

# PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT



## ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2019

### Board Members

### 3 year term expires August

Bert McDonough	Chair	2021
Paul Horstmann	Vice Chair	2020
Arlan Swenson	Treasurer	2020
Dave Haarstad	Secretary	2021
Erika Gilsdorf		2021
Dave Gordon		2020
John Kruse		2022
Bob Leonard		2022
David Stene		2020

# PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT

P.O. Box 336, Pelican Rapids, MN 56572 – 0336 [www.pgolid.org](http://www.pgolid.org)

February 10, 2020

To the Board of Directors

**Pelican Group of Lakes Improvement District**

I hereby submit the Annual Financial Report for the year ended December 31, 2019. The following comments provide a brief summary of the organization and financial activities for the year.

## ORGANIZATION

The Pelican Group of Lakes Improvement District (PGOLID or the District) is a Minnesota political subdivision, whose boundaries encompass all parcels of real property located within 500 feet of Bass, Big Pelican, Fish and Little Pelican lakes, located in Ottertail County, Minnesota. PGOLID was formed to identify, quantify, study, and manage water resources as to preserve quality. The District is also involved in removing and restoring several old dams on the Pelican River and replacing those with natural type rapids.

## GENERAL FUND

Receipts for the General Fund consist primarily of the \$130,000 property tax levy which is collected by Ottertail County and remitted to the District twice a year. Actual receipts vary slightly due to current year delinquencies and collection of prior year delinquencies.

Disbursements for program activities include a contract with RMB Environmental Lab for lake resources coordinator and lake monitoring; a contract with Clarke Environmental for mosquito spraying; placement of navigational buoys; a tree program and other activities. PGOLID will continue these programs in 2020.

The Board adopts an annual budget at its annual meeting in August each year for the following year.

The Board has assigned fund or cash balances as follows:

\$65,000 for Working Capital. This is equal to 50% of our annual levy. The first tax receipts are generally not received until about June each year, and the District needs cash reserves for that period.

\$60,000 for Contingencies – This amount is designated for potential emergency management situations, such as a major infestation of invasive species.

## CAPITAL PROJECT FUNDS

The District has been involved with the removal of several old dams on the Pelican River and replacing them with natural type rock rapids to promote natural flow of the river and fish movement. The projects are funded primarily through grants with the Minnesota Department of Natural Resources, the U.S. Fish and Wildlife Services and donations.

The Fish Lake Dam was substantially completed in 2018, with a few minor items remaining for the contractor to finish.

During 2019, engineering work was started on the Lake Lizzie and Prairie Lake Dams. In December 2019, the Board approved the bid and contract with Hough, Inc. (same contractor that did the Fish Lake Dam) in the amount of \$352,000. Houston Engineering serves as project engineer. These projects are expected to be completed during 2020.

The General Fund transferred \$40,000 to the Capital Project Funds to initially fund dam projects, which will be repaid when all project grant funding is received.

Respectfully submitted,

Arlan Swenson, Treasurer

# PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT

## COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2019

GOVERNMENTAL ACTIVITIES	General Fund	Capital Projects Funds		Totals
		Fish Lake Dam Fund	Lizzie & Prairie Dam Fund	
<b>RECEIPTS</b>				
Ottertail County Tax Receipts	\$ 129,480	\$ -	\$ -	\$ 129,480
Capital Grants - MN DNR	-	23,568	-	23,568
Interest	1	-	-	1
Tree Program	549	-	-	549
<b>Total Receipts</b>	<u>130,030</u>	<u>23,568</u>	<u>-</u>	<u>153,598</u>
<b>DISBURSEMENTS</b>				
Program Activities	87,502	-	-	87,502
General and Administrative	5,793	-	-	5,793
Capital Projects	-	1,135	53,935	55,070
<b>Total Disbursements</b>	<u>93,295</u>	<u>1,135</u>	<u>53,935</u>	<u>148,365</u>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	36,735	22,433	(53,935)	5,233
<b>FUND BALANCE, BEGINNING</b>	<u>118,368</u>	<u>3,421</u>	<u>-</u>	<u>121,789</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 155,103</u>	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ 127,022</u>
Consists of				
Due from (to) Other Funds	\$ 40,000	\$ (40,000)	\$ -	\$ -
Vision Bank Savings Cash	588	-	-	588
Bell Bank - Operating Cash	114,515	-	-	114,515
Bell Bank - Dam Project account	-	65,854	(53,935)	11,919
<b>Total</b>	<u>\$ 155,103</u>	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ 127,022</u>
Board Assigned Fund Balances				
Committed for Capital Projects	\$ -	\$ 25,854	\$ (53,935)	(28,081)
Assigned for Working Capital	65,000			65,000
Assigned for Contingencies	60,000			60,000
Unassigned	30,103			30,103
<b>Total</b>	<u>\$ 155,103</u>	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ 127,022</u>

**PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT**

**GENERAL FUND**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Year Ended December 31, 2019			Year Ended
	<u>Actual</u>	Original and Final Budget	Budget Variance	December 31, 2018 Actual
<b>RECEIPTS</b>				
Ottertail County Tax Receipts (net of delinquencies and prior year receipts)	\$ 129,480	\$ 130,000	\$ (520)	\$ 132,362
Interest Income	1	-	1	1
Tree Program	549	-	549	760
<b>Total Receipts</b>	<b>130,030</b>	<b>130,000</b>	<b>30</b>	<b>133,123</b>
<b>DISBURSEMENTS - CURRENT</b>				
Program Activities				
Lake Resource Coordinator	25,760	35,000	9,240	35,500
Invasive Species Management	-	17,000	17,000	16,711
Mosquito Control	39,565	38,000	(1,565)	43,092
Health and Safety	-	5,000	5,000	-
Water Quality	19,867	19,000	(867)	16,545
Tree Program	650	-	(650)	-
Buoys	1,660	5,000	3,340	9,529
25th Anniversary History Project	-	5,000	5,000	5,350
Contingency	-	20,000	20,000	-
<b>Total Program Activities</b>	<b>87,502</b>	<b>144,000</b>	<b>56,498</b>	<b>126,727</b>
General and Administrative				
Member Communications	-	500	500	-
Annual Meeting Compliance Costs	1,782	1,800	18	1,674
Office and Postage	99	200	101	162
Web Site	800	800	-	1,024
Advertising and Promotion	262	500	238	62
Insurance	2,850	2,800	(50)	2,850
Monthly Meeting Costs	-	100	100	25
Miscellaneous	-	300	300	-
<b>Total General and Administrative</b>	<b>5,793</b>	<b>7,000</b>	<b>1,207</b>	<b>5,797</b>
<b>Total Disbursements</b>	<b>93,295</b>	<b>151,000</b>	<b>57,705</b>	<b>132,524</b>
<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>36,735</b>	<b>(21,000)</b>	<b>57,735</b>	<b>599</b>
<b>FUND BALANCE, BEGINNING</b>	<b>118,368</b>	<b>118,368</b>	<b>-</b>	<b>117,769</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 155,103</b>	<b>\$ 97,368</b>	<b>\$ 57,735</b>	<b>\$ 118,368</b>
Consists of				
Due from Capital Projects Funds	\$ 40,000			\$ 40,000
Vision Bank Savings Cash	588			567
Bell Bank - Operating Cash	114,515			77,801
<b>Total</b>	<b>\$ 155,103</b>			<b>\$ 118,368</b>

**PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT**

**CAPITAL PROJECTS FUNDS**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS**

**For the Year Ended December 31, 2019**

	<u>Fish Lake Dam</u>	<u>Lizzie &amp; Prairie Lake Dams</u>	<u>Total</u>
RECEIPTS			
Grants			
MN Department of Natural Resources	\$ 23,568	\$ -	\$ 23,568
			-
Total Receipts	<u>23,568</u>	<u>-</u>	<u>23,568</u>
DISBURSEMENTS			
Project Activities			
Contractor - Hough, Inc	-	-	-
Engineering - Houston Engineering	1,135	52,935	54,070
Permits	-	1,000	1,000
Postage and printing	-	-	-
Total Disbursements	<u>1,135</u>	<u>53,935</u>	<u>55,070</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	22,433	(53,935)	(31,502)
FUND BALANCE, BEGINNING	3,421	-	3,421
FUND BALANCE (DEFICIT), ENDING	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ (28,081)</u>
Consists of			
Bell Bank Checking- Fish Lake Dam	\$ 65,854	\$ (53,935)	\$ 11,919
Due to General Fund	(40,000)		(40,000)
Total	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ (28,081)</u>

**PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT**  
**CAPITAL PROJECTS FUNDS**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS**

From Project Inception to December 31, 2019

	<u>Fish Lake Dam</u>	<u>Lizzie &amp; Prairie Lake Dams</u>	<u>Total</u>
<b>RECEIPTS</b>			
Grants - Intergovernmental			
MN Department of Natural Resources	\$ 236,995	\$ -	\$ 236,995
US Fish and Wildlife Service	98,540	-	98,540
Donations			
Red River Area Sportsman Club	1,000	-	1,000
Pelican Lake Property Owners Assn	1,000	-	1,000
Muskie, Inc.	1,500	-	1,500
	-		-
Total Receipts	<u>339,035</u>	<u>-</u>	<u>339,035</u>
<b>DISBURSEMENTS</b>			
Project Activities			
Contractor - Hough, Inc	257,863	-	257,863
Engineering - Houston Engineering	55,240	52,935	108,175
Permits	-	1,000	1,000
Postage and printing	78	-	78
Total Disbursements	<u>313,181</u>	<u>53,935</u>	<u>367,116</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	25,854	(53,935)	(28,081)
FUND BALANCE, BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ (28,081)</u>
Consists of			
Bell Bank - Fish Lake Dam	\$ 65,854	\$ (53,935)	\$ 11,919
Due to General Fund - Transfer In	(40,000)	-	(40,000)
Total	<u>\$ 25,854</u>	<u>\$ (53,935)</u>	<u>\$ (28,081)</u>

**PELICAN GROUP OF LAKES IMPROVEMENT DISTRICT**

**SCHEDULE OF ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE  
AS OF DECEMBER 31, 2019**

GENERAL FUND

Accounts Receivable                      None

Accounts Payable                         None

CAPITAL PROJECTS FUNDS

Accounts Receivable                      None

Accounts Payable

    Fish Lake Dam Project

        Hough, Inc                         \$5,262              Construction contract retainage