in a strong financial position. Through its partnership with CMMPA the Electric Fund has investments in energy generation and transmission. Both of these investments are planned to provide a future return to the Windom utility.
- The City's investment earnings have been reduced significantly over the past few years due to the dramatically lower interest rates and reductions in invested funds.
- Property tax reforms and budget deficits at the state level have significantly impacted government aid payments made to the City. The City's state aid was reduced for 2003 and beyond by approximately \$185,000 per year. Despite the reductions, the general fund reported an increase in fund balance. The City Council maintains a goal of 35 to 50 percent of unreserved fund balance of operating revenue for the general fund per Office of the State Auditor's guidelines as listed in the Statement of Position: Fund Balances for Local Governments. A portion of the general fund balance will be used to reduce deficits in other governmental funds.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If one has questions about this report or needs additional financial information, contact the City Administrator, City of Windom, 444 9<sup>th</sup> Street, P. O. Box 38, Windom, MN 56101 or call (507) 831-6129.

## CITY OF WINDOM, MINNESOTA

## STATEMENT OF NET ASSETS

DECEMBER 31, 2010

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash on hand, checking and time deposits	\$ 3,839,959	\$ 3,987,492	\$ 7,827,451
Restricted cash	-	1,493,786	1,493,786
Accounts receivable	153,843	843,388	997,231
Current taxes receivable	48,219	-	48,219
Special assessments receivable:			
Current and deferred	1,095,011	-	1,095,011
Delinquent	2,826	-	2,826
Loans receivable	81,818	-	81,818
Interfund loans	(58,957)	58,957	-
Inventories	-	763,131	763,131
Property held for resale	1,167,440	-	1,167,440
Bond issue costs, net of accumulated amortization	-	66,062	66,062
Bond discount costs, net of accumulated amortization	-	152,406	152,406
Property, plant, equipment	16,386,741	42,608,079	58,994,820
Less: accumulated depreciation	6,277,233	20,844,281	27,121,514
Total assets and other debits	<u>\$ 16,439,667</u>	<u>\$ 29,129,020</u>	<u>\$ 45,568,687</u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	\$ 107,537	\$ 430,785	\$ 538,322
Interest payable	-	282,609	282,609
Customer deposits	400	90,883	91,283
Deferred revenues, other	-	150,570	150,570
Non-current liabilities:			
Due within one year	857,262	701,521	1,558,783
Due in more than one year	4,712,463	16,517,335	21,229,798
Total liabilities	<u>5,677,662</u>	<u>18,173,703</u>	<u>23,851,365</u>
<b>NET ASSETS</b>			
Net Assets:			
Invested in capital assets, net of related debt	4,539,783	11,237,179	15,776,962
Restricted for:			
Capital projects	7,144	-	7,144
Debt service	275,776	1,493,786	1,769,562
Unrestricted (deficit)	5,939,302	(1,775,648)	4,163,654
Total net assets	<u>\$ 10,762,005</u>	<u>\$ 10,955,317</u>	<u>\$ 21,717,322</u>

The accompanying notes are an integral part of the financial statements

CITY OF WINDOM, MINNESOTA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Government Activities:</b>			
General government	\$ 432,561	\$ 46,214	\$ -
Public safety	1,374,253	425,626	-
Public works	823,145	-	-
Health and welfare	2,063,342	-	-
Culture and recreation	554,529	31,667	-
Conservation and economic development	653,803	71,563	-
Airport	191,912	45,070	-
Interest on long-term debt	446,385	-	-
Total government activities	<u>6,539,930</u>	<u>620,140</u>	<u>-</u>
<b>Business-type Activities</b>			
Municipal liquor	1,362,183	1,481,587	-
Water	804,342	1,430,117	-
Electric	5,218,889	6,183,122	-
Sewer	991,915	1,349,777	-
Telecom	2,643,194	1,829,899	-
Arena	327,737	136,949	-
Multi-Purpose Center	281,718	68,440	-
River Bluff Townhomes	103,650	83,270	-
Total business-type activities	<u>11,733,628</u>	<u>12,563,161</u>	<u>-</u>
<b>Total government</b>	<u>\$ 18,273,558</u>	<u>\$ 13,183,301</u>	<u>\$ -</u>

**General Revenues:****Taxes:**

Property taxes - general and debt service

Grants and contributions not restricted

to specific programs:

Unallocated federal and state aid

Contributions

Unrestricted investment earnings

Other

**Transfers**

Total general revenues, and transfers

**Change in net assets**

Net assets, January 1, 2010

Net assets, December 31, 2010

Net (Expense) Revenue and Changes in Net Assets			
Capital Grants and Contributions	Government Activities	Business-type Activities	Total
\$ 2,784	\$ (383,563)	\$ -	\$ (383,563)
	(948,627)	-	(948,627)
-	(823,145)	-	(823,145)
-	(2,063,342)	-	(2,063,342)
-	(522,862)	-	(522,862)
255,926	(326,314)	-	(326,314)
77,145	(69,697)	-	(69,697)
-	(446,385)	-	(446,385)
<u>335,855</u>	<u>(5,583,935)</u>	<u>-</u>	<u>(5,583,935)</u>
-	-	119,404	119,404
-	-	625,775	625,775
-	-	964,233	964,233
-	-	357,862	357,862
26,997	-	(786,298)	(786,298)
-	-	(190,788)	(190,788)
-	-	(213,278)	(213,278)
-	-	(20,380)	(20,380)
<u>26,997</u>	<u>-</u>	<u>856,530</u>	<u>856,530</u>
<u>\$ 362,852</u>	<u>(5,583,935)</u>	<u>856,530</u>	<u>(4,727,405)</u>
	\$ 961,390	\$ 489,448	\$ 1,450,838
	1,412,137	-	1,412,137
	-	5,500	5,500
	50,219	49,066	99,285
	561,207	-	561,207
	<u>2,374,429</u>	<u>(283,460)</u>	<u>2,090,969</u>
	<u>5,359,382</u>	<u>260,554</u>	<u>5,619,936</u>
	(224,553)	1,117,084	892,531
	<u>10,986,558</u>	<u>9,838,233</u>	<u>20,824,791</u>
	<u>\$ 10,762,005</u>	<u>\$ 10,955,317</u>	<u>\$ 21,717,322</u>

The accompanying notes are an integral part of the financial statements

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	General Fund	Nonmajor Governmental Funds (Schedule 1)	Total Governmental Funds
<u>ASSETS</u>			
Cash on hand, checking and and time deposits	\$ 1,716,782	\$ 2,123,177	\$ 3,839,959
Accounts receivable, net of allowances of \$3,500	9,140	144,703	153,843
Current taxes receivable	48,219	-	48,219
Special assessments receivable:			
Current and deferred	-	1,095,011	1,095,011
Delinquent	-	2,826	2,826
Loans receivable	-	81,818	81,818
Interfund loans receivable	-	77,022	77,022
Property held for resale, construction in progress	-	1,167,440	1,167,440
Total assets	<u>\$ 1,774,141</u>	<u>\$ 4,691,997</u>	<u>\$ 6,466,138</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 16,172	\$ 91,365	\$ 107,537
Customer deposits	-	400	400
Deferred revenues, current taxes	13,240	-	13,240
Deferred revenues, special assessments	-	1,095,011	1,095,011
Interfund notes payable	-	135,979	135,979
Notes payable	-	504,042	504,042
Total liabilities	<u>29,412</u>	<u>1,826,797</u>	<u>1,856,209</u>
Fund Balances:			
Fund balance - unreserved, undesignated	-	2,582,280	2,582,280
Fund balance - designated	1,744,729	-	1,744,729
Fund balance - reserved	-	282,920	282,920
Total fund balances	<u>1,744,729</u>	<u>2,865,200</u>	<u>4,609,929</u>
Total liabilities and fund balances	<u>\$ 1,774,141</u>	<u>\$ 4,691,997</u>	<u>\$ 6,466,138</u>

The accompanying notes are an integral part of the financial statements

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

Total Fund Balances for Governmental Funds \$ 4,609,929

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. Those assets consist of:

Land and construction in progress	\$ 227,061	
Other capital assets	16,159,680	
Accumulated depreciation	<u>(6,277,233)</u>	10,109,508

Assessments to be collected, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred special assessments in the funds 1,108,251

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Bonds payable and accrued leave payable	<u>(5,065,683)</u>
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Total Net Assets of Governmental Activities \$ 10,762,005

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Revenues</u>	General Fund	Nonmajor Governmental Funds (Schedule 2)	Total Governmental Funds
Local property taxes	\$ 381,970	\$ 572,983	\$ 954,953
Special assessments	-	231,275	231,275
Licenses and permits	69,349	-	69,349
Intergovernmental revenues	1,397,039	15,098	1,412,137
Federal grants	-	61,659	61,659
State grants	-	274,196	274,196
Charges for services and facilities	46,214	573,926	620,140
Fines and forfeits	25,270	2,688	27,958
Investment income	24,404	25,815	50,219
Other revenues	128,708	335,192	463,900
<b>Total revenues</b>	<b>2,072,954</b>	<b>2,092,832</b>	<b>4,165,786</b>
 <u>Expenditures</u>			
Current:			
General government	365,693	-	365,693
Public safety	915,747	256,952	1,172,699
Public works	513,461	13,869	527,330
Health and welfare	22,681	-	22,681
Culture and recreation:			
Parks and general	203,059	-	203,059
Library	-	164,711	164,711
Swim pool	-	77,542	77,542
Conservation and development:			
Economic development & assistance	-	659,376	659,376
Airport	-	54,898	54,898
Capital outlay:			
Other	-	147,627	147,627
Debt service:			
Principal retirement	-	2,349,455	2,349,455
Interest and fiscal charges	-	446,385	446,385
<b>Total expenditures</b>	<b>2,020,641</b>	<b>4,170,815</b>	<b>6,191,456</b>
 Excess of revenues over (under) expenditures	 52,313	 (2,077,983)	 (2,025,670)
 <u>Other Financing Sources (Uses)</u>			
Operating transfers in	245,000	2,228,326	2,473,326
Operating transfers out	-	(98,897)	(98,897)
<b>Total other financing sources (uses)</b>	<b>245,000</b>	<b>2,129,429</b>	<b>2,374,429</b>
<b>Net change in fund balances</b>	<b>297,313</b>	<b>51,446</b>	<b>348,759</b>
Fund balance, January 1, 2010	1,447,416	2,813,754	4,261,170
<b>Fund balance, December 31, 2010</b>	<b>\$ 1,744,729</b>	<b>\$ 2,865,200</b>	<b>\$ 4,609,929</b>

The accompanying notes are an integral part of the financial statements

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

Total Net Change in Fund Balances - Governmental Funds \$ 348,759

Amounts reported for governmental activities in the statement of activities are different because:

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

Change in accrual for deferred taxes - current	\$ (27,752)	
Change in accrual for deferred taxes - special assessments	<u>(197,086)</u>	(224,838)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:

Expenditures for capital assets	147,627	
Less current year depreciation	<u>870,086</u>	(722,459)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, the repayment reduces long-term liabilities in the Statement of Net Assets. Other costs related to debt issuance and retirement use governmental fund resources, but recognizing them as expenses is deferred and amortized on the Statement of Net Assets.

Payment of Hospital debt	(2,030,000)	
Repayment of bonds	<u>2,349,455</u>	319,455

Accruing vacation and sick pay increases long-term liabilities in the Statement of Net Assets. Payment of accrued vacation and sick pay reduces long-term liabilities in the Statement of Net Assets.

Change in accrual for vacation and sick pay		<u>54,530</u>
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Change in Net Assets of Governmental Activities \$ (224,553)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010

Revenues	2010 Budgeted Amount		2010 Actual	Variance with Final Budget Over (Under)
	Original	Final		
Local property taxes	\$ 361,982	\$ 361,982	\$ 381,970	\$ 19,988
Licenses and permits	42,550	42,550	69,349	26,799
Intergovernmental revenues	1,280,463	1,280,463	1,397,039	116,576
Charges for services and facilities	51,500	51,500	46,214	(5,286)
Fines and forfeits	22,900	22,900	25,270	2,370
Investment income	8,000	8,000	24,404	16,404
Other revenues	123,500	123,500	128,708	5,208
Total revenues	<u>1,890,895</u>	<u>1,890,895</u>	<u>2,072,954</u>	<u>182,059</u>
<u>Expenditures</u>				
Current:				
General government	396,232	396,232	365,693	(30,539)
Public safety	955,676	955,676	915,747	(39,929)
Public works	513,830	513,830	513,461	(369)
Health and welfare	25,500	25,500	22,681	(2,819)
Culture and recreation:				
Parks and general	219,386	219,386	203,059	(16,327)
Total expenditures	<u>2,110,624</u>	<u>2,110,624</u>	<u>2,020,641</u>	<u>(89,983)</u>
Excess of revenues over (under) expenditures	<u>(219,729)</u>	<u>(219,729)</u>	<u>52,313</u>	<u>272,042</u>
<u>Other Financing Sources</u>				
Operating transfers in	<u>245,000</u>	<u>245,000</u>	<u>245,000</u>	<u>-</u>
Net change in fund balances	25,271	25,271	297,313	272,042
Fund balance, January 1, 2010	<u>1,447,416</u>	<u>1,447,416</u>	<u>1,447,416</u>	<u>-</u>
Fund balance, December 31, 2010	<u>\$ 1,472,687</u>	<u>\$ 1,472,687</u>	<u>\$ 1,744,729</u>	<u>\$ 272,042</u>

The accompanying notes are an integral part of the financial statements

STATEMENT OF NET ASSETSPROPRIETARY FUNDSDECEMBER 31, 2010

	<u>Business-type</u>		
	<u>Municipal</u>		
	<u>Liquor</u>	<u>Water</u>	<u>Electric</u>
<u>ASSETS</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
<u>Current assets</u>			
Cash and interest-bearing deposits	\$ 395,060	\$ 475,409	\$ 4,153,458
Restricted cash	-	-	-
Accounts and accrued interest receivable	5,089	71,198	523,305
Interfund notes receivable	-	-	58,957
Inventories	159,679	28,293	496,553
Total current assets	<u>559,828</u>	<u>574,900</u>	<u>5,232,273</u>
<u>Fixed</u>			
Property, plant, equipment	421,953	8,387,565	10,494,655
Less: accumulated depreciation	<u>273,309</u>	<u>4,168,445</u>	<u>6,454,188</u>
Net fixed assets	<u>148,644</u>	<u>4,219,120</u>	<u>4,040,467</u>
<u>Other</u>			
Bond issue costs, net of accumulated amortization	-	4,815	-
Bond discount costs, net of accumulated amortization	-	10,169	-
Total other assets	<u>-</u>	<u>14,984</u>	<u>-</u>
Total assets	<u>\$ 708,472</u>	<u>\$ 4,809,004</u>	<u>\$ 9,272,740</u>
<u>LIABILITIES</u>			
<u>Current liabilities</u>			
Cash deficiency	\$ -	\$ -	\$ -
Accounts payable	40,613	1,808	331,534
Interest payable	-	23,160	-
Deferred revenues, and other	-	-	-
Customer deposits	-	-	78,818
Notes payable within one year	-	-	-
Special assessments payable within one year	-	13,500	-
Bond principal payable within one year	-	278,600	-
Total current liabilities	<u>40,613</u>	<u>317,068</u>	<u>410,352</u>
<u>Non-current liabilities and other credits</u>			
Accrued vacation and sick	130,142	63,809	202,967
Notes payable	-	-	-
Special Assessments Payable	-	129,750	-
G.O. revenue bonds principal payable beyond one year (net of amortized discounts)	-	1,786,472	-
Total non-current liabilities	<u>130,142</u>	<u>1,980,031</u>	<u>202,967</u>
Total liabilities	<u>170,755</u>	<u>2,297,099</u>	<u>613,319</u>
<u>Net Assets</u>			
Net Assets:			
Invested in capital assets, net of related debt	148,644	2,010,798	4,040,467
Restricted for debt service	-	-	-
Unreserved (deficit)	389,073	501,107	4,618,954
Total net assets	<u>\$ 537,717</u>	<u>\$ 2,511,905</u>	<u>\$ 8,659,421</u>

Activities - Enterprise Funds

Sewer Fund	Telecom Fund	Nonmajor Enterprise Funds (Schedule 3)	Total
\$ 743,339	\$ -	\$ -	\$ 5,767,266
-	1,493,786	-	1,493,786
68,620	175,176	-	843,388
-	-	-	58,957
-	78,354	252	763,131
<u>811,959</u>	<u>1,747,316</u>	<u>252</u>	<u>8,926,528</u>
8,765,041	9,963,322	4,575,543	42,608,079
<u>3,737,837</u>	<u>4,058,324</u>	<u>2,152,178</u>	<u>20,844,281</u>
<u>5,027,204</u>	<u>5,904,998</u>	<u>2,423,365</u>	<u>21,763,798</u>
2,224	59,023	-	66,062
<u>5,803</u>	<u>136,434</u>	<u>-</u>	<u>152,406</u>
<u>8,027</u>	<u>195,457</u>	<u>-</u>	<u>218,468</u>
\$ <u>5,847,190</u>	\$ <u>7,847,771</u>	\$ <u>2,423,617</u>	\$ <u>30,908,794</u>
\$ -	\$ 1,739,526	\$ 40,248	\$ 1,779,774
6,132	42,114	8,584	430,785
18,341	241,108	-	282,609
-	150,570	-	150,570
-	7,065	5,000	90,883
-	-	9,872	9,872
22,500	-	-	36,000
<u>237,049</u>	<u>140,000</u>	<u>-</u>	<u>655,649</u>
<u>284,022</u>	<u>2,320,383</u>	<u>63,704</u>	<u>3,436,142</u>
91,319	95,522	89,599	673,358
-	-	1,004,516	1,004,516
216,250	-	-	346,000
<u>1,126,989</u>	<u>11,580,000</u>	<u>-</u>	<u>14,493,461</u>
<u>1,434,558</u>	<u>11,675,522</u>	<u>1,094,115</u>	<u>16,517,335</u>
<u>1,718,580</u>	<u>13,995,905</u>	<u>1,157,819</u>	<u>19,953,477</u>
3,424,416	-	1,612,854	11,237,179
-	1,493,786	-	1,493,786
<u>704,194</u>	<u>(7,641,920)</u>	<u>(347,056)</u>	<u>(1,775,648)</u>
\$ <u>4,128,610</u>	\$ <u>(6,148,134)</u>	\$ <u>1,265,798</u>	\$ <u>10,955,317</u>

The accompanying notes are an integral part of the financial statements

STATEMENT OF REVENUES AND EXPENSES  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Business-type		
	Municipal Liquor Fund	Water Fund	Electric Fund
<u>Sales and cost of sales</u>			
Sales	\$ 1,481,587	\$ -	\$ -
Cost of sales	1,044,680	-	-
Gross profit on sales	<u>436,907</u>	<u>-</u>	<u>-</u>
<u>Operating revenues</u>			
Billings for usage	-	934,375	6,046,265
Materials and service sales income	-	8,191	19,865
Facility use and other revenues	-	487,551	116,992
Total operating revenues	<u>-</u>	<u>1,430,117</u>	<u>6,183,122</u>
<u>Operating expense</u>			
Power costs, internet and signal costs	-	-	3,871,175
Salaries and wages	186,172	158,229	419,001
Payroll taxes	26,486	24,306	60,041
Employee insurance	25,350	33,352	64,117
Supplies and maintenance costs	9,543	67,586	74,313
Utilities	13,858	54,765	2,976
Insurance	12,374	16,583	76,617
Depreciation and amortization	15,161	270,321	367,874
Other operating expense	28,559	110,229	282,775
Total operating expense	<u>317,503</u>	<u>735,371</u>	<u>5,218,889</u>
Operating income (loss)	<u>119,404</u>	<u>694,746</u>	<u>964,233</u>
<u>Other revenues</u>			
Investment income	-	-	23,369
Local property taxes	-	14,352	-
Contributions/reimbursements	-	-	-
Total other revenues	<u>-</u>	<u>14,352</u>	<u>23,369</u>
<u>Other charges</u>			
Interest and debt services	-	68,971	-
Total other charges	<u>-</u>	<u>68,971</u>	<u>-</u>
Net income (loss) before operating transfers	119,404	640,127	987,602
Operating transfers - out	(70,000)	(38,460)	(175,000)
Change in net assets	<u>49,404</u>	<u>601,667</u>	<u>812,602</u>
Net assets (deficit), January 1, 2010	488,313	1,910,238	7,846,819
Net assets (deficit), December 31, 2010	<u>\$ 537,717</u>	<u>\$ 2,511,905</u>	<u>\$ 8,659,421</u>

Activities - Enterprise Funds

Sewer Fund	Telecom Fund	Nonmajor Enterprise Funds (Schedule 4)	Total
\$ -	\$ -	\$ -	\$ 1,481,587
-	-	-	1,044,680
-	-	-	436,907
1,240,086	1,804,679	-	10,025,405
108,655	-	-	136,711
1,036	52,217	288,659	946,455
<u>1,349,777</u>	<u>1,856,896</u>	<u>288,659</u>	<u>11,108,571</u>
-	525,559	-	4,396,734
267,307	339,492	232,784	1,602,985
38,677	24,342	33,242	207,094
58,437	68,630	43,050	292,936
54,177	74,541	59,061	339,221
192,796	23,583	94,677	382,655
15,065	9,235	20,579	150,453
200,640	747,283	130,130	1,731,409
113,552	208,060	74,671	817,846
<u>940,651</u>	<u>2,020,725</u>	<u>688,194</u>	<u>9,921,333</u>
<u>409,126</u>	<u>(163,829)</u>	<u>(399,535)</u>	<u>1,624,145</u>
-	25,697	-	49,066
10,441	99,300	365,355	489,448
-	-	5,500	5,500
<u>10,441</u>	<u>124,997</u>	<u>370,855</u>	<u>544,014</u>
<u>51,264</u>	<u>622,469</u>	<u>24,911</u>	<u>767,615</u>
<u>51,264</u>	<u>622,469</u>	<u>24,911</u>	<u>767,615</u>
368,303	(661,301)	(53,591)	1,400,544
-	-	-	(283,460)
<u>368,303</u>	<u>(661,301)</u>	<u>(53,591)</u>	<u>1,117,084</u>
<u>3,760,307</u>	<u>(5,486,833)</u>	<u>1,319,389</u>	<u>9,838,233</u>
<u>\$ 4,128,610</u>	<u>\$ (6,148,134)</u>	<u>\$ 1,265,798</u>	<u>\$ 10,955,317</u>

The accompanying notes are an integral part of the financial statements

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Business-type		
	Municipal	Water	Electric
	Liquor Fund	Fund	Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 1,479,963	\$ 983,792	\$ 6,021,521
Cash payments to suppliers for goods and services	(1,091,501)	(145,493)	(4,180,287)
Cash payments to/for employees for services	(238,745)	(241,719)	(548,732)
Other revenue	-	487,551	116,992
Other expense	(28,559)	(110,229)	(282,775)
	<u>121,158</u>	<u>973,902</u>	<u>1,126,719</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Cash received from property taxes	-	14,352	-
Interest received	-	-	23,369
Operating transfers - out	(70,000)	(38,460)	(175,000)
	<u>(70,000)</u>	<u>(24,108)</u>	<u>(151,631)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisitions and construction of capital assets	(14,663)	(14,072)	(373,174)
Principal payments on long-term debt	-	(764,310)	-
Decrease in restricted cash	-	-	-
Interest paid	-	(76,215)	-
Other revenue	-	-	-
	<u>(14,663)</u>	<u>(854,597)</u>	<u>(373,174)</u>
Net increase (decrease) in cash and cash equivalents	<u>36,495</u>	<u>95,197</u>	<u>601,914</u>
Cash and interest bearing deposits, January 1, 2010	<u>358,565</u>	<u>380,212</u>	<u>3,551,544</u>
Cash and interest bearing deposits, December 31, 2010	<u>\$ 395,060</u>	<u>\$ 475,409</u>	<u>\$ 4,153,458</u>

Activities - Enterprise Funds

Sewer		Telecom		Nonmajor Enterprise Funds (Schedule 5)		Totals	
Fund		Fund					
\$	1,346,594	\$	1,799,263	\$	289,009	\$	11,920,142
	(258,018)		(621,634)		(175,992)		(6,472,925)
	(373,112)		(424,830)		(313,002)		(2,140,140)
	1,036		52,217		-		657,796
	(113,552)		(208,060)		(74,671)		(817,846)
	<u>602,948</u>		<u>596,956</u>		<u>(274,656)</u>		<u>3,147,027</u>
	10,441		99,300		365,355		489,448
	-		25,697		-		49,066
	-		-		-		(283,460)
	<u>10,441</u>		<u>124,997</u>		<u>365,355</u>		<u>255,054</u>
	(7,296)		(77,128)		(22,368)		(508,701)
	(270,083)		(2,465,000)		(9,266)		(3,508,659)
	-		2,386,603		-		2,386,603
	(53,825)		(663,736)		(24,911)		(818,687)
	-		-		5,500		5,500
	<u>(331,204)</u>		<u>(819,261)</u>		<u>(51,045)</u>		<u>(2,443,944)</u>
	<u>282,185</u>		<u>(97,308)</u>		<u>39,654</u>		<u>958,137</u>
	<u>461,154</u>		<u>(1,642,218)</u>		<u>(79,902)</u>		<u>3,029,355</u>
\$	<u>743,339</u>	\$	<u>(1,739,526)</u>	\$	<u>(40,248)</u>	\$	<u>3,987,492</u>

The accompanying notes are an integral part of the financial statements

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Business-type</u>		
	<u>Municipal</u> <u>Liquor</u> <u>Fund</u>	<u>Water</u> <u>Fund</u>	<u>Electric</u> <u>Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO			
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Net income (loss) from operations	\$ 119,404	\$ 694,746	\$ 964,233
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	15,161	270,321	367,874
Changes in assets and liabilities:			
(Increase) decrease in receivables	(1,624)	41,226	(70,825)
(Increase) decrease in inventory	(16,927)	(808)	9,553
Increase (decrease) in accounts payable	5,881	(5,751)	(164,759)
Increase (decrease) in deferred revenue	-	-	-
Increase (decrease) in customer deposits	-	-	26,216
Increase (decrease) in accrued vacation and sick	(737)	(25,832)	(5,573)
Net cash provided (used) by operating activities	<u>\$ 121,158</u>	<u>\$ 973,902</u>	<u>\$ 1,126,719</u>

Activities - Enterprise Funds

Sewer Fund	Telecom Fund	Nonmajor Enterprise Funds (Schedule 5)	Totals
\$ 409,126	\$ (163,829)	\$ (399,535)	\$ 1,624,145
200,640	747,283	130,130	1,731,409
(2,147)	(5,416)	-	(38,786)
-	42,585	(85)	34,318
4,020	(10,081)	(1,590)	(172,280)
-	(21,220)	-	(21,220)
-	-	350	26,566
<u>(8,691)</u>	<u>7,634</u>	<u>(3,926)</u>	<u>(37,125)</u>
<u>\$ 602,948</u>	<u>\$ 596,956</u>	<u>\$ (274,656)</u>	<u>\$ 3,147,027</u>

The accompanying notes are an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Principles Used in Determining the Scope of the Reporting Entity

The funds and account groups included in this report are controlled by and/or dependent on the City Council. Control by and/or dependence on the City Council was determined on the basis of budget adoption, taxing authority, debt issuance secured by the general obligation of the City, and/or the City's obligation to fund any deficits that may occur.

Responsibility for the fair presentation of financial position, results of operations and changes in financial position for all funds of the City in conformity with generally accepted accounting principles lies with the City Council. All fund records, with the exception of the Windom Area Hospital Fund, are maintained by a centralized accounting system.

All of the component units of the City's operations are included in this report with the exception of the Windom Area Hospital Fund which is separately audited and reported on. A copy of the Windom Area Hospital Fund Audit Report may be obtained by contacting the City Clerk, City of Windom, 444 9<sup>th</sup> Street, P.O. Box 38, Windom, MN 56101 or call (507) 831-6129.

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) display information about the non-fiduciary reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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, service 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 funds and proprietary 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 statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) :

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Property taxes, franchise taxes, licenses 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.

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 the Governmental Accounting Standards Board. 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 the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds and various other functions of the government. Eliminations of these charges would distort the costs and revenues reported for the various functions concerned.

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 revenue of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sale and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

General Fund: The General Fund is the general operating fund. It is used to account for all financial transactions except those required to be accounted for in another fund.

Additionally, the City reports the following fund types:

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.

Capital Projects Fund: Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Debt Service Funds: Debt Service Funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

Enterprise Funds: Enterprise Funds are used to account for the operations of the City's business-type activities.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The City reports the following major proprietary funds:

- The municipal liquor fund accounts for all activities related to the operation of a liquor store.
- The water fund accounts for activities related to the operation of a water distribution system.
- The electric fund accounts for activities related to the operation of electric generation and distribution system.
- The municipal wastewater fund accounts for activities related to the operation of a wastewater distribution system.
- The telecommunications fund accounts for the operation of a broadband communications system.

d. Budgetary Data

General Budget Policies -

The City follows legally prescribed procedures in establishing the budgetary data reflected in the financial statements as follows:

1. The City Administrator submits to the City Council a proposed operating budget for the Governmental Fund types. This operating budget includes proposed expenditures and the means of financing them. Budgets are prepared on the same basis and using the same accounting practices as are used to account and prepare financial reports for the funds. Budgets are adopted on a basis consistent with generally accepted accounting principles.
2. The budget is enacted through passage of a resolution by the Council and the tax levy is certified the county auditor annually in December.
3. After adoption by the City Council, the expenditures incorporated into the budget become management guidelines. Appropriations for all budgeted funds and the actual expenditures must be held to budgeted levels unless amended through a supplemental appropriation resolution.
4. The City Council may transfer by resolution, a supplemental budget appropriation to increase spending authority if it is determined during the year sufficient amounts have not been budgeted. Reported budget amounts represent the originally adopted budget.

Unexpended budgeted amounts lapse at the end of the budget year. Legal spending control for City monies is at the fund level, but management control is exercised at budgetary line item levels within each fund.

e. Assets, Liabilities, and Net Assets or Equity

Cash and Interest Bearing Deposits -

Cash balances are invested to the extent available in short term certificates of deposit and interest-bearing savings accounts; these deposits are carried at cost, which at December 31, 2010, is the same as market value.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)DECEMBER 31, 20101. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) :e. Assets, Liabilities, and Net Assets or Equity (continued)

## Property Taxes Receivable -

Property taxes attach as an enforceable lien as of January 1 annually. Taxes are collected by the County in two equal installments which are payable basically in May and October in the State of Minnesota.

## Inventories -

Inventories of the Airport (resale gasoline) and Enterprise funds are carried at the lower of cost or market using the FIFO (first-in, first-out) method.

## Capital Assets -

Capital assets, which include property, plant and equipment, 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 \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Improvements other than buildings	20-50 years
Building and structures	25-50 years
Machinery and equipment	5-15 years
Furniture and fixtures	5-15 years
General purpose computers	3 years

f. 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 debt are reported as liabilities in the applicable governmental activities, business-type activities, and 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 effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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 uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

DECEMBER 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

g. 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 Council plans that are subject to change.

h. Net Assets

Net assets represent the difference between assets and liabilities in the government-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the government-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

i. Compensated Absences

The City's vacation policy is that employees may carry-over vacation from one year to the next up to a maximum of eighty hours. The maximum accrual for vacation is capped at two hundred forty hours. Upon termination, for any reason, the City will reimburse an employee up to the maximum vacation accrual of two hundred forty hours. The maximum accrual for sick time is capped at one thousand hours. Upon termination, for reasons other than retirement, the City will not pay accrued sick time. Upon retirement, the City will reimburse an employee up to the maximum sick time accrual of one thousand hours at a 50% reduction. Vacation and sick time is accrued and credited to employee's accounts on January 1 each year.

j. Financial Reporting Entity

The City of Windom, for financial reporting purposes, includes all of the funds relevant to the operations of the City, with the exception of the Windom Area Hospital Fund, which is covered by a separate audit report.

k. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

l. Changes in Accounting Principles

As of the year ended December 31, 2004, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. GASB Statement No. 34 creates new basic financial statements for reporting on the City's financial activities. The financial statements include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type, which had been the mode of presentation in financial statements issued prior to December 31, 2004. The implementation of GASB Statement No. 34 at December 31, 2004 caused the opening fund balance to be restated in terms of "net assets".

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

2. CASH AND INTEREST BEARING DEPOSITS:

In accordance with Minnesota Statutes, the City maintains its deposits at depository banks authorized by the City Council.

Deposits

At year-end the carrying amount of the City's deposits was \$9,321,237 and the bank balance was \$9,390,156. The City's deposits are categorized below to give an indication of the level of risk assumed by the entity at December 31, 2010. Category 1 includes deposits that are insured or collateralized with securities held by the City or its agent in the City's name. Category 2 includes collateralized deposits with securities held by the pledging financial institution's trust department or agent in securities held by the pledging financial institution's trust department or agent in the City's name. Category 3 includes deposits which are uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name.

	<u>Category</u> <u>1</u>	<u>Category</u> <u>2</u>	<u>Category</u> <u>3</u>	<u>Bank</u> <u>Balance</u>
Deposits	\$ 9,321,237	\$ -	\$ -	\$ 9,390,156

Minnesota Statutes require that all deposits with financial institutions must be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance (140% if collateralized with notes secured by first mortgages). Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than that furnishing the collateral. The bank balance is categorized as follows:

Insured by FDIC insurance	\$ 3,208,121
Covered by collateral	6,182,035
Not covered by collateral	-
	<u>\$ 9,390,156</u>

3. RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS:

Significant receivables include amounts due from customers primarily for utility services, use or rental agreements for the City's airport facilities and services related to fire calls. These receivables are due within one year. Certain funds report accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectibles. An allowance for uncollectibles in the amount of \$3,500 has been estimated in relation to fire call receivables in the General Fund.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)DECEMBER 31, 20104. CAPITAL ASSETS:

Capital asset activity for the year ended December 31, 2010 was as follows:

	Primary	
	Beginning Balance	Increases
Governmental activities:		
Capital assets not being depreciated:		
Land	\$ 227,061	\$ -
Construction in progress	1,423,372	26,951
Total capital assets not being depreciated	<u>1,650,433</u>	<u>26,951</u>
Other capital assets:		
Buildings and improvements	4,250,676	55,995
Machinery and equipment	5,729,026	64,681
Furniture and fixtures	40,152	-
Other fixed assets	1,494,821	1,450,323
Infrastructure	3,074,006	-
Total other capital assets at historical cost	<u>14,588,681</u>	<u>1,570,999</u>
Less accumulated depreciation for:		
Buildings and improvements	(584,360)	(106,836)
Machinery and equipment	(4,053,460)	(576,760)
Furniture and fixtures	(23,087)	(8,030)
Other fixed assets	(220,618)	(55,500)
Infrastructure	(525,622)	(122,960)
Total accumulated depreciation	<u>(5,407,147)</u>	<u>(870,086)</u>
Total other capital assets, net	<u>9,181,534</u>	<u>700,913</u>
Governmental activities capital assets, net	<u>\$ 10,831,967</u>	<u>\$ 727,864</u>
Primary		
	Beginning Balance	Increases
Business-type activities:		
Capital assets not being depreciated:		
Land	\$ 154,922	\$ -
Construction in progress	15,018	26,997
Total capital assets not being depreciated	<u>169,940</u>	<u>26,997</u>
Other capital assets:		
Buildings and improvements	16,239,986	352,894
Machinery and equipment	4,037,302	156,584
Furniture and fixtures	80,379	-
Other fixed assets	21,441,237	14,241
Infrastructure	156,057	-
Total other capital assets at historical cost	<u>41,954,961</u>	<u>523,719</u>

Government	
Decreases	Ending Balance
\$ -	\$ 227,061
(1,450,323)	-
<u>(1,450,323)</u>	<u>227,061</u>
-	4,306,671
-	5,793,707
-	40,152
-	2,945,144
-	3,074,006
-	<u>16,159,680</u>
-	(691,196)
-	(4,630,220)
-	(31,117)
-	(276,118)
-	(648,582)
-	<u>(6,277,233)</u>
-	9,882,447
\$ <u>(1,450,323)</u>	\$ <u>10,109,508</u>

Government	
Decreases	Ending Balance
\$ -	\$ 154,922
(42,015)	-
<u>(42,015)</u>	<u>154,922</u>
-	16,592,880
(25,523)	4,168,363
-	80,379
-	21,455,478
-	156,057
<u>(25,523)</u>	<u>42,453,157</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

	<u>Beginning Balance</u>	<u>Primary Increases</u>
Business-type activities:		
Less accumulated depreciation for:		
Buildings and improvements	(6,573,809)	(954,708)
Machinery and equipment	(3,399,493)	(316,237)
Furniture and fixtures	(80,379)	-
Other fixed assets	(9,067,865)	(432,607)
Infrastructure	(44,200)	(506)
Total accumulated depreciation	<u>(19,165,746)</u>	<u>(1,704,058)</u>
 Total other capital assets, net	 <u>22,789,215</u>	 <u>(1,180,339)</u>
 Business-type activities capital assets, net	 <u>\$ 22,959,155</u>	 <u>\$ (1,153,342)</u>

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

Governmental activities:

- General government
- Public safety
- Public works
- Health and welfare
- Culture and recreation
- Conservation and economic development
- Airport

Total governmental activities depreciation expense

Business-type activities:

- Municipal Liquor
- Water
- Electric
- Sewer
- Telecom
- Arena
- Multi-Purpose Center
- River Bluff Townhomes

Total business-type activities depreciation expense

\* The capitalized cost of the telecommunications plant includes capitalized interest of \$261,833. Capitalized cost in the Water fund includes capitalized interest of \$2,650. Capitalized cost in the Sewer fund includes capitalized interest of \$2,571. Capitalized cost in the 4th Avenue Improvement fund includes capitalized interest of \$4,951. Capitalized cost in the 2007 Street Improvement fund includes capitalized interest of \$25,352. Capitalized cost in the 2009 Street Improvement fund includes capitalized interest of \$35,147.

Government

<u>Decreases</u>	<u>Ending Balance</u>
-	(7,528,517)
25,523	(3,690,207)
-	(80,379)
-	(9,500,472)
-	(44,706)
<u>25,523</u>	<u>(20,844,281)</u>
-	<u>21,608,876</u>
\$ <u>(42,015)</u>	\$ <u>21,763,798</u>

\$ 61,345
222,336
324,089
10,661
109,520
5,121
<u>137,014</u>
\$ <u>870,086</u>

\$ 15,161
268,382
367,874
199,842
722,669
36,123
64,169
29,838
\$ <u>1,704,058</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)DECEMBER 31, 20105. LONG-TERM DEBT:a. General Obligation Bonds

The City issued general obligation bonds to provide funds for the acquisition and construction of major capital improvements, and to refinance existing bonded debt. General obligation bonds have been issued for governmental activities and for proprietary activities to refinance debt.

General obligation bonds are direct obligations and pledge the full faith and credit of the Government. These bonds generally are issued as 15-year serial bonds with maturing amounts generally increasing each year. Some of the bonds issued contain special assessments. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the Government must provide resources to cover the deficiency.

General Obligation Revenue Bonds

The City issues general obligation revenue bonds to provide funds for the acquisition and construction of major capital improvements for the water and municipal wastewater funds. General obligation revenue bonds are direct obligations and pledge the full faith and credit of the Government.

Revenue Bonds

The City also issues bonds where the Government pledges income derived from the constructed assets to pay debt service. Revenue bonds have been issued for business-type activities.

Following is a detail of the outstanding bonds as of December 31, 2010:

	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Outstanding Principal</u>
G O Improvement Bonds of 1994	2.44	2014	\$ 72,045
G O Wastewater Treatment Bond Series 1995	2.45	2011	11,820
G O Improvements Bonds, Series 2003	3.77	2019	955,000
G O Improvement Bonds, Series 2005 A	3.0-4.4	2021	1,020,000
G O Improvement & Refunding Bonds, Series 2006A	3.7-4.15	2018	785,000
G O Temporary Equipment Certificates Series 2007B	3.75-4.3	2023	1,240,000
G O Improvement Bonds Series 2010A	2.0-4.25	2025	1,510,000
G O Temporary Equipment Certificates Series 2010B	1.65	2012	<u>2,400,000</u>
Total G O Special Assessment			<u>7,993,865</u>
G O Sewer Bonds Series 1994	2.71	2015	1,175,670
G O Revenue Series 1999	2.57	2018	1,036,440
G O Revenue Note Series 1999A	2.29	2019	<u>692,000</u>
Total G O Revenue			<u>2,904,110</u>
Communication System Revenue Bonds 2004	4.5-6.25	2024	<u>9,320,000</u>
Total Revenue			<u>9,320,000</u>
Total			<u>\$ 20,217,975</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

5. LONG-TERM DEBT (CONTINUED):

Other Notes Payable-

The River Bluff Townhomes (Enterprise Fund) notes payable has various terms on the notes. In 2010, payments were made to Bank of the West in the amount of \$9,266. No payments were made on the remaining notes payable. The current portion of the Bank of the West note is \$9,872. The list of the notes is as follows:

	\$ 426,083
Bank of the West	180,000
GMHF	353,305
MHEFA	25,000
Cottonwood County	15,000
PM Windom	15,000
Toro Foundation	<u>\$ 1,014,388</u>
Total	

In the River Bluff Estates Fund (Special Revenue Fund) there was one note payable in the amount of \$102,751. The United Prairie Bank (UPB) loan was obtained to pay off a note to Bank Midwest. This loan was paid with proceeds from the sale of a house located at 427 6<sup>th</sup> Avenue.

In the PM Revolving Loan Fund (Special Revenue Fund) there was one note payable in the amount of \$27,898. Certain revolving loan fund requirements have been met, subsequent receipts of principal and interest were payable to the State of Minnesota. This note was paid in full as of December 31, 2010.

In the EDA Fund there is one note payable. The note was obtained to pay off an interfund note payable with the Electric Fund. The current terms and maturities of the note are as follows:

Bank Midwest - monthly payments	\$ <u>4,000</u>
of \$4,000, interest at 7.25%	

Scheduled principal and interest payments to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ <u>440,756</u>	\$ <u>7,967</u>	\$ <u>448,723</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

5. LONG-TERM DEBT (CONTINUED):

In the Sewer Fund there was one note payable in the amount of \$20,097. The note was to the League of Minnesota Cities. This note was paid in full as of December 31, 2010.

In the Equipment Capital Projects Fund there is one lease payable. The current terms and maturities of the lease are as follows:

John Deer Credit - annual payments of \$22,467, interest at 5.5%

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 19,949	\$ 2,518	\$ 22,467
2012	21,074	1,393	22,467
2013	<u>22,263</u>	<u>204</u>	<u>22,467</u>
	<u>\$ 63,286</u>	<u>\$ 4,115</u>	<u>\$ 67,401</u>

The following funds report accrued vacation and sick time:

	<u>Vacation</u>	<u>Sick</u>	<u>Total</u>
General	\$ 70,106	\$ 249,774	\$ 319,880
Library	6,591	35,388	41,979
Swim Pool	2,476	3,373	5,849
Ambulance	781	1,460	2,241
EDA	1,293	7,574	8,867
Liquor	73,967	56,176	130,143
Water	11,787	52,022	63,809
Electric	71,928	131,040	202,968
Sewer	16,686	74,633	91,319
Telecom	18,966	76,556	95,522
Arena	17,440	36,418	53,858
Multi-Purpose Center	<u>10,402</u>	<u>25,339</u>	<u>35,741</u>
	<u>\$ 302,423</u>	<u>\$ 749,753</u>	<u>\$ 1,052,176</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)DECEMBER 31, 20105. LONG-TERM DEBT (CONTINUED):b. Changes in long-term liabilities:

Governmental activities long-term liability balances and activity for the year ended December 31, 2010 were as follows:

<u>Governmental Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>
<u>General Obligation Bonds:</u>		
GO Improvement Bonds of 1994	\$ 92,286	\$ -
GO Wastewater Treatment Bond of 1995	35,034	-
GO Improvement Bonds Series 2003	624,000	-
GO Improvement Bonds Series 2005 A	545,000	-
GO Improvement and Refunding Bonds Series 2006 A	890,000	-
GO Improvement Bonds Series 2007 B	1,310,000	-
GO Improvement Bonds Series 2009 A	1,510,000	-
<u>Other Loans and Obligations:</u>		
River Bluff Estates - United Prairie Bank	102,751	-
PM Revolving Loan - State of Minnesota	27,898	-
Economic Development - Bank Midwest	454,720	-
Capital Projects Equipment - John Deere Credit	78,496	-
Accrued Vacation and Sick Pay	433,348	-
 Total Governmental Activities Long-Term Debt	 \$ 6,103,533	 \$ -

<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
\$ 20,241	\$ 72,045	\$ 20,737
23,214	11,820	11,820
51,000	573,000	54,000
50,000	495,000	50,000
105,000	785,000	105,000
70,000	1,240,000	75,000
-	1,510,000	80,000
102,751	-	--
27,898	-	-
13,964	440,756	440,756
15,210	63,286	19,949
54,530	378,818	-
<u>\$ 533,808</u>	<u>\$ 5,569,725</u>	<u>\$ 857,262</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

5. LONG-TERM DEBT (CONTINUED):

b. Changes in long-term liabilities:

Business-type activities long-term liability balances and activity for the year ended December 31, 2010 were as follows:

<u>Business-type Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>
<u>General Obligation Bonds:</u>		
GO Improvement Bonds Series 2003	\$ 416,000	\$ -
GO Improvement Bonds Series 2005 A	575,000	-
GO Temporary Equipment Certificates Series 2007 A	2,365,000	-
GO Temporary Equipment Certificates Series 2009 B	2,400,000	-
<u>General Obligation Revenue Bonds:</u>		
GO Sewer Bonds Series 1994	1,392,406	-
GO Revenue Series 1999	1,681,000	-
GO Water Note Series 1999A	761,000	-
<u>Revenue Bonds:</u>		
Communications System Revenue Bonds 2004	9,420,000	-
<u>Other Loans and Obligations:</u>		
River Bluff Townhomes - Bank of the West	435,349	-
River Bluff Townhomes - GMHF	180,000	-
River Bluff Townhomes - MHFA	353,305	-
River Bluff Townhomes - Cottonwood County	25,000	-
River Bluff Townhomes - PM Windom	15,000	-
River Bluff Townhomes - Toro Foundation	15,000	-
Sewer - LMC Emergency Sewer Repair	20,097	-
Accrued Vacation and Sick Pay	710,483	-
Total Business-Type Activities Long-Term Debt	<u>\$ 20,764,640</u>	<u>\$ -</u>
Total Long-Term Debt	<u>\$ 26,868,173</u>	<u>\$ -</u>

c. Minimum debt payments:

Minimum annual principal and interest payments to retire long-term bonded debt payable are as follows:

<u>Year Ending December 31</u>	<u>General Obligation Bonds Payable</u>		<u>General Revenue B</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2011	\$ 482,557	\$ 244,271	\$ 465,649
2012	2,886,247	228,127	477,723
2013	496,768	171,568	489,964
2014	498,293	153,736	503,374
2015	500,000	135,411	515,960
2016-2020	2,105,000	405,305	451,440
2021-2025	1,025,000	88,749	-
Total	<u>\$ 7,993,865</u>	<u>\$ 1,427,167</u>	<u>\$ 2,904,110</u>

<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
\$ 34,000	\$ 382,000	\$ 36,000
50,000	525,000	50,000
2,365,000	-	-
-	2,400,000	-
216,736	1,175,670	222,649
644,560	1,036,440	173,000
69,000	692,000	70,000
100,000	9,320,000	140,000
9,266	426,083	9,872
-	180,000	-
-	353,305	-
-	25,000	-
-	15,000	-
-	15,000	-
20,097	-	-
<u>37,125</u>	<u>673,358</u>	<u>-</u>
\$ <u>3,545,784</u>	\$ <u>17,218,856</u>	\$ <u>701,521</u>
\$ <u>4,079,592</u>	\$ <u>22,788,581</u>	\$ <u>1,558,783</u>

<u>Obligation Bonds Payable</u>	<u>Revenue Bonds Payable</u>	
<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
\$ 72,845	\$ 140,000	\$ 572,246
60,721	240,000	565,246
48,285	290,000	553,006
35,524	325,000	537,780
22,415	370,000	520,312
22,050	2,640,000	2,189,688
-	5,315,000	1,066,877
<u>261,840</u>	<u>9,320,000</u>	<u>6,005,155</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

6. INTERFUND RECEIVABLES AND PAYABLES:

Economic Development Fund:			
Due from Capital Projects	\$	2,760	
Due from River Bluff Estates Fund		74,262	
Due to Electric Fund			\$ 58,957
River Bluff Estates Fund:			
Due to Economic Development Fund			74,262
Capital Projects Fund:			
Due to Economic Development Fund			2,760
Electric Fund:			
Due from Economic Development Fund		<u>58,957</u>	
	\$	<u>135,979</u>	\$ <u>135,979</u>

7. DESIGNATED FUND BALANCES, RESERVED FUND BALANCES AND RESTRICTED NET ASSETS:

General Fund - Designated for working capital needs	\$ <u>1,744,729</u>
Total Designated Fund Balances	\$ <u>1,744,729</u>
Economic Development Fund - Reserved for capital outlay	\$ 7,144
2007 Street Improvement Bond Fund - Reserved for debt repayment	( 32,590)
2006A Refunding Bond Fund - Reserved for debt repayment	( 99,514)
2003 Improvement Bond Fund - Reserved for debt repayment	( 133,765)
4 <sup>th</sup> Avenue Improvement Bond Fund - Reserved for debt repayment	( 113,556)
GO Special Assessment Bond Fund - Reserved for debt repayment	424,566
2010 Street Improvement Fund - Reserved for debt repayment	<u>230,635</u>
Total Reserved Fund Balances	\$ <u>282,920</u>
Economic Development Fund - Restricted for capital outlay	\$ 7,144
2007 Street Improvement Bond Fund - Restricted for debt repayment	( 32,590)
2006A Refunding Bond Fund - Restricted for debt repayment	( 99,514)
2003 Improvement Bond Fund - Restricted for debt repayment	( 133,765)
4 <sup>th</sup> Avenue Improvement Bond Fund - Restricted for debt repayment	( 113,556)
GO Special Assessment Bond Fund - Restricted for debt repayment	424,566
2010 Street Improvement Fund - Restricted for debt repayment	230,635
Telecom - Restricted for debt repayment	<u>1,493,786</u>
Total Restricted Net Assets	\$ <u>1,776,706</u>

8. DEFICIT FUND EQUITY:

- The Equipment Capital Projects Fund has a deficit fund balance of \$147,485 at December 31, 2010. Management plans to eliminate this deficit by controlling expenses.
- The TIF District 1-13 and 1-14 Funds have deficit fund balances of \$88,652 and \$2,760 respectively at December 31, 2010. Management plans to eliminate this deficit by transferring cash and controlling expenses.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

8. DEFICIT FUND EQUITY (CONTINUED):

- The 2003 Improvement Fund has a deficit fund balance of \$133,765 at December 31, 2010. Management plans to eliminate this deficit by transferring cash and controlling expenses.
- The 4<sup>th</sup> Avenue Improvement Bond Fund has a deficit fund balance of \$113,556 at December 31, 2010. Management plans to eliminate this deficit by transferring cash and controlling expenses.
- The Airport Fund has a deficit fund balance of \$10,510 at December 31, 2010. Management plans to eliminate this deficit by increasing revenues and controlling expenses.
- The 2006A Refunding Bond Fund has a deficit fund balance of \$99,514 at December 31, 2010. Management plans to eliminate this deficit by transferring cash and controlling expenses.
- The River Bluff Estates Fund has a deficit fund balance of \$70,917 at December 31, 2010. Management plans to eliminate this deficit by transferring cash and selling inventoried property.
- The Telecommunications Fund has deficit net assets of \$6,148,134 at December 31, 2010. Management plans to eliminate this deficit by increasing sales and controlling expenses.
- The River Bluff Townhomes Fund has deficit net assets of \$188,820 at December 31, 2010. Management plans to eliminate this deficit by increasing occupancy and controlling expenses.
- The 2007 Street Improvement Fund has a deficit balance of \$32,590 at December 31, 2010. Management plans to eliminate this deficit by transferring cash and controlling expenses.

9. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, GOVERNMENTAL FUNDS TYPES:

Expenditures exceeded budget in the following special revenue funds during the year ended December 31, 2010:

<u>Fund</u>	<u>Excess Expenditures</u>
River Bluff Estates Revolving Loan	\$ 15,564
Swim Pool	2,124
Library	866
SCDP	358,991

10. RETIREMENT BENEFIT PENSION PLANS, STATEWIDE:

a. Plan Description

All full-time and certain part-time employees of the City of Windom are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) 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.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire-fighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

10. RETIREMENT BENEFIT PENSION PLANS, STATEWIDE (CONTINUED):

Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and GERP members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

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 published a publicly available financial report that includes financial statements and required supplementary information for GERP and PEPFF. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org), by writing to PERA at 60 Empire Drive #200, St. Paul, MN 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

b. Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERP Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.0%, respectively, of their annual covered salary in 2010. PEPFF members were required to contribute 9.4% of their annual covered salary in 2010. The City of Windom is required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan members, 7.00% for Coordinated Plan members and 14.1% for PEPFF members. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2010, 2009, and 2008 were \$164,502, \$152,444, and \$148,277, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ending December 31, 2010, 2009, and 2008 were \$67,022, \$62,215, and \$55,928, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2010

11. INTERFUND TRANSFERS:

A listing of the operating from/to other funds is as follows:

a. Operating transfer from Municipal Liquor Fund to General Fund	\$ 70,000
b. Operating transfer from Electric Fund to General Fund	175,000
c. Capital transfer from Water Fund to 2006A Refunding Bond Fund	38,460
d. Capital transfer from GO Special Assessment Bond Fund to 2006A Refunding Bond Fund	29,525
e. Capital transfer from TIF District 1-6 Fund to Economic Development Fund	24,364
f. Capital transfer from TIF District 1-11 Fund to Economic Development Fund	4,613
g. Capital transfer from TIF District 1-13 Fund to 2006A Refunding Bond Fund	30,698
h. Capital transfer from TIF District 1-14 Fund to Economic Development Fund	9,697

In addition, a transfer from Windom Area Hospital in the amount of \$2,090,969 was made to the Hospital Bond Debt Service Fund. This is the reported difference between transfers in and transfers out on Exhibit B.

12. RISK INFORMATION:

The government 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. During the year ended December 31, 2010, the Fund managed its risks as follows:

Public Entity Risk Pool:

The Fund is a member of the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool currently operating as a common risk management and insurance program for Minnesota local government entities. The agreement for formation of the LMCIT provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of reserved amounts for each insured event. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The pooling agreement allows for the pool to make additional assessments to make the pool self-sustaining. The Fund had determined that it is not possible to estimate the amount of such additional assessments; however, they are not expected to be material to the financial statements taken as a whole. The Fund pays an annual premium to the pool to provide coverage of risks related to property, automobiles, theft, general liability, worker's compensation, employee liability and employee benefits and errors and omissions.

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2010

	Library Fund	Swim Pool Fund	Airport Fund
<b>ASSETS</b>			
Cash on hand, checking and time deposits	\$ 39,318	\$ 29,383	\$ -
Accounts receivable	-	-	-
Special assessments receivable, deferred	-	-	-
Special assessments receivable, delinquent	-	-	-
Loans receivable	-	-	-
Interfund loans receivable	-	-	-
Property held for resale, construction in progress	-	-	4,051
Total assets	<u>\$ 39,318</u>	<u>\$ 29,383</u>	<u>\$ 4,051</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Cash deficiency	\$ -	\$ -	\$ 14,140
Accounts payable	2,746	-	21
Customer deposits	-	-	400
Deferred revenue, special assessments	-	-	-
Interfund notes payable	-	-	-
Notes payable	-	-	-
Total liabilities	<u>2,746</u>	<u>-</u>	<u>14,561</u>
<b>Fund Balances:</b>			
Fund balance - unreserved, undesignated	36,572	29,383	(10,510)
Fund balance - reserved (deficit)	-	-	-
Total fund balances	<u>36,572</u>	<u>29,383</u>	<u>(10,510)</u>
Total liabilities and fund balances	<u>\$ 39,318</u>	<u>\$ 29,383</u>	<u>\$ 4,051</u>

Special Revenue

Economic Development Fund	Ambulance Fund	North Industrial Park Fund	River Bluff Estates Fund	River Bluff Revolving Loan Fund
\$ 54,851	\$ 874,281	\$ 17,383	\$ -	\$ 33,023
-	144,703	-	-	-
-	-	-	-	-
-	-	-	-	-
77,022	-	-	-	-
846,784	-	-	15,162	-
<u>\$ 978,657</u>	<u>\$ 1,018,984</u>	<u>\$ 17,383</u>	<u>\$ 15,162</u>	<u>\$ 33,023</u>
\$ -	\$ -	\$ -	\$ 11,817	\$ -
3,236	5,399	-	-	-
-	-	-	-	-
-	-	-	-	-
58,957	-	-	74,262	-
440,756	-	-	-	-
<u>502,949</u>	<u>5,399</u>	<u>-</u>	<u>86,079</u>	<u>-</u>
468,564	1,013,585	17,383	(70,917)	33,023
7,144	-	-	-	-
<u>475,708</u>	<u>1,013,585</u>	<u>17,383</u>	<u>(70,917)</u>	<u>33,023</u>
<u>\$ 978,657</u>	<u>\$ 1,018,984</u>	<u>\$ 17,383</u>	<u>\$ 15,162</u>	<u>\$ 33,023</u>

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2010

	EDA Revolving Loan Fund	PM Revolving Loan Fund	SCDP Revolving Loan Fund
<b>ASSETS</b>			
Cash on hand, checking and time deposits	\$ 43,009	\$ 656,137	\$ 14,498
Accounts receivable	-	-	-
Special assessments receivable, deferred	-	-	-
Special assessments receivable, delinquent	-	-	-
Loans receivable	-	-	81,818
Interfund loans receivable	-	-	-
Property held for resale, construction in progress	22,453	278,990	-
Total assets	<u>\$ 65,462</u>	<u>\$ 935,127</u>	<u>\$ 96,316</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Cash deficiency	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Customer deposits	-	-	-
Deferred revenue, special assessments	-	-	-
Interfund notes payable	-	-	-
Notes payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>			
Fund balance - unreserved, undesignated	65,462	935,127	96,316
Fund balance - reserved (deficit)	-	-	-
Total fund balances	<u>65,462</u>	<u>935,127</u>	<u>96,316</u>
Total liabilities and fund balances	<u>\$ 65,462</u>	<u>\$ 935,127</u>	<u>\$ 96,316</u>

Special Revenue

Special Revenue				
TIF District 1-1 Fund	TIF District 1-2 Fund	TIF District 1-3 Fund	TIF District 1-4 Fund	TIF District 1-6 Fund
\$ 72,414	\$ 92,002	\$ 237	\$ 1,630	\$ 12,906
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>72,414</u>	<u>92,002</u>	<u>237</u>	<u>1,630</u>	<u>12,906</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>72,414</u>	<u>92,002</u>	<u>237</u>	<u>1,630</u>	<u>12,906</u>
-	-	-	-	-
<u>72,414</u>	<u>92,002</u>	<u>237</u>	<u>1,630</u>	<u>12,906</u>
<u>\$ 72,414</u>	<u>\$ 92,002</u>	<u>\$ 237</u>	<u>\$ 1,630</u>	<u>\$ 12,906</u>

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2010

	Special		
	TIF	TIF	TIF
	District 1-8	District 1-10	District 1-11
	Fund	Fund	Fund
<u>ASSETS</u>			
Cash on hand, checking and time deposits	\$ 24,634	\$ -	\$ 3,085
Accounts receivable	-	-	-
Special assessments receivable, deferred	-	-	-
Special assessments receivable, delinquent	-	-	-
Loans receivable	-	-	-
Interfund loans receivable	-	-	-
Property held for resale; construction in progress	-	-	-
Total assets	<u>\$ 24,634</u>	<u>\$ -</u>	<u>\$ 3,085</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Cash deficiency	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Customer deposits	-	-	-
Deferred revenue, special assessments	-	-	-
Interfund notes payable	-	-	-
Notes payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Fund balance - unreserved, undesignated	24,634	-	3,085
Fund balance - reserved (deficit)	-	-	-
Total fund balances	<u>24,634</u>	<u>-</u>	<u>3,085</u>
Total liabilities and fund balances	<u>\$ 24,634</u>	<u>\$ -</u>	<u>\$ 3,085</u>

Revenue			Capital Projects	Debt Service
TIF District 1-12 Fund	TIF District 1-13 Fund	TIF District 1-14 Fund	Equipment Capital Projects Fund	2003 Improvement Bond Fund
\$ 6,972	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	112,819
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 6,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,819</u>
\$ -	\$ 17,708	\$ -	\$ 84,199	\$ 133,765
6,691	70,944	-	-	-
-	-	-	-	-
-	-	-	-	112,819
-	-	2,760	-	-
-	-	-	63,286	-
<u>6,691</u>	<u>88,652</u>	<u>2,760</u>	<u>147,485</u>	<u>246,584</u>
281	(88,652)	(2,760)	(147,485)	-
-	-	-	-	(133,765)
<u>281</u>	<u>(88,652)</u>	<u>(2,760)</u>	<u>(147,485)</u>	<u>(133,765)</u>
<u>\$ 6,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,819</u>

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2010

	4th Avenue Improvement Bond Fund	2006 A Refunding Bond Fund	Debt 2007 Street Improvement Bond Fund
<b>ASSETS</b>			
Cash on hand, checking and time deposits	\$ -	\$ -	\$ -
Accounts receivable	-	-	-
Special assessments receivable, deferred	89,166	107,829	222,307
Special assessments receivable, delinquent	-	-	-
Loans receivable	-	-	-
Interfund loans receivable	-	-	-
Property held for resale, construction in progress	-	-	-
<b>Total assets</b>	<b>\$ 89,166</b>	<b>\$ 107,829</b>	<b>\$ 222,307</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Cash deficiency	\$ 113,556	\$ 99,514	\$ 32,590
Accounts payable	-	-	-
Customer deposits	-	-	-
Deferred revenue, special assessments	89,166	107,829	222,307
Interfund notes payable	-	-	-
Notes payable	-	-	-
<b>Total liabilities</b>	<b>202,722</b>	<b>207,343</b>	<b>254,897</b>
<b>Fund Balances:</b>			
Fund balance - unreserved, undesignated	-	-	-
Fund balance - reserved (deficit)	(113,556)	(99,514)	(32,590)
<b>Total fund balances</b>	<b>(113,556)</b>	<b>(99,514)</b>	<b>(32,590)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 89,166</b>	<b>\$ 107,829</b>	<b>\$ 222,307</b>

Service			Total
2009 Street Improvement Bond Fund	GO Special Assessment Bond Fund	Hospital Bond Fund	Nonmajor Governmental Funds
\$ 230,635	\$ 424,068	\$ -	\$ 2,630,466
-	-	-	144,703
255,745	307,145	-	1,095,011
-	2,826	-	2,826
-	-	-	81,818
-	-	-	77,022
-	-	-	1,167,440
<u>\$ 486,380</u>	<u>\$ 734,039</u>	<u>\$ -</u>	<u>\$ 5,199,286</u>
\$ -	\$ -	\$ -	\$ 507,289
-	2,328	-	91,365
-	-	-	400
255,745	307,145	-	1,095,011
-	-	-	135,979
-	-	-	504,042
<u>255,745</u>	<u>309,473</u>	<u>-</u>	<u>2,334,086</u>
-	-	-	2,582,280
230,635	424,566	-	282,920
230,635	424,566	-	2,865,200
<u>\$ 486,380</u>	<u>\$ 734,039</u>	<u>\$ -</u>	<u>\$ 5,199,286</u>

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Revenues</u>	<u>Library</u> <u>Fund</u>	<u>Swim</u> <u>Pool</u> <u>Fund</u>	<u>Airport</u> <u>Fund</u>
Local property taxes	\$ 150,780	\$ 37,160	\$ -
Special assessments	-	-	-
Intergovernmental revenues	10,619	-	-
Federal grants	-	-	61,659
State grants	-	-	15,486
Charges for services and facilities	709	30,958	45,070
Fines and forfeits	2,688	-	-
Investment income	1	-	-
Other revenues	2,939	6,510	100
<b>Total revenues</b>	<b>167,736</b>	<b>74,628</b>	<b>122,315</b>
 <u>Expenditures</u>			
Current:			
Public safety	-	-	-
Public works	-	-	-
Culture and recreation:			
Library	164,711	-	-
Swim pool	-	77,542	-
Conservation and development:			
Economic development and assistance	-	-	-
Airport	-	-	54,898
Capital outlay:			
Other	2,084	-	46,177
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<b>166,795</b>	<b>77,542</b>	<b>101,075</b>
 Excess of revenues over (under) expenditures	 941	 (2,914)	 21,240
 <u>Other Financing Sources (Uses)</u>			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
 Net change in fund balances	 941	 (2,914)	 21,240
 Fund balance (deficit), January 1, 2010	 35,631	 32,297	 (31,750)
<b>Fund balance (deficit), December 31, 2010</b>	<b>\$ 36,572</b>	<b>\$ 29,383</b>	<b>\$ (10,510)</b>

Special Revenue

Economic Development Fund	Ambulance Fund	North Industrial Park Fund	River Bluff Estates Fund	River Bluff Revolving Loan Fund
\$ 119,900	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	550	-	-	-
-	-	-	-	-
-	-	-	-	-
71,563	425,626	-	-	-
-	-	-	-	-
639	3,648	-	-	-
7,260	2,601	11,154	16,209	27,200
<u>199,362</u>	<u>432,425</u>	<u>11,154</u>	<u>16,209</u>	<u>27,200</u>
-	256,952	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
214,483	-	457	38,141	16,064
-	-	-	-	-
-	47,343	-	-	-
-	-	-	-	-
-	-	-	4,490	-
<u>214,483</u>	<u>304,295</u>	<u>457</u>	<u>42,631</u>	<u>16,064</u>
<u>(15,121)</u>	<u>128,130</u>	<u>10,697</u>	<u>(26,422)</u>	<u>11,136</u>
38,674	-	-	-	-
-	-	-	-	-
<u>38,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
23,553	128,130	10,697	(26,422)	11,136
452,155	885,455	6,686	(44,495)	21,887
<u>\$ 475,708</u>	<u>\$ 1,013,585</u>	<u>\$ 17,383</u>	<u>\$ (70,917)</u>	<u>\$ 33,023</u>

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Revenues</u>	<u>EDA</u> <u>Revolving</u> <u>Loan Fund</u>	<u>PM</u> <u>Revolving</u> <u>Loan Fund</u>	<u>SCDP</u> <u>Revolving</u> <u>Loan Fund</u>
Local property taxes	\$ -	\$ -	\$ -
Special assessments	-	-	-
Intergovernmental revenues	-	-	-
Federal grants	-	-	-
State grants	-	-	255,926
Charges for services and facilities	-	-	-
Fines and forfeits	-	-	-
Investment income	570	3,361	-
Other revenues	-	-	1,129
Total revenues	<u>570</u>	<u>3,361</u>	<u>257,055</u>
 <u>Expenditures</u>			
Current:			
Public safety	-	-	-
Public works	-	-	-
Culture and recreation:			
Library	-	-	-
Swim pool	-	-	-
Conservation and development:			
Economic development and assistance	100	100	370,771
Airport	-	-	-
Capital outlay:			
Other	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	563	-
Total expenditures	<u>100</u>	<u>663</u>	<u>370,771</u>
Excess of revenues over (under) expenditures	<u>470</u>	<u>2,698</u>	<u>(113,716)</u>
 <u>Other Financing Sources (Uses)</u>			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	470	2,698	(113,716)
Fund balance (deficit), January 1, 2010	<u>64,992</u>	<u>932,429</u>	<u>210,032</u>
Fund balance (deficit), December 31, 2010	<u>\$ 65,462</u>	<u>\$ 935,127</u>	<u>\$ 96,316</u>

Special Revenue

TIF District 1-1 Fund	TIF District 1-2 Fund	TIF District 1-3 Fund	TIF District 1-4 Fund	TIF District 1-6 Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
787	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,624	20,192	-	50,877	24,364
<u>5,411</u>	<u>20,192</u>	<u>-</u>	<u>50,877</u>	<u>24,364</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	2,029	-	5,087	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	21,354	-	45,790	-
-	23,383	-	50,877	-
<u>5,411</u>	<u>(3,191)</u>	<u>-</u>	<u>-</u>	<u>24,364</u>
-	-	-	-	-
-	-	-	-	(24,364)
-	-	-	-	(24,364)
5,411	(3,191)	-	-	-
67,003	95,193	237	1,630	12,906
<u>\$ 72,414</u>	<u>\$ 92,002</u>	<u>\$ 237</u>	<u>\$ 1,630</u>	<u>\$ 12,906</u>

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Special		
	TIF District 1-8 Fund	TIF District 1-10 Fund	TIF District 1-11 Fund
<u>Revenues</u>			
Local property taxes	\$ -	\$ -	\$ -
Special assessments	-	-	-
Intergovernmental revenues	-	-	-
Federal grants	-	-	-
State grants	-	-	-
Charges for services and facilities	-	-	-
Fines and forfeits	-	-	-
Investment income	-	-	-
Other revenues	5,329	23,263	4,613
Total revenues	<u>5,329</u>	<u>23,263</u>	<u>4,613</u>
<u>Expenditures</u>			
Current:			
Public safety	-	-	-
Public works	-	-	-
Culture and recreation:			
Library	-	-	-
Swim pool	-	-	-
Conservation and development:			
Economic development and assistance	532	2,326	-
Airport	-	-	-
Capital outlay:			
Other	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	4,797	20,937	-
Total expenditures	<u>5,329</u>	<u>23,263</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>4,613</u>
<u>Other Financing Sources (Uses)</u>			
Operating transfers in	-	-	-
Operating transfers out	-	-	(4,613)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,613)</u>
Net change in fund balances	-	-	-
Fund balance (deficit), January 1, 2010	<u>24,634</u>	<u>-</u>	<u>3,085</u>
Fund balance (deficit), December 31, 2010	<u>\$ 24,634</u>	<u>\$ -</u>	<u>\$ 3,085</u>

Revenue			Capital Projects	Debt Service
TIF District 1-12 Fund	TIF District 1-13 Fund	TIF District 1-14 Fund	Equipment Capital Projects Fund	2003 Improvement Bond Fund
\$ -	\$ -	\$ -	\$ 108,066	\$ -
-	-	-	-	47,875
-	3,142	-	-	-
-	-	-	2,784	-
-	-	-	-	-
-	-	-	1,342	-
92,862	18,913	9,697	5,356	-
<u>92,862</u>	<u>22,055</u>	<u>9,697</u>	<u>117,548</u>	<u>47,875</u>
-	-	-	-	-
-	-	-	989	-
-	-	-	-	-
-	-	-	-	-
9,286	-	-	-	-
-	-	-	-	-
-	-	-	25,072	-
-	-	-	-	51,000
83,576	-	-	7,257	23,607
<u>92,862</u>	<u>-</u>	<u>-</u>	<u>33,318</u>	<u>74,607</u>
-	22,055	9,697	84,230	(26,732)
-	-	-	-	-
-	(30,698)	(9,697)	-	-
-	<u>(30,698)</u>	<u>(9,697)</u>	-	-
-	(8,643)	-	84,230	(26,732)
281	(80,009)	(2,760)	(231,715)	(107,033)
<u>\$ 281</u>	<u>\$ (88,652)</u>	<u>\$ (2,760)</u>	<u>\$ (147,485)</u>	<u>\$ (133,765)</u>

Service			Total
2009 Street Improvement Bond Fund	GO Special Assessment Bond Fund	Hospital Bond Fund	Nonmajor Governmental Funds
\$ 93,837	\$ 15,531	\$ -	\$ 572,983
44,108	59,335	-	231,275
-	-	-	15,098
-	-	-	61,659
-	-	-	274,196
-	-	-	573,926
-	-	-	2,688
3,025	13,229	-	25,815
-	-	-	335,192
<u>140,970</u>	<u>88,095</u>	<u>-</u>	<u>2,092,832</u>
-	-	-	256,952
1,139	10,691	-	13,869
-	-	-	164,711
-	-	-	77,542
-	-	-	659,376
-	-	-	54,898
26,951	-	-	147,627
-	68,455	2,030,000	2,349,455
61,182	11,259	60,969	446,385
<u>89,272</u>	<u>90,405</u>	<u>2,090,969</u>	<u>4,170,815</u>
<u>51,698</u>	<u>(2,310)</u>	<u>(2,090,969)</u>	<u>(2,077,983)</u>
-	-	2,090,969	2,228,326
-	(29,525)	-	(98,897)
-	<u>(29,525)</u>	<u>2,090,969</u>	<u>2,129,429</u>
51,698	(31,835)	-	51,446
178,937	456,401	-	2,813,754
<u>\$ 230,635</u>	<u>\$ 424,566</u>	<u>\$ -</u>	<u>\$ 2,865,200</u>

NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

	<u>Arena</u> <u>Fund</u>	<u>Multi-Purpose</u> <u>Center</u> <u>Fund</u>	<u>River</u> <u>Bluff</u> <u>Townhomes</u>	<u>Total</u> <u>Nonmajor</u> <u>Enterprise</u> <u>Funds</u>
<b><u>ASSETS</u></b>				
<b><u>Current assets</u></b>				
Cash and interest-bearing deposits	\$ 46,973	\$ -	\$ 23,539	\$ 70,512
Inventories	252	-	-	252
<b>Total current assets</b>	<b>47,225</b>	<b>-</b>	<b>23,539</b>	<b>70,764</b>
<b><u>Fixed</u></b>				
Property, plant, equipment	1,259,838	2,192,417	1,123,288	4,575,543
Less: accumulated depreciation	1,085,373	754,028	312,777	2,152,178
<b>Net fixed assets</b>	<b>174,465</b>	<b>1,438,389</b>	<b>810,511</b>	<b>2,423,365</b>
<b>Total assets</b>	<b>\$ 221,690</b>	<b>\$ 1,438,389</b>	<b>\$ 834,050</b>	<b>\$ 2,494,129</b>
<b><u>LIABILITIES</u></b>				
<b><u>Current liabilities</u></b>				
Cash deficiency	\$ -	\$ 110,760	\$ -	\$ 110,760
Accounts payable	2,940	2,162	3,482	8,584
Customer deposits	-	-	5,000	5,000
Notes payable within one year	-	-	9,872	9,872
<b>Total current liabilities</b>	<b>2,940</b>	<b>112,922</b>	<b>18,354</b>	<b>134,216</b>
<b><u>Non-current liabilities</u></b>				
Accrued vacation and sick	53,858	35,741	-	89,599
Notes payable	-	-	1,004,516	1,004,516
<b>Total non-current liabilities</b>	<b>53,858</b>	<b>35,741</b>	<b>1,004,516</b>	<b>1,094,115</b>
<b>Total liabilities</b>	<b>56,798</b>	<b>148,663</b>	<b>1,022,870</b>	<b>1,228,331</b>
<b><u>Net Assets</u></b>				
<b>Net Assets:</b>				
Invested in capital assets, net of related debt	174,465	1,438,389	-	1,612,854
Unreserved (deficit)	(9,573)	(148,663)	(188,820)	(347,056)
<b>Total net assets (deficit)</b>	<b>\$ 164,892</b>	<b>\$ 1,289,726</b>	<b>\$ (188,820)</b>	<b>\$ 1,265,798</b>

NONMAJOR ENTERPRISE FUNDS  
STATEMENT OF REVENUES AND EXPENSES  
AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Arena Fund	Multi-Purpose Center Fund	River Bluff Townhomes	Total Nonmajor Enterprise Funds
<u>Operating revenues</u>				
Facility use and other revenues	\$ 136,949	\$ 68,440	\$ 83,270	\$ 288,659
<u>Operating expense</u>				
Salaries and wages	111,612	121,172	-	232,784
Payroll taxes	16,175	17,067	-	33,242
Employee insurance	25,350	17,700	-	43,050
Supplies and maintenance costs	26,570	10,156	22,335	59,061
Utilities	62,272	24,786	7,619	94,677
Insurance	7,066	6,822	6,691	20,579
Depreciation and amortization	36,123	64,169	29,838	130,130
Other operating expense	42,569	19,846	12,256	74,671
Total operating expense	327,737	281,718	78,739	688,194
Operating income (loss)	(190,788)	(213,278)	4,531	(399,535)
<u>Other revenues</u>				
Local property taxes	159,930	205,425	-	365,355
Contributions/reimbursements	5,500	-	-	5,500
Total other revenues	165,430	205,425	-	370,855
<u>Other charges</u>				
Interest and debt services	-	-	24,911	24,911
Total other charges	-	-	24,911	24,911
Change in net assets	(25,358)	(7,853)	(20,380)	(53,591)
Net assets (deficit), January 1, 2010	190,250	1,297,579	(168,440)	1,319,389
Net assets (deficit), December 31, 2010	\$ 164,892	\$ 1,289,726	\$ (188,820)	\$ 1,265,798

NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Arena Fund	Multi-Purpose Center Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 136,949	\$ 68,440
Cash payments to suppliers for goods and services	(96,867)	(42,858)
Cash payments to/for employees for services	(155,804)	(157,198)
Other expense	(42,569)	(19,846)
Net cash provided (used) by operating activities	<u>(158,291)</u>	<u>(151,462)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Cash received from property taxes	159,930	205,425
Net cash provided by non-capital financing activities	<u>159,930</u>	<u>205,425</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisitions and construction of capital assets	(20,000)	(2,368)
Principal payments on long-term debt	-	-
Interest paid	-	-
Other revenue	5,500	-
Net cash (used) by capital and financing activities	<u>(14,500)</u>	<u>(2,368)</u>
Net increase in cash and cash equivalents	<u>(12,861)</u>	<u>51,595</u>
Cash and interest bearing deposits, January 1, 2010	59,834	(162,355)
Cash and interest bearing deposits, December 31, 2010	<u>\$ 46,973</u>	<u>\$ (110,760)</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Net income (loss) from operations	\$ (190,788)	\$ (213,278)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	36,123	64,169
Changes in assets and liabilities:		
(Increase) decrease in inventory	(85)	-
Increase (decrease) in accounts payable	(874)	(1,094)
Increase (decrease) in customer deposits	-	-
Increase (decrease) in accrued vacation and sick	(2,667)	(1,259)
Net cash provided (used) by operating activities	<u>\$ (158,291)</u>	<u>\$ (151,462)</u>

River Bluff Townhomes	Total Nonmajor Enterprise Funds
\$ 83,620	\$ 289,009
(36,267)	(175,992)
-	(313,002)
<u>(12,256)</u>	<u>(74,671)</u>
<u>35,097</u>	<u>(274,656)</u>
-	365,355
<u>-</u>	<u>365,355</u>
-	(22,368)
(9,266)	(9,266)
(24,911)	(24,911)
<u>-</u>	<u>5,500</u>
<u>(34,177)</u>	<u>(51,045)</u>
920	39,654
<u>22,619</u>	<u>(79,902)</u>
<u>23,539</u>	<u>\$ (40,248)</u>
\$ 4,531	\$ (399,535)
29,838	130,130
-	(85)
378	(1,590)
350	350
-	(3,926)
<u>\$ 35,097</u>	<u>\$ (274,656)</u>

# DENNIS L. RICK, LTD.

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## CERTIFIED PUBLIC ACCOUNTANTS

American Institute of Certified Public Accountants  
Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA  
TISHA S. PAPLOW, CPA  
ANDREA M. JOHNSON, CPA

### INDEPENDENT AUDITOR'S REPORT ON LEGAL COMPLIANCE

Honorable Mayor and Members of  
the City Council  
City of Windom, Minnesota

We have audited the financial statements of City of Windom, Minnesota as of and for the year ended December 31, 2010 and have issued our report thereon dated June 15, 2011.

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 Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. 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 Political Subdivisions* covers seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and Tax Increment Financing. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the City of Windom, Minnesota complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of the City Council, management, others within the City, and State and Federal awarding agencies and is not intended to be, and should not be, used by anyone other than those specified parties.

*Dennis L. Rick, LTD.*

Worthington, Minnesota  
June 15, 2011





**MEMO**

To: Mayor and City Council  
From: James Kartes, Zoning Administrator  
Date: June 17, 2011  
Re: Planning Commission Meeting – June 14, 2011

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At its regular meeting on June 14, 2011, the Planning Commission held a public hearing and made the following recommendations concerning the application which came before the meeting:

**1. CONDITIONAL USE PERMIT APPLICATION:**

Applicants/Owners: **Rick A. Vollan**  
Address of Property: **1165 Lakeview Avenue, Windom, MN**  
Legal Description: Brief Description: North 75 Feet of the South 1,012.5 Feet of the West 213.5 Feet of the NE¼ SE¼ of Section 25-105-36....  
Parcel ID#: **25-025-0900**

The Applicant proposes to construct a 30' X 40' detached garage on the property. Pursuant to the City Code sections on R-2 Districts and accessory structures, a conditional use permit is required.

**THE PLANNING COMMISSION RECOMMENDS TO THE CITY COUNCIL:**

**Approval of the application, submitted by Rick A. Vollan, requesting a conditional use permit to construct a 30' X 40' detached garage, with a height at the peak not to exceed 25 feet, on the property located at 1165 Lakeview Avenue, subject to the following condition: (1) That the Applicant obtain an ingress/egress easement from the City of Windom, across the City's property located to the east of Applicant's property, for the purpose of access to the eastern side of Applicant's property.**

The motion includes that the jurisdictional documents and findings of fact be made a part of the hearing record.

(Please refer to the Planning Commission Minutes for further details and discussion on these matters.)

I will be present at the City Council Meeting on June 21st to address any questions the Council may have at that time.

Prior to that time if you any questions, please contact me at the Planning and Zoning Office at 831-6125.

JK:mah

**Building & Zoning Office  
City Hall, 444 9<sup>th</sup> Street, P.O. Box 38  
Windom, MN 56101  
Phone: 507-831-6125**

**CITY OF WINDOM PLANNING COMMISSION  
PUBLIC HEARING NOTICE  
CONDITIONAL USE PERMIT APPLICATION**

Pursuant to City of Windom, City Code Sections 11.58 and 11.59, notice is hereby given that the Applicant and Owner, Rick A. Vollan, of 1165 Lakeview Avenue, Windom, Minnesota, has submitted an application for the granting of a conditional use permit for property located at 1165 Lakeview Avenue. The Applicant requests a conditional use permit to allow the construction of an additional garage on the property. The area is zoned as "R-2 Urban Residential District" (Section 11.19). The number and total floor area of the garages, ground coverage of accessory buildings, and height of the new garage would exceed the maximums set forth in City Code Section 11.43 (Accessory Structures in Residential Districts). The setbacks, lot area, and proposed placement of the structure are shown on the plot plan which is on file in the Building & Zoning Office in City Hall.

A public hearing to consider this zoning application requesting a conditional use permit will be held before the Planning Commission in the **City Council Chambers at City Hall, 444 9<sup>th</sup> Street, Windom, MN 56101 on Tuesday, June 14, 2011, at 7:05 p.m.**

Those persons wishing to be heard on this application for consideration of a zoning request for a conditional use permit are requested to be at this meeting. Copies of the application and plot plan and additional information may be reviewed in the Building & Zoning Office at City Hall prior to the Public Hearing.

Legally described as follows: A tract of land in the NE $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 25, Township 105, Range 36 in the City of Windom, Cottonwood County, Minnesota, described as:  
Commencing at the Southwest corner of the SE $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 25, Township 105, Range 36; thence North on the West line ("Eighty line") 1318.5 feet to the Northwest corner of SE $\frac{1}{4}$  SE $\frac{1}{4}$  of said Section 25; thence North on said West line 1285.5 feet to the center of public highway as now located and laid out; thence South, retracting same said West line, for a distance of 273 feet to the point of beginning; thence due East at right angles with said West line a distance of 213.5 feet; thence South at right angles a distance of 75 feet; thence West at right angles a distance of 213.5 feet to said West line; thence North at right angles a distance of 75 feet to the point of beginning. (Abbrev. Description: The North 75 feet of the South 1,012.5 feet of the West 213.5 feet of the NE $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 25, Township 105, Range 36 in the City of Windom, Cottonwood County, Minnesota.)

Parcel ID #: 25-025-0900

Address of the Property is: 1165 Lakeview Avenue, Windom, MN 56101

By Order of the City of Windom:

James Kartes, Zoning Administrator

Published: Cottonwood County Citizen (June 1, 2011)

CITY OF WINDOM, MINNESOTA

444 9<sup>th</sup> Street  
Windom, MN 56101  
507-831-6125

APPLICATION FOR CONSIDERATION OF ZONING/SUBDIVISION REQUEST

**Applicant(s):** Name(s) Rick Vollan  
Address 1165 Lakeview  
City Windom State MN Zip 56101 (Phone: 5078222576)

**Owner(s):** (If other than Applicant)  
Name(s) \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ (Phone: \_\_\_\_\_)

**Property Address:** 1165 Lakeview

**Legal Description of Property:** Lot(s) \_\_\_\_\_ Block(s) \_\_\_\_\_ Addition \_\_\_\_\_  
sect. -25 TWP-105 Rang-36 .5' NE 1/4 SE 1/4 N75' of S1012.5' of W 213  
Parcel No. 25-025-0900

(If metes and bounds, attach description.)

**Existing Use of Property:** Residence Present Zoning: R-2

**Action Requested:** Conditional Use Permit  Variance \_\_\_\_\_  
Subdivision (Sketch Plat) \_\_\_\_\_ Preliminary Plat \_\_\_\_\_ Final Plat \_\_\_\_\_  
Planned Unit Development (PUD) \_\_\_\_\_  
Amendment (Text, Rezoning, Comprehensive Plan) – SPECIFY: \_\_\_\_\_  
Other (Specify): \_\_\_\_\_

**Description and Reason for Request** (Attach Additional Information if necessary and/or required)  
30x40 room in attic garage. Garage height up to 25' to peak

In signing this Application, I/we hereby acknowledge that I/we have been advised concerning the applicable provisions of the Windom Zoning and Subdivision Ordinances, current administrative procedures, and the required filing fee. I/we hereby acknowledge that the information provided in this Application is true and correct to the best of my/our knowledge.

X Rick Vollan X  
[SIGNATURES OF APPLICANT(S)]

Date: 5/20/2011

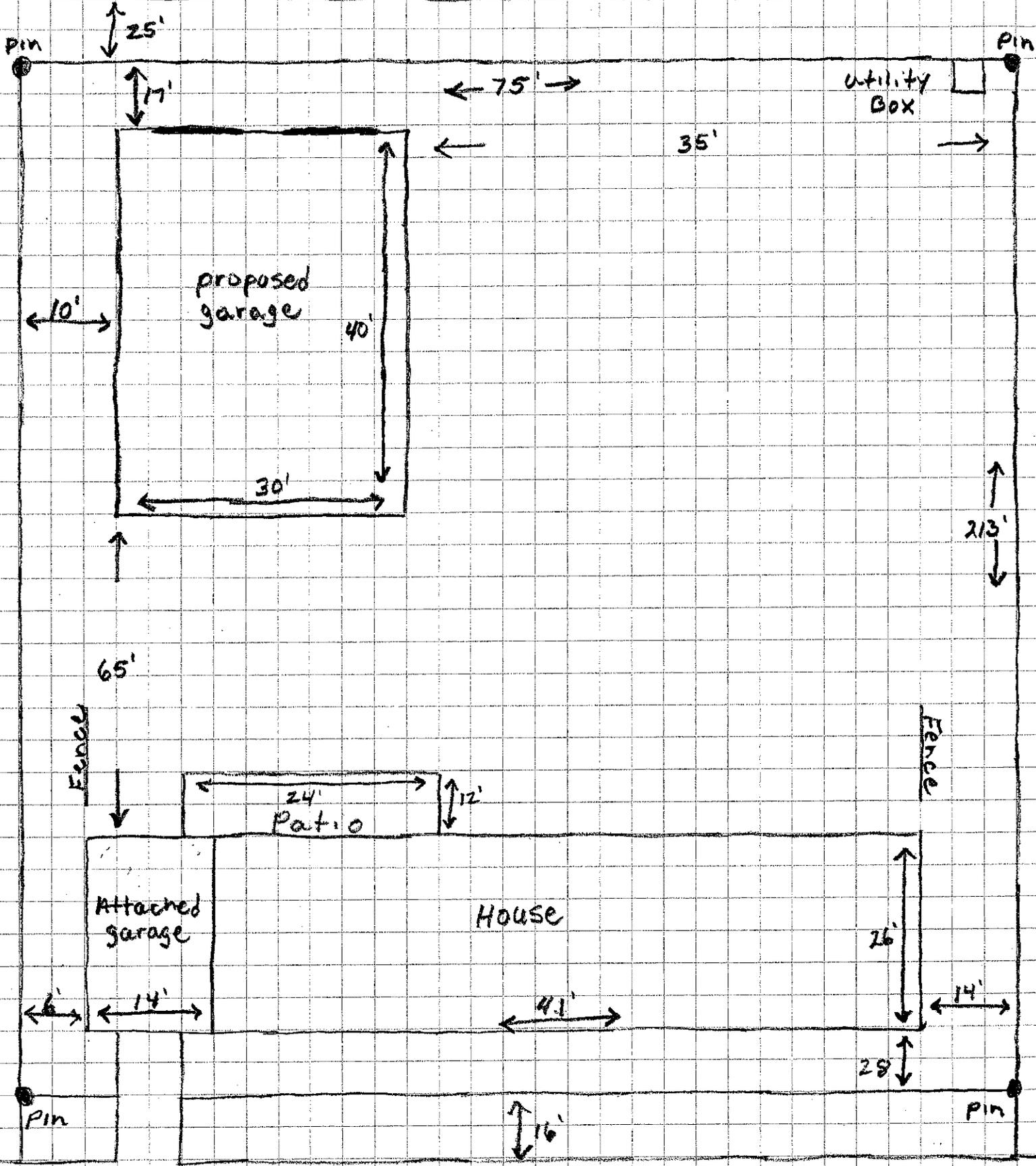
Fee: \$150.00 Paid: Ck. 4189 Date: 5/24/11

Upon receipt of the Application, all required supporting documents, and the filing fee, this APPLICATION IS ACCEPTED FOR FILING on this 24 day of May, 2011.

WINDOM BUILDING & ZONING OFFICIAL: [Signature]

← N

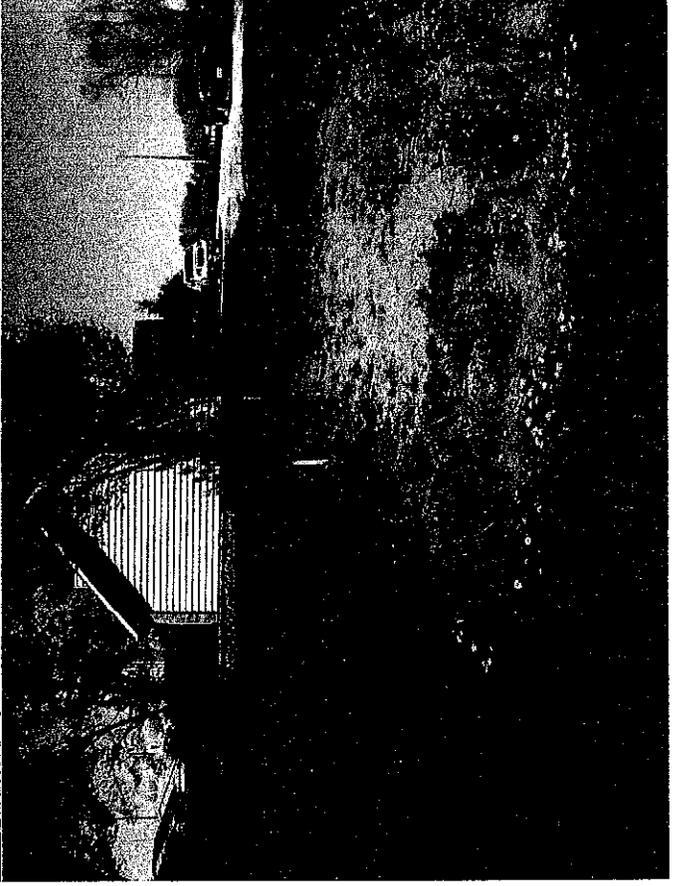
FENCE

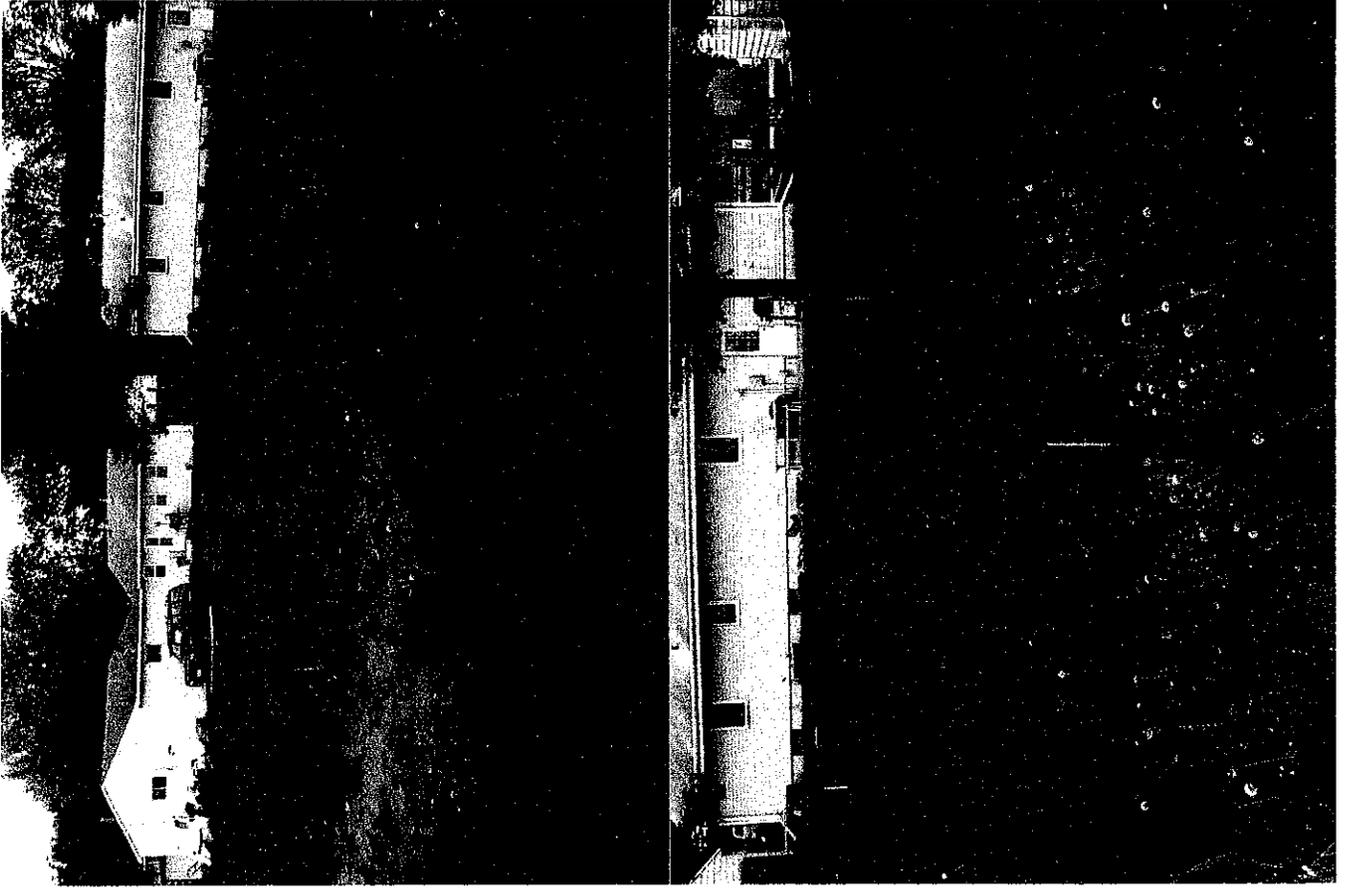


LaKEview AVE.



www.lafargenorthamerica.com







**MEMO**

TO: MAYOR & CITY COUNCIL  
FROM: JIM KARTES, BUILDING & ZONING OFFICIAL  
DATE: JUNE 15, 2011  
RE: ORDINANCE NO. 135, 2<sup>ND</sup> SERIES – AMENDING SECTION 11.60

In December, 2003, Windom City Code Section 11.60, entitled “Variances and Appeals”, was updated as part of the revision of Chapter 11. This section was based on state law pertaining to variances. Pursuant to this section, a property owner who was applying for a variance was required to prove “undue hardship” prior to the granting of a variance.

The interpretation of “undue hardship” changed dramatically following a lawsuit against the City of Minnetonka. The legal challenge eventually was decided by the Minnesota Supreme Court in 2010. In its decision, the Minnesota Supreme Court narrowly interpreted the definition of “undue hardship”.

The Minnesota Legislature and Governor adopted a new law in the 2011 Session to clarify the standards and criteria for the granting of variances by municipalities. This new law changes the variance standard from “undue hardship” to “practical difficulties” and incorporates criteria and language that were already present in the state statutes relating to variances by counties.

After preparing a revision of City Code Section 11.60 to comply with the changes in state statutes, the revision was sent to City Attorney Dan McDonald for his review. He has now contacted us with his suggested revisions and those have been incorporated into the proposed Ordinance No. 135, 2<sup>nd</sup> Series.

Attached for your review is a copy of proposed Ordinance No. 135, 2<sup>nd</sup> Series. The proposed dates for the two readings of the ordinance are June 21st and July 5th.

Should you have any questions concerning the proposed ordinance, please contact me at the Building & Zoning Office in City Hall or by phone (831-6125).

I will also be present at the City Council Meeting on June 21st.

Thank you.

JK:mah

Attachments

ORDINANCE NO. 135, 2<sup>ND</sup> SERIES

AN ORDINANCE OF THE CITY OF WINDOM, MINNESOTA, AMENDING CITY CODE CHAPTER 11 BY AMENDING SECTION 11.60 "VARIANCES AND APPEALS".

THE CITY COUNCIL OF THE CITY OF WINDOM ORDAINS:

WHEREAS, the City adopted Ordinance No. 125, 2nd Series on December 16, 2003, which Ordinance amended the entire "Chapter 11 Land Use Regulations (Zoning)" of the City Code for the City of Windom; and

WHEREAS, the effective date of said Ordinance was December 24, 2003; and

WHEREAS, in the 2011 Legislative Session, the Minnesota Legislature passed a law amending Minnesota Statutes Section 394.27, Subdivision 7 relating to variances and Section 462.357, Subdivision 6 relating to appeals and adjustments; and

WHEREAS, it is in the best interests of the citizens of Windom that Section 11.60 "Variances and Appeals" of the Windom City Code be amended to comply with the amendments in the Minnesota Statutes as set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF WINDOM, MINNESOTA, AS FOLLOWS:

THE CITY OF WINDOM, MINNESOTA, HEREBY AMENDS THE CITY CODE OF THE CITY OF WINDOM BY:

1. DELETING SECTION 11.60 OF THE CITY CODE, ENTITLED "VARIANCES AND APPEALS", IN ITS ENTIRETY AND REPLACING IT WITH A NEW SECTION 11.60 AS FOLLOWS:

**SEC. 11.60 VARIANCES AND APPEALS**

**Subd. 1. Variances.** The City Council serving as the Board of Adjustments and Appeals shall, after receiving the written reports and recommendations of the Planning Commission and the City staff, make a finding of fact and decide upon requests for a variance by approving or denying the same, in part or in whole, where it is alleged by the applicant that practical difficulties exist in the reasonable use of a specific parcel of property. Variances shall only be permitted when they are in harmony with the general purposes and intent of the ordinance and when the terms of the variance are consistent with the comprehensive plan. The Planning Commission shall hold a public hearing and, based upon a report and recommendation by the City staff, shall have the power to advise and recommend such conditions related to the variance regarding the location, character and other features of the proposed building, structure or use as it may deem advisable in the interest of the intent and purpose of this Chapter. A variance may be permitted if all of the following requirements are met:

- 1. The landowner (applicant) proposes to use the property in a reasonable manner.**
- 2. The applicant has established that there are practical difficulties, as defined by state statute, in complying with the ordinance.**
- 3. The unique circumstances of the property were not created by the landowner.**

4. The variance is in harmony with the general purposes and intent of this ordinance.
5. The variance is consistent with the comprehensive plan.
6. The variance will not alter the essential character of the locality.

The Board of Adjustments may impose conditions in the granting of variances. A condition must be directly related to and must bear a rough proportionality to the impact created by the variance.

**Subd. 2. Variances; Practical Difficulties.** The City Council serving as the Board of Adjustment shall have the exclusive power to order the issuance of variances from the requirements of any official control including restrictions placed on nonconformities. Variances shall only be permitted when they are in harmony with the general purposes and intent of the official control and when the variances are consistent with the comprehensive plan. Variances may be granted when the applicant for the variance establishes that there are practical difficulties in complying with the official control. "Practical difficulties," as used in connection with the granting of a variance, means that the property owner proposes to use the property in a reasonable manner not permitted by an official control; the plight of the landowner is due to circumstances unique to the property not created by the landowner; and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone do not constitute practical difficulties. Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems. Variances shall be granted for earth sheltered construction as defined in section 216C.06, subdivision 14, when in harmony with the official controls. No variance may be granted that would allow any use that is not allowed in the zoning district in which the subject property is located. The board of adjustment may impose conditions in the granting of variances. A condition must be directly related to and must bear a rough proportionality to the impact created by the variance.

**Subd. 3. Appeals.** The City Council serving as the Board of Adjustments and Appeals shall have the authority to hear and decide appeals from any order, requirement, decision, grant or refusal made by the Zoning Administrator in the administration of this ordinance. However, said appeal shall be filed not later than ninety (90) days after the applicant has received a written notice from the Zoning Administrator or said appeal shall be considered void.

**Subd. 4. Appeals and adjustments.** Appeals to the Board of Appeals and Adjustments may be taken by any affected person upon compliance with any reasonable conditions imposed by the zoning ordinance. The Board of Appeals and Adjustments has the following powers with respect to the zoning ordinance:

- (1) To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision, or determination made by an administrative officer in the enforcement of the zoning ordinance.
- (2) To hear requests for variances from the requirements of the zoning ordinance including restrictions placed on nonconformities. Variances shall only be

permitted when they are in harmony with the general purposes and intent of the ordinance and when the variances are consistent with the comprehensive plan. Variances may be granted when the applicant for the variance establishes that there are practical difficulties in complying with the zoning ordinance. "Practical difficulties", as used in connection with the granting of a variance, means that the property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; the plight of the landowner is due to circumstances unique to the property not created by the landowner; and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone do not constitute practical difficulties. Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems. Variances shall be granted for earth sheltered construction as defined in section 216C.06, subdivision 14, when in harmony with the ordinance. The Board of Appeals and Adjustments or the governing body as the case may be, may not permit as a variance any use that is not allowed under the zoning ordinance for property in the zone where the affected person's land is located. The board or governing body as the case may be, may permit as a variance the temporary use of a one family dwelling as a two family dwelling. The board or governing body as the case may be may impose conditions in the granting of variances. A condition must be directly related to and must bear a rough proportionality to the impact created by the variance.

\*\*\*\*\*

**THE CITY COUNCIL OF THE CITY OF WINDOM FURTHER ORDAINS:**

**This ordinance shall be published in the COTTONWOOD COUNTY CITIZEN and shall be effective immediately upon publication.**

ADOPTED AND PASSED by the City Council of the City of Windom, Minnesota, this 5th day of July, 2011.

\_\_\_\_\_  
Kirby G. Kruse, Mayor

ATTEST:

\_\_\_\_\_  
Steven Nasby, City Administrator/Clerk

1<sup>st</sup> Reading: June 21, 2011  
2<sup>nd</sup> Reading: July 5, 2011  
Adoption: July 5, 2011  
Published: July 13, 2011

**Clarke Environmental Mosquito Management, Inc.  
Professional Services Outline For  
The City of Windom  
Environmental Mosquito Management (EMM) Program**

**Part I. General Service**

- A. Computer System and Record Keeping Database
- B. Public Relations and Educational Brochures
- C. Mosquito Hotline Citizen Response – (800) 942-2555
- D. Comprehensive Insurance Coverage for The City of Windom
- E. Program Consulting and Quality Control Staff
- F. Monthly Operational Reports, Periodic Advisories, and Annual Report
- G. Regulatory compliance on local, state, and federal levels

**Part II. Adult Control**

**A. Adulticiding in Residential Areas:**

- 1. **Eight (8) community-wide truck ULV treatments up to 30 miles of streets at \$959.00 per treatment; with Biomist 4+4® or synthetic pyrethroid insecticide. Any additional authorized community ULV treatments will be priced at \$ 959.00 per treatment.**

**B. Adulticiding Operational Procedures**

- 1. Notification of community contact.
- 2. Weather limit monitoring and compliance.
- 3. Notification of residents on Clarke Call Notification List.
- 4. ULV particle size evaluation.
- 5. Insecticide dosage and quality control analysis.

**Part III. Larval Control**

Prescription Larval Control with Altosid® 30 Day Briquetts for Storm Water Retention Ponds.

- 1. 3 treatments of Altosid® Larviciding with hand equipment at \$150.00 per treatment.

**2011 Estimated Payment Total Cost for Part I, II and III:**

**\$8122.00**

**\*\*Sales Tax is not included in above pricing\*\***

**Clarke Environmental Mosquito Management, Inc.  
Client Agreement and Authorization for  
The City of Windom  
Environmental Mosquito Management (EMM) Program**

I. **Program Payment Plan:** For Parts I and II as specified in the 2011 Professional Services Cost Outline, the total for the 2011 program is **\$8,122.00**. The payments will be due on July 1, August 1, and September 1 of 2011 according to the payment schedule below. Any additional treatments beyond the core program will be invoiced when the treatment is completed.

**ESTIMATED PROGRAM PAYMENT PLAN**

Month	Amount Due
July 1	\$2,707.33
August 1	\$2,707.33
September 1	\$2,707.34
<b>TOTAL</b>	<b><u>\$8,122.00</u></b>

\*\*Sales Tax is not included in above pricing\*\*

II. **Approved Contract Period and Agreement:**

Please check one of the following contract periods:

2011 Season

**For customer:**

Sign Name: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**For Clarke Environmental Mosquito Management, Inc.:**

Name: Rob Olson Title: Control Consultant Date: 6.8.2011

**Clarke Environmental Mosquito Management, Inc.  
Client Authorization for  
The City of Windom  
Environmental Mosquito Management (EMM) Program**

**Administrative Information:**

**Invoices should be sent to:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip \_\_\_\_\_  
Office Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail \_\_\_\_\_  
Purchase Order Number: \_\_\_\_\_

**Treatment Address (if different from above):**

Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip \_\_\_\_\_

**Contact Person for City of Windom:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Office Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Cell: \_\_\_\_\_ Pager: \_\_\_\_\_

**Alternate Contact Person for City of Windom:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Office Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Cell: \_\_\_\_\_ Pager: \_\_\_\_\_

**Please sign and return a copy of the complete contract for our files to:**  
Clarke Environmental Mosquito Management, Inc., Rob Olson  
20061 Edison Circle East, Clearwater, MN 55320 or Fax at (320) 558-2223  
Email: [rolson@clarke.com](mailto:rolson@clarke.com)

**Clarke Environmental Mosquito Management, Inc.  
Professional Services Outline For  
The City of Windom  
Environmental Mosquito Management (EMM) Program**

**Part I. General Service**

- A. Computer System and Record Keeping Database
- B. Public Relations and Educational Brochures
- C. Mosquito Hotline Citizen Response – (800) 942-2555
- D. Comprehensive Insurance Coverage for The City of Windom
- E. Program Consulting and Quality Control Staff
- F. Monthly Operational Reports, Periodic Advisories, and Annual Report
- G. Regulatory compliance on local, state, and federal levels

**Part II. Adult Control**

**A. Adulticiding in Residential Areas:**

1. **Fifteen (15) community-wide truck ULV treatments up to 30 miles of streets at \$895.00 per treatment; with Biomist 4+4® or synthetic pyrethroid insecticide. Any additional authorized community ULV treatments will be priced at \$ 895.00 per treatment.**

**B. Adulticiding Operational Procedures**

1. Notification of community contact.
2. Weather limit monitoring and compliance.
3. Notification of residents on Clarke Call Notification List.
4. ULV particle size evaluation.
5. Insecticide dosage and quality control analysis.

**Part III. Larval Control**

Prescription Larval Control with Altosid® 30 Day Briquetts for Storm Water Retention Ponds.

1. 3 treatments of Altosid® Larviciding with hand equipment at \$150.00 per treatment.

**2011 Estimated Payment Total Cost for Part I, II and III:**

**\$13,875.00**

**\*\*Sales Tax is not included in above pricing\*\***

**Clarke Environmental Mosquito Management, Inc.  
Client Agreement and Authorization for  
The City of Windom  
Environmental Mosquito Management (EMM) Program**

- I. **Program Payment Plan:** For Parts I, II and III as specified in the 2011 Professional Services Cost Outline, the total for the 2011 program is **\$13,875.00**. The payments will be due on July 1, August 1, and September 1 of 2011 according to the payment schedule below. Any additional treatments beyond the core program will be invoiced when the treatment is completed.

**ESTIMATED PROGRAM PAYMENT PLAN**

Month	Amount Due
July 1	\$4,625.00
August 1	\$4,625.00
September 1	\$4,625.00
<b>TOTAL</b>	<b><u>\$13,875.00</u></b>

\*\*Sales Tax is not included in above pricing\*\*

II. **Approved Contract Period and Agreement:**

Please check one of the following contract periods:

2011 Season

**For customer:**

Sign Name: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**For Clarke Environmental Mosquito Management, Inc.:**

Name: Rob Olson Title: Control Consultant Date: 6.8.2011

**Clarke Environmental Mosquito Management, Inc.  
Client Authorization for  
The City of Windom  
Environmental Mosquito Management (EMM) Program**

**Administrative Information:**

**Invoices should be sent to:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip \_\_\_\_\_  
Office Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail \_\_\_\_\_  
Purchase Order Number: \_\_\_\_\_

**Treatment Address (if different from above):**

Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip \_\_\_\_\_

**Contact Person for City of Windom:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Office Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Cell: \_\_\_\_\_ Pager: \_\_\_\_\_

**Alternate Contact Person for City of Windom:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Office Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
Home Phone: \_\_\_\_\_ Cell: \_\_\_\_\_ Pager: \_\_\_\_\_

**Please sign and return a copy of the complete contract for our files to:**  
Clarke Environmental Mosquito Management, Inc., Rob Olson  
20061 Edison Circle East, Clearwater, MN 55320 or Fax at (320) 558-2223  
Email: [rolson@clarke.com](mailto:rolson@clarke.com)

## RESOLUTION #2011-

**INTRODUCED:**

**SECONDED:**

**VOTED:**      **Aye:**  
                  **Nay:**  
                  **Absent:**

### **AUTHORIZATION TO ACCEPT A DONATION FROM CORALEE KRUEGER FOR THE WINDOM CITY COUNCIL**

---

**WHEREAS**, Minnesota State Statute §465.03 requires that any city accepting a grant or gift of real or personal property shall accept such by resolution of the governing body expressing the terms prescribed by the donor; and

**WHEREAS**, Coralee Krueger is a supporter of the City of Windom and the Windom City Council; and

**WHEREAS**, the City of Windom has recently received a donation of a picture frame from Coralee Krueger. The value of the frame is \$19.99; and

**WHEREAS**, the donor requests that the frame be used in the City Council Chambers to display the photos of former Council Members.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA**, that the City Council hereby accepts the donation of a picture frame valued at \$19.99 given by Coralee Krueger.

Adopted by the Council this 21st day of June, 2011.

\_\_\_\_\_  
Kirby G. Kruse, Mayor

Attest: \_\_\_\_\_  
Steven Nasby, City Administrator

**RESOLUTION #2011-**

**INTRODUCED:**

**SECONDED:**

**VOTED:**     **Aye:**  
              **Nay:**  
              **Absent:**

**A RESOLUTION AUTHORIZING AGREEMENT WITH THE SOUTHWEST  
MINNESOTA BROADBAND GROUP (SMBG) REGARDING A TELECOM  
OPERATIONS MANAGER**

---

**WHEREAS,** Southwest Minnesota Broadband Group (SMBG) is without a Telecom Operations Manager; and

**WHEREAS,** SMBG is in need of a part-time Telecom Operations Manager on an interim basis while they consider a permanent resolution to the need for such services; and

**WHEREAS,** SMBG has requested the City of Windom to assist in satisfying its short-term need for staffing its Telecom Operations Manager position and the City of Windom has expressed a willingness to work with SMBG on a contract basis to facilitate this request; and

**WHEREAS,** the City Council has reviewed the proposed contract between SMBG and the City of Windom.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, AS FOLLOWS:**

The contract between SMBG and the City of Windom is hereby approved and the Mayor and City Administrator are hereby authorized to execute this contract on behalf of the City of Windom.

**Adopted this 21st day of June, 2011.**

\_\_\_\_\_  
Kirby G. Kruse, Mayor

**ATTEST:** \_\_\_\_\_  
Steven Nasby, City Administrator

**Memorandum of Understanding  
Between the City of Windom and Dan Olsen**

Whereas, the City of Windom has contracted with the Southwest Minnesota Broadband Group (SMBG) for Telecommunications Services; and

Whereas, contracted Telecommunications Services will include time and effort by Dan Olsen, acting as Windom's Telecommunications Manager; and

Whereas, said contract between Windom and SMBG will require extra-ordinary effort and time to complete necessary tasks required by Windom and SMBG; and

Whereas, as an inducement for Telecommunications Manager Olsen to perform the services outlined in the attached Agreement between Windom and SMBG, the City of Windom and its employee, Dan Olsen, Telecommunications Manager hereby agree to the following terms and conditions.

1. Dan Olsen, Telecommunications Manager, shall remain an employee of the City of Windom, during the term of the AGREEMENT FOR SERVICE WITH SMBG.
2. Duration of the Agreement between Windom and SMBG is solely at the discretion of those parties.
3. During the performance of services for Windom and SMBG the compensation paid to employee will be raised by \$1,000 per month and paid according to the regular payroll schedule.
4. Employee agrees that no overtime or compensation time will be accrued for the duration of the Agreement between Windom and SMBG.
5. Employee agrees that he shall return to the City of Windom Pay Plan for Supervisory Employees at Grade 21, Step 12 (his current Grade and Step) whenever the City and SMBG terminate their Agreement or said Agreement expires.
6. Employee shall be eligible to accrue and use both sick leave and vacation during the term of this Memorandum of Understanding.
7. Employee will accurately track his time spent on SMBG activities on the standard City of Windom timesheet each pay period and mileage. Employee will use his best judgment as to the use of time spent and is solely responsible for documenting said time and mileage.

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

\_\_\_\_\_  
City of Windom, Mayor

\_\_\_\_\_  
Dan Olsen, Telecommunications Manager

**AGREEMENT FOR SERVICE**  
**City of Windom and Southwest Broadband Group**

This Agreement made this \_\_\_\_\_ day of June, 2011, by and between the City of Windom, a municipal corporation of Cottonwood County, Minnesota, hereafter called "Windom" and the Southwest Minnesota Broadband Services, non-profit corporation of Jackson County, Minnesota, hereafter called "SMBG".

WITNESSETH that whereas, Windom currently employs a full-time Telecommunications Manager; and

WHEREAS, SMBG is in need of employing a part-time Telecommunications Manager on a temporary and interim basis while they are building their telecommunications system and consider a permanent resolution to their need for such services; and

WHEREAS, SMBG has requested Windom to assist it in satisfying its short-term need for staffing its Telecommunications Manager position, and Windom has expressed an willingness to work with SMBG, on a contract basis, to facilitate SMBG's request according to the term described herein;

NOW, THEREFORE, in consideration of the premises and promises herein contained, the parties agree as set forth below.

TERM: The term of this Agreement is for one year, commencing on June \_\_\_\_, 2011 and terminates on June \_\_\_\_, 2012. Parties may mutually agree to extend this term in writing.

TERMINATION: Either party may terminate this Agreement by providing the other party thirty (30) days written notice.

NOTICES: All written notices between the parties (including billing) will be addressed as follows:

**City of Windom**  
Attention: City Administrator  
444 9<sup>th</sup> Street  
P.O. Box 38  
Windom, MN 56101

**SMBG**  
Attention: SMBG Chairperson  
~~XXX ABC Street~~  
Lakefield, MN 56150

COMMITMENT OF TIME: To the extent requested by SMBG, Windom will provide to SMBG its Telecommunications Manager, up to one-half (50%) time equivalent for pay period or bi-weekly payroll period. It is acknowledged by both parties that said time spent by Windom's Telecommunications Manager at SMBG would change from week to week depending upon the requirements of each of the respective organizations and that cooperation and flexibility in arranging and scheduling time will be of primary importance. However, Windom is not required to provide its Telecommunications Manager for more than the equivalent of one-half (50%) time equivalent as measured during the full term of this Agreement.

Telecommunications Manager shall not be required to work in excess of sixty (60) hours per week without the written consent of Windom, SMBC and Telecommunications Manager.

INSURANCE: Telecommunications Manager will remain an employee of Windom. Windom will maintain workers compensation, liability insurance, health insurance and insure automobiles owned by Windom that may be utilized by the Telecommunications Manager. SMBG will maintain liability insurance for its operations to include coverage for Telecommunications Manager for travel to and from SMBG work\meetings, for all work performed for SMBG, and to include the City of Windom in the SMBG liability insurance policy. SMBG will carry its own Errors and Omissions policy covering work performed by Telecommunications Manager.

COMPENSATION: SMBG shall pay to Windom for said Telecommunications Manager's services the amount of \$62.60 per hour for all hours spent by said Telecommunications Manager in performing services for SMBG regardless of when those hours are incurred. Any time spent by Telecommunications Manager traveling to or from SMBG to or from Windom, or to some other destination on behalf of SMBG, will count as hours worked for SMBG.

Vacation time or sick leave used by Telecommunications Manager during the time period covered by this Agreement will be prorated between Windom and SMBG according to the percent of time spent working at Windom or SMBG over the prior four-week pay period.

Telecommunications Manager's time will be documented solely by the Telecommunications Manager on a timesheet provided by Windom covering two-week segments. Windom is not otherwise responsible for documentation of Telecommunications Manager's time.

VEHICLE: Windom will be reimbursed at the IRS mileage rate for the Telecommunications Manager traveling to or from SMBG, to or from Windom, or to some other destination on behalf of SMBG. Mileage will be documented solely by Telecommunications Manager on a form to be provided by Windom. Windom is not otherwise responsible for documentation of Telecommunications Manager's mileage claim.

BILLING: Windom shall submit a monthly invoice to SMBG setting forth the hours worked by the Telecommunications Manager on behalf of SMBG during the preceding month and any mileage charges. SMBG shall pay said invoice in full within thirty (30) days of its receipt. If SMBG disputes a charge it shall do so in writing within ten (10) days of its receipt of the invoice, but it shall be required to pay invoice as defined herein. Within ten (10) business days of a written dispute being received by Windom its City Administrator will meet with the SMBG Board Chair and Telecommunications Manager for resolution.

**EMPLOYMENT:** Windom's Telecommunications Manager shall remain an employee of Windom and nothing herein shall create an employer\employee relationship between Telecommunications Manager and SMBG. Without limiting the generality of the foregoing, the parties agree as follows:

- a. Windom shall be liable for all wages and other compensation and benefits due to its Telecommunications Manager, and for collecting, remitting, and reporting employment and withholding taxes related thereto and for all workers' compensation coverage and unemployment contributions. The Telecommunications Manager shall be considered to be acting in the course of his employment with Windom at all times he is serving either Windom or SMBG, including any time spent in traveling to or from either location or traveling elsewhere on behalf of either party. It is hereby acknowledged and understood by SMBG that Telecommunications Manager has a duty to represent the best interests of Windom.
- b. Windom retains right, at any time, for any reasons whatsoever, to remove and replace its Telecommunications Manager subject only to the law and any agreements governing its employment relationship with said Telecommunications Manager. Should Windom's employment of their Telecommunications Manager end, for whatever reason, Windom shall promptly give notice to SMBG. At that point, either party may promptly and immediately terminate this Agreement by written notice.
- c. SMBG has conducted its own review of Windom's Telecommunications Manager and has made its own independent judgment of said Telecommunications Manager's suitability for its purpose and Windom makes no assurances or guarantees regarding neither its Telecommunications Manager nor any outcomes that may be anticipated by SMBG under this Agreement. Should SMBG determine that said Telecommunications Manager is not fully satisfactory to its purpose, its only remedy shall be to provide notice of its termination of this Agreement, refrain from requesting any additional time be provided to it by said Telecommunications Manager, and fully compensate Windom for any already used, but not yet paid for, time or services.
- d. SMBG acknowledges the need for Windom to retain the ability to direct the work of its Telecommunications Manager and agrees that SMBG will not enter into any additional agreements or contract for services with Windom's Telecommunications Manager.

**IDEMNIFICATION:** Windom agrees to defend and indemnify SMBG, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses arising out of Windom's performance or failure to perform its duties under this Agreement. SMBG agrees to defend and indemnify Windom, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses arising out of Telecommunication Manager's performance or failure to perform his duties while working for SMBG.

**CONFIDENTIALITY:** Each party recognizes and acknowledges that said Telecommunications Manager has and will have access to certain confidential information of the other party, including but not limited to non-public data relating to employees and/or facilities and operations of each party. Each party will treat as confidential all confidential information of the other party; will implement reasonable procedures to prohibit the disclosure, unauthorized duplication, use misuse, or removal of the other party's confidential information.

**NO SOLICITATION:** SMBG shall not solicit, induce, recruit, or otherwise take any action the result of which is the creation of an employment relationship between it and Telecommunications Manager at any time during the term of this Agreement nor during a period extending from the date this Agreement is terminated through the date which is one year thereafter.

**NO PARTNERSHIP OR JOINT VENTURE:** The parties hereby specifically declare that the legal relationship created hereby shall not, under any circumstances, constitute a partnership, joint venture, or employee relationship.

**NO THIRD PARTY BENEFICIARIES:** Nothing in this Agreement is intended to confer rights or remedies under or by reason of this Agreement on any person, other than the parties hereto. Nothing in this Agreement is intended to relieve or discharge the obligations or liabilities of any third persons to any party hereto or to give any third party any right of subrogation or action over or against any party hereto.

**ASSIGNMENT PROHIBITED:** This Agreement may not be assigned by either party for any purpose.

**SEVERABILITY:** If any provision of this Agreement is held illegal, invalid, or unenforceable, that provision will be fully severable and this Agreement will be construed and enforced as if the illegal, invalid, or unenforceable provision had never been part of this Agreement, and the remaining provisions of this Agreement will remain in full force and effect, and there will be added automatically to this Agreement a legal, valid, and enforceable provision that is as similar to the severed provision as possible.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed:

**City of Windom**

**SMBG**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
City Administrator

\_\_\_\_\_  
Board Secretary

# MEMORANDUM



**CITY OF WINDOM**  
444 9th Street  
Windom, MN 56101  
Phone: 507-831-6129  
Fax: 507-831-6127  
[www.windom-mn.com](http://www.windom-mn.com)

**TO:** City Council

**FROM:** City Administrator 

**DATE:** June 14, 2011

**RE:** Tax Forfeited Property – Approval for Public Auction

Attached is a letter and information, including a map, from the County Auditor's Office requesting City Council action on the designation of tax forfeited property for public auction. In 2011 there is one parcel, located at 1425 5<sup>th</sup> Avenue for consideration.

The parcel was reviewed by City staff for potential benefit to the City for its operations and the recommendation is that the parcel is not needed for City operations and that it be designated for public auction. As there is no City assessment on the property no action is needed to re-certify assessments.

A resolution stating the City of Windom's designation is necessary for the County Auditor to proceed with the disposition of this property.

**RESOLUTION #2011-**

**INTRODUCED:**

**SECONDED:**

**VOTED:     Aye:**  
              **Nay:**  
              **Absent:**

**A RESOLUTION APPROVING THE SALE OF A  
TAX-FORFEITED PARCEL AT PUBLIC AUCTION**

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**WHEREAS,** the City Council of the City of Windom has received correspondence from the Cottonwood County Auditor/Treasurer listing tax-forfeited parcels; and

**WHEREAS,** one of the parcels on the list is located in the City of Windom and is described as follows:

Parcel # 25-351-0210  
1425 5<sup>th</sup> Avenue

**WHEREAS,** the City Council has considered the value of this parcel to the City of Windom in terms of location, size, and desirability; and

**WHEREAS,** it would be in the best interest of the City that the parcel be sold at a public auction.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, AS FOLLOWS:**

1. That the tax-forfeited parcel listed above is approved for public auction pursuant to Minnesota Statute 282.01.
2. The City of Windom waives any statutory time requirements contained therein.

**Adopted this 21st day of June, 2011.**

\_\_\_\_\_  
Kirby G. Kruse, Mayor

**ATTEST:** \_\_\_\_\_  
Steven Nasby, City Administrator

OFFICE OF  
*JAN JOHNSON*

COTTONWOOD COUNTY AUDITOR/TREASURER

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JUNE 6, 2011

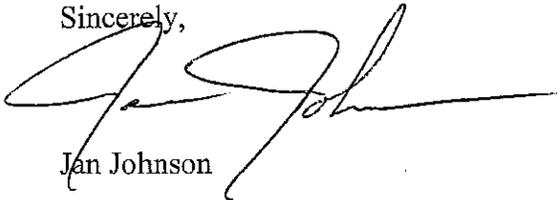
900 THIRD AVENUE  
WINDOM MN 56101  
AUDITOR (507) 831-1905  
PROPERTY TAX (507) 831-1342  
FAX (507) 831-4553

TO: Town & City Clerks  
FROM: Jan Johnson  
RE: Tax Forfeited Property

Enclosed is a classification list of non-conservation land located in your municipality. The described parcels have been forfeited to the State of Minnesota for non-payment of property taxes.

As provided in MN. Statutes 282.01, I request that you either approve the parcels for public auction or request a conveyance to your municipality for public use. Statute gives you 60 days to make this approval or request, but due to the minimum number of parcels involved, I am requesting you to waive this 60 day period and make your approval or request as soon as possible. If this is acceptable, please indicate that in your resolution, along with your intention to reassess special assessments, if applicable.

Sincerely,

  
Jan Johnson

LIST OF TAX-FORFEITED LAND #12 FOR PUBLIC SALE

MUNICIPALITY ADDRESS	PID #	VALUE	ASSESSMENTS BEFORE FORFEITURE
City of Mountain Lake 800 1 <sup>st</sup> Ave S	22-445-0060		\$5,669.91 – Street and Utility
City of Mountain Lake 918 10 <sup>th</sup> St N	22-610-0820		0
City of Mountain Lake 1111 Mt Lake Road	22-161-0470		\$ 225.65 – Sidewalk \$3,572.67 – Utilities
City of Storden 238 Sorenson St	23-715-0030		\$ 127.56 – Sewer \$ 130.52 – '92 St. Imp.
City of Westbrook 545 8 <sup>th</sup> St	24-826-0180		0
City of Windom 1425 5 <sup>th</sup> Ave	25-351-0210		0

Complete legal descriptions are available at the Cottonwood County Auditor/Treasurer Office located in Cottonwood County Court House 900 3<sup>rd</sup> Ave, Windom, MN. 56101 or call (507) 831-1905.

# HUTTON and COLLINS' ADDITION TO WINDO

Know all men by these presents that we, <sup>and John Hutton his wife</sup> John Hutton and <sup>and Mrs. Belle Collins his wife</sup> J. C. Collins, being the owners and proprietors of certain lands in the North West Quarter of the 20th section, township five (25) in township one hundred and forty-sixth of range thirty-two (32) west of the 3rd principal meridian in Cottonwood County, State of Minnesota, contained in the second map, state wanted an addition to the plat of the village of Windo to be surveyed and laid out thereon to be known as "Hutton and Collins' addition to Windo" and that the annexed plat is a consolidated and filed in accordance with the requirements of the act relating to the record of town plats, now in force, the date of which said the allegs indicated in this plat are dedicated to the use of the public's justice, and always only.

Witness our hands and seals this 25th day of April A.D. 1891.

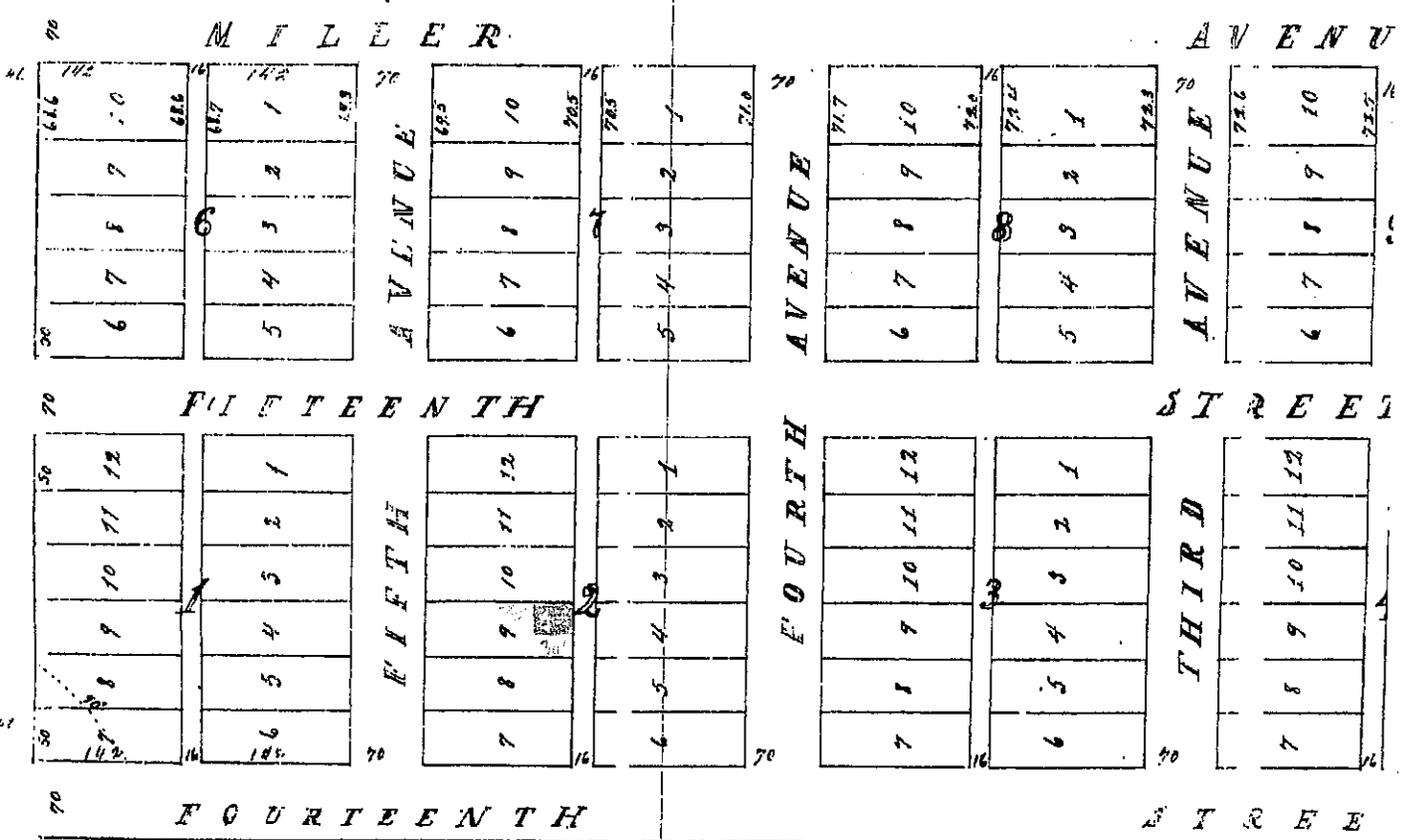
John Hutton  
 J. C. Collins  
 State of Minnesota ss.  
 County of Cottonwood

John Hutton  
 J. C. Collins  
 State of Minnesota

Known to be the same persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.  
 This county records one addition to the town of Windo incorporated in the purchase of Sec. 20 of T. 1 N. 146 R. 32 W. 3.

On this 25th day of April A.D. 1891 personally appeared John Hutton and J. C. Collins, to me known to be the same persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public in and for  
 Cottonwood County, Minnesota.



25. 351. 2210 Bare Land

## Timetable Revised for City of Windom

(Also being Reviewed by Finding Windom)

Project Milestone	Proposed Date
Notice to proceed	June 10
Approve timetable – schedule and commitments from <b>FW</b> and City	By June 15
Begin Facebook and blog discussion (document input)	June 20
Conduct staff on-line survey	June 20-24
Complete two community meetings (details to be determined)	July 8
Hold Planning Meeting One	July 13
Hold Planning Meeting Two	July 27
Hold Planning Meeting Three	August 19 (to be confirmed)
Report to City Council	August 31

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
P & Z / BUILDING OFF	VET'S WHOA N'GO	GAS	130.86
P & Z / BUILDING OFF	VOYAGER FLEET SERVIC	GAS	72.76
	Total for Department 106		203.62*
CITY HALL	ELECTRIC FUND	MAINTENANCE	38.17
	Total for Department 115		38.17*
POLICE	VET'S WHOA N'GO	GAS	429.56
POLICE	VOYAGER FLEET SERVIC	GAS	576.05
	Total for Department 120		1,005.61*
FIRE DEPARTMENT	FITOAM	MEMBERSHIP	30.00
FIRE DEPARTMENT	QUEST	TELEPHONE	58.86
FIRE DEPARTMENT	VET'S WHOA N'GO	GAS	336.48
FIRE DEPARTMENT	VOYAGER FLEET SERVIC	GAS	37.28
	Total for Department 125		462.62*
STREET	ERICKSON OIL CO	GAS	611.19
STREET	QUEST	TELEPHONE	58.86
STREET	VET'S WHOA N'GO	GAS	266.50
STREET	VOYAGER FLEET SERVIC	GAS	447.99
STREET	COTTONWOOD COUNTY SW TREES-SCHMALTZ PARK PLUN		4,447.84
	Total for Department 140		5,832.38*
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	160.00
	Total for Department 145		160.00*
PARKS	ERICKSON OIL CO	GAS	327.02
PARKS	VET'S WHOA N'GO	GAS	4.10
	Total for Department 165		331.12*
	Total for Fund 01		8,033.52*
LIBRARY	JOAN HUNTER	POSTAGE	34.63
	Total for Department 171		34.63*
	Total for Fund 03		34.63*
	AVALANCHE WATERSLIDE	POOL SLIDE	21,384.00
	SIGNATURE AQUATICS	POOL SLIDE	4,305.48
	Total for Department		25,689.48*
POOL	A H HERMEL CANDY & T MERCHANDISE		1,133.63
	Total for Department 175		1,133.63*
	Total for Fund 12		26,823.11*
AMBULANCE	QUEST	TELEPHONE	58.86
AMBULANCE	ROBIN SHAW	EXPENSE	50.00
AMBULANCE	VET'S WHOA N'GO	GAS	1,546.17
	Total for Department 176		1,655.03*

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Fund 13			1,655.03*
MULTI-PURPOSE BUILDI	VOYAGER FLEET SERVIC	GAS	135.60
Total for Department 177			135.60*
Total for Fund 14			135.60*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	3,161.50
LIQUOR	COCA-COLA BOTTLING C	MERCHANDISE	282.80
LIQUOR	ELECTRIC FUND	MAINTENANCE	10.81
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	8,836.40
LIQUOR	A H HERMEL CANDY & T	MERCHANDISE	736.14
LIQUOR	JOHNSON BROS.	MERCHANDISE	6,650.19
LIQUOR	PEPSIAMERICAS	MERCHANDISE	197.40
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	4,921.08
LIQUOR	SOUTHERN WINE & SPIR	MERCHANDISE	140.55
Total for Department 180			24,936.87*
Total for Fund 60			24,936.87*
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	133.33
WATER	QUEST	TELEPHONE	58.86
WATER	VOYAGER FLEET SERVIC	GAS	258.97
Total for Department 181			451.16*
Total for Fund 61			451.16*
ELECTRIC FUND	REF-UTILITY PREPAY-GONZA		300.00
MYRON BOELTER	REFUND - UTILITY PREPAYM		300.00
Total for Department			600.00*
ELECTRIC	ERICKSON OIL CO	GAS	191.19
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	133.34
ELECTRIC	QUEST	TELEPHONE	55.42
Total for Department 182			379.95*
Total for Fund 62			979.95*
SEWER	FEDERAL EXPRESS CORP	TRANSPORTATION	66.04
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	133.34
SEWER	QUEST	TELEPHONE	305.62
SEWER	VET'S WHOA N'GO	GAS	33.33
SEWER	VOYAGER FLEET SERVIC	GAS	416.34
Total for Department 183			954.67*
Total for Fund 63			954.67*
ARENA	CENTER STOP	FUEL SALES	17.75
ARENA	VET'S WHOA N'GO	GAS	123.60
ARENA	VOYAGER FLEET SERVIC	GAS	38.14

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
		Total for Department 184	179.49*
		Total for Fund 64	179.49*
RIVERBLUFF ESTATES	BRADY POWERS	EXPENSE	144.00
		Total for Department 166	144.00*
		Total for Fund 68	144.00*
TELECOMMUNICATIONS	B B C AMERICA	SUBSCRIBER	20.15
TELECOMMUNICATIONS	BIG TEN NETWORK	SUBSCRIPTION	1,585.23
TELECOMMUNICATIONS	CNN - TURNER NETWORK	SUBSCRIBER	837.54
TELECOMMUNICATIONS	COMCAST MEDIA CENTER	SUBSCRIBER	16.50
TELECOMMUNICATIONS	DISCOVERY DIGITAL NE	SUBSCRIBER	36.44
TELECOMMUNICATIONS	FOX SPORTS	SUBSCRIBER	5,976.99
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	399.99
TELECOMMUNICATIONS	HUB TELEVISION NETWO	SUBSCRIBER	9.11
TELECOMMUNICATIONS	KARE	SUBSCRIBER	513.20
TELECOMMUNICATIONS	LIFETIME	SUBSCRIBER	710.64
TELECOMMUNICATIONS	LIFETIME MOVIE NETWO	SUBSCRIBER	30.00
TELECOMMUNICATIONS	NATIONAL CABLE TV CO	SUBSCRIBER	22,169.61
TELECOMMUNICATIONS	QWEST COMMUNICATIONS	DIRECTORY LISTING	179.90
TELECOMMUNICATIONS	OWN	SUBSCRIBER	19.32
TELECOMMUNICATIONS	SHOWTIME NETWORKS IN	SUBSCRIBER	312.80
TELECOMMUNICATIONS	TBS - TURNER NETWORK	SUBSCRIBER	736.02
TELECOMMUNICATIONS	TCM - TURNER NETWORK	SUBSCRIBER	387.05
TELECOMMUNICATIONS	TNT - TURNER NETWORK	SUBSCRIBER	1,678.25
TELECOMMUNICATIONS	VOYAGER FLEET SERVIC	GAS	216.13
TELECOMMUNICATIONS	WOODSTOCK TELEPHONE	SERVICE	186.67
		Total for Department 199	36,021.54*
		Total for Fund 69	36,021.54*
	COLONIAL LIFE INSURA	INSURANCE	8.82
		Total for Department	8.82*
		Total for Fund 70	8.82*
		Grand Total	100,358.39*

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
CITY OFFICE	ELECTRIC FUND	UTILITY PAYMENT	192.15
CITY OFFICE	MII LIFE	VEBA	198.40
CITY OFFICE	STEVE NASBY	EXPENSE	65.79
CITY OFFICE	SELECTACCOUNT	ADM FEE	80.52
	Total for Department 103		536.86*
P & Z / BUILDING OFF	ELECTRIC FUND	UTILITY PAYMENT	61.52
P & Z / BUILDING OFF	MII LIFE	VEBA	148.80
	Total for Department 106		210.32*
CITY HALL	ELECTRIC FUND	UTILITY PAYMENT	491.35
	Total for Department 115		491.35*
POLICE	ELECTRIC FUND	UTILITY PAYMENT	78.61
POLICE	MII LIFE	VEBA	1,584.64
	Total for Department 120		1,663.25*
FIRE DEPARTMENT	ELECTRIC FUND	UTILITY PAYMENT	28.67
FIRE DEPARTMENT	JOY PANKONIN	MAINTENANCE	16.00
	Total for Department 125		44.67*
STREET	ELECTRIC FUND	UTILITY PAYMENT	3,079.35
STREET	MII LIFE	VEBA	841.92
STREET	MN ENERGY RESOURCES	HEATING	92.55
STREET	COTTONWOOD COUNTY SW TREES-SCHMALZ PARK PLUNG		3,127.84
	Total for Department 140		7,141.66*
HEALTH & SANITATION	HOMETOWN SANITATION	SPRING CLEAN UP	11,776.85
	Total for Department 145		11,776.85*
PARKS	ELECTRIC FUND	UTILITY PAYMENT	499.36
PARKS	MII LIFE	VEBA	185.68
	Total for Department 165		685.04*
	Total for Fund 01		22,550.00*
LIBRARY	ELECTRIC FUND	UTILITY PAYMENT	270.66
	Total for Department 171		270.66*
	Total for Fund 03		270.66*
	EVERSTRONG CONSTRUCT	STREET IMP PROJECT	80,497.77
	Total for Department		80,497.77*
EQUIPMENT FIXED ASSE	DHS / FEMA	CLOSE OUT GRANT	12.40
	Total for Department 272		12.40*
	Total for Fund 04		80,510.17*
POOL	ELECTRIC FUND	UTILITY PAYMENT	59.90
	Total for Department 175		59.90*

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
		Total for Fund 12	59.90*
AMBULANCE	KATE AXFORD	EXPENSE	70.26
AMBULANCE	JIM AXFORD	EXPENSE	66.63
AMBULANCE	ELECTRIC FUND	UTILITY PAYMENT	26.48
AMBULANCE	LEWIS FAMILY DRUG #5	SUPPLIES	562.85
AMBULANCE	TIM HACKER	EXPENSE	24.15
AMBULANCE	Verizon Wireless	TELEPHONE	169.04
AMBULANCE	KIM POWERS	EXPENSE	13.44
AMBULANCE	VERIZON WIRELESS / P	SUPPLIES	121.81
		Total for Department 176	1,054.66*
		Total for Fund 13	1,054.66*
MULTI-PURPOSE BUILDI	ELECTRIC FUND	UTILITY PAYMENT	1,282.48
MULTI-PURPOSE BUILDI	MII LIFE	VEBA	284.88
		Total for Department 177	1,567.36*
		Total for Fund 14	1,567.36*
LIQUOR	BELLBOY CORP	MERCHANDISE	61.69
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	7,711.60
LIQUOR	ELECTRIC FUND	UTILITY PAYMENT	895.79
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	3,603.77
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	5,272.15
LIQUOR	JOHNSON BROS.	MERCHANDISE	1,134.36
LIQUOR	MII LIFE	VEBA	371.36
LIQUOR	PEICHEL LAWN IRRIGAT	SERVICE	80.00
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	4,431.41
		Total for Department 180	23,562.13*
		Total for Fund 60	23,562.13*
WATER	MELVIN DUERKSEN	MAINTENANCE	2,338.50
WATER	ELECTRIC FUND	UTILITY PAYMENT	3,972.44
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	113.54
WATER	MII LIFE	VEBA	374.54
WATER	ERIC WARD	EXPENSE	244.80
		Total for Department 181	7,043.82*
		Total for Fund 61	7,043.82*
	ELECTRIC FUND	REFUND - UTILITY PREPAYM	425.00
		Total for Department	425.00*
ELECTRIC	CENTRAL MINNESOTA MU	CAPX2020 ASSESSMENT	5,764.00
ELECTRIC	CENTRAL MINNESOTA MU	CIP SERVICE ASSESSMENT	4,083.00
ELECTRIC	ELECTRIC FUND	UTILITY PAYMENT	274.36
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	113.55
ELECTRIC	MII LIFE	VEBA	1,049.86

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	HSBC BUSINESS SOLUTI	SUPPLIES	105.76
ELECTRIC	DEPARTMENT OF ENERGY	POWER COST	110,736.77
ELECTRIC	BANK MIDWEST	NSF CHECK	150.00
	Total for Department 182		122,277.30*
	Total for Fund 62		122,702.30*
SEWER	ELECTRIC FUND	UTILITY PAYMENT	18,174.88
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	113.54
SEWER	MII LIFE	VEBA	745.90
SEWER	MN ENERGY RESOURCES	HEATING	155.93
	Total for Department 183		19,190.25*
	Total for Fund 63		19,190.25*
ARENA	ELECTRIC FUND	UTILITY PAYMENT	1,998.02
ARENA	MII LIFE	VEBA	371.36
	Total for Department 184		2,369.38*
	Total for Fund 64		2,369.38*
ECONOMIC DEVELOPMENT	ELECTRIC FUND	UTILITY PAYMENT	80.77
ECONOMIC DEVELOPMENT	MII LIFE	VEBA	235.28
	Total for Department 187		316.05*
	Total for Fund 67		316.05*
TELECOMMUNICATIONS	BLUEHIGHWAYS	SUBSCRIBERS	40.70
TELECOMMUNICATIONS	DISH NETWORK	SERVICE	3,400.00
TELECOMMUNICATIONS	E-911	MONTHLY 911 SERVICE	43.95
TELECOMMUNICATIONS	ELECTRIC FUND	UTILITY PAYMENT	2,037.43
TELECOMMUNICATIONS	FOX SPORTS	SUBSCRIBER	5,995.83
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	340.62
TELECOMMUNICATIONS	LIFETIME MOVIE NETWO	SUBSCRIBER	60.00
TELECOMMUNICATIONS	MII LIFE	VEBA	665.78
	Total for Department 199		12,584.31*
	Total for Fund 69		12,584.31*
	Grand Total		293,780.99*

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	CITIZEN PUBLISHING C	ADVERTISING	55.00
MAYOR & COUNCIL	MCDONALD & SCHRAMEL	LEGAL FEES	216.00
	Total for Department 101		271.00*
CITY OFFICE	INDOFF, INC	SUPPLIES	79.49
CITY OFFICE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
CITY OFFICE	SCHWALBACH HARDWARE	MAINTENANCE	17.09
	Total for Department 103		103.08*
P & Z / BUILDING OFF	INDOFF, INC	SUPPLIES	20.03
P & Z / BUILDING OFF	MCDONALD & SCHRAMEL	LEGAL FEES	108.00
P & Z / BUILDING OFF	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
P & Z / BUILDING OFF	WINDOM QUICK PRINT	SUPPLIES	51.36
	Total for Department 106		185.89*
LEGAL	MCDONALD & SCHRAMEL	CONFERENCE	127.50
LEGAL	MCDONALD & SCHRAMEL	LEGAL SUPPLIES	144.12
	Total for Department 110		271.62*
CITY HALL	AMERIGAS - WORTHINGT	WATER TREATMENT	23.46
CITY HALL	HOMETOWN SANITATION	HAUL GARBAGE	85.04
CITY HALL	WERNER ELECTRIC	MAINTENANCE	62.99
	Total for Department 115		171.49*
POLICE	CITIZEN PUBLISHING C	ADVERTISING	374.00
POLICE	COTTONWOOD CO TREASU	DISPATCHING	275.00
POLICE	COTTONWOOD CO TREASU	RENT	1,500.00
POLICE	INDOFF, INC	SUPPLIES	50.85
POLICE	WINDOM AUTO VALU	MAINTENANCE	3.73
POLICE	MCDONALD & SCHRAMEL	LEGAL FEES	3,024.00
POLICE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	22.50
POLICE	MN BOARD OF PEACE OF	POST BOARD LICENSE	105.00
POLICE	RUNNING'S SUPPLY	MAINTENANCE	47.99
POLICE	FLEET SERVICES DIVIS	LEASE CAR	2,217.74
POLICE	SOUTHWESTERN MENTAL	INTERPRETER	100.00
	Total for Department 120		7,720.81*
FIRE DEPARTMENT	COTTONWOOD CO TREASU	DISPATCHING	212.50
FIRE DEPARTMENT	EMERGENCY APPARATUS	MAINTENANCE	1,632.31
FIRE DEPARTMENT	LUCAN COMMUNITY TV I	MAINTENANCE	34.20
FIRE DEPARTMENT	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	354.44
FIRE DEPARTMENT	PAMIDA	SUPPLIES	53.44
FIRE DEPARTMENT	RIVERSIDE LAUNDRY	SERVICE	187.03
FIRE DEPARTMENT	RUNNING'S SUPPLY	MAINTENANCE	24.57
	Total for Department 125		2,498.49*
EMERGENCY MANAGEMENT	COTTONWOOD CO TREASU	DISPATCHING	12.50
EMERGENCY MANAGEMENT	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	200.00
	Total for Department 130		212.50*
ANIMALS	COTTONWOOD-SLAYTON V	VETERINARY SERVICE	203.14

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Department 135			203.14*
STREET	AMUNDSON DIG	MAINTENANCE	538.65
STREET	C & B OPERATIONS, LL	MAINTENANCE	212.20
STREET	CITIZEN PUBLISHING C	ADVERTISING	88.00
STREET	COTTONWOOD COUNTY LA	GARBAGE	4.00
STREET	COTTONWOOD CO TREASU	DISPATCHING	125.00
STREET	INDOFF, INC	SUPPLIES	176.08
STREET	DEFRIES COLLISION CE	MAINTENANCE	208.00
STREET	DIAMOND VOGEL PAINT	MAINTENANCE	1,006.05
STREET	MELVIN DUERKSEN	MAINTENANCE	630.36
STREET	HOMETOWN SANITATION	HAUL GARBAGE	130.85
STREET	WINDOM AUTO VALU	MAINTENANCE	294.47
STREET	MCLAUGHLIN & SCHULZ,	MAINTENANCE	1,949.38
STREET	MACQUEEN EQUIP. CO.	MAINTENANCE	120.19
STREET	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
STREET	MESSER MACHINE & MFG	MAINTENANCE	596.89
STREET	MILLER SELLNER EQUIP	MAINTENANCE	368.23
STREET	MILLS & MILLER, INC	MAINTENANCE	1,589.77
STREET	M-R SIGNS CO., INC	MAINTENANCE	375.93
STREET	NORTHLAND CHEMICAL C	SUPPLIES	235.08
STREET	PRAXAIR DISTRIBUTION	SERVICE	577.13
STREET	RUNNING'S SUPPLY	MAINTENANCE	99.48
STREET	SCHWALBACH HARDWARE	MAINTENANCE	64.08
STREET	SHARE CORP.	MAINTENANCE	281.26
STREET	SPLIT ROCK LANDSCAPE	MAINTENANCE	121.38
STREET	SW DIESEL & ELECTRIC	MAINTENANCE	71.03
STREET	COUNTRY PRIDE SERVIC	DISCOUNT FOR FUEL PER CO	-48.32
STREET	COUNTRY PRIDE SERVIC	MAINTENANCE	977.07
STREET	CARQUEST AUTO PARTS	MAINTENANCE	157.06
STREET	ZIESKE LAND SURVEYIN	SERVICE	50.00
Total for Department 140			11,005.80*
HEALTH & SANITATION	COTTONWOOD COUNTY LA	SPRING PICK UP EXP	416.84
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	128.00
HEALTH & SANITATION	KDOM RADIO	ADVERTISING	200.00
Total for Department 145			744.84*
RECREATION	GOPHER SPORT & PLAY	EQUIPMENT	309.93
RECREATION	GRAPHIC EDGE	T SHIRTS	1,462.35
RECREATION	A H HERMEL CANDY & T	MERCHANDISE	153.79
Total for Department 150			1,926.07*
PARKS	COTTONWOOD CO TREASU	DISPATCHING	37.50
PARKS	GDF ENTERPRISES, INC	MAINTENANCE	124.93
PARKS	HOMETOWN SANITATION	HAUL GARBAGE	148.00
PARKS	LAMPERTS YARDS, INC.	MAINTENANCE	244.20
PARKS	RUNNING'S SUPPLY	MAINTENANCE	96.49
PARKS	SCHWALBACH HARDWARE	MAINTENANCE	312.29
PARKS	SOUTHERN MINN CONSTR	MAINTENANCE	217.00

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
PARKS	COUNTRY PRIDE SERVIC	MAINTENANCE	1,660.76
PARKS	CLEARWATER RECREATIO	WOOD CHIPS	4,867.09
	Total for Department 165		7,708.26*
	Total for Fund 01		33,022.99*
LIBRARY	AGRI NEWS	SUBSCRIPTION	25.00
LIBRARY	AUDIO GO	BOOKS	112.26
LIBRARY	CENTER POINT LARGE P	BOOKS	87.48
LIBRARY	CONSUMER REPORTS	SUBSCRIPTION	26.00
LIBRARY	COUNTRY	SUBSCRIPTION	14.98
LIBRARY	INDOFF, INC	SUPPLIES	199.00
LIBRARY	DEMCO	SUPPLIES	218.60
LIBRARY	ELECTRIC FUND	MAINTENANCE	16.53
LIBRARY	ESPN, THE MAGAZINE	SUBSCRIPTION	26.00
LIBRARY	FAMILY CIRCLE	SUBSCRIPTION	19.98
LIBRARY	GALE	BOOKS	496.53
LIBRARY	INGRAM	BOOKS	1,299.94
LIBRARY	J & K WINDOWS	CLEANING	20.00
LIBRARY	KDOM RADIO	ADVERTISING	68.00
LIBRARY	MICROMARKETING	BOOKS & AUDIO	553.50
LIBRARY	READERS SERVICE	BOOK	61.17
LIBRARY	WINDOM QUICK PRINT	SUPPLIES	62.82
LIBRARY	HEALTH	SUBSCRIPTION	20.00
LIBRARY	MPLS / ST PAUL	SUBSCRIPTION	19.95
LIBRARY	QUILT	SUBSCRIPTION	34.94
LIBRARY	SMARTMONEY	SUBSCRIPTION	26.00
LIBRARY	WOODWORKING MAGAZINE	SUBSCRIPTION	29.96
LIBRARY	WORKBENCH	SUBSCRIPTION	20.00
LIBRARY	WINDOM WOMEN'S INVES	SUBSCRIPTION	149.50
LIBRARY	DISNEY MOVIE CLUB	MOVIES	21.95
	Total for Department 171		3,630.09*
	Total for Fund 03		3,630.09*
	WENCK ASSOCIATES, IN	STREET SHOP	2,396.23
	Total for Department		2,396.23*
	Total for Fund 04		2,396.23*
AIRPORT	COOPER CROUSE - HIND	MAINTENANCE	1,103.96
AIRPORT	SCHWALBACH HARDWARE	MAINTENANCE	39.19
AIRPORT	CARQUEST AUTO PARTS	MAINTENANCE	4.80
	Total for Department 174		1,147.95*
	Total for Fund 11		1,147.95*
	NEGEN CONSTRUCTION L	POOL PROJECT-SLIDE	2,557.31
	Total for Department		2,557.31*

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
POOL	COCA-COLA BOTTLING C	MERCHANDISE	61.45
POOL	HEARTLAND PAPER COMP	SUPPLIES	249.49
POOL	HOMETOWN SANITATION	HAUL GARBAGE	76.05
POOL	HORIZON COMMERCIAL P	MAINTENANCE	441.12
POOL	JANITOR'S CLOSET, LT	SUPPLIES	123.93
POOL	NEGEN CONSTRUCTION L	POOL PROJECT-SLIDE	562.06
POOL	SCHWALBACH HARDWARE	MAINTENANCE	44.10
POOL	WINDOM FIRE SAFETY	MAINTENANCE	8.00
POOL	WINDOM PAINTING	MAINTENANCE	6,702.00
	Total for Department 175		8,268.20*
	Total for Fund 12		10,825.51*
AMBULANCE	ARROW MANUFACTURING	MAINTENANCE	280.05
AMBULANCE	BOUND TREE MEDICAL,	EQUIPMENT	674.52
AMBULANCE	COTTONWOOD CO TREASU	DISPATCHING	200.00
AMBULANCE	DICKS WELDING INC	MAINTENANCE	18.53
AMBULANCE	LEWIS FAMILY DRUG #5	SUPPLIES	158.78
AMBULANCE	KDOM RADIO	ADVERTISING	243.00
AMBULANCE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
AMBULANCE	PRAAIR DISTRIBUTION	SERVICE	415.35
AMBULANCE	WINDOM AREA HOSPITAL	SERVICE	1,104.75
AMBULANCE	CARQUEST AUTO PARTS	MAINTENANCE	60.36
AMBULANCE	ZOLL MEDICAL CORPORA	SUPPLIES	793.73
	Total for Department 176		3,955.57*
	Total for Fund 13		3,955.57*
MULTI-PURPOSE BUILDI	A & B BUSINESS EQUIP	MAINTENANCE CONTRACT	131.36
MULTI-PURPOSE BUILDI	CITIZEN PUBLISHING C	ADVERTISING	852.00
MULTI-PURPOSE BUILDI	COCA-COLA BOTTLING C	MERCHANDISE	113.85
MULTI-PURPOSE BUILDI	GDF ENTERPRISES, INC	MAINTENANCE	13.46
MULTI-PURPOSE BUILDI	HOMETOWN SANITATION	HAUL GARBAGE	51.52
MULTI-PURPOSE BUILDI	KDOM RADIO	ADVERTISING	146.80
MULTI-PURPOSE BUILDI	RUNNING'S SUPPLY	MAINTENANCE	30.96
MULTI-PURPOSE BUILDI	SCHWALBACH HARDWARE	MAINTENANCE	65.96
MULTI-PURPOSE BUILDI	STONER INDUSTRIAL, I	SERVICE	84.22
MULTI-PURPOSE BUILDI	WINDOM QUICK PRINT	SUPPLIES	199.00
	Total for Department 177		1,689.13*
	Total for Fund 14		1,689.13*
	GUARDIAN INN/ MINNWE 2009 TIF PAYMENT		22,486.78
	Total for Department		22,486.78*
	Total for Fund 35		22,486.78*
TORO	TIF PAYMENT		23,176.47
	Total for Department		23,176.47*

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
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		Total for Fund 37	23,176.47*
	MINN-KOTA PROPERTIES	TIF PAYMENT	2,559.27
		Total for Department	2,559.27*
		Total for Fund 39	2,559.27*
	J & R PARTNERSHIP	TIF PAYMENT	13,860.72
		Total for Department	13,860.72*
		Total for Fund 40	13,860.72*
LIQUOR	ENVIROMASTER, INC.	SERVICE	39.54
LIQUOR	CITIZEN PUBLISHING C	ADVERTISING	374.30
LIQUOR	INDOFF, INC	SUPPLIES	17.51
LIQUOR	BATCHELLER'S EVER-GR	SERVICE	44.94
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	86.06
LIQUOR	HAMCO DATA PRODUCTS	MAINTENANCE	99.90
LIQUOR	HOMETOWN SANITATION	HAUL GARBAGE	48.06
LIQUOR	RUNNING'S SUPPLY	MAINTENANCE	6.99
LIQUOR	S&K LINES	FREIGHT	180.78
LIQUOR	WINDOM QUICK PRINT	SUPPLIES	149.00
LIQUOR	CAMPUS CLEANERS	SERVICE	20.05
		Total for Department 180	1,067.13*
		Total for Fund 60	1,067.13*
WATER	CALIFORNIA CONTRACTO	SUPPLIES	199.00
WATER	CITIZEN PUBLISHING C	ADVERTISING	343.20
WATER	COTTONWOOD CO TREASU	DISPATCHING	100.00
WATER	HAWKINS, INC	CHEMICALS	2,810.86
WATER	GOPHER STATE ONE CAL	LOCATES	24.75
WATER	HACH COMPANY	SUPPLIES	167.05
WATER	HOMETOWN SANITATION	HAUL GARBAGE	85.04
WATER	JIFFY-JR. PRODUCTS	SUPPLIES	100.43
WATER	KDOM RADIO	ADVERTISING	257.25
WATER	MCDONALD & SCHRAMEL	LEGAL FEES	48.00
WATER	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
WATER	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	797.26
WATER	MN VALLEY TESTING	TESTING	612.00
WATER	SCHWALBACH HARDWARE	MAINTENANCE	36.25
WATER	HD SUPPLY WATERWORKD	MAINTENANCE	901.22
WATER	STINK PRETTY	SUPPLIES	86.03
WATER	WINDOM FARM SERVICE	MAINTENANCE	117.51
WATER	WINDOM FIRE SAFETY	MAINTENANCE	35.58
WATER	WINDOM QUICK PRINT	SUPPLIES	304.44
WATER	CARQUEST AUTO PARTS	MAINTENANCE	62.42
		Total for Department 181	7,094.79*
		Total for Fund 61	7,094.79*

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
	B & B TRANSFORMER	INVENTORY	1,870.31
	BORDER STATES ELECTR	INVENTORY	532.77
	J. H. LARSON	SUPPLIES/MAINTENANCE	284.64
	ODDSON UNDERGROUND I	MAINTENANCE	8,142.00
	SCHWALBACH HARDWARE	MAINTENANCE	6.35
	WERNER ELECTRIC	MAINTENANCE	1,126.27
	ZIESKE LAND SURVEYIN	SERVICE	2,695.00
	Total for Department		14,657.34*
ELECTRIC	AMUNDSON DIG	MAINTENANCE	538.65
ELECTRIC	CENTRAL MINNESOTA MU	POWER COST	226,232.71
ELECTRIC	CITIZEN PUBLISHING C	COMPUTER SUPPORT	35.26
ELECTRIC	COTTONWOOD CO TREASU	DISPATCHING	187.50
ELECTRIC	FINLEY ENGINEERING	SERVICE	1,856.53
ELECTRIC	GCC ALLIANCE CONCRET	MAINTENANCE	223.37
ELECTRIC	GOPHER STATE ONE CAL	LOCATES	24.75
ELECTRIC	HOMETOWN SANITATION	HAUL GARBAGE	84.75
ELECTRIC	LAMPERTS YARDS, INC.	MAINTENANCE	26.49
ELECTRIC	MCDONALD & SCHRAMEL	LEGAL FEES	168.00
ELECTRIC	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
ELECTRIC	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	1,644.35
ELECTRIC	MN DEPT OF COMMERCE	ASSESSMENT	1,040.11
ELECTRIC	NORTHLAND CHEMICAL C	SUPPLIES	103.88
ELECTRIC	OVERHEAD DOOR COMPAN	MAINTENANCE	465.72
ELECTRIC	PAMIDA	SUPPLIES	188.82
ELECTRIC	RESCO	INVENTORY	65.41
ELECTRIC	RUNNING'S SUPPLY	MAINTENANCE	773.96
ELECTRIC	SCHWALBACH HARDWARE	MAINTENANCE	52.02
ELECTRIC	SKARSHAUG TESTING LA	SUPPLIES	405.95
ELECTRIC	STONER INDUSTRIAL, I	SERVICE	68.20
ELECTRIC	WINDOM AREA DEVELOPM	INDUSTRIAL DEVELOPMENT	1,200.00
ELECTRIC	CARQUEST AUTO PARTS	MAINTENANCE	86.87
ELECTRIC	BANK MIDWEST	NSF CHECK	104.00
ELECTRIC	WINDOM TOWING CO	TIRES	153.90
	Total for Department 182		235,737.70*
	Total for Fund 62		250,395.04*
SEWER	CALIFORNIA CONTRACTO	SUPPLIES	179.00
SEWER	CITIZEN PUBLISHING C	ADVERTISING	108.90
SEWER	COTTONWOOD CO TREASU	DISPATCHING	100.00
SEWER	HAWKINS, INC	CHEMICALS	1,325.79
SEWER	GOPHER STATE ONE CAL	LOCATES	24.75
SEWER	WINDOM AUTO VALU	MAINTENANCE	25.10
SEWER	JIFFY-JR. PRODUCTS	SUPPLIES	100.43
SEWER	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
SEWER	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	797.26
SEWER	MN VALLEY TESTING	TESTING	1,483.80
SEWER	ODDSON UNDERGROUND I	MAINTENANCE	1,500.00
SEWER	RUNNING'S SUPPLY	MAINTENANCE	77.72

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
SEWER	SCHWALBACH HARDWARE	MAINTENANCE	147.32
SEWER	STINK PRETTY	SUPPLIES	86.04
SEWER	ZIESKE LAND SURVEYIN	SERVICE	200.00
		Total for Department 183	6,162.61*
		Total for Fund 63	6,162.61*
ARENA	AMERIPRIDE LINEN CO	SERVICE	82.91
ARENA	BARGEN INC	ARENA ROOF	5,540.45
ARENA	COCA-COLA BOTTLING C	MERCHANDISE	34.90
ARENA	COTTONWOOD-SLAYTON V	VETERINARY SERVICE	300.00
ARENA	CULLIGAN	SALT	2.00
ARENA	INDOFF, INC	SUPPLIES	8.54
ARENA	HOMETOWN SANITATION	HAUL GARBAGE	181.23
ARENA	WINDOM AUTO VALU	MAINTENANCE	112.63
ARENA	JERRY'S REPAIR	MAINTENANCE	366.58
ARENA	KDOM RADIO	ADVERTISING	74.00
ARENA	LAMPERTS YARDS, INC.	MAINTENANCE	357.09
ARENA	NEGEN CONSTRUCTION L	POOL PROJECT-SLIDE	540.00
ARENA	RUNNING'S SUPPLY	MAINTENANCE	121.91
ARENA	SCHWALBACH HARDWARE	MAINTENANCE	228.62
ARENA	STONER INDUSTRIAL, I	SERVICE	19.10
ARENA	CARQUEST AUTO PARTS	MAINTENANCE	79.20
		Total for Department 184	8,049.16*
		Total for Fund 64	8,049.16*
ECONOMIC DEVELOPMENT	CITIZEN PUBLISHING C	ADVERTISING	389.50
ECONOMIC DEVELOPMENT	CITIZEN PUBLISHING C	COMPUTER SUPPORT	189.11
ECONOMIC DEVELOPMENT	INDOFF, INC	SUPPLIES	20.04
ECONOMIC DEVELOPMENT	MCDONALD & SCHRAMEL	LEGAL FEES	24.00
ECONOMIC DEVELOPMENT	SUBWAY	EXPENSE	41.68
ECONOMIC DEVELOPMENT	WINDOM QUICK PRINT	SUPPLIES	199.00
		Total for Department 187	863.33*
		Total for Fund 67	863.33*
	NATIONAL CABLE TV CO	EQUIPMENT	11,585.96
	MANKATO NETWORKS LLC	EQUIPMENT	56,971.00
		Total for Department	68,556.96*
TELECOMMUNICATIONS	ADARA TECHNOLOGIES I	EQUIPMENT & PROF SERVICE	7,437.00
TELECOMMUNICATIONS	ADARA TECHNOLOGIES I	SERVICE	10,500.00
TELECOMMUNICATIONS	AZAR COMPUTER SOFTWA	SOFTWARE SUPPORT	2,600.00
TELECOMMUNICATIONS	INDOFF, INC	SUPPLIES	10.22
TELECOMMUNICATIONS	GLOBAL GOV'T/EDUCATI	BACK UP BILLING SYSTEM	126.45
TELECOMMUNICATIONS	GLOBAL GOV'T/EDUCATI	LEASE AGREEMENT	533.99
TELECOMMUNICATIONS	GOPHER STATE ONE CAL	LOCATES	24.75
TELECOMMUNICATIONS	GRAYBAR ELECTRIC CO	EQUIPMENT	1,460.07
TELECOMMUNICATIONS	HOMETOWN SANITATION	HAUL GARBAGE	73.92

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
TELECOMMUNICATIONS	WINDOM AUTO VALU	MAINTENANCE	80.91
TELECOMMUNICATIONS	KDOM RADIO	ADVERTISING	160.00
TELECOMMUNICATIONS	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	1,744.03
TELECOMMUNICATIONS	MN DEPT OF COMMERCE	ASSESSMENT	125.53
TELECOMMUNICATIONS	NEW STAR SALES & SER	COPIER MAINTENANCE	35.00
TELECOMMUNICATIONS	ONVOY, INC	WHOLE 800 SWITCH	2,502.63
TELECOMMUNICATIONS	RUNNING'S SUPPLY	MAINTENANCE	268.62
TELECOMMUNICATIONS	RUSHMORE INDUSTRIES,	FREIGHT	11.06
TELECOMMUNICATIONS	SCHWALBACH HARDWARE	MAINTENANCE	239.73
TELECOMMUNICATIONS	SOUTHWEST/WEST CENTR	SERVICE	833.33
TELECOMMUNICATIONS	STONER INDUSTRIAL, I	SERVICE	38.26
TELECOMMUNICATIONS	WINDOM QUICK PRINT	SUPPLIES	129.00
TELECOMMUNICATIONS	BANK MIDWEST	NSF CHECK	261.76
TELECOMMUNICATIONS	ZAYO BANDWIDTH	BANDWIDTH BILLING	5,808.83
TELECOMMUNICATIONS	MANKATO NETWORKS LLC	SERVICE	5,680.00
TELECOMMUNICATIONS	HURRICANE ELECTRIC I	SERVICE	193.55
	Total for Department 199		40,878.64*
	Total for Fund 69		109,435.60*
	Grand Total		501,818.37*



You Are Invited To The

# Southwest Regional Development Commission's



# ANNUAL MEETING

Thursday, July 21, 2011

4:00 p.m. Annual Meeting Followed by Dinner

**Balaton Community Center**  
134 3rd Street, Balaton, MN

*Guest Speaker:*

**Bob Shepard, Retired Chief Administrator**  
MN Farm Bureau Federation

Mr. Shepard will speak on his twenty years of experience in assisting Farm Bureau staff and leaders from across the country in strategic planning, state board roles and responsibilities training.

(\$17.50 per person payable to the SRDC)

*Please Clip and Return the RSVP form below by 7-8-11.*

*(Pre-registration is necessary)*

If questions contact Rhonda at the SRDC Office 507-836-1644.

**\*\*SRDC Full Commission Business Meeting will be held at 2:45 p.m.  
followed by the 4:00 p.m. Annual Meeting and Dinner\*\***

Name(s) \_\_\_\_\_ Ph# \_\_\_\_\_

Representing \_\_\_\_\_

I will be attending the SRDC Annual Meeting on July 21, 2011 at the Balaton Community Center. Enclosed is my check. Cost is \$17.50 / per person payable to the Southwest Regional Development Commission (includes dinner).

**IF ATTENDING, PLEASE RETURN THIS FORM AND PAYMENT BY 7-8-11 TO:**

**Southwest Regional Development Commission**  
2401 Broadway Avenue, Suite 1  
Slayton, Minnesota 56172





Coalition of Greater Minnesota Cities  
**CGMC in Brief**

June 9, 2011

Contact: Tim Flaherty  
651-225-8840

## **No Progress in State Negotiations**

State budget negotiations continued this week, including private meetings between the Governor and Republican Leadership and public hearings in the Legislative Commission on Planning and Fiscal Policy. In addition, Republican Committee Chairs have been negotiating with the governor's cabinet on individual budget areas. No budget agreement has been reached to date.

The Republican Majority presented Governor Dayton with a new budget proposal on Monday night. The Republican proposal included an \$80.5 million increase in spending for education and a \$30 million increase in spending for public safety and the courts, for a total of \$110.5 million. The Republican proposal, however, did not include any new spending above the \$34 billion budget marker set by the Legislature in their now-vetoed budget bills. This means Monday's \$110.5 million proposal would require additional cuts elsewhere in the overall Republican budget plan. The Leadership has not revealed which budget areas would be further cut to allow for the \$110.5 million shift to education, public safety and the courts. The governor has not accepted this new Republican proposal.

If no budget agreement is reached at the end of the day on June 30, the state government will shut down.

## **CGMC Board Requests Determination Regarding LGA & Authorizes Legal Action**

With the authorization of the CGMC board of directors, CGMC President Nancy Carroll sent a letter to Governor Mark Dayton and the commissioners of Revenue and the Office of Management and Budget requesting a determination that the July Local Government Aid payment would be made regardless of whether a government shutdown begins on July 1. Unlike most government spending, LGA is a standing appropriation with a specific amount allocated by statute. With most other government spending, an appropriation must be enacted into law every two years.

The letter requests a written response from the administration by June 30, and we will keep CGMC members updated on this important issue.

The CGMC Board also authorized President Carroll to take legal action to require the state to make the July LGA payment.



## **CGMC Mayors Continue To Press for LGA**

Minneapolis Mayor RT Rybak joined the mayors of Austin, Albert Lea, and New Ulm and city staff from North Mankato and Sleepy Eye at press conferences in both Albert Lea and New Ulm. The mayors emphasized how important it is to have strong communities throughout the state and that LGA plays an important role in keeping those communities strong. Links to newspaper and video coverage are below.

## **CGMC Board Recommends that CGMC Dues Be Unfrozen**

At last Friday's meeting, the CGMC Board recommended that dues for the organization be "unfrozen." Dues have been frozen for 2009, 2010, and 2011. Some cities will see an increase while others will see a decrease. Under the proposal that the board will bring to the membership for a vote in August, the formula itself will remain the same. A number of cities who had joined the organization recently had their dues frozen at a phased-in level. If the dues are unfrozen, these cities' dues would move to the next phase. In addition, some cities will see a decrease or increase in dues as a result of population decreases or increases. Information on the impact of unfreezing the dues will be sent to CGMC cities next week.

## **Media Round-Up**

One theme that some newspapers voiced this week is that balancing the budget through increased revenue (i.e. taxes) will not drive businesses from the state:

- Susan Nee of the Rochester Post Bulletin Editorial Board pointed to the Federalist papers to make her case that a balanced approach is needed. <http://www.postbulletin.com/news/stories/display.php?id=1456814>
- The former CEO of Tennant Corp and Chair of the Minnesota Business Partnership explained that the Dayton tax plan would not drive businesses away. <http://bit.ly/kqqzqL>

Compromise continues to be a theme. Rochester Post Bulletin points out that compromise is still honorable when it comes to the budget discussion. Also asks DFL leaders in legislature to step up more. <http://bit.ly/lAk9x3>

The St. Cloud Times asks all sides to detail what "living within means" looks like to the other 98% of population <http://bit.ly/k1RJ7W>

The press conferences in New Ulm and Albert Lea received television and newspaper coverage:

- New Ulm coverage <http://bit.ly/mqgJC1>, <http://bit.ly/jkYtoN> and <http://bit.ly/jzOPYi>
- Albert Lea Coverage <http://bit.ly/iop2Sv>, <http://bit.ly/IE7lRU> and <http://bit.ly/jilKA7>



**CGMC Breakfast at  
LMC Annual  
Conference set for  
June 17**

If you are planning on attending the League of Minnesota Cities Annual Conference in Rochester please plan on attending our annual CGMC breakfast from 7:30-8:30 on Friday, June 17<sup>th</sup>. Breakfast will be onsite at the Mayo Civic Center and should provide an excellent opportunity to network with other officials from across Minnesota and get an update from the legislature by CGMC staff. If you are planning on attending please contact Colleen Millard at [cmillard@flaherty-hood.com](mailto:cmillard@flaherty-hood.com) or at 651-225-8840.

**Registration for  
CGMC Conference  
Now Open!**

Please be sure to join us for our Annual Summer Conference from August 3-5. This year's event will be held in beautiful Grand Rapids at the Timberlake Lodge Hotel. In addition to the usual legislative session wrap-up, and membership meeting, program highlights will focus on economic development. The growing list of confirmed speakers and panelists include Department of Employment and Economic Development Commissioner Mark Phillips, Minnesota Angel Network Executive Director Todd Leonard, Rob West of the Area Partnership for Economic Development, Iron Range Resources Commissioner Tony Sertich, and Joe Broking of the Itasca Economic Development Corporation. Please see attached agenda and registration materials for information on attending the conference.





# 2011 CGMC Summer Conference Grand Rapids Tentative Agenda



## Wednesday, August 3

11:00 a.m. Check-in and Registration  
Open

1:00 p.m. Board of Directors Meeting

2:00 p.m. Legislative Session Results  
Annexation/Land Use –  
Bradley Peterson

Environment –  
Elizabeth Wefel

Transportation and Economic  
Development – JD Burton

LGA/State Budget –  
Steve Peterson and Tim Flaherty

3:15 p.m. BREAK and Hotel Check-In

4:00 p.m. Redistricting 101

5:30 p.m. Buses Leave for Picnic and  
Tours of Minnesota Forest  
History Center  
Families Welcome

8:30 p.m. Approximate Return to Hotel

## Thursday, August 4

\*Breakfast on own\*

8:00 a.m. Morning Activities  
See Registration for Options

12:30 p.m. Lunch at Timberlake Lodge  
DEED Commissioner Mark Phillips

1:45 p.m. Focus on Economic Development  
1:45 – Angel Investment Panel  
Todd Leonard, MN Angel Network  
Jeff Nelson, DEED

2:45 Break

3:00 Business Marketing and Investment  
Rob West, Area Partnership for Economic Expansion

4:00 Economic Development in Northeast Minnesota  
Commissioner Tony Serfich, Iron Range Resources  
Joe Broking, Itasca Economic Development Corp.

5:00 p.m. BREAK

5:30 p.m. Social Hour

6:30 p.m. Legislative Awards Dinner  
Governor Mark Dayton - Invited

## Friday, August 5

8:00 a.m. Breakfast

8:30 a.m. Labor and Employee  
Relations Update and  
Business Meeting  
Chris Hood & Brandon  
Fitzsimmons

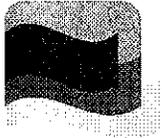
9:30 a.m. Full Membership Meeting  
Welcome and Introductions  
CGMC President Nancy Carroll

Treasurer's Report

Approval of Dues Assessment  
and Budget

Report of the Nominating  
Committee and Election of  
Officers  
Other

11 a.m. Adjourn



# 2011 CGMC Summer Conference Grand Rapids Registration



Please mark how many people will attend each event and make additional copies of the registration as needed.

**City:** \_\_\_\_\_

**Name/title:** \_\_\_\_\_ **Guest(s)** \_\_\_\_\_

**Name/title:** \_\_\_\_\_ **Guest(s)** \_\_\_\_\_

**Name/title:** \_\_\_\_\_ **Guest(s)** \_\_\_\_\_

Please indicate the number of people attending each event in the space provided.

### Wednesday, August 3

- \_\_\_ 1:00 p.m. Board of Directors meeting
- \_\_\_ 2:00 p.m. Legislative Session Results and 2012 Outlook
- \_\_\_ 4:00 p.m. Redistricting 101
- \_\_\_ 5:30 p.m. Picnic and Tour of Minnesota Forest History Center

### Thursday, August 4

#### Morning options for members and guests

- \_\_\_ 7:00 a.m. Golf at Pokegama Golf Course  
*(Green Fees compliments of city of Grand Rapids, cost of carts on your own)*
- \_\_\_ 7:00 a.m. Guided fishing on area lakes (Space limited, equipment provided, MN fishing license required)
- \_\_\_ 8:00-11:30 a.m. Tour of Blandin Paper Factory
- \_\_\_ 8:00-11:30 a.m. Guided Bike tour of city trails (Bikes provided)
- \_\_\_ 12:30 p.m. Lunch – DEED Commissioner Mark Phillips (invited)
- \_\_\_ 1:30 p.m. Focus on Economic Development
- \_\_\_ 5:30 p.m. Social Hour
- \_\_\_ 6:30 p.m. Legislative Awards Dinner

### Friday, August 5

- \_\_\_ 8:00 a.m. Breakfast
- \_\_\_ 8:30 a.m. Labor and Employee Relations Update and Business Meeting
- \_\_\_ 9:30 a.m. Full Membership Meeting

## Hotel Reservations

### Timberlake Lodge Hotel

Phone: 218.326.2600  
CGMC rate: \$99.00 + tax  
144 SE 17<sup>th</sup> Street  
Grand Rapids, MN 55744  
[www.timberlakelodgehotel.com](http://www.timberlakelodgehotel.com)

### Super 8 Grand Rapids

Phone: 218.327.1108  
CGMC rate: \$68.29 + tax  
1702 Pokegama Ave.  
Grand Rapids, MN 55744  
[http://www.super8.com/Super8/control/Booking/property\\_info?propertyId=03647&brandInfo=SE](http://www.super8.com/Super8/control/Booking/property_info?propertyId=03647&brandInfo=SE)

All conference activities are at Timberlake Lodge unless otherwise noted

Super 8 Grand Rapids is immediately adjacent to conference location

Hotel room blocks are held until July 22

### Members Attending

1	\$220
2	\$430
3	\$640
4	\$820

**Total \$** \_\_\_\_\_

Please make checks payable to CGMC.

**Bill me**

**Payment enclosed**

**I'll pay at the conference**

**Please include \$26 for each guest dinner**

Please send registration form to Colleen Millard by July 22 via:

mail - 525 Park Street, Suite 470, Saint Paul, MN 55103, fax - 651.225.9088, or e-mail – [cmillard@flaherty-hood.com](mailto:cmillard@flaherty-hood.com)

**Meeting Name: Windom Area Hospital Board of Directors' Meeting  
AGENDA**

<b>Purpose:</b> Provide governance for Windom Area Hospital
<b>Date/Time/Location:</b> June 20, 2011 / 5:30 pm / Large Conference Room
<b>Facilitator:</b>
<b>Members:</b> All board members Present: Absent: Others:
<b>Recorder:</b> Janel Eichstadt
<b>Sanford Way:</b> Patient Centered, Inclusive, Data Driven
<b>SHN Pillars:</b> Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Account- table Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order		AI P.		All	5:30 – 5:31
Minutes	Approve minutes from regular meeting of May 16, 2011	AI P.		All	5:40 – 5:41
<b>COMMITTEE REPORTS</b>					
Finance/Personnel/ Labor Relations/Building & Grounds Committee	Review committee activities	Peggy P.		All	5:41 – 5:50
Professional Practice/ Quality Committee	Review committee activities	Steve F.		All	5:50 – 5:55
Planning Committee	Review committee activities	Kathy R.		All	5:55 – 6:00

**Meeting Name: Windom Area Hospital Board of Directors' Meeting  
MINUTES**

<b>Purpose:</b> Provide governance for Windom Area Hospital
<b>Date/Time/Location:</b> May 16, 2011 / 5:30 pm / Large Conference Room
<b>Facilitator:</b>
<b>Members:</b> All board members Present: Allen Peterson, Peggy Pfeffer, Mary Klosterbuer, Kathy Ratzlaff, Steve Fresk, Judy Woizeschke, Gerri Burmeister, Administrator, Katie Slette, HR/ Marketing, Kari Witte, DPC, Kim Armstrong, CFO, Randy Anderson, SHN VP via telephone conference Absent: Julie Brugman, Mt. Lake Advisory Mbr Others: Dr. Jeff Taber, Chief of Staff, Steve Nasby, City of Windom Janel Eichstadt
<b>Recorder:</b>
<b>Sanford Way:</b> Patient Centered, Inclusive, Data Driven
<b>SHN Pillars:</b> Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Accountable Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order	Vice-chairperson Al Peterson called the meeting to order. Ryan McNamara and Dr. Mike Fisher were welcomed as new members to the Windom Area Hospital Governing Board.	Al P.		All	
Nomination of Officers	Nominating Committee members Kathy Ratzlaff and Peggy Pfeffer presented the slate of Windom Area Hospital Governing Board officers for FY2011-12. The slate read as follows: <ul style="list-style-type: none"> <li>Chairperson – Al Peterson</li> <li>Treasurer – Kathy Ratzlaff</li> <li>Vice-Chairperson – Steve Fresk</li> <li>Secretary – Judy Woizeschke</li> </ul> There were no other nominations from the floor. M/S/C UNANIMOUSLY THAT NOMINATIONS CEASE AND CAST A UNANIMOUS BALLOT FOR FY2011-12 GOVERNING BOARD OFFICERS AS PRESENTED (FRESK/WOIZESCHKE). Chairperson Al Peterson presided over the remainder of the Governing Board meeting.	Kathy R.		All	
Minutes	M/S/C UNANIMOUSLY TO APPROVE MINUTES FROM THE REGULAR MEETING OF APRIL 18, 2011 O	Al P.		All	
<b>COMMITTEE REPORTS</b>					
Finance/Personnel/ Labor Relations/Building & Grounds Committee	M/S/C UNANIMOUSLY, UPON COMMITTEE RECOMMENDATION, TO APPROVE THE APRIL 2011 UTILIZATION AND FINANCIAL PERFORMANCE REPORTS AS PRESENTED (PFEFFER/MCNAMARA). M/S/C UNANIMOUSLY, UPON COMMITTEE RECOMMENDATION, TO APPROVE SENDING ACCOUNTS TOTALING \$41,333.41 TO REVENUE RECAPTURE. AND APPROVAL OF 2 FINANCIAL ASSISTANCE ACCOUNTS FOR 100% WRITE-OFF AND 1 ACCOUNT FOR A 75% WRITE-OFF, ALL TOTALING \$4497.01 (PFEFFER/FISHER) Committee approval was given for the transfer of \$257,956 from Funded Depreciation to the checking account to cover capital expenses incurred during the previous month. April 2011 surgery report was given showing gross income of \$33,982.90.	Peggy P		All	

Administration	An invitational letter to the Sanford Gala Week was included in the board packet. Gerri encouraged board members to attend. Board members attending are asked to please contact Gerri or Janel for room accommodations. June 11 is the Fun Run event and Katie Slette is looking for volunteers to help with this event. If interested contact Katie or Gerri.	Gerri B.	All	
Foundation	5 students received \$1000 scholarships from the Foundation recently. John Curley was awarded an additional \$1000 scholarship from Sanford. On June 6 <sup>th</sup> the Foundation will be serving Walking Tacos from 5-7:30pm on the east lawn of the BARC center prior to the beginning of the Miss Riverfest pageant.	Jim K.	Growth	
Auxiliary	April meeting minutes included in the board packet. Mary Klosterbuer is the new Auxiliary president and is doing some organizational planning for the Auxiliary.	Gerri B.	Community	
Legislative Issues	Initial healthcare reform act required hospitals to send 1099's to vendors doing over \$600 in business. This requirement has now been repealed. Gerri made note that block grants for Medicaid Assistance is under discussion with the Legislators. Block grants may not be feasible for small rural providers, such as Windom.	Gerri B.	All	
<b>OLD &amp; NEW BUSINESS</b>				
Old Business	There was no old business.			
New Business	Gerri distributed Conflict of Interest statements for board members to sign and return to Janel for FY2011-12.	Gerri B.		
<b>CONCLUSION</b>				
	Chairperson Al Peterson concluded the meeting	Al P.		
Board Education	Continue Patient Safety Education: Adverse Event Reporting	Kari W.	Quality	

Signature \_\_\_\_\_, Judy Woizeschke, Governing Board Secretary

## **WINDOM AREA HOSPITAL MISSION: *Dedicated to Health***

### **Governing Board Meeting**

June 20, 2011

## **LEADERSHIP REPORT**

### **15<sup>th</sup> Annual Vicki Schendel Fun Run**

There was something for everyone at the 15<sup>th</sup> Annual Vicki Schendel Fun Run held on Saturday, June 11, 2011. Registrations for events including a 5K Run, a 5K Walk, 1 Mile Walk and children's activities surpassed the previous record of 189 to set a new record of 245. The Fun Run is organized as a fund raiser to support patient education. This year's event generated \$2700. Special thanks to the many volunteers that made the event possible.

### **2011 Year End Audit**

Personnel from Larson Allen were on site June 1 through 3 to finalize the annual audit. Presentation of the 2011 audit is scheduled on July 18, 2011 in conjunction with the regular board meeting. Final results are dependent upon the completion of the 2011 Medicare Cost Report currently in process.

### **Sanford One Chart**

The first meeting (of many) was held on May 26 to review the Sanford One Chart conversion process. Several Sanford Implementation Team members were present to discuss the process and to assess our current process. Several conference calls are scheduled to address specific areas such as Radiology PACS and Materials Management process. One of our assignments is to identify super users and super trainers to aid in the conversion process.

### **Sanford All Board Convention**

All Sanford Health Board members are invited to a Sanford All Board Convention scheduled on Friday, August 19, 2011. Board members and their spouse/guest will hear an important Sanford Health Announcement and enjoy lunch on the Sanford Center

ACQUIRE AND IMPLEMENT DIGITAL MAMMOGRAPHY EQUIPMENT BY APRIL 30, 2012.

6-20-11 Waiting for a decision on a grant request. Working with a community member and Windom Area Hospital Foundation on a fund raising effort for Digital Mammography.

RESPONSIBILITY: FINANCE COMMITTEE

IMPLEMENT SANFORD ONE CHART ELECTRONIC RECORD SYSTEM BY MAY, 2012.

6-20-11 First implementation meeting held on May 26, 2011

RESPONSIBILITY: PLANNING COMMITTEE, PROFESSIONAL PRACTICE COMMITTEE

RESEARCH AND REPORT TO THE BOARD, OPTIONS AVAILABLE FOR A GENERAL SURGEON TO PROVIDE INPATIENT SURGERIES IN WINDOM AREA HOSPITAL BY NOVEMBER 2011.

6-20-11 No activity this month.

RESPONSIBILITY: FINANCE COMMITTEE, PROFESSIONAL PRACTICE COMMITTEE

ADOPT AND INCORPORATE FY2012 SANFORD PILLAR GOALS BY AUGUST 1, 2011.

6-20-11 Sanford Pillar Goals 2011 are in place pending Sanford announcement of new goals.

RESPONSIBILITY: PROFESSIONAL PRACTICE COMMITTEE

11-15-10 Total turnover is 2.4%  
12-20-10 Total turnover is 0%  
1-18-11 Total turnover is 0%  
2-22-11 Total turnover is 1%  
3-21-11 Total turnover is 1%  
4-18-11 Total turnover is 0%  
5-16-11 Total turnover is 2.4%  
6-20-11 Total turnover is 2.5%

#### Vacancy rate maintained at 2% or less

6-21-10 Vacancy rate is 0%  
7-19-10 Vacancy rate is 1%  
8-16-10 Vacancy rate is 1%  
9-20-10 Vacancy rate is 1%  
10-18-10 Vacancy rate is 0%  
11-15-10 Vacancy rate is 2%  
12-20-10 Vacancy rate is 2%  
1-18-11 Vacancy rate is 2%  
2-22-11 Vacancy rate is 2.5%  
3-21-11 Vacancy rate is 1%  
4-18-11 Vacancy rate is 1.5%  
5-16-11 Vacancy rate is 1.5%  
6-20-11 Vacancy rate is 0.8%

#### Engagement scores for area of management trust improve from 76% to 78%

6-21-10 No measurement available this month. Anticipate a survey later this year.  
7-19-10 No measurement available this month.  
8-16-10 N/A  
9-20-10 N/A  
10-18-10 N/A  
11-15-10 N/A  
12-20-10 N/A  
1-18-11 N/A  
2-22-11 N/A  
3-21-11 N/A  
4-18-11 N/A  
5-16-11 No measurement available this year.  
6-20-11 N/A

Press Ganey STD hospital overall for IP improve 3% from 1<sup>st</sup> quarter to 4<sup>th</sup> quarter current 85.9

- 6-21-10 Initial quarter measurement is 85.9. Target is established at 89
- 7-19-10 No measurement available this month
- 8-16-10 Improvement shown at 89.3%, exceeding the target of 89%
- 9-20-10 87.3 interim measurement, progressing toward goal of 89%, reduced from last quarter
- 10-18-10 87.7 interim measurement, progressing toward goal of 89%, slight increase from month
- 11-15-10 89.2 for the quarter, improved from last month and slightly exceeds the 89% target
- 12-20-10 94.1 interim measurement, exceeds the 89% target
- 1-18-11 95.6% interim measurement, exceeds the 89% target
- 2-22-11 88.8% for the quarter, short of the 89% target
- 3-21-11 measured on a quarterly basis
- 4-18-11 measured on a quarterly basis
- 5-16-11 86.1%, slightly above the baseline, falls short of our goal
- 6-20-11 measured on a quarterly basis

Press Ganey STD Overall for OP improve 3% from 1<sup>st</sup> quarter to 4<sup>th</sup> quarter

- 6-21-10 No initial survey results available this quarter. Target is established at 93%
- 7-19-10 No measurement available this month
- 8-16-10 Slight improvement shown at 90.3%, short of the 93% target
- 9-20-10 88.2 interim measurement, down from last quarter and below the 93% target
- 10-18-10 90.8 interim measurement, up from last month, short of the 93% target
- 11-15-10 Interim measurement 92.1, up from last month short of the 93% target
- 12-20-10 Interim measurement 87.3, short of the 93% target
- 1-18-11 Interim measurement 94.9%, exceeds target of 93%
- 2-22-11 92.1% for the quarter, short of the 93% target
- 3-21-11 measured on a quarterly basis
- 4-18-11 measured on a quarterly basis
- 5-16-11 measurement not available until next quarter.
- 6-20-11 measured on a quarterly basis

Press Ganey STD Overall for ED improve 3 % from 1<sup>st</sup> quarter to 4<sup>th</sup> quarter current 85.4

- 6-21-10 Initial quarter measurement is 85.4. Target is established at 89.
- 7-19-10 No measurement available this month

6-20-11 measured on a quarterly basis

Press Ganey Overall assessment for ED (teamwork, likelihood to recommend, care provided) improve 3% from 1<sup>st</sup> quarter to 4<sup>th</sup> quarter

6-21-10 Initial quarter measurement is 85.4. Target is established at 88  
7-19-10 No measurement available this month  
8-16-10 Improvement shown at 87.7%, just short of the 88% target  
9-20-10 90.0 interim measurement, improvement compared to last quarter, exceeds target of 88  
10-18-10 85.7 interim measurement, down from last month, short of 88% target  
11-15-10 87.8% for the quarter, increased from last month, slightly short of the 88% target  
12-20-10 86.1% interim measurement, short of the 88% target  
1-18-11 92.2% interim measurement, exceeds the 88% target  
2-22-11 85.3% for the quarter, short of the 88% target  
3-21-11 measured on a quarterly basis  
4-18-11 measured on a quarterly basis  
5-16-11 86.0%, exceeds the baseline, short of the goal  
6-20-11 measured on a quarterly basis

#### **Pillar # 4 Community**

Board education completed 4 times per year at board meetings

6-12-10 One education session held in May, 2010.  
7-19-10 No education session held in June, Auditor will provide education in July  
8-16-10 Minnesota SHIP session scheduled.  
9-20-10 Tour of Jubilee Garden in Mt. Lake is scheduled.  
10-18-10 GOAL COMPLETED, PLANS ARE IN PLACE TO CONTINUE TO PROVIDE SESSIONS

Conduct at least 1 community development project per year

6-21-10 Vickie Schendel Fun Run held June 12, 2010.  
7-19-10 GOAL COMPLETED

- 11-15-10 Chart completion rate for September is 54%, down slightly from last month, significantly decreased from target
- 12-20-10 Chart completion rate for October is 62%, down from the 70% goal
- 1-18-11 Chart completion rate for November is 59.2%, short of the 70% goal
- 2-22-11 Chart completion rate for December is 48.1%, short of the 70% goal
- 3-21-11 Chart completion rate for January is 57.6%, short of the 70% goal
- 4-18-11 Chart completion rate for February is 43.4%, short of the 70% goal
- 5-16-11 Chart completion rate for March is 68.8%, just short of the 70% goal
- 6-20-11 Chart completion rate for April is 55.5%, short of the 70% goal

#### AR days equal to or less than target of 62 days

- 6-21-10 AR days total 63.74, exceeding the 62 day target.
- 7-19-10 AR days total 63.96, exceeding the 62 day target.
- 8-16-10 AR days total 63.1, exceeding the 62 day target
- 9-20-10 AR days total 59.84, below the 62 day target
- 10-18-10 AR days total 59.11, below the 62 day target
- 11-15-10 AR days total 59.95, below the 62 day target
- 12-20-10 AR days total 56.87, below the 62 day target
- 1-18-10 AR days total 57.67, below the 62 day target
- 2-22-11 AR days total 57.97, below the 62 day target
- 3-21-11 AR days total 60.04, below the 62 day target
- 4-18-11 AR days total 57.15, below the 62 day target
- 5-16-11 AR days total 57.56, below the 62 day target
- 6-20-11 AR days total 64.02., above the 62 day target

#### **Pillar #6** Quality/Safety/Risk

##### Involve patients in care Target 90%

- 6-21-10 No assessment this month, performed quarterly
- 7-19-10 N/A, performed quarterly
- 8-16-10 Involve patients in care totaled 89.5%, just short of the 90% target
- 9-20-10 N/A, performed quarterly
- 10-18-10 N/A, performed quarterly
- 11-15-10 89.4, short for the 90% target
- 12-20-10 N/A, performed quarterly
- 1-18-11 N/A, performed quarterly
- 2-22-11 90.4%, meets the 90% target
- 3-21-11 measured on a quarterly basis
- 4-18-11 measured on a quarterly basis
- 5-16-11 86.8%, short of the target
- 6-20-11 measured on a quarterly basis

3-21-11 measured on a quarterly basis  
4-18-11 measured on a quarterly basis  
5-16-11 Comprised of several scores  
    AMI – no cases  
    Heart Failure  
        Evaluation of LVS Function – 50%  
    Pneumonia  
        Initial ATB Selection – 100%  
6-20-11 measured on a quarterly basis

### Zero falls resulting in harm

6-21-10 No assessment this month, performed quarterly  
7-19-10 N/A, performed quarterly  
8-16-10 0 falls resulting in harm achieved the target  
9-20-10 N/A, performed quarterly  
10-18-10 N/A, performed quarterly  
11-15-10 0 falls, achieved the target  
12-20-10 N/A, performed quarterly  
1-18-11 N/A, performed quarterly  
2-22-11 0 falls resulting in harm, achieved the target  
3-21-11 measured on a quarterly basis  
4-18-11 measured on a quarterly basis  
5-16-11 0 falls resulting in harm, achieved target  
6-20-11 measured on a quarterly basis

### Zero pressure ulcers

6-21-10 No assessment this month, performed quarterly  
7-19-10 N/A, performed quarterly  
8-16-10 2 pressure ulcers exceeded the target of 0, although the pressure ulcers were not reportable events  
9-20-10 N/A, performed quarterly  
10-18-10 N/A, performed quarterly  
11-15-10 0 pressure ulcers, met the target  
12-20-10 N/A, performed quarterly  
1-18-11 N/A, performed quarterly  
2-22-11 0 pressure ulcers, met the target  
3-21-11 measured on a quarterly basis  
4-18-11 measured on a quarterly basis  
5-16-11 0 pressure ulcers, achieved target  
6-20-11 measured on a quarterly basis

4-18-11 measured on a quarterly basis  
5-16-11 0 medication errors causing harm, met target  
6-20-11 measured on a quarterly basis

### Zero reportable events

6-21-10 No assessment this month, performed quarterly  
7-19-10 N/A, performed quarterly  
8-16-10 0 reportable events met the zero target  
9-20-10 N/A, performed quarterly  
10-18-10 N/A, performed quarterly  
11-15-10 0 reportable events, met the zero target  
12-20-10 N/A, performed quarterly  
1-18-11 N/A, performed quarterly  
2-22-11 0 reportable events, met the zero target  
3-21-11 measured on a quarterly basis  
4-18-11 measured on a quarterly basis  
5-16-11 0 reportable events, achieved target  
6-20-11 measured on a quarterly basis

### Medication Reconciliation

6-21-10 No assessment this month  
7-19-10 N/A  
8-16-10 no assessment pending EMR implementation  
9-20-10 N/A, performed quarterly  
10-18-10 N/A, performed quarterly  
11-15-10 no assessment pending EMR implementation  
12-20-10 no assessment pending EMR implementation  
1-18-11 N/A no assessment pending EMR implementation  
2-22-11 no assessment pending EMR implementation  
3-21-11 no assessment pending EMR implementation  
4-18-11 no assessment pending EMR implementation  
5-16-11 no assessment pending EMR implementation

### RAC Audit Scores for all categories at or above 90%

6-21-10 No audit this month  
7-19-10 No audit this month  
8-16-10 No audit this month  
9-20-10 No audit this month  
10-18-10 No audit this month  
11-15-10 No audit this month  
12-20-10 No audit this month

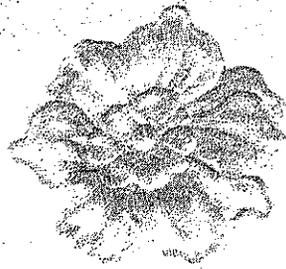


SW MN Radiation Center  
May 2011

We had a **profit** for the month of \$20,800 compared to a budgeted loss of \$5,003. Year to date we have a loss of \$473,878 compared to a budgeted loss of \$94,119. Revenue was \$578,928 compared to budgeted revenue of \$402,018. There was approximately \$200,000 of April revenue that was not posted until May 9<sup>th</sup>. Year to date revenue is under budget by \$736,781. Reductions for the month were at 57.1% compared to budget of 50%. Year to date reductions are at 56.6% compared to budget of 50%. We did see a decrease in Medicare revenue (39.56%) and an increase in both Commercial insurance (25.92%) and Blue Cross (34.52%).

Expenses as a whole were over budget by \$22,136. This was due to \$17,599 in contract physician cost to cover Dr Yoon's vacation. Year to day we are under budget by \$28,896. We also had \$3,772 in tech coverage due to maternity leave.

We had 287 treatments this month compared to 295 last month and 132 this month last year. IMRT% was 13.9% compared to 22.7% last month and 38.6% this month last year. We had 8 new consults this month compared to 10 last month.



thank you

Thank you so much for the lovely Cross pen and pencil set. I used the pen to officially sign the new Management Agreement with Sanford!

Thanks, too, for the gavel. That will be a nice keepsake of my 9 "quick" years on the Board. I truly consider it an honor and a privilege to have served on the Windom Area Hospital Governing Board, but also to have had the opportunity to work with each of you. I wish WAH and each of you continued success.

Mary Klosterbauer

**Meeting Name: Windom Area Hospital Finance/Personnel, Labor Relations & Building & Grounds Committee**  
**AGENDA**

**Purpose:** Review and recommend annual operating budget and capital expenditure plan, review and recommend capital expenditures, review and evaluate monthly financial reports and recommend approval to board, review and recommend annual audit report,

**Date/Time/Location:** June 20, 2011 / 3:00 pm / Administrative Conference Room

**Facilitator:** Peggy Pfeffer

**Members:** Peggy Pfeffer, Dr. Mike Fisher,

Ryan McNamara, Kim Armstrong, Gerri

Burmeister

**Recorder:** Janel Eichstadt

**Sanford Way:** Patient Centered, Inclusive, Data Driven

**SHN Pillars:** Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Accountable Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order	Call Finance/Personnel, Labor Relations & Building & Grounds meeting to order.	Peggy P.		All	3:00 – 3:01
Minutes	Approve Minutes from May 16, 2011 meeting	Peggy P.		All	3:01 – 3:02
Statistical & Financial Performance Report	Review and recommend approval of reports	Kim A.		Finance	3:02 – 3:20
Revenue Recapture Financial Assistance	Review and recommend approval of accounts	Kim A.		Finance	3:20 – 3:35
Funded Depreciation Transfer	Review and approve transfer	Kim A.		Finance	3:35 – 3:36
Employee Resignations	Review and recommend acceptance of resignations	Gerri B.		People	3:36 – 3:38
Surgery Report	Review report	Kim A.		Finance	3:38 – 3:40
<b>FOLLOW-UP ITEMS</b>					
Sanford One Chart	Update committee regarding May 26 <sup>th</sup> meeting with Sanford One Chart Implementation Team, discuss future plans and/or challenges	Kim A./ Gerri B.		All	3:40 – 3:50

**Meeting Name: Windom Area Hospital Finance/Personnel, Labor Relations & Building & Grounds Committee**  
**MINUTES**

**Purpose:** Review and recommend annual operating budget and capital expenditure plan, review and recommend capital expenditures, review and evaluate monthly financial reports and recommend approval to board, review and recommend annual audit report,

**Date/Time/Location:** May 16, 2011 / 3:30 pm / Administrative Conference Room

**Facilitator:** Peggy Pfeffer

**Members:** Peggy Pfeffer, Ryan McNamara, Dr. Mike Fisher, ex-officio Al Peterson, Kim Armstrong, CFO, McNamara, Dr. Mike Fisher, Kim Armstrong, CEO, Randy Anderson, VP Sanford Health Network via telephone conference  
 Absent: Julie Brugman, Mt. Lake Advisory mbr  
 Others:

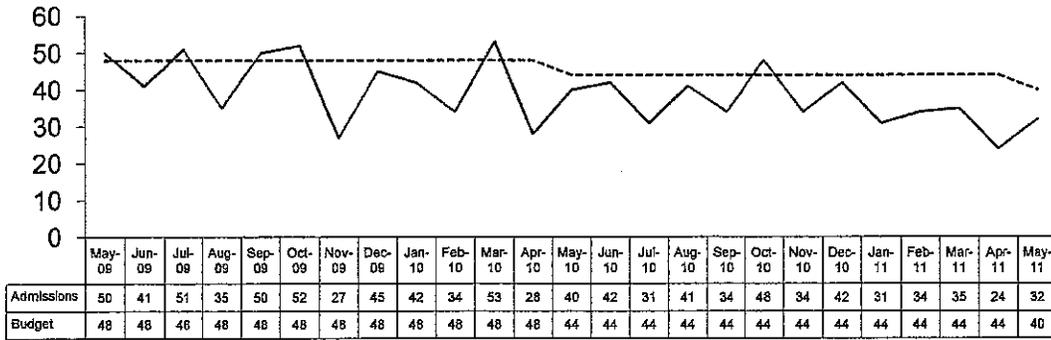
**Recorder:** Janel Eichstadt

**Sanford Way:** Patient Centered, Inclusive, Data Driven

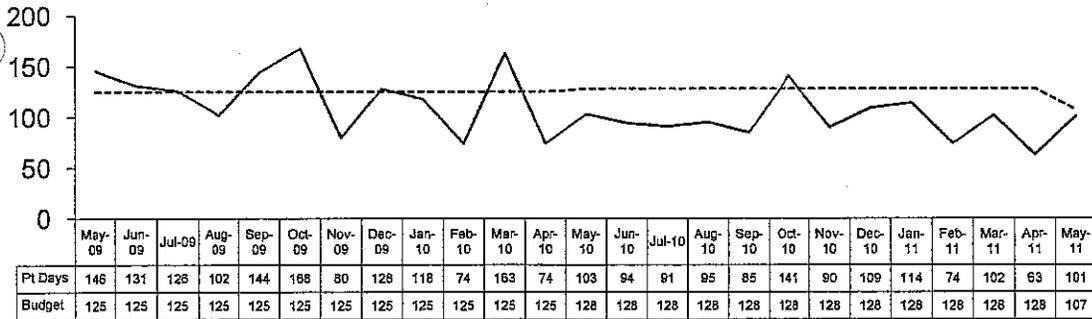
**SHN Pillars:** Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/Required Outcome	Action step(s)/Updates	Accountable Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order	Meeting was called to order by Committee chairperson Peggy Pfeffer. She welcomed new committee members Ryan McNamara and Dr. Mike Fisher to the board.	Peggy P.		All	
Minutes	M/S/C UNANIMOUSLY TO APPROVE MINUTES FROM THE REGULAR MEETING OF APRIL 18, 2011 MEETING (MCNAMARA/FISHER)			All	
Statistical & Financial Performance Report	April 2011 showed most statistical and utilization graphs at or below budget projections. Those above budget projections included ER visits, Outpatient services and Rehab Modalities. Medicare and Medicaid Days were below budget projections. April's total patient revenue was decreased from budget projections; deductions as a percentage of revenue were below budget projections; total expenses were below expectations; Non-operating revenue and expenses factored in left a net gain of \$53,359.99. Fiscal year-to-date net income is \$627,444.98. M/S/C UNANIMOUSLY TO RECOMMEND BOARD APPROVAL OF THE APRIL 2011 STATISTICAL AND FINANCIAL PERFORMANCE REPORTS AS PRESENTED (MCNAMARA/FISHER).	Kim A.		Finance	
Revenue Recapture Financial Assistance	Patient accounts totaling \$25,899.63 were recommended for referral to Revenue Recapture. 3 Financial Assistance accounts were submitted for write-off totaling \$4497.01. Two accounts were approved for 100% write-off and 1 account was approved for a 75% write-off. M/S/C UNANIMOUSLY TO RECOMMEND APPROVAL OF SENDING ACCOUNTS TOTALING \$41,333.41 TO REVENUE RECAPTURE. AND APPROVAL OF 2 FINANCIAL ASSISTANCE ACCOUNTS FOR 100% WRITE-OFF AND 1 ACCOUNT FOR A 75% WRITE-OFF ALL TOTALING \$4497.01 (MCNAMARA/FISHER)	Kim A.		Finance	

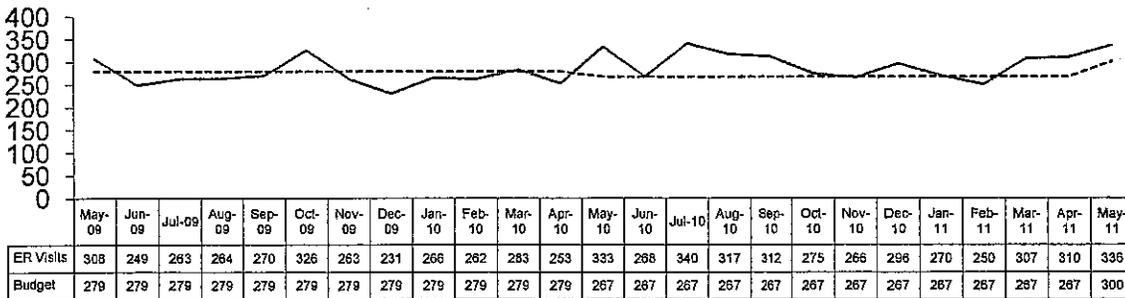
### ADMISSIONS



### PATIENT DAYS

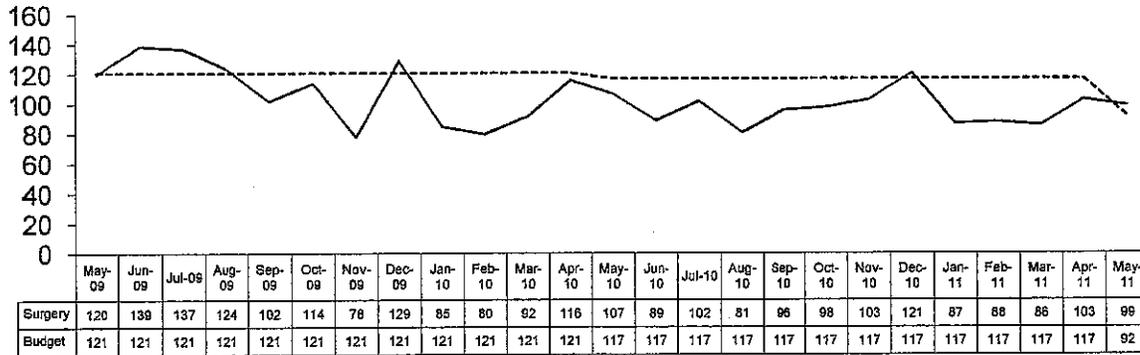


### EMERGENCY VISITS



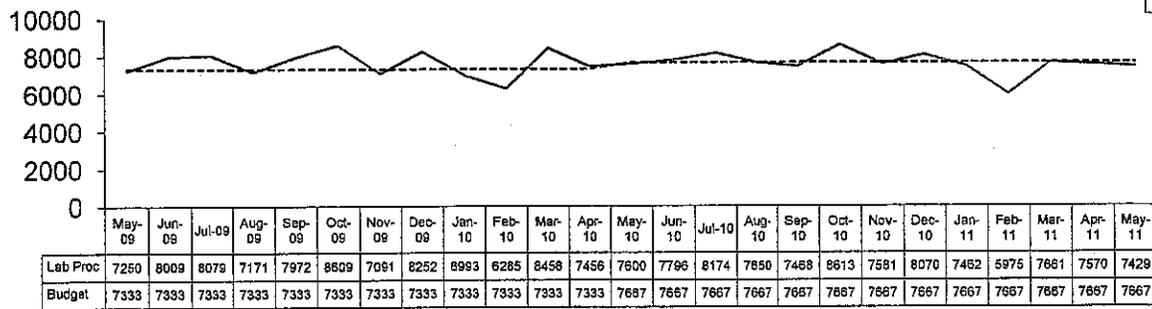
### SURGERY

— Surgery  
 - - - Budget



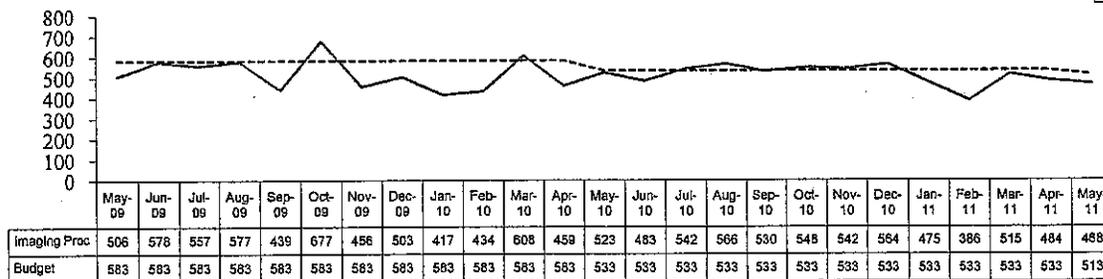
### LAB PROCEDURES

— Lab Proc  
 - - - Budget



### IMAGING PROCEDURES

— Imaging Proc  
 - - - Budget



## WINDOM AREA HOSPITAL

Notes to Financial Statement  
Month Ending May 2011

### **REVENUE:**

May total patient revenue was decreased from budget projections \$2,076.72 for the month. Inpatient revenue reflected a decrease of 7.7% and outpatient revenue was 1.9% above projections. May 2011 total patient revenue is increased from May 2010 by a total of \$29,725.55.

### **DEDUCTIONS FROM REVENUE:**

Deductions as a percentage of revenue were below the budget level for the month. Gross deduction total was below budget projections \$335.02. Year to date deductions total \$531,435.98 or 30.10% of total patient revenue.

### **EXPENSES:**

Total expense for the month was \$51,993.20 below budget expectations. Total expense was 95.50% of Net Revenue from Operations compared to a budgeted figure of 99.38%. Year to date expenses total \$1,191,844.80 which is 95.50% of the net revenue from operations.

### **NET INCOME FROM OPERATIONS:**

Operating Income for the month has increased from expectations by \$48,499.19. The operating income showed a margin of 4.50% (as a percent of Net Revenue from operations). Non-operating revenue and expenses factored in leave a net gain of \$59,822.64, which is a 4.79% margin.

### **BALANCE SHEET ACCOUNTS:**

Total cash on hand has decreased \$1,123,123.55 when compared to last year at this time. Total receivables have decreased from \$2,513,273.58 to \$2,366,428.68. Total current liabilities have increased from \$1,104,860.20 in May 2010 to \$1,241,266.16 in 2011.

Windom Area Hospital  
 Revenue and Expense Statement  
 Analysis

5/31/2011

	5/31/2011	Revenue Comparison	Budget 2012	Revenue Comparison	y-t-d 2012	Revenue Comparison	Budget 2012	Revenue Comparison
<b>PATIENT REVENUE</b>								
Inpatient Revenue	\$333,122.00	23.26%	\$360,907.00	20.42%	\$333,122.00	18.87%	\$360,907.00	20.42%
Outpatient Revenue	1,432,192.28	81.13%	1,406,484.00	79.58%	1,432,192.28	81.13%	\$1,406,484.00	79.58%
Total Patient Revenue	\$1,765,314.28	100.00%	\$1,767,391.00	100.00%	\$1,765,314.28	100.00%	\$1,767,391.00	100.00%
Deductions	\$531,435.98	30.10%	\$531,771.00	30.09%	\$531,435.98	30.10%	\$531,771.00	30.09%
Other Income	14,189.69	0.80%	15,942.00	0.90%	14,189.69	0.80%	\$15,942.00	0.90%
Net Revenue from Operations	\$1,248,067.99	100.00%	\$1,251,562.00	100.00%	\$1,248,067.99	100.00%	\$1,251,562.00	100.00%
<b>EXPENSE</b>								
Prof. Care of Patient	\$745,458.43	59.73%	\$804,145.00	64.25%	\$745,458.43	59.73%	\$804,145.00	64.25%
General and Admin.	224,587.52	17.99%	227,181.00	18.15%	224,587.52	17.99%	\$227,181.00	18.15%
Property and Household	82,867.12	6.64%	69,225.00	5.53%	82,867.12	6.64%	\$69,225.00	5.53%
Dietary	31,228.41	2.50%	33,121.00	2.65%	31,228.41	2.50%	\$33,121.00	2.65%
Deprec. and Interest	58,041.54	4.65%	76,833.00	6.14%	58,041.54	4.65%	\$76,833.00	6.14%
Bad Debt Expense	49,661.78	3.98%	33,333.00	2.66%	49,661.78	3.98%	\$33,333.00	2.66%
Total Expense	\$1,191,844.80	95.50%	\$1,243,838.00	99.38%	\$1,191,844.80	95.50%	\$1,243,838.00	99.38%
Income (loss) From Operations	\$56,223.19	4.50%	\$7,724.00	0.62%	\$56,223.19	4.50%	\$7,724.00	0.62%
Non operating Income	\$5,403.68	0.43%	\$9,875.00	0.79%	\$5,403.68	0.43%	\$9,875.00	0.79%
Non operating Expense	1,804.23	0.14%	1,876.00	0.15%	1,804.23	0.14%	\$1,876.00	0.15%
Net Income (loss)	\$59,822.64	4.79%	\$15,723.00	1.26%	\$59,822.64	4.79%	\$15,723.00	1.26%

**Meeting Name: Windom Area Hospital Professional Practice/Quality Committee**  
**AGENDA**

**Purpose:** Oversee hospital compliance with regulations and laws, receive recommendations from the Medical Staff and make final recommendations to the Governing Board, receive and consider all quality reports and recommend to the Governing Board.

**Date/Time/Location:** June 20, 2011 / 4:30 pm / Administrative Conference Room

**Facilitator:** Steve Fresk

**Members:** Steve Fresk, Judy Woizeschke,

Kathy Ratzlaff, Kari Witte, Gerri

Burmeister

**Recorder:** Amy Tessman

**Sanford Way:** Patient Centered, Inclusive, Data Driven

**SHN Pillars:** Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Accountable Person	Timeframe to Complete	Pillar	Time (minutes)
<b>PENDING ITEMS</b>					
Call to Order	Call Professional Practice/Quality meeting to order.	Steve F.		All	4:30 – 4:31
Minutes	Approve minutes from May 16, 2011 meeting	Steve F.		All	4:31 – 4:32
Hospital Committees	Review and recommend approval of hospital Committee Meetings	Lois A.		Quality/ Service	4:35 – 4:45
Medical Staff Credentialing Recommendations	Review and recommend approval of appointments & reappointments	Dr. Taber		People/ Quality/ Service	4:45 – 4:55
Service Excellence	Review Service Excellence Activities	Gerri B.		All	4:55 – 5:00
Patient Concern Reports	Review patient concern reports and patient survey comments	Lois A.		All	5:05 – 5:15
Patient Safety	Review patient safety activities and reports	Lois A.		Quality/ Service/ People	5:15 – 5:20
<b>FOLLOW-UP ITEMS</b>					

**Windom Area Hospital Professional Practice/Quality Committee  
MINUTES**

Purpose: Oversee hospital compliance with regulations and laws, receive recommendations from the Medical Staff and make final recommendations to the Governing Board, receive and consider all quality reports and recommend to the Governing Board.

**Date/Time/Location:** May 16, 2011 / 4:30 pm / Administrative Conference Room

**Facilitator:** Steve Fresk

**Members:** Steve Fresk, Judy Woizeschke, Kathy Ratzlaff, Allen Peterson, Gerri Burmeister, Administrator, Kathy Ratzlaff, Kari Witte, Gerri Burmeister  
**Absent:** Jeffrey Taber, M.D., Chief of Staff and Julie Brugman, Mt. Lake Advisory Board Member  
**Others:**

**Recorder:** Amy Tessman

**Sanford Way:** Patient Centered, Inclusive, Data Driven

**SHN Pillars:** Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Account- table Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order	S. Fresk, Chairperson, called the meeting to order at 4:38 P.M.	Steve F.		All	
Minutes	The minutes of the previous meeting of April 18, 2011 were approved as submitted (Fresk/Woizeschke). <i>Infection Control:</i> The WIPES program will be implemented by July 1 <sup>st</sup> . Discussion was held regarding this Sanford-adopted program. There were no healthcare acquired infections per 1,000 patient days for first quarter 2011. It was noted that we have seen an increase in influenza patients in the ER. The MN Department of Health has recommended that all healthcare workers with direct patient contact have a single dose of Tdap as soon as feasible. Additionally, the MN Department of Health is recommending that those without evidence of immunity to measles receive two doses of the MMR vaccine. The Bloodborne Pathogen Exposure Control Plan and Tb Exposure Control Plan have been reviewed. M/S/C unanimously, to recommend o the Governing Board the approval of the Bloodborne Pathogen Exposure Control Plan and Tb Exposure Control Plan. (Fresk/Ratzlaff)	Steve F.		All	
Hospital Committees		Kari W.		Quality/ Service	

Statement of Confidentiality: Records, data, and knowledge including minutes collected for and by individuals or committees, or committees assigned peer review functions are confidential, not public records and are not available for court subpoena in accordance with Minnesota MSA 145.61-145.67.

**WINDOM AREA HOSPITAL  
CREDENTIALING**

**June 20, 2011**

**APPOINTMENTS:**

Jacob Ekins, M.D.

John Haas, M.D.

John Lewis, M.D.

Consulting Staff

Consulting Staff

Telemedicine Staff

**REAPPOINTMENTS:**

Steven Brick, M.D.

Kimberly Burkholz, M.D.

Ananthakrishna Chilukuri, M.D.

Amy Kufahl, CNP

Richard Toothman, M.D.

David West, M.D.

Peter Zelinka, M.D.

Telemedicine Staff

Telemedicine Staff

Telemedicine Staff

Allied Health Professionals Staff

Telemedicine Staff

Consulting Staff

Telemedicine Staff

WINDOM AREA HOSPITAL  
 GOVERNING BOARD REPORT  
 Service Recovery Meeting Summary (June 7, 2011)  
 16 Concerns Reviewed

#	Department	Concern Type
3	Inpatient	Facilities
1	Inpatient	Facilities / Food Service
1	Inpatient	Medical Services
1	Inpatient	Personnel
1	Emergency Department	Charges
1	Emergency Department	Medical Services
1	Emergency Department	Personnel
1	Outpatient	Registration
2	Outpatient	Standards of Care
1	Outpatient	Communication
1	Outpatient	Facilities
1	Outpatient	Access to Services / Wait Time / Facilities
1	Outpatient	Valuables

## Personal Issues

1. Inconsistent treatment by nursing staff.

## Overall Assessment

1. My nurses were all very caring. Though I don't remember their names, all the nurses I had during my stay were very compassionate, skilled and dedicated to our care. (OB)
2. They took good care of me, they were all great. I felt comfortable at the hospital, they were there when I needed them. The nurses and the staff were super great. They always had a friendly smile every day. Keep up the good work. We have a very good hospital here, and doctors.
3. Good to be close to home for recovery process.
4. Wonderful hospital, excellent staff.
5. Hesitant to do so! (regarding question: recommend hospital to others)
6. I have been told that if a person suffers a stroke and they get to the hospital in 3 hours the stroke can sometimes be reversed. I know the patient was there within 3 hours of the stroke, but don't know if there was any reversal procedure done or it was determined that it was a stroke and that the way it is!!!!

## Emergency Department

### Arrival

1. Didn't have to wait at all. Very good experience.
2. Good.
3. The nurses and doctor were very prompt and immediately took me to treatment area in ER.
4. Didn't even sit in waiting room.
5. Very quick to help us. There were no other patients at this time.
6. Excellent response and care. We called first and were met at the door. The staff was fantastic, as well as the doctor.
7. Received help immediately.

### Nurses

1. Very caring and concerned.
2. No one else there.
3. Nurses were very friendly, but were not knowledgeable about helping my child. The sling they put on my child's broken arm was pointless, they should have done a better job with it.
4. The nurses were great. Immediately did tests, listened to symptoms...
5. Everyone was great that night.
6. Nurse was very sweet, kind and caring.
7. Cheryl was our nurse and was excellent!
8. Very concerned to keep me comfortable and informed.

## Outpatient Departments

### Registration

1. I called outpatient desk to double check my appointment (1-2 days before appointment). When I registered, I was told the truck to do the test was not coming. They called the doctor and he said they would do a different test. So I had to wait several hours for doctor to come from Sioux Falls.
2. Good.
3. There is a lot of confusion when I register. I didn't know hospital insists on having doctor's orders signed and that tests must be exactly written. I understand why, but check in takes a long time!
4. Everything went fine.
5. Entrance hidden behind emergency wing – confusing hallways – didn't remember how to get out of the building.
6. Clerk was courteous and efficient.

### Facility

1. Nurses attending hall (registration desk) with their scrubs on, and their head covering and gloves and shoes.
2. We waited on folding chairs in the hallway before the IV room was available.

### Your Test or Treatment

1. Kate did a good job of explaining what would happen before, during and after procedure. I appreciated her help a lot. She washed her hands and kept the picc line clean.

### Personal Issues

1. I didn't want to transfer from my wheelchair to a small stool. Staff let me stay in my wheelchair. Thanks.
2. After being asked to wash their hands and wear gloves when handling picc line, they did.

### Overall Assessment

1. While my experience at Windom was good, I hear that Jackson has a better treatment area for the same procedures.
2. Please make clear what patients need for doctor's orders to be followed. If signatures are needed make that clear. Registration process could be improved.
3. I was afraid that someone who had never taken out a picc line would take mine out and sure enough – she never had, but was supervised.
4. Would have appreciated being told a little more about what the procedure told them about my condition.

**Meeting Name: Windom Area Hospital Planning Committee**

**AGENDA**

**Purpose:** The committee will review the strategic plan to assure community needs are addressed, review and evaluate trends and report all findings to the Governing Board.

<b>Date/Time/Location:</b>	June 1, 2011 / 4:00 pm / Administrative Conference Room
<b>Facilitator:</b>	Kathy Ratzlaff
<b>Members:</b> Kathy Ratzlaff, Peggy Pfeffer, Allen Peterson, Katie Slette, Gerri Burmeister	Present: Absent: Others:
<b>Recorder:</b>	Janel Eichstadt
<b>Sanford Way:</b>	Patient Centered, Inclusive, Data Driven
<b>SHN Pillars:</b>	Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Account- table Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order	Call Planning Committee meeting to order.			All	4:00
Minutes	Approve meeting minutes from April 11, 2011			All	4:00 – 4:03
<b>FOLLOW-UP ITEMS</b>					
Sanford One Chart	Review initial meeting with the Sanford Implementation Team, held on Thursday, May 26 <sup>th</sup> . Discuss potential process changes	Gerri		All	4:03 – 4:20
2012 Goals	Review/discuss Assignment of responsibility	Gerri		All	4:20 – 4:25
<b>CURRENT ITEMS</b>					
Highway 60 expansion	Review potential Highway 60 expansion project and time frame	Gerri/Al		Service/Community	4:25 – 4:30
Sanford Health Community Appreciation	Discuss Community Appreciation event sponsored by Sanford Health	Gerri/Katie		Community	4:30 – 4:35
Minnesota Intelligent Rural Communities	Review MIRC project	Katie/Gerri		Community/Service	4:35 – 4:45
<b>CONCLUSION</b>					

**Meeting Name: Windom Area Hospital Planning Committee**

**MINUTES**

**Purpose:** The committee will review the strategic plan to assure community needs are addressed, review and evaluate trends and report all findings to the Governing Board.

**Date/Time/Location:** April 11, 2011 / 4:00 pm / Administrative Conference Room

**Facilitator:** Kathy Ratzlaff

**Members:** Kathy Ratzlaff, Allen Peterson, Mary Klosterbuer, Katie Slette, Gerri Burmeister  
 Mary Klosterbuer, Katie Slette, Gerri Burmeister  
 Others:

**Recorder:** Janel Eichstadt

**Sanford Way:** Patient Centered, Inclusive, Data Driven

**SHN Pillars:** Quality/Safety/Risk; Growth; Service; People; Finance; and Community

Category/Topic/ Required Outcome	Action step(s)/Updates	Account- table Person	Timeframe to Complete	Pillar	Time (minutes)
<b>STANDING ITEMS</b>					
Call to Order	Meeting was called to order by Committee Chairperson Kathy Ratzlaff.	Kathy R		All	
Minutes	M/S/C UNANIMOUSLY TO APPROVE THE MINUTES FROM THE REGULAR MEETING OF MARCH 14, 2011 WITH AN AMENDMENT TO THE AGENDA ITEM TITLED NOMINATING COMMITTEE SELECTION (KLOSTERBUER/PETERSON)	Kathy R		All	
<b>FOLLOW-UP ITEMS</b>					
2012 Plan Review/ Refinement	Review and modifications of FY2012 Goals were done as appropriate. M/S/C UNANIMOUSLY TO RECOMMEND ADOPTION OF THE FY2012 GOALS AS PRESENTED (PETERSON/KLOSTERBUER)	Gerri		All	
Vision & Values Review	Vision statement options were reviewed. Committee members modified the statement that most appropriately states the vision of Windom Area Hospital. M/S/C UNANIMOUSLY TO RECOMMEND ADOPTION OF THE VISION STATEMENT, "IMPROVING HEALTH THROUGH VISIONARY LEADERSHIP, PROGRESSIVE TEAMWORK, AND QUALITY CARE." (PETERSON/KLOSTERBUER) Values statements were reviewed with modifications made for appropriateness. Statements accompany the 4 Values Windom Area Hospital will uphold to include Integrity, Stewardship, Courage, and Teamwork. M/S/C UNANIMOUSLY TO RECOMMEND ADOPTION OF THE VALUES STATEMENTS AS PRESENTED (KLOSTERBUER/PETERSON).	Gerri / Katie S.		All	
Master Facility Plan	Gerri informed the committee she recently met with Ken Miettler from Sanford and Randy Anderson, Sanford Health Network VP to discuss the status of the Master Facility Plan options. Additional meetings will be held in the future to continue refining the Master Facility Plan and revising cost estimates.	Gerri		All	
Management Contract	Gerri updated Committee members on the Management Contract review and status due to the decision of Windom Area Hospital converting to Sanford One Chart system in mid 2012. She noted there are several areas of concern. She is now waiting for a Sanford response to suggestions presented March 31, 2011.	Gerri		All	

The Windom Area Hospital Auxiliary met on May 9, 2011 in the hospital dining room with President Mary Klosterbuer calling the meeting to order. The Auxiliary Prayer was read by Vicki Burmeister. Attendance was taken with members reporting their volunteer hours during the month of April. 20 members were present.

The program was presented by Linda Jaakola and three 3rd graders, Kayla Bretzman, Shelby Erickson and Jesus Cezares-Reyes. They demonstrated the competitive sport of Cupstacking.

The Secretary's Report was read and approved.

The Treasurer's Report was given by Marlene Smith. The balance on hand April 11, 2011 was \$7034.66 in checking and \$1392.28 in savings. Maxine Walters presented a bill from the banquet.

Corresponding Secretary's report by Jan Fossing - Received a thankyou from Clara Johnson and sent thankyou's to Nadine Forman, Jan Duscher and Jean Leopold for their part in the Spring Banquet.

Membership Report by Mary Day - Letters were sent to members who had not paid their dues, with a good response back. We now have 43 active, 35 inactive and 13 lifetime members.

Historian's report by Romelle Wojahn - Romelle will be giving a monthly history story about the auxiliary.

Program Report by Joann Wisdorf - Reported she is working on ideas and topics for programs.

Publicity and Gift Shop - No report.

Administrators report by Gerri Burmeister - Gerri gave Jan Fossing her volunteer hours award. Hospital week will be celebrated with breakfast for the employees on Tuesday, Health Fair on Wednesday, Auxiliary Tea on Thursday and grilled hot dogs, hamburgers and chicken breasts for the staff on Friday. The hospital begins its new year on May 1st with audits on June 1-3. The Epic contract for electronic conversion was signed by Mary Klosterbuer before her term as chair of the Hospital Board ended. There will be new officers for the Hospital Board. Windom Area Hospital was chosen as one of 32 star performers from a total of 1,300 critical care hospitals for financial performance.

#### Old Business -

Joann Wisdorf reported on the Spring Banquet. She thanked her committee and all who attended. 54 meals were purchased.

Mother's Day - Marlene Smith reported she purchased flowers for 2 mothers who were in the hospital over Mother's Day.

Ruth Mickelson reported on the Success Story written by her committee. Copies of the story were passed around for all to read. HCAM will publish a book of stories written by the Auxiliaries.

Freddie Hoppert read the Success Story she wrote about the Rewards of Volunteering. Lora Sacks gave a report of the District HCAM meeting held in Marshall. 19 Auxiliary members were in attendance at the meeting and 6 were from Windom.

#### New Business -

The committee to help with the Hospital Week screenings are Jan Fossing, Dee Quiring, Sharon Snelling and Joyce Helgeson.