

**CITY OF SHOREWOOD
CITY COUNCIL WORK SESSION
MONDAY, SEPTEMBER 13, 2021**

**5755 COUNTRY CLUB ROAD
COUNCIL CHAMBERS
6:00 P.M.**

For those wishing to listen live to the meeting, please go to ci.shorewood.mn.us/current_meeting for the meeting link. Contact the city at 952.960.7900 during regular business hours with questions.

AGENDA

1. CONVENE CITY COUNCIL WORK SESSION

A. Roll Call

Mayor Labadie _____
Siakel _____
Johnson _____
Callies _____
Gorham _____

B. Review and Adopt Agenda

ATTACHMENTS

2. SOUTH LAKE MINNETONKA PD JOINT POWERS AGREEMENT City Administrator Memo

3. ADJOURN



City of Shorewood Council Meeting Item

Title/Subject: South Lake Minnetonka PD Joint Powers Agreement

2

Meeting Date: September 13, 2021

Prepared By: Greg Lerud, City Administrator

MEETING
TYPE
WORK
SESSION

Attachments: Red-lined and clean version of edits, funding formula

Background:

On June 14, the City Council reviewed and gave tentative approval to proposed changes to the South Lake Minnetonka Police Department's Joint Powers Agreement (JPA). The SLMPD member city's city councils all approved that red-lined draft. The SLMPD Coordinating Committee then met and discussed the remaining issues and based on that discussion, decided to bring those issues back to the city councils of each city to get feedback and direction on those items. Those issues are highlighted in yellow in the second attachment.

The remaining items largely surround the budget and funding formula. Included with the memo is the old funding formula and the newly reset funding formula.

The goal of the work session is to provide Mayor Labadie with direction on the remaining issues for upcoming Coordinating Committee discussions about the update to the JPA.

South Lake Minnetonka Police Department Joint Powers Agreement

TO PROVIDE FULL-TIME POLICE PROTECTION AND SERVICE FOR THE
CITIES OF EXCELSIOR, GREENWOOD, SHOREWOOD, AND TONKA BAY

DRAFT 03.23.21 FOR 01.01.24 EFFECTIVE DATE



The parties to this Joint Powers Agreement ("JPA" or "Agreement") are the municipalities of Excelsior, Greenwood, Shorewood, and Tonka Bay of the State of Minnesota which have the responsibility for providing for law enforcement within their respective cities so as to enforce the ordinances of these cities and the laws of the State of Minnesota. The original police department JPA for the parties was executed in 1973. This updated Agreement is made pursuant to Minnesota Statutes, Section 471.59.

Section 1: General Purpose

The general purposes of this Agreement are to provide-for-the-continue employment of a full-time Chief of Police to act on behalf of the parties to this Agreement and to provide said-person-with-such assistance to the Chief of Police Chief of Police in the form of police officers, community service officers, administrative staff, police facility, equipment, and supplies as may be necessary so as to provide the parties with law enforcement services in the discharge of the duties imposed upon said municipalities to protect and serve the health and welfare of their citizens and property located within their cities. It is the opinion of the parties to this Agreement that continued joint action to operate a joint police department in employing and creating a joint police force to serve the four communities will continue to result in a higher standard of police service, closer control of the police force by the municipalities it serves, and in-the-long-run more efficiency and financial savings to the communities.

Section 2: Definition of Terms

For the purpose of this Agreement, the terms in this section shall have the following meanings: given them:

- A. "Committee" means the organization created under this Agreement, the full name of which is the "Coordinating Committee for the South Lake Minnetonka Police Department Public Safety."
- B. "Committeeman" "Committee member" means a member of the Committee. There shall be one Committeeman member from each governmental unit which is a party to this Agreement, which Committeeman member shall be the mayor of said governmental unit. An alternate may be appointed to serve when the mayor is unable to attend the meetings of the Committee.
- C. "Council" means the governing body of the governmental unit which is a party to this Agreement.
- D. "Governmental unit" means a city or municipality.
- E. "Operating Committee" means the chief administrative officer of each of the parties.
- F. "Original party" means a governmental unit which elects to become one of the original parties to this Agreement.
- G. "Later party" means a governmental unit which enters into this Agreement at some time after the Coordinating Committee is originally constituted.
- H. "Party" means governmental unit which enters into this Agreement.
- I. "SLMPD" means the "South Lake Minnetonka Police Department," which shall be the name of the police force created hereunder.
- J. "Unanimous agreement of the parties" means that the measure is approved by a majority vote of council members present at the council meetings of each of the parties. If one or more of the councils does not approve the measure on a majority vote, there is no unanimous agreement.
- K. "Ad Valorem basis" shall mean that each party shall pay for a share of the expenses equal to its percentage of the total property tax capacity of the parties to this Agreement as published annually by Hennepin County.

Section 43: Governing Body

Subdivision 1. The Committee, consisting of one Committeeman member from each party, shall be the governing body. Each Committeeman member shall have an equal voice in the affairs of the Committee.

Subdivision 2. The person holding the office of mayor of a party to this Agreement shall be a Committeeman member and serve on the Committee as representative of said party. An alternate Committeeman member may be appointed by the

council of each party from the members of said council to serve for a term of one calendar year and represent said party on the Committee in the absence of the mayor. ~~The Committee~~ man member and alternate shall serve without compensation from the Committee.

Subdivision 3. A majority of the Committee ~~men members~~ shall constitute a quorum at meetings of the Committee.

Subdivision 4. A vacancy on the Committee shall be filled by the council of the parties whose position on the Committee is vacant. No Committee ~~man member~~ shall be eligible to vote on behalf of his / her party during the time that such party is in default on any financial payment required to be paid under the terms of the Agreement nor shall the vote of such party be counted for the purposes of determining a quorum.

Section 54: Execution of Agreement, Meetings, Election of Officers & Meetings

~~Subdivision 1. The chair and vice chair shall be determined on a rotating basis at the first meeting of each year. The chair shall facilitate meetings and execute all financial and legal instruments of the Committee. The vice chair shall assume all duties of the chair in the event the chair is unable to fulfill the duties of the position.~~ **CONFIDENTIAL**

Subdivision 1. The chair and vice chair shall be determined on a rotating basis at the first meeting of each year. The chair shall facilitate meetings and execute all financial and legal instruments of the Committee. The vice chair shall assume all duties of the chair in the event the chair is unable to fulfill the duties of the position.

Subdivision 2. Regular meetings of the Committee shall be held once each quarter as follows: The second Wednesday of January, the second Wednesday of April, the second Wednesday of July, and the second Wednesday of October. Any regular meeting date may be rescheduled by unanimous agreement of Committee members. The purpose of the regular meetings shall be to set budgets, review expenditures, and discuss / take action on other operating matters. Special meetings shall be at the call of any Committee man member. Notice of such a meeting shall be posted and provided by the SLMPD in accordance with state statutes, sent to the clerk of the parties to this Agreement and shall be mailed at least three days prior to the date of the meeting.

Subdivision 3. Business of the Committee shall be conducted according to Roberts Rules of Order.

Section 65: Powers & Duties of the Committee

Subdivision 1. The powers and duties of the Committee shall include the powers set forth in this section.

Subdivision 2. It shall establish qualifications and duties for the position of Chief of Police of the SLMPD parties.

Subdivision 3. It shall hire said person to act as Chief of Police for the SLMPD parties at such salary and in accordance with such terms and conditions of employment as it shall determine. It also has the authority to discipline and terminate the Chief of Police.

Subdivision 4. It shall provide office space, equipment, and supplies as necessary to accomplish the duties and responsibilities of law enforcement within the boundaries of the parties.

Subdivision 5. Upon recommendation of the Chief of Police, the Committee shall approve the employment of such other persons to assist the Chief of Police as is required for the purpose of creating a full-time police force to enforce the ordinances and laws of the State of Minnesota within the boundaries of the parties.

Subdivision 6. It shall make a financial accounting and report to the parties at least once each year. It shall designate an accounting auditor to prepare financial statements and conduct an annual financial audit. All of its books, reports, and records shall be available for and open to examination by the parties at all reasonable times.

Subdivision 7. ~~It shall designate a deputy chairman from among the Committeemen. It shall designate and appoint a clerk-treasurer to serve the Committee who need not be a member of the Committee.~~

Subdivision 8. It may accumulate reasonable reserve funds for the purposes as here in provided and it may invest funds of the Committee not currently needed for its operations in a manner and subject to the laws of Minnesota applicable to cities.

Subdivision 9. It may collect monies from parties subject to this Agreement. It may recommend changes in this Agreement to the parties which shall be effective, however, only upon unanimous agreement of the governing bodies of all parties.

Subdivision 10. It shall exercise general supervision over the law enforcement and standards of law enforcement for the parties.

Subdivision 11. The Committee shall have the authority to approve the recommendations of the Chief of Police to discipline or terminate employment and authority of any employee, sworn and non-sworn, all subject to and in accordance with the laws of the State of Minnesota.

Section 6: Operating Committee

The powers and duties of the operating Committee shall include the following:

- A. Advising the Coordinating Committee.
- B. Meeting with the Chief of Police once per month.
- C. Participating in labor negotiations on a rotating basis.
- D. Other duties and projects as assigned by the Coordinating Committee.

Section 7: Financial Matters

Subdivision 1. Except as otherwise provided herein, the Committee funds may be expended by the Committee in accordance with procedures established by law for the expenditure of funds by Minnesota cities. Orders, checks, and drafts shall be signed by at least two persons, who shall be designated by resolution of the Committee, one of whom Authorized signers shall be the Committee chair, Committee vice chair, Chief of Police, and the SLMPD office manager, clerk-treasurer. Other legal instruments of the Committee shall be executed by the chairman as designated by the Committee. During the absence or disability of any of the officers designated to sign checks, drafts, and other legal instruments, their alternate or alternates may execute the same as authorized by the Committee.

Subdivision 2.

- A. The allocation for funding the SLMPD operations, other than for Excelsior's any party's separately contracted services for park patrol of its Commons area and for dockmaster services associated with its public docks, shall be set taking into consideration the Member Cities' tax capacity, demand,³ and population,⁴ and other equitable allocations of costs using the formula shown on the attached Exhibit 1. Use of these criteria result in allocations as follows:

Excelsior 27%
Greenwood 8%
Shorewood 50%
Tonka Bay 15%

The percentage allocation for funding of the SLMPD in paragraph 1 refers exclusively to the SLMPD's operating costs budget contributions of Member Cities, commencing January 1, 2007. These figures do not include police facility debt service, which is addressed in prior agreements between the parties in the Third Amendment of the Joint and Powers Agreement, dated February 13, 2002, and related lease and financing documents.

- B. The operations funding percentages shall continue to be reviewed and adjusted, if necessary, in five-year increments that began in June 1, 2006 from the date of this Order, due to changes in the five-year average of tax capacity, ICRs, or population of the Member Cities. The first adjustment to each Member Cities' dollar allocation toward the payment of law enforcement costs shall be based on a comparison of 2011 data with the Member Cities' 2005 ICRs, Tax Capacity, and 2004 Population contained in the Stipulated Record (Exhibit 3 at page 28, Exhibit 5 and Exhibit 7 at page 42). Thereafter, (T)he comparison of the tax capacity, ICRs, and population will be made for each subsequent five-year period with the data as shown in Exhibit 1, from the immediately preceding five-year period. Each factor shall be assigned a weight of 33 1/3% and the net difference, if any, shall be utilized to adjust the continuing payment allocations in paragraph 4 above.

That the funding formula adjustments, which are referenced in paragraph 2 shall, if necessary, be applied beginning January 1, 2012. There shall be an adjustment every five years based on the net differences, if any, between the data established at the commencement of each five-year period and the immediately subsequent five-year averages of the Member Cities' tax capacity, population, and ICR statistics. In 2011, these three factors shall be compared to the 2005 tax capacity and ICRs of Member cities and the 2004 population statistics with equal weight to each factor. These adjustments do not result in a shift to a formula based purely on tax capacity, population, and ICR statistics but are only used to adjust the funding percentages for each party incrementally the formula set out in paragraph 1, to the extent the three factors differ from the previously established data.

- C. Each Member City shall fund the SLMPD the full amount of the allocation pursuant to the terms of the JPA.
- D. The Approved Annual Operating Budget for each year shall be determined in advance by unanimous agreement of the parties. If the parties do not unanimously agree on the Approved Annual Operating Budget by September 1st of each year, the amount of the previous year's Approved Annual Operating Budget will be increased by the lesser of the following to arrive at the Approved Annual Operating Budget:
- a) The increase in the region's Consumer Price Index for All Urban Customers (CPI-U) based on the previous June-to-June information available in July of each year. The increase in the July Minneapolis / St. Paul Consumer Price Index for All Urban Consumers (CPI-U) over the previous 12-month period; or

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- b) The percentage increase in the most restrictive statutory levy limit applicable to the budget year placed on any of the parties over the levy limit for that party for the prior year.
- c) In the event that (a) or (b) decreases, the operating budget shall remain the same.

The above (a), (b), and (c) formula-applies-paragraphs apply only to operating expenses not governed by wage or benefit increases required by any union contracts. All parties must pay wage or benefit increases as required by union contracts; other expenses can have ceilings applied per the (a), (b), and (c) above formula. For purposes of determining the 2007 Approved Annual Operating Budget, the "previous year's Approved Annual Operating Budget" referenced above shall be \$1,556,100. Adoption of an Approved Annual Operating Budget pursuant to this subdivision shall entitle each party to full and complete SLMPD services funded by the SLMPD annual operating budget and preclude delivery of multiple tiers or levels of services to parties. Parties may contract with the SLMPD for the delivery of supplemental services delivered by separately dedicated personnel outside of the approved budget by unanimous agreement of the parties, as mutually agreed by all parties. Agreement to provide such supplemental services shall not be unreasonably withheld.

- E. Notwithstanding the foregoing, all expenses related to the planning, financing, and construction of a new police station facility for the SLMPD shall be paid annually on an ad valorem basis. Facility expenses shall include, but not be limited to, architectural expenses, land acquisition expenses, site preparation expenses, construction expenses, and expenses related to procurement and installation of furniture, equipment, and fixtures, and ongoing maintenance, improvement expenses for the new facility. CREATE LANGUAGE ABOUT ESTABLISHING A CAPITAL IMPROVEMENT FUND?

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Section 8: Duration

A. Term of Agreement and Withdrawal.

- i) This Agreement shall take effect January 1, 2024 and continue unless amended by unanimous agreement of the parties, take effect January 1, 1998 and continue through December 31, 2023.
- ii) —

Section 9: Adding Parties

Subdivision 1. Parties to this Agreement are the City of Excelsior, the City of Greenwood, the City of Shorewood, and the City of Tonka Bay. Any other governmental unit adjacent to any one of said cities may become a later party to this Agreement upon unanimous agreement consent of the parties to this Agreement under the following conditions.

Subdivision 2. ADD LANGUAGE that describes the process of another entity joining the JPA. Does each city council get a say in adding a city or just the Committee? What about the immediate increase in expenses (additional personnel, equipment, etc.) experienced by the JPA if a new city were to come on board but the revenue will not immediately pay for those new expenses? If another city who has a police department wants to join the JPA, would we require all of them to go through a hiring process? Etc...

Subdivision 2. Each party shall execute this Agreement through its proper officers by authority conferred by the governing body of the governmental unit. The clerk of such parties shall duly file an executed copy of this Agreement with the clerk of each of the other parties with a certified copy of the Resolution approving this agreement.

Section 10: Withdrawal

Subdivision 1. Any party may withdraw from this Agreement subject to the provisions below:

- A. Written notice of withdrawal must be made by filing notice with the Committee by May 1 for withdrawal commencing January 1 twenty months after May 1.
 - (1) Notice after May 1 will require the withdrawing party to wait an additional year.
 - (2) Notice before May 1 will not advance the commencement of the withdrawal; withdrawal will commence on January 1 twenty months after May 1.
- B. All capital equipment (that was purchased under the bond) remains the property of the SLMPD.
- C. All officers and staff remain employees of the SLMPD.
- D. Any withdrawing party shall continue paying the same portion of the ongoing payment the SLMPD makes to retire the debt incurred in 2002 to finance construction of the police building as required by the formula in effect at the time of written notice of withdrawal. A withdrawing party shall have an ownership interest in the building commensurate with the percentage of its debt retirement payments (both before and after withdrawal) are of the total debt retirement

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payments made by the SLMPD. The ownership interest shall not include a right of use or occupation but shall entitle the party to its pro rata share of any revenue generated through the lease, sale, or other conveyance of the building. ~~A withdrawing party's payments on the debt shall end upon retirement of the debt or upon addition of a new party to this Agreement.~~

~~E. One-Time Exception. Any party may withdraw from this Agreement by providing written notice to the other parties of its intent to do so within 60 days after the date of the award resulting from the operating costs allocation arbitration referred to in the Proposal is issued. Such notice shall entitle a withdrawing party to leave the JPA effective December 31, 2007 without complying with the notice requirements of paragraph A.ii.a. above but subject to the remaining requirements in this paragraph A.ii. Upon the effective date of the withdrawal, a withdrawing party shall have no further obligation to contribute to the operating budget for the SLMPD.~~

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~~F. Ownership of the SLMPD Facility. If this Agreement has expired or has been otherwise terminated by the time ownership of the SLMPD facility constructed in 2003 shall transfer to the Committee pursuant to the agreements executed in association with the financing of the facility, then ownership shall transfer to whatever entity has been designated by the parties as the successor to the Committee in proportion to the contributions made by each party to the total expense of planning, financing, and construction of the facility.~~

~~Subdivision 2. In the event the corporate existence of a party is terminated, or a party is consolidated with another municipality not a party to this Agreement, then the obligations of such party hereunder shall cease as of the effective date of such termination or consolidation. If said effective date shall occur at a time other than the end of a budget year, the withdrawing party's financial obligation for the budget year in progress at the time of said effective date shall be pro-rated for such budget year as of said effective date. The withdrawal of a party under this subdivision shall not automatically terminate this Agreement or the obligations of the remaining parties. Following such a withdrawal, the percentage of the approved budget payable by each of the remaining parties for each ensuing budget year during the term of the Agreement shall be adjusted such that each party's percentage remains in the same proportion to that of the other remaining parties as originally established under Section 7 hereinabove; accordingly, The adjusted percentage for each remaining party shall be calculated by dividing a party's percentage, as hereinabove set forth in Section 7, by the sum of the percentages of all remaining parties.~~

~~In the event of withdrawal of a party under this subdivision the remaining parties will establish a new budget for the remainder of the year pursuant to the provisions of Section 7, Subd. 2 hereinabove.~~

Section 11: Dissolution

~~Subdivision 2. Cash assets and proceeds from non-cash assets held by the Committee at the time of dissolution or withdrawal of any party to this Agreement shall be divided and distributed to the parties in proportion to the contributions made by the parties to the total cost of law enforcement during the period of this Agreement. If the cities cannot agree with respect to the value of non-cash assets, two appraisers will be selected by the Committee to appraise the non-cash assets. The two appraisers so selected will select a third appraiser. The values as determined by a majority of the appraisers shall be attributed to the non-cash assets in question.~~

Section 912: Officers & Employees

~~Subdivision 1. The Chief of Police employed by the Committee shall serve as Chief of the SLMPD parties hereto and he shall have the following duties and be invested with the following authority:~~

- ~~A. He Shall be in full and complete charge of all personnel matters and employees of the department including sworn and non-sworn.~~
- ~~B. He Shall set and determining degree of service and standards of performance of police officers and non-sworn employees.~~
- ~~C. He Shall be in complete charge of all matters relating to law enforcement and to its administration, including assignment of duty and responsibilities to all employees.~~
- ~~D. He Shall act for the Committee in interviewing and considering applications for employment of all employees, and he shall make all hiring and termination decisions, his recommendation to the Committee of the person who in his judgment is best qualified to fill any employment vacancy.~~
- ~~E. He Shall act for the Committee in disciplining all employees, sworn, and non-sworn.~~
- ~~F. He Shall be the Committee's representative on responsible for all labor grievance matters, and he shall recommend to the Committee all action which in his opinion is appropriate to be taken to discipline officers or to discharge officers. Such recommendations-actions shall be in accordance with the laws of the State of Minnesota and outstanding contractual agreements governing the same.~~

Subdivision 2. The Chief of Police shall be responsible for developing ~~from time to time~~ new job descriptions for various positions within the department ~~he deems deemed~~ necessary for the efficient operation of the department.

Subdivision 3. It shall be the duty and responsibility of the Chief of Police to communicate directly with the respective councils of the member cities in the event ~~he the Chief of Police~~ deems it necessary to receive direction on any matter arising out of or involving the jurisdiction of any particular council.

Subdivision 4. All police officers ~~employed by the~~ Committee, including the Chief of Police, shall enforce and be provided authority to enforce the laws of the parties to this Agreement through proper action of the council of said parties. The Committee shall assume all obligations with regard to Worker's Compensation, PERA, withholding tax, insurance, union negotiations, fringe benefits, Social Security, and the like for all employees including the Chief of Police, ~~and all police officers, community service officers, and administrative staff, assigned to assist him in the performance of law enforcement duties within the boundaries of the parties hereto.~~

Section 1013: Prosecution – Violation of Ordinances & Laws

The respective parties to this Agreement shall be responsible for and pay the cost of all prosecutions for violations occurring within their respective boundaries which are subject to prosecution by a party's municipal attorney, including expenses incurred by reason of police officers making their services available for court appearances in such prosecutions. All returns of fines from district court shall be the sole property of the party in whose jurisdiction the offense occurred.

Section 1114: Dispute Resolution

When any party has a dispute regarding the Agreement, that party may initiate a dispute resolution process by submitting a written statement outlining the dispute to the Committee at one of its regularly scheduled meetings. The members of the Committee will then bring that dispute to their respective councils at their normally scheduled council meetings. The Committee will meet to discuss the dispute at its next regularly scheduled meeting after the councils of all parties have reviewed the statement of dispute at their regularly scheduled council meetings; the Committee has a 90-day period to resolve the dispute commencing with this meeting.

If the dispute is not resolved within the 90-day period, the aggrieved party has the right to demand that the Committee forward the dispute to an appropriate mediation service. The costs of the mediator will be paid for by the aggrieved party unless decided otherwise by majority consent of the Committee.

If the mediation process does not bring consensus regarding resolution of the disputed issue, the aggrieved party may submit the issue to binding arbitration 90 days following the commencement of mediation. This date may be extended with unanimous consent of the Committee. The aggrieved party's right to submit the dispute to arbitration expires 150 days after the commencement of mediation. This expiration deadline can be extended with unanimous consent of the Committee.

~~The parties shall share the cost of the arbitration process in the same proportion as they are sharing the operating budget at the time the dispute resolution process is initiated.~~ Each party shall bear the costs of its own representation in the mediation and arbitration processes. The arbitrator or arbitration panel shall be selected by mutual agreement of the parties and shall have the authority to order that any party bringing a frivolous or unfounded dispute be required to pay the costs of the arbitration process. The provisions of Minn. Stat. § 549.211 shall be used to determine whether a dispute is frivolous or unfounded. In the event that the parties cannot agree on an arbitrator or arbitration panel within 30 days of the date on which the aggrieved party initiates arbitration, the aggrieved party shall select one arbitrator, the other parties shall select another, and the two selected arbitrators shall select a third.

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Repeal of Memorandum of Understanding

~~The Memorandum of Understanding dated February 13, 2002 is hereby repealed.~~

- ~~1. It is the general intent of the Cities to explore during the first half of the amended term of the JPA (January 1, 1998 to December 31, 2023), through special legislation or other means, a vehicle of providing law enforcement services to the South Lake Minnetonka area that are funded on an ad valorem basis.~~
- ~~2. In the event that a new party is added to the JPA, it is the intent of the Cities that the JPA will be amended to provide that each party's annual SLMPD costs for operations shall change from the formula in the current JPA to the ad valorem formula used for expenses associated with construction of the new police facility no later than the date on which the Excelsior Fire District completes its transition to an ad valorem funding formula.~~

Public Safety Facilities Cooperation Agreement

On February 13, 2002, the SLMPD cities and Excelsior Fire District cities entered into a separate Cooperation Agreement with the Shorewood Economic Development Authority for the financing of the construction and equipping two fire stations and a police station.

The Cities of Excelsior, Greenwood, Shorewood, and Tonka Bay have caused this Agreement to be executed in their behalf by their proper officers duly authorized by resolution of their respective city councils.

BY THE CITY OF EXCELSIOR

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Todd R. Carlson, Mayor Date

BY THE CITY OF GREENWOOD

Debra J. Kind, Mayor Date

BY THE CITY OF SHOREWOOD

Jennifer Labadie, Mayor Date

BY THE CITY OF TONKA BAY

Adam Jennings, Mayor Date

Exhibit A
Referenced in Section 7

ARBITRATION REALLOCATION FORMULA FOR SLMPD OPERATING FUND | 2017-2021

Revised 02-05-16

POPULATION BASELINE

	2005	2006	2007	2008	2009	Average	% of Avg. Total
Excelsior	2,380	2,305	2,437	2,382	2,360	2,391	19.4371%
Greenwood	759	814	818	804	806	800	6.5066%
Shorewood	7,551	7,499	7,511	7,582	7,518	7,572	61.5616%
Tonka Bay	1,545	1,525	1,534	1,532	1,549	1,537	12.4967%
	12,235	12,233	12,400	12,300	12,333	12,300	100.0000%

TAX CAPACITY BASELINE

	2006	2007	2008	2009	2010	Average	% of Avg. Total
Excelsior	3,334,776	3,917,784	4,245,911	4,397,510	4,235,752	4,026,355	13.3040%
Greenwood	2,447,073	2,894,806	3,377,856	3,688,315	3,713,570	3,224,324	10.6539%
Shorewood	14,477,835	16,319,066	17,798,714	18,513,585	18,269,931	17,075,826	56.4224%
Tonka Bay	4,609,014	5,358,772	6,148,162	6,748,501	6,824,277	5,937,745	19.6197%
	24,868,698	28,490,428	31,570,643	33,347,911	33,043,570	30,264,250	100.0000%

ICR BASELINE

	2006	2007	2008	2009	2010	Average	% of Avg. Total
Excelsior	2159	2044	2316	2085	2150	2,151	35.3597%
Greenwood	341	352	352	352	385	362	5.9574%
Shorewood	3142	2823	3150	2928	2831	2,983	49.0334%
Tonka Bay	596	637	695	698	609	687	9.6495%
	6,238	5,756	6,583	5,964	5,875	6,083	100.0000%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Totals for 5-Year Avg
2005-2009	2006-2010	2006-2010	2006-2010	
Excelsior	6.4790%	4.4347%	11.7866%	22.7003%
Greenwood	2.1685%	3.5513%	1.9858%	7.7056%
Shorewood	20.5205%	18.8075%	16.3445%	55.6725%
Tonka Bay	4.1652%	6.5399%	3.2165%	13.9216%
TOTAL	33.3332%	33.3334%	33.3334%	100.0000%

In 2021 the formula will be adjusted for 2022-2026 using Column B percentages as the new baseline numbers for Column A. The numbers for the new averages will be from 2015 to 2019 for population and from 2016 to 2020 for tax capacity and ICRs.

Going forward the same reallocation formula is used every 5 years.

Tax Capacity Source: Hennepin County Adjusted Net Tax Capacity
ICR Source: SLMPD - does not include donations
Population Source: MFL Council

POPULATION 2010-2014

	2010	2011	2012	2013	2014	Average	% of Avg. Total
Excelsior	2,188	2,203	2,235	2,284	2,273	2,237	18.9259%
Greenwood	688	688	690	693	689	691	5.8501%
Shorewood	7,307	7,312	7,438	7,524	7,425	7,401	62.6413%
Tonka Bay	1,475	1,477	1,499	1,492	1,488	1,486	12.5787%
	11,658	11,680	11,870	11,993	11,875	11,815	100.0000%

TAX CAPACITY 2011-2015

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	3,779,156	3,716,579	3,579,833	3,649,970	4,226,786	3,790,465	13.3031%
Greenwood	3,379,736	3,171,651	3,085,462	2,895,345	3,241,439	3,154,727	11.0719%
Shorewood	16,775,778	15,908,723	15,114,127	14,865,833	16,027,049	15,738,302	56.2353%
Tonka Bay	6,353,445	5,988,563	5,554,383	5,356,098	5,796,033	5,809,704	20.3898%
	30,288,115	28,785,516	27,333,805	26,767,246	29,291,307	28,493,198	100.0001%

ICRs 2011-2015

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	1951	2116	2192	2693	2354	2,261	35.6634%
Greenwood	285	270	332	380	401	330	5.2016%
Shorewood	2880	2610	3294	3373	3175	3,024	47.0059%
Tonka Bay	659	605	677	822	861	725	11.4346%
	5,576	5,602	6,485	7,248	6,791	6,340	100.0001%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Totals for 5-Year Avg	Difference Col. A & B	Arbitration Allocation	ICR = New Allocation
2010-2014	2011-2015	2011-2015	2011-2015				
Excelsior	6.3100%	4.4344%	11.8878%	22.6322%	-0.0681%	27.0000%	26.5319%
Greenwood	1.9500%	3.6906%	1.7339%	7.3745%	-0.3311%	8.0000%	7.6685%
Shorewood	20.8804%	18.4118%	15.9002%	55.1924%	-0.4801%	50.0000%	49.5199%
Tonka Bay	4.1929%	6.7966%	3.8115%	14.8010%	0.8794%	15.0000%	15.8794%
TOTAL	33.3333%	33.3334%	33.3334%	100.0001%		100.0000%	100.0001%

South Lake Minnetonka Police Department Joint Powers Agreement

TO PROVIDE FULL-TIME POLICE PROTECTION AND SERVICE FOR THE
CITIES OF EXCELSIOR, GREENWOOD, SHOREWOOD, AND TONKA BAY

DRAFT 07.14.21 FOR 01.01.24 EFFECTIVE DATE



The parties to this Joint Powers Agreement ("JPA" or "Agreement") are the municipalities of Excelsior, Greenwood, Shorewood, and Tonka Bay of the State of Minnesota which have the responsibility for providing for law enforcement within their respective cities so as to enforce the ordinances of these cities and the laws of the State of Minnesota. The original police department JPA for the parties was executed in 1973. This updated Agreement is made pursuant to Minnesota Statutes, Section 471.59.

Section 1: General Purpose

The general purposes of this Agreement are to continue employment of a full-time Chief of Police to act on behalf of the parties to this Agreement and to provide assistance to the Chief of Police in the form of police officers, community service officers, administrative staff, police facility, equipment, and supplies as may be necessary so as to provide the parties with law enforcement services in the discharge of the duties imposed upon said municipalities to protect and serve the health and welfare of their citizens and property located within their cities. It is the opinion of the parties to this Agreement that continued joint action to operate a joint police department to serve the four communities will continue to result in a higher standard of police service, closer control of the police force by the municipalities it serves, and more efficiency and financial savings to the communities.

Section 2: Definition of Terms

For the purpose of this Agreement, the terms in this section shall have the following meanings:

- A. "Committee" means the organization created under this Agreement, the full name of which is the "Coordinating Committee for the South Lake Minnetonka Police Department."
- B. "Committee member" means a member of the Committee.
- C. "Council" means the governing body of the governmental unit which is a party to this Agreement.
- D. "Governmental unit" means a city or municipality.
- E. "Operating Committee" means the chief administrative officer of each of the parties.
- F. "Original party" means a governmental unit which elects to become one of the original parties to this Agreement.
- G. "Later party" means a governmental unit which enters into this Agreement at some time after the Coordinating Committee is originally constituted.
- H. "Party" means governmental unit which enters into this Agreement.
- I. "SLMPD" means the "South Lake Minnetonka Police Department," which shall be the name of the police force created hereunder.
- J. "Unanimous agreement of the parties" means that the measure is approved by a majority vote of council members present at the council meetings of each of the parties. If one or more of the councils does not approve the measure on a majority vote, there is no unanimous agreement.

Section 3: Governing Body

Subdivision 1. The Committee, consisting of one Committee member from each party, shall be the governing body. Each Committee member shall have an equal voice in the affairs of the Committee.

Subdivision 2. The person holding the office of mayor of a party to this Agreement shall be a Committee member and serve on the Committee as representative of said party. An alternate Committee member may be appointed by the council of each party from the members of said council to serve for a term of one calendar year and represent said party on the Committee in the absence of the mayor. The Committee member and alternate shall serve without compensation from the Committee.

Subdivision 3. A majority of the Committee members shall constitute a quorum at meetings of the Committee.

Subdivision 4. A vacancy on the Committee shall be filled by the council of the parties whose position on the Committee is vacant. No Committee member shall be eligible to vote on behalf of his / her party during the time that such party is in default on any financial payment required to be paid under the terms of the Agreement nor shall the vote of such party be counted for the purposes of determining a quorum.

Section 4: Officers & Meetings

Subdivision 1. The chair and vice chair shall be determined on a rotating basis at the first meeting of each year. The chair shall facilitate meetings and execute all financial and legal instruments of the Committee. The vice chair shall assume all duties of the chair in the event the chair is unable to fulfill the duties of the position.

Subdivision 2. Regular meetings of the Committee shall be held once each quarter as follows: The second Wednesday of January, the second Wednesday of April, the second Wednesday of July, and the second Wednesday of October. Any regular meeting date may be rescheduled by unanimous agreement of Committee members. The purpose of the regular meetings shall be to set budgets, review expenditures, and discuss / take action on other operating matters. Special meetings shall be at the call of any Committee member. Notice of such a meeting shall be posted and provided by the SLMPD in accordance with state statutes.

Subdivision 3. Business of the Committee shall be conducted according to Roberts Rules of Order.

Section 5: Powers & Duties of the Committee

Subdivision 1. The powers and duties of the Committee shall include the powers set forth in this section.

Subdivision 2. It shall establish qualifications and duties for the position of Chief of Police of the SLMPD.

Subdivision 3. It shall hire said person to act as Chief of Police for the SLMPD at such salary and in accordance with such terms and conditions of employment as it shall determine. It also has the authority to discipline and terminate the Chief of Police.

Subdivision 4. It shall provide office space, equipment, and supplies as necessary to accomplish the duties and responsibilities of law enforcement within the boundaries of the parties.

Subdivision 5. It shall select a qualified accounting / auditing firm to prepare financial statements and conduct an annual financial audit. All of its books, reports, and records shall be available for and open to examination by the parties at reasonable times.

Subdivision 6. It may accumulate reasonable reserve funds for the purposes as here in provided and it may invest funds of the Committee not currently needed for its operations in a manner and subject to the laws of Minnesota applicable to cities.

Subdivision 7. It may collect monies from parties subject to this Agreement. It may recommend changes in this Agreement to the parties which shall be effective, however, only upon unanimous agreement of the governing bodies of all parties.

Subdivision 8. It shall exercise general supervision over the law enforcement and standards of law enforcement for the parties.

Section 6: Operating Committee

The powers and duties of the operating Committee shall include the following:

- A. Advising the Coordinating Committee.
- B. Meeting with the Chief of Police once per month.
- C. Participating in labor negotiations on a rotating basis.
- D. Other duties and projects as assigned by the Coordinating Committee.

Section 7: Financial Matters

Subdivision 1. Except as otherwise provided herein, the Committee funds may be expended by the Committee in accordance with procedures established by law for the expenditure of funds by Minnesota cities. Orders, checks, and drafts shall be signed by two persons Authorized signers shall be the Committee chair, Committee vice chair, Chief of Police, and the SLMPD office manager.

Subdivision 2.

- A. The allocation for funding the SLMPD operations, other than for any party's separately contracted services, shall be set taking into consideration the Member Cities' tax capacity, demand, and population using the formula shown on the attached Exhibit 1.
- B. The operations funding percentages shall continue to be reviewed and adjusted, if necessary, in five-year increments that began June 1, 2006. The comparison of the tax capacity, ICRs, and population will be made for each subsequent five-year period with the data as shown in Exhibit 1. These adjustments do not result in a shift to a formula based purely on tax capacity, population, and ICR statistics but are only used to adjust the funding percentages for each party incrementally to the extent the three factors differ from the previously established data.
- C. Each Member City shall fund the SLMPD the full amount of the allocation pursuant to the terms of the JPA.
- D. The Approved Annual Operating Budget for each year shall be determined in advance by unanimous agreement of the parties. If the parties do not unanimously agree on the Approved Annual Operating Budget by September 1st of each year, the amount of the previous year's Approved Annual Operating Budget will be increased by the lesser of the following to arrive at the Approved Annual Operating Budget:
 - a) The increase in the region's Consumer Price Index for All Urban Customers (CPI-U) based on the previous June-to-June information available in July of each year; or
 - b) The percentage increase in the most restrictive statutory levy limit applicable to the budget year placed on any of the parties over the levy limit for that party for the prior year.
 - c) In the event that (a) or (b) decreases, the operating budget shall remain the same.

The above (a), (b), and (c) paragraphs apply only to operating expenses not governed by wage or benefit increases required by any union contracts. All parties must pay wage or benefit increases as required by union contracts; other expenses can have ceilings applied per (a), (b), and (c) above. Adoption of an Approved Annual Operating Budget pursuant to this subdivision shall entitle each party to full and complete SLMPD services funded by the SLMPD annual operating budget and preclude delivery of multiple tiers or levels of services to parties. Parties may contract with the SLMPD for supplemental services delivered by separately dedicated personnel outside of the approved budget by unanimous agreement of the parties. Agreement to provide such supplemental services shall not be unreasonably withheld.

E. CREATE LANGUAGE ABOUT ESTABLISHING A CAPITAL IMPROVEMENT FUND?

Section 8: Duration

This Agreement shall take effect January 1, 2024 and continue unless amended by unanimous agreement of the parties.

Section 9: Adding Parties

Subdivision 1. Any other governmental unit may become a later party to this Agreement upon unanimous agreement of the parties to this Agreement under the following conditions.

Subdivision 2. ADD LANGUAGE that describes the process of another entity joining the JPA. Does each city council get a say in adding a city or just the Committee? What about the immediate increase in expenses (additional personnel, equipment, etc.) experienced by the JPA if a new city were to come on board but the revenue will not immediately pay for those new expenses? If another city who has a police department wants to join the JPA, would we require all of them to go through a hiring process? Etc ...

Section 10: Withdrawal

Subdivision 1. Any party may withdraw from this Agreement subject to the provisions below:

- A. Written notice of withdrawal must be made by filing notice with the Committee by May 1 for withdrawal commencing January 1 twenty months after May 1.
 - (1) Notice after May 1 will require the withdrawing party to wait an additional year.
 - (2) Notice before May 1 will not advance the commencement of the withdrawal; withdrawal will commence on January 1 twenty months after May 1.
- B. All capital equipment remains the property of the SLMPD.
- C. All officers and staff remain employees of the SLMPD.

D. A withdrawing party shall have an ownership interest in the building commensurate with the percentage of its debt retirement payments (both before and after withdrawal) are of the total debt retirement payments made by the SLMPD. The ownership interest shall not include a right of use or occupation but shall entitle the party to its pro rata share of any revenue generated through the lease, sale, or other conveyance of the building.

Subdivision 2. In the event the corporate existence of a party is terminated, or a party is consolidated with another municipality not a party to this Agreement, then the obligations of such party hereunder shall cease as of the effective date of such termination or consolidation. If said effective date shall occur at a time other than the end of a budget year, the withdrawing party's financial obligation for the budget year in progress at the time of said effective date shall be pro-rated for such budget year as of said effective date. The withdrawal of a party under this subdivision shall not automatically terminate this Agreement or the obligations of the remaining parties. Following such a withdrawal, the percentage of the approved budget payable for each remaining party shall be calculated by dividing a party's percentage, as set forth in Section 7, by the sum of the percentages of all remaining parties.

Section 11: Dissolution

Cash assets and proceeds from non-cash assets held by the Committee at the time of dissolution to this Agreement shall be divided and distributed to the parties in proportion to the contributions made by the parties to the total cost of law enforcement during the period of this Agreement. If the cities cannot agree with respect to the value of non-cash assets, two appraisers will be selected by the Committee to appraise the non-cash assets. The two appraisers so selected will select a third appraiser. The values as determined by a majority of the appraisers shall be attributed to the non-cash assets in question. **ADD LANGUAGE REGARDING WHO PAYS FOR THE APPRAISERS**

Section 12: Officers & Employees

Subdivision 1. The Chief of Police employed by the Committee shall serve as Chief of the SLMPD and shall have the following duties and be invested with the following authority:

- A. Shall be in full and complete charge of all personnel matters and employees of the department including sworn and non-sworn.
- B. Shall set standards of performance of police officers and non-sworn employees.
- C. Shall be in complete charge of all matters relating to law enforcement and to its administration, including assignment of duty and responsibilities to all employees.
- D. Shall interview and consider applications for employment of all employees and shall make all hiring and termination decisions.
- E. Shall discipline all employees, sworn, and non-sworn.
- F. Shall be responsible for all labor grievance matters. Such actions shall be in accordance with the laws of the State of Minnesota and outstanding contractual agreements governing the same.

Subdivision 2. The Chief of Police shall be responsible for developing new job descriptions for various positions within the department deemed necessary for the efficient operation of the department.

Subdivision 3. It shall be the duty and responsibility of the Chief of Police to communicate directly with the respective councils of the member cities in the event the Chief of Police deems it necessary to receive direction on any matter arising out of or involving the jurisdiction of any particular council.

Subdivision 4. All police officers Committee, including the Chief of Police, shall enforce and be provided authority to enforce the laws of the parties to this Agreement through proper action of the council of said parties. The Committee shall assume all obligations with regard to Worker's Compensation, PERA, withholding tax, insurance, union negotiations, fringe benefits, Social Security, and the like for all employees including the Chief of Police, all police officers, community service officers, and administrative staff.

Section 13: Prosecution – Violation of Ordinances & Laws

The respective parties to this Agreement shall be responsible for and pay the cost of all prosecutions for violations occurring within their respective boundaries which are subject to prosecution by a party's municipal attorney, including expenses incurred by reason of police officers making their services available for court appearances in such prosecutions. All returns of fines from district court shall be the sole property of the party in whose jurisdiction the offense occurred.

Section 14: Dispute Resolution

When any party has a dispute regarding the Agreement, that party may initiate a dispute resolution process by submitting a written statement outlining the dispute to the Committee at one of its regularly scheduled meetings. The members of the Committee will then bring that dispute to their respective councils at their normally scheduled council meetings. The Committee will meet to discuss the dispute at its next regularly scheduled meeting after the councils of all parties have reviewed the statement of dispute at their regularly scheduled council meetings; the Committee has a 90-day period to resolve the dispute commencing with this meeting.

If the dispute is not resolved within the 90-day period, the aggrieved party has the right to demand that the Committee forward the dispute to an appropriate mediation service. The costs of the mediator will be paid for by the aggrieved party unless decided otherwise by majority consent of the Committee.

If the mediation process does not bring consensus regarding resolution of the disputed issue, the aggrieved party may submit the issue to binding arbitration 90 days following the commencement of mediation. This date may be extended with unanimous consent of the Committee. The aggrieved party's right to submit the dispute to arbitration expires 150 days after the commencement of mediation. This expiration deadline can be extended with unanimous consent of the Committee.

The parties shall share the cost of the arbitration process in the same proportion as they are sharing the operating budget at the time the dispute resolution process is initiated. Each party shall bear the costs of its own representation in the mediation and arbitration processes. The arbitrator or arbitration panel shall be selected by mutual agreement of the parties and shall have the authority to order that any party bringing a frivolous or unfounded dispute be required to pay the costs of the arbitration process. The provisions of Minn. Stat. § 549.211 shall be used to determine whether a dispute is frivolous or unfounded. In the event that the parties cannot agree on an arbitrator or arbitration panel within 30 days of the date on which the aggrieved party initiates arbitration, the aggrieved party shall select one arbitrator, the other parties shall select another, and the two selected arbitrators shall select a third.

Repeal of Memorandum of Understanding

The Memorandum of Understanding dated February 13, 2002 is hereby repealed.

The Cities of Excelsior, Greenwood, Shorewood, and Tonka Bay have caused this Agreement to be executed in their behalf by their proper officers duly authorized by resolution of their respective city councils.

BY THE CITY OF EXCELSIOR

Todd R. Carlson, Mayor Date

BY THE CITY OF GREENWOOD

Debra J. Kind, Mayor Date

BY THE CITY OF SHOREWOOD

Jennifer Labadie, Mayor Date

BY THE CITY OF TONKA BAY

Adam Jennings, Mayor Date

Exhibit A

Referenced in Section 7

ARBITRATION REALLOCATION FORMULA FOR SLMPD OPERATING FUND | 2017-2021

Revised 02-05-16

POPULATION BASELINE

	2005	2006	2007	2008	2009	Average	% of Avg. Total
Excelsior	2,380	2,395	2,437	2,382	2,360	2,391	19.4371%
Greenwood	759	814	818	804	806	800	6.5056%
Shorewood	7,551	7,499	7,611	7,582	7,618	7,572	61.5616%
Tonka Bay	1,545	1,525	1,534	1,532	1,549	1,537	12.4957%
	12,235	12,233	12,400	12,300	12,333	12,300	100.0000%

TAX CAPACITY BASELINE

	2006	2007	2008	2009	2010	Average	% of Avg. Total
Excelsior	3,334,776	3,917,784	4,245,911	4,397,510	4,235,792	4,026,355	13.3040%
Greenwood	2,447,073	2,894,806	3,377,856	3,688,315	3,713,570	3,224,324	10.6539%
Shorewood	14,477,835	16,319,086	17,798,714	18,513,585	18,269,931	17,075,826	56.4224%
Tonka Bay	4,609,014	5,358,772	6,148,162	6,748,501	6,824,277	5,937,745	19.6197%
	24,868,698	28,490,428	31,570,643	33,347,911	33,043,570	30,264,250	100.0000%

ICR BASELINE

	2006	2007	2008	2009	2010	Average	% of Avg. Total
Excelsior	2159	2044	2316	2086	2150	2,151	35.3597%
Greenwood	341	352	382	352	385	362	5.9574%
Shorewood	3142	2823	3190	2928	2831	2,983	49.0334%
Tonka Bay	586	537	665	598	508	587	9.6495%
	6,238	5,756	6,583	5,964	5,875	6,083	100.0000%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Totals for 5-Year Avg
Excelsior	6.4790%	4.4347%	11.7868%	22.7003%
Greenwood	2.1885%	3.5513%	1.9858%	7.7056%
Shorewood	20.5205%	18.8075%	16.3445%	55.6725%
Tonka Bay	4.1652%	6.5399%	3.2165%	13.9216%
TOTAL	33.3333%	33.3334%	33.3334%	100.0000%

In 2021 the formula will be adjusted for 2022-2026 using Column B percentages as the new baseline numbers for Column A. The numbers for the new averages will be from 2015 to 2019 for population and from 2016 to 2020 for tax capacity and ICRs.

Going forward the same reallocation formula is used every 5 years.

Tax Capacity Source: Hennepin County Adjusted Net Tax Capacity

ICR Source: SLMPD - does not include citations

Population Source: Met Council

REALLOCATION FORMULA FOR SLMPD OPERATING FUND | 2022-2026

Revised 07.07.21

POPULATION BASELINE

	2010	2011	2012	2013	2014	Average	% of Avg. Total
Excelsior	2,188	2,203	2,235	2,284	2,273	2,237	18.9299%
Greenwood	688	688	698	693	689	691	5.8501%
Shorewood	7,307	7,312	7,438	7,524	7,425	7,401	62.6413%
Tonka Bay	1,475	1,477	1,499	1,492	1,488	1,486	12.5787%
	11,658	11,680	11,870	11,993	11,875	11,815	100.0000%

TAX CAPACITY BASELINE

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	3,779,156	3,716,579	3,579,833	3,649,970	4,226,789	3,790,465	13.3031%
Greenwood	3,379,736	3,171,651	3,085,462	2,895,345	3,241,439	3,154,727	11.0719%
Shorewood	16,775,778	15,908,723	15,114,127	14,865,833	16,027,049	15,738,302	55.2353%
Tonka Bay	6,353,445	5,988,563	5,554,383	5,356,098	5,796,033	5,809,704	20.3898%
	30,288,115	28,785,516	27,333,805	26,767,246	29,291,310	28,493,198	100.0001%

ICR BASELINE

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	1951	2116	2192	2693	2354	2,261	35.6634%
Greenwood	286	270	332	360	401	330	5.2016%
Shorewood	2680	2610	3284	3373	3175	3,024	47.7005%
Tonka Bay	659	606	677	822	861	725	11.4346%
	5,576	5,602	6,485	7,248	6,791	6,340	100.0001%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Totals for 5-Year Avg
Excelsior	6.3100%	4.4344%	11.8878%	22.6322%
Greenwood	1.9500%	3.6906%	1.7339%	7.3745%
Shorewood	20.8804%	18.4118%	15.9002%	55.1924%
Tonka Bay	4.1929%	6.7966%	3.8115%	14.8010%
TOTAL	33.3333%	33.3333%	33.3334%	100.0001%

In 2025 the formula will be adjusted for 2026-2030 using Column B percentages as the new baseline numbers for Column A, and the numbers for the new averages will be from 2019-2023 for population, and from 2020-2024 for tax capacity and ICRs.

Going forward the same reallocation formula is used every 5 years.

Tax Capacity Source: Hennepin County Adjusted Net Tax Capacity

ICR Source: SLMPD - does not include citations

Population Source: Met Council

POPULATION 2010-2014

	2010	2011	2012	2013	2014	Average	% of Avg. Total
Excelsior	2,188	2,203	2,235	2,284	2,273	2,237	18.9299%
Greenwood	688	688	698	693	689	691	5.8501%
Shorewood	7,307	7,312	7,438	7,524	7,425	7,401	62.6413%
Tonka Bay	1,475	1,477	1,499	1,492	1,488	1,486	12.5787%
	11,658	11,680	11,870	11,993	11,875	11,815	100.0000%

TAX CAPACITY 2011-2015

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	3,779,156	3,716,579	3,579,833	3,649,970	4,226,786	3,790,465	13.3031%
Greenwood	3,379,736	3,171,651	3,085,462	2,895,345	3,241,439	3,154,727	11.0719%
Shorewood	16,775,778	15,908,723	15,114,127	14,865,833	16,027,049	15,738,302	55.2353%
Tonka Bay	6,353,445	5,988,563	5,554,383	5,356,098	5,796,033	5,809,704	20.3898%
	30,288,115	28,785,516	27,333,805	26,767,246	29,291,307	28,493,198	100.0001%

ICRs 2011-2015

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Shorewood	2680	2610	3284	3373	3175	3,024	47.7005%
Tonka Bay	659	606	677	822	861	725	11.4346%
	5,576	5,602	6,485	7,248	6,791	6,340	100.0001%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Totals for 5-Year Avg	Difference Col. A & B	Arbitration Allocation	C+D = New Allocation
Excelsior	6.3100%	4.4344%	11.8878%	22.6322%	-0.0681%	27.0000%	26.9319%
Greenwood	1.9500%	3.6906%	1.7339%	7.3745%	-0.3311%	8.0000%	7.6689%
Shorewood	20.8804%	18.4118%	15.9002%	55.1924%	-0.4801%	50.0000%	49.5189%
Tonka Bay	4.1929%	6.7966%	3.8115%	14.8010%	0.8794%	15.0000%	15.8794%
TOTAL	33.3333%	33.3334%	33.3334%	100.0001%		100.0000%	100.0001%

POPULATION 2015-2019

	2015	2016	2017	2018	2019	Average	% of Avg. Total
Excelsior	2,262	2,225	2,352	2,321	2,566	2,345	19.1470%
Greenwood	702	703	724	706	708	709	5.7852%
Shorewood	7,458	7,496	7,708	7,693	7,934	7,658	62.5208%
Tonka Bay	1,509	1,558	1,526	1,550	1,541	1,537	12.5469%
	11,931	11,982	12,310	12,270	12,749	12,248	99.9999%

TAX CAPACITY 2016-2020

	2016	2017	2018	2019	2020	Average	% of Avg. Total
Excelsior	4,638,729	4,973,275	5,436,784	5,774,617	6,235,205	5,436,967	15.9172%
Greenwood	3,387,471	3,749,653	3,960,542	4,090,777	4,444,257	3,915,864	11.4640%
Shorewood	16,798,414	17,582,141	18,738,484	19,376,580	20,198,532	18,498,473	54.1588%
Tonka Bay	5,882,972	6,190,423	6,590,064	6,681,790	6,730,124	6,306,548	18.4630%
	29,855,742	31,344,715	33,186,305	35,474,934	36,891,981	34,157,852	100.0000%

ICRs 2016-2020

	2016	2017	2018	2019	2020	Average	% of Avg. Total
Excelsior	2398	2129	1819	1872	1700	1,984	35.7071%
Greenwood	376	352	319	383	387	363	6.5416%
Shorewood	2796	2697	2714	2621	2516	2,669	48.0415%
Tonka Bay	577	577	525	551	467	539	9.7098%
	6,147	5,755	5,377	5,427	5,070	5,555	100.0000%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Totals for 5-Year Avg	Difference Column A & B	Arbitration Allocation	C+D = New Allocation
Excelsior	6.3823%	5.3057%	11.9024%	23.5904%	0.9582%	27.0000%	27.9582%
Greenwood	1.9284%	3.8213%	2.1805%	7.9302%	0.5557%	8.0000%	8.5557%
Shorewood	20.8403%	18.0519%	16.0138%	54.9060%	-0.2864%	50.0000%	49.7136%
Tonka Bay	4.1823%	6.1543%	3.2366%	13.5732%	-1.2278%	15.0000%	13.7722%
TOTAL	33.3333%	33.3332%	33.3333%	99.9998%		100.0000%	99.9997%

REALLOCATION FORMULA FOR SLMPD OPERATING FUND | 2022-2026

Revised 07.07.21

POPULATION BASELINE

	2010	2011	2012	2013	2014	Average	% of Avg. Total
Excelsior	2,188	2,203	2,235	2,284	2,273	2,237	18.9299%
Greenwood	688	688	698	693	689	691	5.8501%
Shorewood	7,307	7,312	7,438	7,524	7,425	7,401	62.6413%
Tonka Bay	1,475	1,477	1,499	1,492	1,488	1,486	12.5787%
	11,658	11,680	11,870	11,993	11,875	11,815	100.0000%

TAX CAPACITY BASELINE

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	3,779,156	3,716,579	3,579,833	3,649,970	4,226,789	3,790,465	13.3031%
Greenwood	3,379,736	3,171,651	3,085,462	2,895,345	3,241,439	3,154,727	11.0719%
Shorewood	16,775,778	15,908,723	15,114,127	14,865,833	16,027,049	15,738,302	55.2353%
Tonka Bay	6,353,445	5,988,563	5,554,383	5,356,098	5,796,033	5,809,704	20.3898%
	30,288,115	28,785,516	27,333,805	26,767,246	29,291,310	28,493,198	100.0001%

ICR BASELINE

	2011	2012	2013	2014	2015	Average	% of Avg. Total
Excelsior	1951	2116	2192	2693	2354	2,261	35.6634%
Greenwood	286	270	332	360	401	330	5.2016%
Shorewood	2680	2610	3284	3373	3175	3,024	47.7005%
Tonka Bay	659	606	677	822	861	725	11.4346%
	5,576	5,602	6,485	7,248	6,791	6,340	100.0001%

Column A

	1/3 Pop 2010-2014	1/3 Tax Cap 2011-2015	1/3 ICRs 2011-2015	Totals for 5-Year Avg
Excelsior	6.3100%	4.4344%	11.8878%	22.6322%
Greenwood	1.9500%	3.6906%	1.7339%	7.3745%
Shorewood	20.8804%	18.4118%	15.9002%	55.1924%
Tonka Bay	4.1929%	6.7966%	3.8115%	14.8010%
TOTAL	33.3333%	33.3333%	33.3334%	100.0001%

In 2025 the formula will be adjusted for 2026-2030 using Column B percentages as the new baseline numbers for Column A, and the numbers for the new averages will be from 2019-2023 for population, and from 2020-2024 for tax capacity and ICRs.

Going forward the same reallocation formula is used every 5 years.

Tax Capacity Source: Hennepin County 'Adjusted Net Tax Capacity'

ICR Source: SLMPD - does not include citations

Population Source: Met Council

POPULATION 2015-2019

	2015	2016	2017	2018	2019	Average	% of Avg. Total
	2,262	2,225	2,352	2,321	2,566	2,345	19.1470%
	702	703	724	706	708	709	5.7852%
	7,458	7,496	7,708	7,693	7,934	7,558	62.5208%
	1,509	1,558	1,526	1,550	1,541	1,537	12.5469%
	11,931	11,982	12,310	12,270	12,749	12,248	99.9999%

TAX CAPACITY 2016-2020

	2016	2017	2018	2019	2020	Average	% of Avg. Total
	4,638,729	4,973,275	5,436,784	5,774,617	6,235,205	5,436,967	15.9172%
	3,367,471	3,749,653	3,960,542	4,090,777	4,444,257	3,915,864	11.4640%
	16,798,414	17,582,141	18,738,484	19,376,580	20,198,532	18,498,473	54.1558%
	5,882,972	6,190,423	6,590,064	6,681,790	6,730,124	6,306,548	18.4630%
	29,855,742	31,344,715	33,186,305	35,474,934	36,891,981	34,157,852	100.0000%

ICRs 2016-2020

	2016	2017	2018	2019	2020	Average	% of Avg. Total
	2398	2129	1819	1872	1700	1,984	35.7071%
	376	352	319	383	387	363	6.5416%
	2796	2697	2714	2621	2516	2,669	48.0415%
	577	577	525	551	467	539	9.7098%
	6,147	5,755	5,377	5,427	5,070	5,555	100.0000%

Column B Column C Column D

1/3 Pop 2015-2020	1/3 Tax Cap 2016-2021	1/3 ICRs 2016-2021	Totals for 5-Year Avg	Difference column A & B	Arbitration Allocation	C+D = New Allocation
6.3823%	5.3057%	11.9024%	23.5904%	0.9582%	27.0000%	27.9582%
1.9284%	3.8213%	2.1805%	7.9302%	0.5557%	8.0000%	8.5557%
20.8403%	18.0519%	16.0138%	54.9060%	-0.2864%	50.0000%	49.7136%
4.1823%	6.1543%	3.2366%	13.5732%	-1.2278%	15.0000%	13.7722%
33.3333%	33.3332%	33.3333%	99.9998%		100.0000%	99.9997%

**South Lake Minnetonka Police Department
2022 Proposed Budget**

	<u>2022 Budget</u>	<u>2021 Budget</u>	<u>Variable %</u>	<u>\$ Increase</u>
Income				
40101 · Excelsior	\$ 790,077.93	\$ 732,749.67	7.8%	\$ 57,328.26
40102 · Greenwood	\$ 241,587.07	\$ 208,651.60	15.8%	\$ 32,935.47
40103 · Shorewood	\$ 1,404,123.04	\$ 1,347,312.68	4.2%	\$ 56,810.36
40104 · Tonka Bay	\$ 391,775.67	\$ 432,038.78	-9.3%	-\$ 40,263.10
40110 · Court Overtime	\$ 7,500.00	\$ 7,500.00	0.0%	
40120 · Excelsior Park and Dock Patrol	\$ 22,000.00	\$ 20,000.00	10.0%	
42100 · State Police Officer Aid	\$ 127,000.00	\$ 115,000.00	10.4%	
42200 · State Training Reimbursement	\$ 13,500.00	\$ 13,500.00	0.0%	
43100 · Minnetonka School District	\$ 5,000.00	\$ 5,000.00	0.0%	
43200 · Administrative Requests	\$ 7,000.00	\$ 7,000.00	0.0%	
43400 · Special Policing Details	\$ 27,000.00	\$ 28,000.00	-3.6%	
44000 · Investment Income	\$ 5,000.00	\$ 5,000.00	0.0%	
46400 · Forfeitures	\$ -	\$ -	0.0%	
46500 · Grant Reimbursements	\$ 20,000.00	\$ 20,000.00	0.0%	
46600 · Other Reimbursements	\$ 90,000.00	\$ 117,000.00	-23.1%	
Total Income	\$3,151,564	\$ 3,058,752.72	3.0%	\$106,811.00
Expense				
50100 - Full-Time Salaries	\$ 1,762,886.00	\$ 1,709,000.00	3.2%	
50200 - General Overtime	\$ 35,000.00	\$ 35,000.00	0.0%	
50230 - Reimbursed Overtime	\$ 53,500.00	\$ 54,500.00	-1.8%	
50300 - Part-Time Salaries	\$ 62,378.00	\$ 60,770.00	2.7%	
50500 · Social Security & Medicare	\$ 34,600.00	\$ 33,000.00	4.9%	
50600 · PERA Pensions	\$ 314,000.00	\$ 300,500.00	4.5%	
50700 · Insurance Benefits	\$ 305,000.00	\$ 305,000.00	0.0%	
50800 · Long-Term Disability Benefits	\$ 6,500.00	\$ -	100.0%	
51000 · Contracted Services	\$ 27,000.00	\$ 26,000.00	3.9%	
52100 · Equipment Leases	\$ 60,000.00	\$ 59,000.00	1.7%	
52200 · Repairs and Maintenance	\$ 61,000.00	\$ 58,000.00	5.2%	
52300 · Utilities	\$ 63,000.00	\$ 62,680.00	0.5%	
52400 · Janitorial & Cleaning	\$ 8,900.00	\$ 8,500.00	4.7%	
52500 · Printing & Publishing	\$ 2,500.00	\$ 2,500.00	0.0%	
53000 · Supplies	\$ 69,200.00	\$ 69,200.00	0.0%	
54000 · Uniforms & Gear	\$ 16,000.00	\$ 15,000.00	6.7%	
54500 · Training & Conferences	\$ 30,000.00	\$ 30,000.00	0.0%	
56000 · Insurance	\$ 142,000.00	\$ 139,000.00	2.2%	
56100 · Subscriptions & Memberships	\$ 2,100.00	\$ 3,100.00	-32.3%	
57000 · Special Projects	\$ 24,000.00	\$ 16,000.00	50.0%	
58000 · Capital Outlay	\$ 72,000.00	\$ 72,000.00	0.0%	
59000 - Undesignated Allocation	\$ -	\$ -	100.0%	
Total Expense	\$ 3,151,564	\$ 3,058,750.00	3.0%	
Other Income	\$ 324,000.00	\$ 338,000.00		

**South Lake Minnetonka Police Department
2022 Proposed Budget
2017-2021 FORMULA**

	<u>2022 Budget</u>	<u>2021 Budget</u>	<u>Variable %</u>	<u>\$ Increase</u>
Income				
40101 · Excelsior	\$ 761,493.28	\$ 732,749.67	3.9%	\$28,743.61
40102 · Greenwood	\$ 216,836.38	\$ 208,651.60	3.9%	\$8,184.79
40103 · Shorewood	\$ 1,400,163.78	\$ 1,347,312.68	3.9%	\$52,851.10
40104 · Tonka Bay	\$ 448,986.38	\$ 432,038.78	3.9%	\$16,947.61
40110 · Court Overtime	\$ 7,500.00	\$ 7,500.00	0.0%	
40120 · Excelsior Park and Dock Patrol	\$ 22,000.00	\$ 20,000.00	10.0%	
42100 · State Police Officer Aid	\$ 127,000.00	\$ 115,000.00	10.4%	
42200 · State Training Reimbursement	\$ 13,500.00	\$ 13,500.00	0.0%	
43100 · Minnetonka School District	\$ 5,000.00	\$ 5,000.00	0.0%	
43200 · Administrative Requests	\$ 7,000.00	\$ 7,000.00	0.0%	
43400 · Special Policing Details	\$ 27,000.00	\$ 28,000.00	-3.6%	
44000 · Investment Income	\$ 5,000.00	\$ 5,000.00	0.0%	
46400 · Forfeitures	\$ -	\$ -	0.0%	
46500 · Grant Reimbursements	\$ 20,000.00	\$ 20,000.00	0.0%	
46600 · Other Reimbursements	\$ 90,000.00	\$ 117,000.00	-23.1%	
Total Income	\$ 3,151,480	\$ 3,058,752.72	3.0%	\$106,727.11
Expense				
50100 - Full-Time Salaries	\$ 1,762,886.00	\$ 1,709,000.00	3.2%	
50200 - General Overtime	\$ 35,000.00	\$ 35,000.00	0.0%	
50230 - Reimbursed Overtime	\$ 53,500.00	\$ 54,500.00	-1.8%	
50300 - Part-Time Salaries	\$ 62,378.00	\$ 60,770.00	2.7%	
50500 · Social Security & Medicare	\$ 34,513.00	\$ 33,000.00	4.6%	
50600 · PERA Pensions	\$ 314,000.00	\$ 300,500.00	4.5%	
50700 · Insurance Benefits	\$ 305,000.00	\$ 305,000.00	0.0%	
50800 · Disability Benefits	\$ 6,500.00	\$ -	100.0%	
51000 · Contracted Services	\$ 27,000.00	\$ 26,000.00	3.9%	
52100 · Equipment Leases	\$ 60,000.00	\$ 59,000.00	1.7%	
52200 · Repairs and Maintenance	\$ 61,000.00	\$ 58,000.00	5.2%	
52300 · Utilities	\$ 63,000.00	\$ 62,680.00	0.5%	
52400 · Janitorial & Cleaning	\$ 8,900.00	\$ 8,500.00	4.7%	
52500 · Printing & Publishing	\$ 2,500.00	\$ 2,500.00	0.0%	
53000 · Supplies	\$ 69,200.00	\$ 69,200.00	0.0%	
54000 · Uniforms & Gear	\$ 16,000.00	\$ 15,000.00	6.7%	
54500 · Training & Conferences	\$ 30,000.00	\$ 30,000.00	0.0%	
56000 · Insurance	\$ 142,000.00	\$ 139,000.00	2.2%	
56100 · Subscriptions & Memberships	\$ 2,100.00	\$ 3,100.00	-32.3%	
57000 · Special Projects	\$ 24,000.00	\$ 16,000.00	50.0%	
58000 · Capital Outlay	\$ 72,000.00	\$ 72,000.00	0.0%	
59000 - Undesignated Allocation	\$ -	\$ -	100.0%	
Total Expense	\$ 3,151,477.00	\$ 3,058,750.00	3.0%	
Other Income	\$ 324,000.00	\$338,000.00		