

**City Council Regular Meeting Agenda
City Council Chambers
June 6, 2016**

Page		
	1.	5:30 p.m. Call the Meeting to Order at City Hall (Mayor)
	2.	Pledge of Allegiance
	3.	Additions to the Agenda? <input type="checkbox"/> None 1. _____ 2. _____ <ul style="list-style-type: none"> ▪ Any Consent Agenda items to be moved to a regular agenda item? ▪ Approval of either ____ Agenda as presented or ____ Revised Agenda Action Requested
	4.	Consent Agenda: Action Requested
		a. Minutes:
2-3		▪ 5.16.2016 City Council Minutes
4-5		▪ 4.21.2016 EDA Meeting
		b. Correspondence:
		c. Application:
6-7		▪ Chippewa Valley Deer Hunters Assn.- Gambling Permit 9.18.2016
8-9		▪ Northern Lights Trails Snowmobile Club-Gambling Permit 11.18.2016
10-11		d. Public Works Report & Spring Clean-up
	5.	Persons with Unscheduled Business to Come Before the City Council (Mayor)
12-153	6.	Auditor's Report Information Only
154-158	7.	Rodeo Request Action Requested
159-166	8.	SCBH Project Update – KW Information Only
	9.	Consider Extension for Demolition at 1416 Atlantic Ave. Action Requested
167-170	10.	DoMat's Tax Abatement Qualification Determination – Set Public Hearing Action Requested
171-178	11.	Consider Updating Rate Resolution Action Requested
179	12.	Pay Request – Outdoor Hockey Rink Cement -Goff Masonry-\$45,650.01 Action Requested
180-181	13.	Golf Club Irrigation Final Payment – Landteam - \$11,240.00 Action Requested
182	14.	Pay Request – Doug's Service & Marine-Golf Club Mower-\$39,340.96 Action Requested
183-201	15.	April 2016 Budget Report Information Only
202-206	16.	Bills & Warrants Action Requested
	17.	Adjourn: Mayor Action Requested
		Tourism Board Meeting

DRAFT

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
MAY 16, 2016**

The meeting was called to order at 5:30 p.m. by Mayor Landmark. Members present: Gary Landmark, Terri Collins, Jack Evenson, Jonathon Pogge-Weaver & Stephanie Heinzig. Members Absent: None. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Public Works Director Dan Gens, Police Chief Ian Hodge, Jan Kittelson with the Monday Club, City Attorney Don Wilcox, Assistant City Attorney Ben Wilcox, Justin Knoph with MnDOT and Kevin Friesen with the USDA.

The Council recited the Pledge of Allegiance.

The Mayor called for anyone with unscheduled business. Jan Kittelson approached the Council. She said the Monday Club is celebrating their 100th year anniversary. They have decided they would like to put up a "Free Library" with a few books in it for the public to use, keep or return at Roosevelt Park. There are over 25,000 of these types of Free Libraries around the country. They would like to place it in the northwest corner of Roosevelt Park. After discussion, it was moved by Pogge-Weaver, seconded by Collins and carried unanimously to approve the Monday Club to install and maintain a Free Library in Roosevelt Park.

The Mayor asked for any additions to the agenda. Wolfington asked to add Building Demolition Match and Offer to buy the Elevator to the Agenda. He also asked to remove from the Agenda the Capital Authorization Request for the Police Impound Lot. The Mayor noted the requests. No Consent Agenda items were moved to the regular agenda. A motion was made by Evenson, seconded by Heinzig and carried unanimously to approve the agenda. It was moved by Collins, Seconded by Evenson and carried unanimously to approve the following items on the Consent Agenda:

- May 2, 2016 City Council Minutes
- Minnesota DEED – Small Cities Grant Notification
- MRES S-1 Power Agreement Acknowledgement
- Minnesota Department of Health-Copper Water Monitoring Report
- Police Report

Next Don Wilcox approached the Council. There has been a tax abatement request from DoMat's for their new building site. Wilcox explained if tax abatement is granted it must promote economic development and job creation. If the request for the tax abatement is greater than \$100,000 then the City's Business Subsidy Policy and abatement analysis must be followed. Wilcox stated first the applicant must qualify for tax abatement. If they qualify then there is a public hearing. The Council will have to pass a resolution and then decided on how many years of tax abatement to grant. The School and County can choose not to grant tax abatement if they wish. After discussion, it was moved by Evenson, seconded by Collins and carried unanimously to approve going through the process to see if DoMat's qualifies to apply for tax abatement.

Next Wolfington invited Kevin Friesen from the USDA to explain funding options for such projects as City Halls and public infrastructure. He explained grants, loans, bonding along with funding, and time frames for projects through the USDA. The Council thanked Kevin for coming.

Wolfington discussed the Lodging Tax Ordinance. In the ordinance it names a 7 member Tourism Board appointed by the Council which includes the Chamber of Commerce Manager. He stated that board has disbanded and the Chamber no longer runs any community events, but there are tourism dollars that need approval before disbursement of funds to City events such as Kid Day and the Band Fest. After

discussion it was moved by Evenson, seconded by Heinzig and carried unanimously to appoint the City Council as the temporary Tourism Board.

Wolfington presented building studies to the Council for the Municipal Liquor Store, Benson Golf Course Club House and the Benson Armory for their information and review.

It was moved by Evenson, seconded by Collins and carried unanimously to approve the bills and warrants in the amount of \$425,641.05.

Wolfington said Swift County HRA has a demolition fund used to help with costs of demolishing dilapidated buildings. There is a house at 203 – 19th St. N. that has been purchased and demolished. The HRA has agreed to grant \$2,500 to the property Owner. The City has in the budget monies in the Community Development Revolving Fund to match the HRA's grant. After discussion, it was moved by Collins, seconded by Pogge-Weaver and carried unanimously to approve matching funds to property owner Karen Geyer in the amount of \$2,500.

Wolfington stated he received a call from the elevator owner stating he would sell his elevator property to the City in the amount of \$190,000. Wolfington wanted the Council to know about the owner's offer. No action was taken.

Justin Knoph, Special Project Engineer with MnDOT approached the Council to describe the 2017 resurfacing project that will affect all the highways going through town. He pointed out two locations where MnDOT will obtain right of way to widen the turning lane for better traffic flow at Minnesota Ave. and Church Street as well as at 13th St. N. and Atlantic Ave. Wolfington stated they would like to walk over to the 13th St. N. & Atlantic Ave. intersection for a visual of how that intersection will be rebuilt.

There being no other business, a motion was made by Pogge-Weaver, seconded by Evenson and carried unanimously to adjourn the meeting at 6:35 p.m.

Mayor

City Clerk



EDA Meeting April 21, 2016

Members Present: Stephanie Heinzig, Rick Horecka, Pat Hawley, Sheryl Madden, Jack Evenson, and Rob Wolfington.

Members Absent: Jon Buyck

Also Present: Assistant City Attorney Ben Wilcox, Jennifer Frost with the Swift County RDA, Todd and Leslie Widseth and Joel Bailey

Secretary Wolfington called the meeting to order at 12:08 p.m.

Todd Widseth approached the EDA with a loan application for his company Go Set Ready Coffee. He stated they are in the process of purchasing their building. He has been roasting coffee and has developed a decent customer base and has exceeded their sales expectations. His coffee is carried in SuperValu, and brewed exclusively at the Benson Bakery. He said their plan is to sell roasted coffee from their store front and cups of coffee to go. He is asking for a \$17,650 loan to help finish off his building and purchase some equipment. A loan committee was formed of Madden, Evenson and Heinzig. The meeting was recessed at 12:14 P.M.

Secretary Wolfington reconvened the meeting at 12:50 p.m. The loan committee made the following loan recommendation: To approve the loan for \$17,650, amortized over 10 years at a 4% interest rate with a balloon payment at 5 years. It will carry a personal guarantee. The first payment will be due 60 days after closing, and payment will be made by ACH. Widseths will also comply with all zoning and sign ordinances, and the EDA will hold first position on the equipment valued at \$13,000. There was a motion by Madden, seconded by Horecka to approve the loan with the aforementioned terms. The following vote was recorded: AYES: Heinzig, Horecka, Madden, Evenson. NAYS: None. Abstain: Hawley. The motion carried to approve the loan.

Next Wolfington asked Joel Bailey to approach the EDA. He is looking at loan possibilities for his screen print/embroidery clothing business. Wolfington said the City owns the building at 1226 Atlantic Ave. He and Frost have discussed the idea of possibly using this building as an incubator business location that a new business could lease for a period of time. This idea is in the infancy stages. Frost feels it's a good way of using empty buildings on main street. Bailey is working with the Small Business Development Consultants to get a business plan in place. It was the consensus of the EDA to have Wolfington and Frost give a progress report on the possibility of creating a building for incubator businesses at the next meeting

Horecka gave a report on the Biomass conference he and Wolfington recently attended. Several business contacts were made as well as reconnecting with White Dog Labs.

Wolfington said he has reached out to the County to start a conversation of where the next Industrial Park should be located outside the city limits.

Frost said the Appleton Prison proposal is going before the State House and Senate. She encouraged everyone to go on the appletonoption.org website to contact Governor Dayton and ask his support in reopening the prison instead of the State building a new one.

It was moved by Evenson, seconded by Madden and carried unanimously to approve the February 18, 2016 EDA Meeting Minutes.

There being no other business, it was moved by Evenson, seconded by Madden and carried unanimously to adjourn the meeting at 1:18 p.m.

Treasurer

Attest: _____

Board Member

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.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.
Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Chippewa Valley Chapter of the MN. Deer Hunters Assoc Previous Gambling Permit Number: X-05095

Minnesota Tax ID Number, if any: 4326991 Federal Employer ID Number (FEIN), if any: 41-1390958

Mailing Address: 625-7th Street North

City: Benson State: MN Zip: 56215 County: Swift

Name of Chief Executive Officer (CEO): Darin Staton

Daytime Phone: 320-760-3949 Email: _____

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of one of the following showing 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.)

A current calendar year Certificate of Good Standing
Don't have a copy? Obtain this certificate from:
MN Secretary of State, Business Services Division Secretary of State website, phone numbers:
60 Empire Drive, Suite 100 www.sos.state.mn.us
St. Paul, MN 55103 651-296-2803, or toll free 1-877-551-6767

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 toll free at 1-877-829-5500.

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:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
2. 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): McKinney's On Southside

Address (do not use P.O. box): 300-14th Street South

City or Township: Benson Zip: 56215 County: Swift

Date(s) of activity (for raffles, indicate the date of the drawing): September 18, 2016

Check each type of gambling activity that your organization will conduct:

Bingo* Paddlewheels* Pull-Tabs* Tipboards*

Raffle (total value of raffle prizes awarded for the calendar year: \$ _____)

* **Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota 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.mn.gov/gcb and click on **Distributors** under **LIST OF LICENSEES**, or call 651-539-1900.

LG220 Application for Exempt Permit

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

- 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: _____

Signature of City Personnel: _____

Title: _____ Date: _____

The city or county must sign before submitting application to the Gambling Control Board.

**COUNTY APPROVAL
for a gambling premises
located in a township**

- 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: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)

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, per Minn. Statutes, section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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 event date.

Chief Executive Officer's Signature: Darin Stator Date: 5-24-16
(Signature must be CEO's signature; designee may not sign)

Print Name: Darin Stator

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:

A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

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 the

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 Depart-

ment 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.

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- _____ a copy of your proof of nonprofit status, and
- _____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

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

Questions?

Call the Licensing Section of the Gambling Control Board at 651-539-1900.

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

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ORGANIZATION INFORMATION

Organization Name:

Northern Lights Trails

Previous Gambling Permit Number:

X-04998-

Minnesota Tax ID Number, if any:

Federal Employer ID Number (FEIN), if any:

41-1872708

Mailing Address:

PO Box 153

City: Benson

State: Mn

Zip: 56215

County: Swift

Name of Chief Executive Officer (CEO): Michael Goff

Daytime Phone: 320-808-7496

Email: msgoff65@gmail.com

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

- Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of one of the following showing 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.)

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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:

1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
2. 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): Patrick's Pub and Grill

Address (do not use P.O. box): 1301 Pacific Ave

City or

Township: Benson

Zip: 56215

County: Swift

Date(s) of activity (for raffles,

indicate the date of the drawing): November 18, 2016

Check each type of gambling activity that your organization will conduct:

- Bingo* Paddlewheels* Pull-Tabs* Tipboards*

Raffle (total value of raffle prizes awarded for the calendar year: \$ _____)

* **Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota 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.mn.gov/gcb and click on **Distributors** under **List of Licensees**, or call 651-539-1900.

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TOWNSHIP (if required by the county)
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, per Minn. Statutes, section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

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 event date.

Chief Executive Officer's Signature: _____ Date: _____
(Signature must be CEO's signature; designee may not sign)

Print Name: _____

REQUIREMENTS

- Complete a separate application for:**
- all gambling conducted on two or more consecutive days, or
 - all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

MAIL APPLICATION AND ATTACHMENTS

- Mail application with:**
- a copy of your proof of nonprofit status, and
 - application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

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

Questions?
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

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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 Depart-

ment 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.

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

Public Works Report June 6, 2016

Electric:

- Moving along nicely on the underground project. Boring complete from North of Elementary School to Utah. Now the crew will begin trenching east. The new trencher should help this run smoothly also. So far all ahead of schedule.

Parks:

- Memorial Weekend is over. Lots of work to get things ready for a big weekend. Some things went well, others not so much. We are working on finding ways to make sure one thing doesn't suffer for another. Communication is key to improvement.
- Extra help has been pulled from storm sewers to parks to get caught up.

Water:

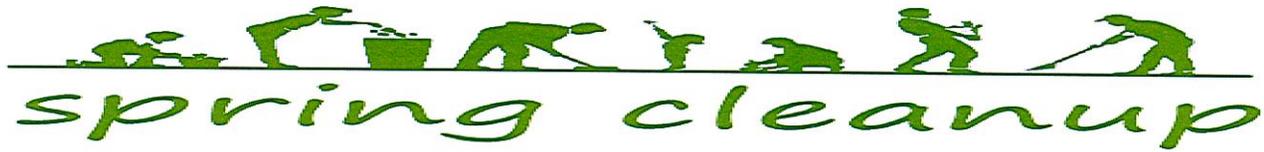
- Chlorine demand in the system has been steadily decreasing. We are adding less chlorine than ever. Hopefully this is a sign that the new chemical addition is coating the pipes. We are going to send in a few samples to see where things are at. We have stayed in close contact with the MDH as we move along.
- Once again Gary has done a great job getting the pool ready on time. A few bumps had to be hurdled with a few to go but good job. Every department pitched in as usual to ensure success. Quite the turnout for opening day.

Wastewater:

- Camera and jet truck will be running as much as possible all summer long. We are gathering as much info as possible to be prepared for possible future projects.
- Dan Gens passed his Class A wastewater exam and his Type 4 bio-solids exam.
- Lots of small repairs.

Streets:

- Cleaned up burnt house, doing alleys, street sweeping, Potholes etc.
- Will be seeding many areas this week.
- Will take advantage of Riellys being in town to do some patching.
- Russ Olson back so paint striping will begin soon.
- Construction projects in the near future.



spring cleanup

	App.	Furn.	Elec.	Tires	Matt	Box S	Sink	Bulbs	Garbage	Vehicles
Friday 5/6/2016 7-:3:30	101	34	240	116	18	11	16	174	31290	169
Saturday 5/7/2106 7 - 11:30	94	39	182	97	25	14	9	174	32200	130
Totals Both Days	195	73	422	213	43	25	25	348	63490	299
Cost Per	\$1,200.00	\$1,095.00	\$5,712.54	\$1,080.00	\$645.00	\$240.00	\$108.00	\$261.00	\$3,174.50	

Grand Total Expence

\$14,566.00

Budgeted Amount

\$25,000.00

Under Budget

\$10,434.00

The Crew averaged 2.8 minutes per vehicle on Friday and 2.08 minutes per vehicle on Saturday.

The crew did an outstanding job!! Wade, Mike, Richard, Gary, Willie, Kevin, John and Tanner helped make it all work.

The County crew deserves a hand also. Scott helped me organize and plan, and provided much needed help.

CITY OF BENSON, MINNESOTA

MANAGEMENT LETTER

DECEMBER 31, 2015

Conway, Deuth & Schmiesing, PLLP
Certified Public Accountants
Benson, Minnesota

CITY OF BENSON, MINNESOTA

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DECEMBER 31, 2015

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standard*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 16, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 11, the City implemented Governmental Accounting Standards Board Statement No. 68 and 71. Adoption of the provisions of this statement results in significant changes to the reporting of the net pension liability, variables impacting the calculation of the liability and its related disclosures. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of depreciation is based on the number of years an asset is in service. We evaluated the key factors and assumptions used to develop the depreciation estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible accounts in the Economic Development Revolving Loan Trust Fund is based on an analysis of the collectability of individual loans. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of pension and other post-employment benefit liabilities is based on actuarial valuations performed by consultants specializing in those areas. We evaluated the key factors and assumptions used to develop those estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 6, 2016.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, the Schedules of Funding Progress and Employer Contributions, the Schedules of Proportionate Share of the Net Pension Liability and Employer Contributions, and the Schedule of Changes in the City's Net Pension Liability and Related Ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the required supplementary information.

We were engaged to report on the statements and schedules listed in the table of contents as supplementary information, which accompany the financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were engaged to report on the Elected and Appointed Officials, which accompany the financial statements but are not required supplementary information. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Benson, Minnesota, and is not intended to be and should not be used by anyone other than these specified parties.

Conway, Deuth & Schmiesing, PLLP

CONWAY, DEUTH & SCHMIESING, PLLP
Certified Public Accountants
Benson, Minnesota

June 6, 2016

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS ON INTERNAL ACCOUNTING ISSUES AND INTERNAL CONTROLS

Prior Year Recommendations:

None

Current Year Recommendation:

RECOMMENDATION #1

We believe that the City should examine some financial performance indicators to properly gauge its performance and to help the Council make decisions related to the City's financial resources. Some of the most important are as follows:

	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Debt Burden</u>	Ratio of gross debt less bonds fully supported from enterprise fund revenues over the estimated full value of taxable property:		
Bonded Debt	$\frac{\$ 1,070,000}{\$ 162,576,300} = 0.658\%$	$\frac{\$ 1,780,000}{\$ 139,623,700} = 1.275\%$	$\frac{\$ 1,665,000}{\$ 148,411,000} = 1.122\%$
Market Value of Property			

Generally a debt burden ratio of more than 4.0 percent is considered to be high for a City in Benson's population range.

<u>Debt per Capita</u>	Ratio of gross debt less bonds fully supported from enterprise fund revenues over the City's population:		
Bonded Debt	$\frac{\$ 1,070,000}{3,240} = \330	$\frac{\$ 1,780,000}{3,240} = \549	$\frac{\$ 1,665,000}{3,240} = \514
Population			

<u>Net Operating Revenue per Capita</u>	Ratio of General Fund revenues, over the City's population:		
Total Revenue	$\frac{\$ 3,298,263}{3,240} = \$1,018$	$\frac{\$ 3,453,642}{3,240} = \$1,066$	$\frac{\$ 3,692,120}{3,240} = \$1,140$
Population			

<u>Percent of Intergovernmental to Total Revenue</u>	Ratio of General Fund intergovernmental revenue to total General Fund revenue:		
Intergovernmental Revenue	$\frac{\$ 1,245,285}{\$ 2,398,263} = 51.92\%$	$\frac{\$ 1,264,538}{\$ 3,453,642} = 36.61\%$	$\frac{\$ 1,322,899}{\$ 3,692,120} = 35.83\%$
Total Revenue			

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS ON INTERNAL ACCOUNTING ISSUES AND INTERNAL CONTROLS

Current Year Recommendation (Cont'd):

RECOMMENDATION #1 (Cont'd)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Net Operating Expenditures per Capita</u>	Ratio of General Fund expenditures, over the City's population:		
Net Operating Expenditures Population	$\frac{\$ 2,932,823}{3,240} = \905	$\frac{\$ 2,936,797}{3,240} = \906	$\frac{\$ 3,220,429}{3,240} = \994
<u>Percent of Fund Balance Restricted</u>	Ratio of restricted balance, over the City's governmental fund balance:		
Restricted Total Fund Balance	$\frac{\$ 174,368}{\$ 2,965,174} = 5.88\%$	$\frac{\$ 986,177}{\$ 4,159,720} = 23.71\%$	$\frac{\$ 207,815}{\$ 3,399,755} = 6.11\%$

CITY OF BENSON, MINNESOTA
REVENUE AND EXPENDITURE COMPARISON
GENERAL FUND
YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
REVENUES					
Taxes and Assessments	\$ 1,189,086	\$ 1,379,352	\$ 1,259,868	\$ 1,323,761	\$ 1,468,697
Licenses and Permits	19,352	43,743	24,606	33,761	23,266
Intergovernmental	1,142,680	1,037,802	1,245,285	1,264,538	1,322,899
Charges for Services	241,402	290,264	244,117	253,744	276,388
Fines, Forfeits and Other	505,434	565,006	524,387	577,838	600,870
Total Revenues	<u>3,097,954</u>	<u>3,316,167</u>	<u>3,298,263</u>	<u>3,453,642</u>	<u>3,692,120</u>
EXPENDITURES					
Current					
General Government	611,508	601,277	589,623	626,162	626,614
Public Safety	823,999	848,622	950,133	974,658	1,011,341
Public Works	678,852	613,553	602,011	578,522	661,793
Economic Development	17,206	20,443	8,808	26,864	17,425
Recreation and Parks	365,865	397,319	526,763	455,105	669,550
Other	240,599	261,826	255,485	275,486	233,706
Total Expenditures	<u>2,738,029</u>	<u>2,743,040</u>	<u>2,932,823</u>	<u>2,936,797</u>	<u>3,220,429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 359,925</u>	<u>\$ 573,127</u>	<u>\$ 365,440</u>	<u>\$ 516,845</u>	<u>\$ 471,691</u>

CITY OF BENSON, MINNESOTA
REVENUE AND EXPENSE COMPARISON
LIQUOR FUND
YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Sales	\$ 986,761	\$ 1,092,147	\$ 1,138,723	\$ 1,109,387	\$ 1,105,459
Cost of Sales	<u>665,037</u>	<u>719,498</u>	<u>747,601</u>	<u>718,890</u>	<u>712,994</u>
Gross Profit	321,724	372,649	391,122	390,497	392,465
Other Operating Revenues	<u>1,550</u>	<u>2,714</u>	<u>2,122</u>	<u>2,164</u>	<u>1,834</u>
Total Operating Revenues	323,274	375,363	393,244	392,661	394,299
Operating Expenses	<u>296,960</u>	<u>292,372</u>	<u>306,468</u>	<u>306,870</u>	<u>339,939</u>
Operating Income (Loss)	26,314	82,991	86,776	85,791	54,360
Nonoperating Revenues (Expenses)	<u>15,113</u>	<u>23,223</u>	<u>21,314</u>	<u>18,085</u>	<u>26,929</u>
Income (Loss) Before Transfers and Other Items	<u>\$ 41,427</u>	<u>\$ 106,214</u>	<u>\$ 108,090</u>	<u>\$ 103,876</u>	<u>\$ 81,289</u>

CITY OF BENSON, MINNESOTA
REVENUE AND EXPENSE COMPARISON
WATER FUND
YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues	\$ 477,357	\$ 589,558	\$ 593,509	\$ 579,013	\$ 586,050
Operating Expenses	<u>411,472</u>	<u>473,113</u>	<u>547,357</u>	<u>536,322</u>	<u>506,743</u>
Operating Income (Loss)	65,885	116,445	46,152	42,691	79,307
Nonoperating Revenues (Expenses)	<u>(8,391)</u>	<u>(67,782)</u>	<u>(51,502)</u>	<u>(62,371)</u>	<u>(30,302)</u>
Income (Loss) Before Transfers and Other Items	<u>\$ 57,494</u>	<u>\$ 48,663</u>	<u>\$ (5,350)</u>	<u>\$ (19,680)</u>	<u>\$ 49,005</u>

CITY OF BENSON, MINNESOTA
REVENUE AND EXPENSE COMPARISON
SEWER FUND
YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues	\$ 765,266	\$ 736,856	\$ 746,748	\$ 829,267	\$ 808,772
Operating Expenses	<u>769,024</u>	<u>777,867</u>	<u>791,793</u>	<u>844,211</u>	<u>825,921</u>
Operating Income (Loss)	(3,758)	(41,011)	(45,045)	(14,944)	(17,149)
Nonoperating Revenues (Expenses)	<u>(64,548)</u>	<u>(65,392)</u>	<u>(62,341)</u>	<u>(74,841)</u>	<u>(61,124)</u>
Income (Loss) Before Transfers and Other Items	<u><u>\$ (68,306)</u></u>	<u><u>\$ (106,403)</u></u>	<u><u>\$ (107,386)</u></u>	<u><u>\$ (89,785)</u></u>	<u><u>\$ (78,273)</u></u>

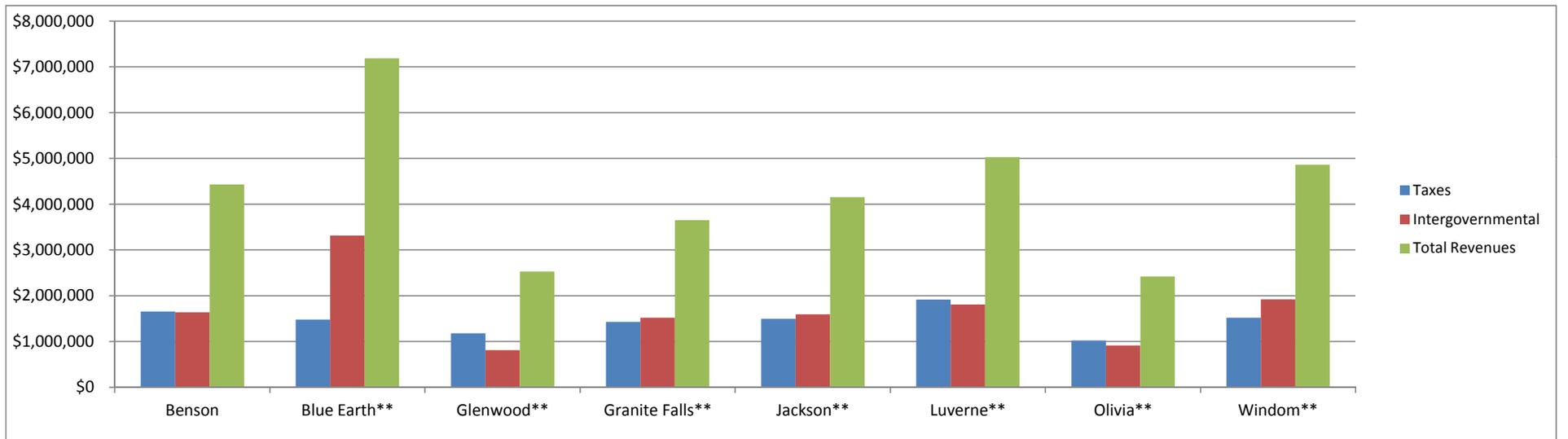
CITY OF BENSON, MINNESOTA
REVENUE AND EXPENSE COMPARISON
ELECTRIC FUND
YEARS ENDED DECEMBER 31,

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues	\$ 4,251,058	\$ 4,105,562	\$ 4,408,751	\$ 4,180,713	\$ 4,055,022
Operating Expenses	<u>3,825,643</u>	<u>3,713,822</u>	<u>3,967,917</u>	<u>3,775,427</u>	<u>3,784,355</u>
Operating Income (Loss)	425,415	391,740	440,834	405,286	270,667
Nonoperating Revenues (Expenses)	<u>(203,708)</u>	<u>(177,492)</u>	<u>(221,885)</u>	<u>(93,975)</u>	<u>(168,735)</u>
Income (Loss) Before Transfers and Other Items	<u>\$ 221,707</u>	<u>\$ 214,248</u>	<u>\$ 218,949</u>	<u>\$ 311,311</u>	<u>\$ 101,932</u>

CITY OF BENSON, MINNESOTA
GOVERNMENTAL FUNDS REVENUES - COMPARABLE CITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

	REVENUES											
	Population	Taxes	Special Assessments	Licenses and Permits	INTERGOVERNMENTAL			Total Inter-Governmental	Charges for Services / Fines	Interest Earnings	All Other Revenues	Total Revenues
					Federal Grants	State Grants	Local Grants					
Benson	3,240	\$1,653,694	\$ 8,108	\$ 23,266	\$ 465,479	\$1,172,152	\$	\$1,637,631	\$ 353,103	\$ 62,662	\$ 690,792	\$4,429,256
Blue Earth**	3,309	1,479,832	315,844	50,143	1,192,004	2,104,371	19,302	3,315,677	647,663	50,373	1,325,070	7,184,602
Glenwood**	2,560	1,178,901	219	96,477	20,842	790,113		810,955	320,267	32,161	88,680	2,527,660
Granite Falls**	2,824	1,428,037	353,687	51,185	254,153	1,185,602	77,957	1,517,712	200,742	20,244	79,086	3,650,693
Jackson**	3,369	1,497,115	36,622	56,959	201,368	1,388,588		1,589,956	254,196	95,800	624,246	4,154,894
Luverne**	4,704	1,913,512	5,570	116,362	259,676	1,532,449	13,945	1,806,070	820,986	109,897	254,906	5,027,303
Olivia**	2,445	1,021,786	144,686	57,031		910,395		910,395	81,450	61,154	142,220	2,418,722
Windom**	4,636	1,516,221	283,064	78,961	277,662	1,634,159	10,839	1,922,660	791,230	16,399	253,335	4,861,870

** Based on 2014 data.

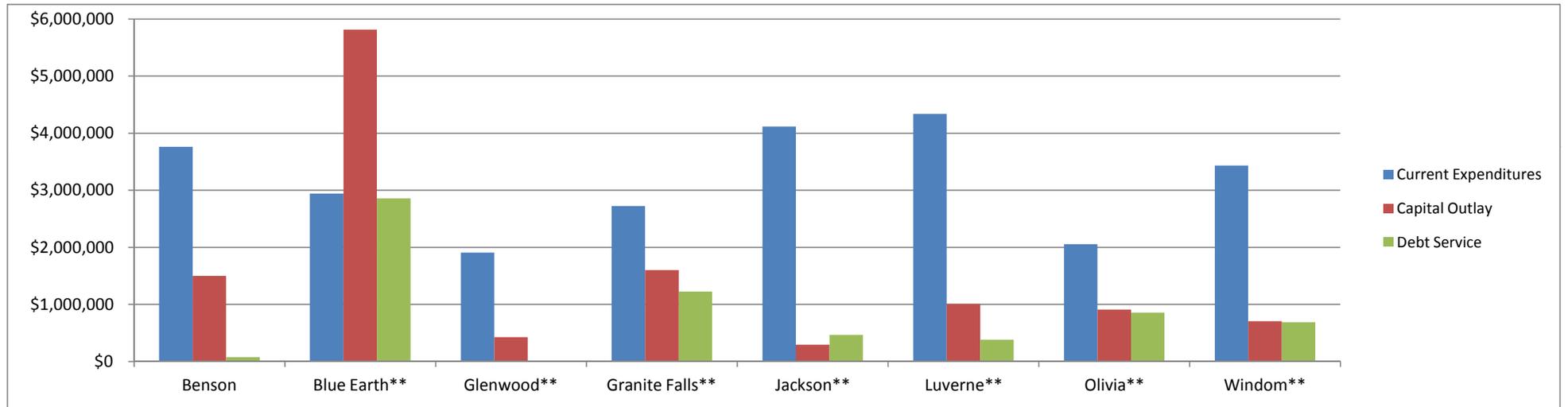


Benson	37.34%	0.18%	0.53%	10.51%	26.46%	0.00%	36.97%	7.97%	1.41%	15.60%	100.00%
Blue Earth**	20.60%	4.40%	0.70%	16.59%	29.29%	0.27%	46.15%	9.01%	0.70%	18.44%	100.00%
Glenwood**	46.64%	0.01%	3.82%	0.82%	31.26%	0.00%	32.08%	12.67%	1.27%	3.51%	100.00%
Granite Falls	39.12%	9.69%	1.40%	6.96%	32.48%	2.14%	41.57%	5.50%	0.55%	2.17%	100.00%
Jackson**	36.03%	0.88%	1.37%	4.85%	33.42%	0.00%	38.27%	6.12%	2.31%	15.02%	100.00%
Luverne**	38.06%	0.11%	2.31%	5.17%	30.48%	0.28%	35.93%	16.33%	2.19%	5.07%	100.00%
Olivia**	42.24%	5.98%	2.36%	0.00%	37.64%	0.00%	37.64%	3.37%	2.53%	5.88%	100.00%
Windom**	31.19%	5.82%	1.62%	5.71%	33.61%	0.22%	39.55%	16.27%	0.34%	5.21%	100.00%

CITY OF BENSON, MINNESOTA
 GOVERNMENTAL FUNDS EXPENDITURES - COMPARABLE CITIES
 FOR THE YEAR ENDED DECEMBER 31, 2015

	Population	CURRENT EXPENDITURES					All Other	Total Current Expenditures	Total Capital Outlay	Total Debt Service	Total Expenditures
		General Government	Public Safety	Streets and Highways	Culture and Recreation	Housing and Economic Development					
Benson	3,240	\$ 627,027	\$ 1,011,341	\$ 697,411	\$ 771,040	\$ 422,693	\$ 233,706	\$ 3,763,218	\$ 1,500,237	\$ 75,495	\$ 5,338,950
Blue Earth**	3,309	405,116	735,404	811,408	398,406	289,655	301,156	2,941,145	5,814,826	2,859,215	11,615,186
Glenwood**	2,560	355,661	619,362	304,481	334,477	166,219	126,765	1,906,965	424,688	14,016	2,345,669
Granite Falls**	2,824	434,263	669,559	421,161	222,491	242,093	732,635	2,722,202	1,602,631	1,223,643	5,548,476
Jackson**	3,369	783,852	768,783	697,659	145,423	1,321,742	398,138	4,115,597	292,714	465,448	4,873,759
Luverne**	4,704	543,492	1,132,973	716,768	1,259,812	329,273	357,428	4,339,746	1,006,960	380,687	5,727,393
Olivia**	2,445	439,102	662,502	561,270	139,375	180,751	71,429	2,054,429	908,576	854,872	3,817,877
Windom**	4,636	380,755	1,397,361	573,165	458,370	462,802	160,848	3,433,301	707,352	687,681	4,828,334

** Based on 2014 data.



Benson	11.74%	18.94%	13.06%	14.44%	7.92%	4.38%	70.49%	28.10%	1.41%	100.00%
Blue Earth**	3.49%	6.33%	6.99%	3.43%	2.49%	2.59%	25.32%	50.06%	24.62%	100.00%
Glenwood**	15.16%	26.40%	12.98%	14.26%	7.09%	5.40%	81.30%	18.11%	0.60%	100.00%
Granite Falls**	7.83%	12.07%	7.59%	4.01%	4.36%	13.20%	49.06%	28.88%	22.05%	100.00%
Jackson**	16.08%	15.77%	14.31%	2.98%	27.12%	8.17%	84.44%	6.01%	9.55%	100.00%
Luverne**	9.49%	19.78%	12.51%	22.00%	5.75%	6.24%	75.77%	17.58%	6.65%	100.00%
Olivia**	11.50%	17.35%	14.70%	3.65%	4.73%	1.87%	53.81%	23.80%	22.39%	100.00%
Windom**	7.89%	28.94%	11.87%	9.49%	9.59%	3.33%	71.11%	14.65%	14.24%	100.00%

CITY OF BENSON, MINNESOTA
AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2015

Conway, Deuth & Schmiesing, PLLP
Certified Public Accountants
Benson, Minnesota

CITY OF BENSON, MINNESOTA

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CITY OF BENSON, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2015

<u>Name</u>	<u>Position</u>	<u>Term of Office Expires</u>
Paul Kittelson	Mayor	December 31, 2015
Jack Evenson	Council Member	December 31, 2017
Stephanie Heinzig	Council Member	December 31, 2017
Sue Fitz	Council Member	December 31, 2015
Michael Fugleberg	Council Member	December 31, 2015
Robert Wolfington	City Administrator	Appointed
Glen Pederson	Director of Finance	Appointed
Donald Wilcox	City Attorney	Appointed



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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 Benson, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 11 to the financial statements, for the year ended December 31, 2015, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pension Plans - an Amendment of GASB Statement No. 27* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedules of Funding Progress and Employer Contributions, the Schedules of Proportionate Share of the Net Pension Liability and Employer Contributions, and the Schedule of Changes in the City's Net Pension Liability and Related Ratios as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Elected and Appointed Officials page and supplementary information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Elected and Appointed Officials page and statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on the information presented.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Conway, Deuth & Schmiesing, PLLP

CONWAY, DEUTH & SCHMIESING, PLLP
Certified Public Accountants
Benson, Minnesota

June 6, 2016

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

This section of the basic financial statements of the City of Benson (the City) presents a discussion and analysis of the City's financial performance during the fiscal year ended December 31, 2015. Please read it in conjunction with the City's basic financial statements following this section.

Financial Highlights

- The assets of the City exceeded liabilities by \$22 million for the year ended 2015. Of this amount, \$6.9 million may be used to meet the government's ongoing obligations to citizens and creditors in 2015.
- The City's total net position decreased by \$1,345,174.
- The City's governmental funds reported combined ending fund balances of \$3,399,755 in 2015, which is a decrease of \$759,965 from the prior year. Of this total amount, approximately 47% is available for spending at the City's discretion. Most of the decrease is due to the spending down bond proceeds in the G.O. Bonds, Series 2014A Debt Service fund. The General Fund increased by \$66,822 with revenues received \$219,878 over budget, expenditures \$137,787 over budget and other financing sources (uses) \$8,519 under budget.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,626,522, or 51% of total General Fund expenditures of \$3,220,429. This percentage has been increasing steadily over the past several years but decreased slightly this year due to a 10% increase in expenses. The City budgeted for a \$6,750 deficit to come from the Lodging Tax surplus funds. The actual result was an increase of \$66,822.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented after the Statement of Activities. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's funds. The notes to the basic financial statements provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The City as a Whole: Statement of Net Position and Statement of Activities

Our analysis of the City begins with the Statement of Net Position and the Statement of Activities. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities both report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the City's net position and changes in them. You can think of the City's net position-the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources-as one way to measure the City's financial health. Over time, increases or decreases in the City's net position are one indicator of whether the City's financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the City of Benson.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

The City as a Whole: Statement of Net Position and Statement of Activities (Cont'd)

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

Governmental Activities - Most of the City's basic services are reported here, including public safety, public works, culture and recreation, airport and public transit, urban development, economic development, and general administration. Property taxes, franchise fees, and state and federal grants finance most of these activities.

Business-Type Activities - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Water, Sewer, Electric, Liquor, and Sanitation funds are reported here.

The City's Most Significant Funds: Fund Financial Statements

Our analysis of the City of Benson's major funds begins with the fund financial statements. These statements provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City of Benson's three kinds of funds - governmental, proprietary, and fiduciary - use different accounting approaches.

Governmental Funds - Most of the City of Benson's basic services are reported in governmental funds. Governmental funds focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader of the statements determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation after the fund financial statements.

The governmental fund financial statements can be found on pages 17-21 of this report.

Proprietary Funds - When the City of Benson charges customers for the services it provides—whether to outside customers or to other units of the City—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The proprietary fund financial statements can be found on pages 22-25 of this report.

Fiduciary Funds - The City of Benson is the trustee, or fiduciary, to account for the repayment and earnings of the Economic Development Revolving Loans. The resources held in a fiduciary capacity are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in this fund are used for their intended purpose.

The fiduciary fund financial statements can be found on pages 26-27 of this report.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-63 of this report.

Statement of Net Position

The City of Benson's net position decreased from a year ago. Our analysis below focuses on the net position (Tables 1 and 2) and changes in net position (Tables 3 and 4) of the City's governmental and business-type activities.

	Governmental Activities		Change
	2015	2014	
Current Assets and Other Assets	\$ 3,663,857	\$ 4,356,039	\$ (692,182)
Net Capital Assets	11,224,540	10,391,941	832,599
Total Assets	14,888,397	14,747,980	140,417
Deferred Outflows of Resources	239,738		239,738
Total Assets and Deferred Outflows of Resources	\$ 15,128,135	\$ 14,747,980	\$ 380,155
Current and Other Liabilities	\$ 146,136	\$ 59,520	\$ 86,616
Long-Term Liabilities	2,811,162	1,594,738	1,216,424
Total Liabilities	2,957,298	1,654,258	1,303,041
Deferred Inflows of Resources	152,319		152,319
Net Position			
Net Investment in Capital Assets	9,949,540	9,056,941	892,599
Restricted	204,857	983,044	(778,187)
Unrestricted	1,864,121	3,053,738	(1,189,617)
Total Net Position	12,018,518	13,093,723	(1,075,205)
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 15,128,135	\$ 14,747,981	\$ 380,155

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Statement of Net Position (Cont'd)

	<u>Business-Type Activities</u>		Change
	<u>2015</u>	<u>2014</u>	
Current and Other Assets	\$ 5,757,330	\$ 5,992,605	\$ (235,275)
Net Capital Assets	15,758,963	16,322,984	(564,021)
Total Assets	<u>21,516,293</u>	<u>22,315,589</u>	(799,296)
Deferred Outflows of Resources	<u>110,646</u>	<u>82,083</u>	<u>28,563</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 21,626,939</u>	<u>\$ 22,397,672</u>	<u>\$ (770,733)</u>
Current and Other Liabilities	\$ 381,793	\$ 395,458	\$ (13,665)
Long-Term Liabilities	11,582,889	12,098,684	(515,795)
Total Liabilities	<u>11,964,682</u>	<u>12,494,142</u>	<u>(529,460)</u>
Deferred Inflows of Resources	28,697		28,697
Net Position			
Net Investment in Capital Assets	4,598,963	4,272,883	326,080
Unrestricted	5,034,597	5,630,647	(596,050)
Total Net Position	<u>9,633,560</u>	<u>9,903,530</u>	<u>(269,970)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 21,626,939</u>	<u>\$ 22,397,672</u>	<u>\$ (770,733)</u>

Governmental Activities

Net position of the City's governmental activities decreased by \$1,075,205. Table 3 presents the key elements of the decrease.

Business-Type Activities

The net position of our business-type activities decreased by \$269,970. The decrease was due to the following funds change in net assets: Water - \$(41,442), Sewer - \$(115,585), Electric - \$(10,984), Liquor - \$(111,150), and Sanitation - \$9,191. While a majority of the decrease was due to the recording of the net pension liability and related deferred outflows of resources, additional comparison of the 2015 and 2014 changes in net position is as follows:

	2015	2014	(Decrease) (Decrease)	Analysis
Water	\$ (41,442)	\$ (33,260)	\$ (8,182)	Higher Sales
Sewer	(115,585)	(111,581)	(4,004)	Lower Expenses
Electric	(10,984)	241,789	(252,773)	Higher Nonoper Exp
Liquor	(111,150)	23,876	(135,026)	Higher Expenses
Sanitation	<u>9,191</u>	<u>9,998</u>	<u>(807)</u>	
	<u>\$ (269,970)</u>	<u>\$ 130,822</u>	<u>\$ (400,792)</u>	

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Statement of Activities

The following tables indicate the changes in net assets for the City's governmental and business-type activities:

Table 3 Comparative Condensed Statement of Activities			
	Governmental Activities		Change
	2015	2014	
REVENUES			
Program Revenues			
Fees, Fines, and Charges for Services	\$ 1,026,941	\$ 998,771	\$ 28,170
Operating Grants and Contributions	653,125	383,528	269,597
Capital Grants and Contributions		80,196	(80,196)
General Revenues			
Property Taxes	1,447,322	1,422,202	25,120
Grants and Contributions Not Restricted	1,069,426	973,367	96,059
Interest Income	62,662	71,278	(8,616)
Gain (Loss) on Disposal of Assets	68		68
Other	160,546	290,104	(129,558)
Total Revenues	4,420,090	4,219,446	200,643
EXPENSES			
General Government	667,647	754,837	(87,190)
Public Safety	1,192,092	1,163,491	28,601
Public Works	942,801	909,653	33,148
Culture and Recreation	917,135	706,873	210,262
Airport and Public Transit	332,706	255,638	77,068
Urban Development	361,438	193,440	167,998
Economic Development	43,830	68,498	(24,668)
Interest on Long-Term Debt	20,778	35,447	(14,669)
Total Expenses	4,478,427	4,087,877	390,550
Change in Net Position Before Transfers	(58,337)	131,569	(189,906)
TRANSFERS			
Change in Net Position	164,989	184,898	(19,909)
Change in Net Position	106,652	316,467	(209,815)
NET POSITION, BEGINNING OF YEAR, AS ORIGINALLY STATED			
	13,093,722	12,777,255	316,467
PRIOR PERIOD ADJUSTMENT			
	(1,181,856)		(1,181,856)
NET POSITION, BEGINNING OF YEAR, AS RESTATED			
	11,911,866	12,777,255	(865,389)
NET POSITION, END OF YEAR			
	\$ 12,018,518	\$ 13,093,722	\$ (1,075,204)

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Statement of Activities (Cont'd)

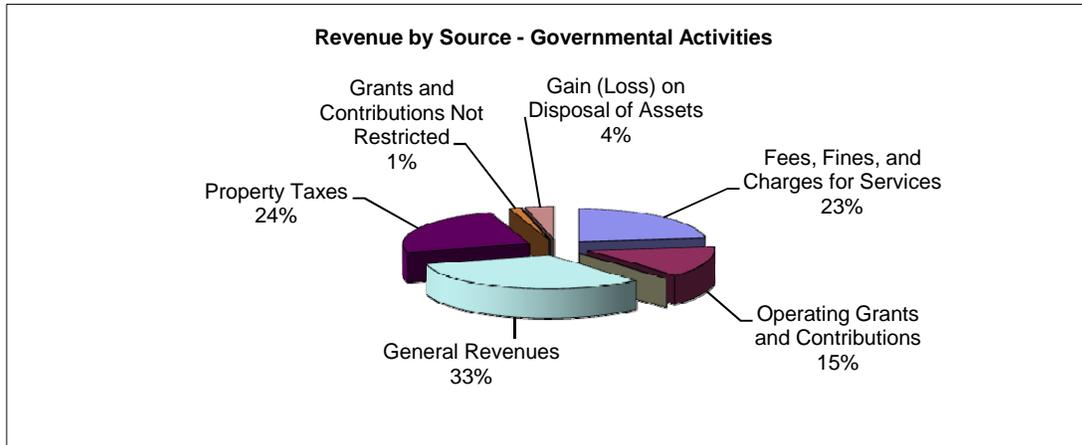
Table 4 Comparative Condensed Statement of Activities			
	Business-Type Activities		Change
	2015	2014	
REVENUES			
Program Revenues			
Fees, Fines, and Charges for Services	\$ 6,723,722	\$ 6,866,985	\$ (143,263)
General Revenues			
Interest Income	69,179	162,851	(93,672)
Gain (Loss) on Disposal of Assets	24,800		24,800
Other	38,280	25,498	12,782
Total Revenues	<u>6,855,981</u>	<u>7,055,334</u>	<u>(199,354)</u>
EXPENSES			
Water	567,759	606,760	(39,001)
Sewer	888,399	920,088	(31,689)
Electric	4,024,159	4,028,484	(4,325)
Liquor	1,052,933	1,025,760	27,173
Sanitation	159,587	158,522	1,065
Total Expenses	<u>6,692,837</u>	<u>6,739,614</u>	<u>(46,777)</u>
Change in Net Position Before Transfers	163,144	315,720	(152,576)
TRANSFERS	<u>(164,989)</u>	<u>(184,898)</u>	19,909
Change in Net Position	(1,845)	130,822	(132,667)
NET POSITION, BEGINNING OF YEAR, AS ORIGINALLY STATED	9,903,530	9,772,708	130,822
PRIOR PERIOD ADJUSTMENT	<u>(268,125)</u>		<u>(268,125)</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED	<u>9,635,405</u>	<u>9,772,708</u>	<u>(137,303)</u>
NET POSITION, END OF YEAR	<u>\$ 9,633,560</u>	<u>\$ 9,903,530</u>	<u>\$ (269,970)</u>

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Governmental Activities

Revenues - The following chart visually illustrates the City's revenue by source for its governmental activities:



Financial Analysis of the City's Funds

General Fund - The change in the City's General Fund balance was an increase of \$66,822 for 2015. The City Council adopted a budget with a deficit of \$6,750 for increased expenses in the tourism line item. The funds to cover this amount was available in the Lodging Tax account. The fund balance decreased to 51% of annual expenditures from 54% the previous year due to a 10% increase in expenses. This is still 11% over (\$338,351) the cities goal of 40%.

Property taxes increased 2.2% this year as part of a general increase in overall salaries and expenses.

Revenues came in higher than anticipated due to increases in four areas. These included intergovernmental revenues due to small cities assistance grant payments. Charges for services increased mainly due to an increase in fire and rescue calls. Increases were also seen in Interest Income and unrealized gains in investments. Increases in miscellaneous revenues including rent, refunds and reimbursements and donation revenue also contributed to higher than anticipated revenues.

Increased revenue collections and despite even higher expenditures contributed to the \$66,822 increase in fund balance. Even though transfers to other governmental funds are up, the General Fund Balance continues to grow.

General Capital Outlay - The change in the City's General Capital Outlay Fund balance was an increase of \$65,860 for 2015. Improvements for the year consisted of the purchase of the various vehicles and equipment for Public Safety and Public Works as well as street overlay projects occurring.

Capital Project Funds - The capital project fund balances - both major and nonmajor - increased by \$28,790. The nonmajor funds saw a decrease. The Concrete Projects Fund increased due to the General Fund Transfer being greater than the years maintenance costs. While the Storm Water Fund covered all of the maintenance costs, a portion of the fund balance was used to help pay for half of the cost of a new street sweeper.

Debt Service Funds – The debt service fund balances decreased by \$817,382, which was entirely in the G.O. Bonds of 2014 to do the spending down of the bond proceeds to go towards an addition to the street department garage and also to make improvements to the sprinkler system at the Benson Golf Course.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Financial Analysis of the City's Funds (Cont'd)

Sewer Fund - Revenues came in at \$808,772 and expenses at \$825,921 with a total operating loss of \$(17,149) as compared to \$(14,944) in 2014. In 2015, charges for services and refunds and reimbursements were down \$20,495 but operating expenses increased by \$18,290. This was primarily from increases in chemicals, utility costs and increase in depreciation.

Water Fund – Revenues came in at \$586,050 and expenses at \$506,743 with an operating income of \$79,307 as compared to operating income in 2014 of \$42,691.

Liquor Fund - Total revenues were comparable with 2014 and showed minor changes between On-Sale and Off-Sale. Pull tab gambling rent has slacked off and been the only noticeable change in the operation. Expenses were also comparable to last year.

Liquor Fund - Total revenues were comparable with 2014 and showed minor changes between On-Sale and Off-Sale. Pull tab gambling rent has slacked off and been the only noticeable change in the operation. Expenses were also comparable to last year.

Factors affecting the City's proprietary funds for 2016 are as follows:

Water and sewer rates both increase again in 2016 as we struggle to collect enough revenue to cover operating costs and debt service. Large increases the last several years to water and sewer rates have made these charges a significant portion of our residential customers utility bill. What was once a reasonably priced service now needs to be closely monitored by the consumers in order to control their costs. The City needs to closely monitor its sewer and water fund budgets in order to control their cost.

In the Electric Fund operating profit is lower but is still projected to be positive. Cost of power is increasing but not as fast as when we last studied rates so our purchase power adjustment clause should still be adequate. An effort to convert a portion of our distribution system from overhead to underground is underway and will take 20 years to complete. With increasing environmental regulations being placed on carbon emissions, the City will see increased costs for its supplemental power cost. As plants are retired and newer resources are constructed, these costs will be passed on to our customers.

Budgetary Highlights

Over the course of the year, the City of Benson did not revised its original adopted budget. The City adopted a General Fund Budget with a deficit but had a dedicated sources of funds to cover it.

Capital Assets

At the end of 2015, the City of Benson had \$61,002,176 invested in a broad range of capital assets. Refer to Note 5 of the Notes to the Financial Statements for a schedule showing the City's capital asset activity.

The City of Benson's fiscal year 2016 General capital outlay plan has \$1,913,948 in the budget. This is the second consecutive year of above normal capital expenditures for our City. Unique items this year include a \$900,000 fire truck that will need to be financed and \$435,000 of airport improvements that are 95% funded with government aids.

The Water Fund continues to make needed repairs to the distribution system but no major upgrades are planned at this time. Repainting of the water tower is budgeted for 2016.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Capital Assets (Cont'd)

2016 will be another minimum project year for the Sewer Fund with no major projects planned. Cash levels are too low to entertain any kind of substantial project. The digester cover at the treatment plant will be repaired and a camera to video mains are to be purchased.

The Electric Fund has planned improvements to the electric system to convert overhead to underground distribution. The utility has developed a 20 year plan that is engineered and sized to allow the MRES Benson crew to construct the new lines. The utility started converting the overhead lines north of the Benson cemetery in 2014 and will focus on the northeastern quarter of Benson over the next four years.

Long-Term Debt

At year-end, the City of Benson had \$14,394,061 in bonds and other long-term notes outstanding. Refer to Note 7 of the Notes to the Financial Statements for a schedule showing the City's long-term debt activity.

Economic Factors and Next Year's Budget

The overall economy in the State of Minnesota is doing well; however, the local farm economy continues to experience stress. Prices for corn and ethanol and other farm commodities are down. This has had a negative effect on related retail, processing and manufacturing industries that are tied to the agricultural economy. Major businesses and organizations in Benson are using this down-turned local economy as an opportunity to grow and expand their facilities. Benson Power, LLC, Benson's largest taxpayer has just reorganized with their investors and is currently undergoing a major renovation of generating equipment. The Swift County Benson Hospital is planning a \$27 million renovation of the hospital and adding additional assisted living and memory care facilities to their medical campus, with construction beginning in 2016. The Benson School system and Swift County are also planning facility upgrades to their public facilities. Low interest rates and lower construction cost are driving these organizations to make long term investments in our community.

The Benson City Council continues to make long term capital investments in our community. In 2017, the City will continue its underground conversion of the electric distribution system. In 2016, the Benson Fire Department will take possession of a new \$900,000 ladder truck that will replace one that is 35 years old. In 2017, the Minnesota Department of Transportation will participate in a \$5 million upgrade of the three state highways that intersect and travel through Benson. The project will include a restoration of handicap ramps and sidewalks along the highways making them compliant with the American Disabilities Act. The project will also include storm water repairs and an asphalt overlay. The City will also focus its planning and grant writing effort to rebuild the BNSF crossing and the construction of Pacific Avenue West to serve as a bypass for emergency vehicles and general traffic impacted by trains blocking the crossing in the central business district.

The City Council's conservative approach to spending has allowed for an increase in cash reserved and capital outlay balances in the General Fund and Capital Outlay Fund.

The 2016 Property Tax Levy of \$1,494,400 is a 5% increase over 2015. The property tax increase for 2017 has not yet been determined but will be impacted by increases in a lease payment for the fire department and a need for increased resources in the police department. Anticipated retirements of key employees will necessitate new hiring and double slotting to allow for training and the seamless delivery of services. Also impacting a future levy in the next few years is a need to renovate or replace the Benson City Hall to meet ADA requirements. The outlook for the City of Benson is bright and hopeful with a proper balance of new investments.

CITY OF BENSON, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

Contacting the City's Financial Management

This financial report is designed to provide our residents, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional information, contact the City of Benson, 1410 Kansas Avenue, Benson, Minnesota 56215, (320) 843-4775, or staff@bensonmn.org.

BASIC FINANCIAL STATEMENTS

CITY OF BENSON, MINNESOTA

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and Investments	\$ 3,226,271	\$ 4,874,629	\$ 8,100,900
Receivables			
Accounts	176,472	503,185	679,657
Property Taxes	22,385		22,385
Special Assessments	15,936	23,773	39,709
Notes	101,476		101,476
Loans	10,000		10,000
Interest	11,825	15,634	27,459
Inventories	32,508	293,819	326,327
Internal Balances	12,101	(12,101)	
Prepaid Items	2,152	58,391	60,543
Land Held for Resale	52,731		52,731
Capital Assets			
Assets Not Being Depreciated	1,176,334	102,098	1,278,432
Other Capital Assets, Net of Depreciation	10,048,206	15,656,865	25,705,071
Net Capital Assets	<u>11,224,540</u>	<u>15,758,963</u>	<u>26,983,503</u>
Total Assets	<u>14,888,397</u>	<u>21,516,293</u>	<u>36,404,690</u>
Deferred Outflows of Resources			
Related to Pensions	239,738	39,753	279,491
Deferred Loss on Refunding		70,893	70,893
Total Deferred Outflows of Resources	<u>239,738</u>	<u>110,646</u>	<u>350,384</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 15,128,135</u>	<u>\$ 21,626,939</u>	<u>\$ 36,755,074</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Liabilities			
Accounts Payable	\$ 137,720	\$ 315,976	\$ 453,696
Accrued Interest Payable	8,416	65,817	74,233
Noncurrent Liabilities			
Due Within One Year	188,613	880,696	1,069,309
Due in More Than One Year	2,622,549	10,702,193	13,324,742
Total Liabilities	<u>2,957,298</u>	<u>11,964,682</u>	<u>14,921,980</u>
Deferred Inflows of Resources			
Related to Pensions	152,319	28,697	181,016
Net Position			
Net Investment in Capital Assets	9,949,540	4,598,963	14,548,503
Restricted			
Debt Service	93,210		93,210
Economic Development	111,647		111,647
Unrestricted	1,864,121	5,034,597	6,898,718
Total Net Position	<u>12,018,518</u>	<u>9,633,560</u>	<u>21,652,078</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 15,128,135</u>	<u>\$ 21,626,939</u>	<u>\$ 36,755,074</u>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 667,647	\$ 543,109	\$	\$	\$ (124,538)	\$	\$ (124,538)
Public Safety	1,192,092	159,603	135,314		(897,175)		(897,175)
Public Works	942,801	59,102	4,226		(879,473)		(879,473)
Culture and Recreation	917,135	128,435	1,831		(786,869)		(786,869)
Airport and Public Transit	332,706	116,218	197,022		(19,466)		(19,466)
Urban Development	361,438		314,732		(46,706)		(46,706)
Economic Development	43,830	20,474			(23,356)		(23,356)
Interest on Long-Term Debt	20,778				(20,778)		(20,778)
Total Governmental Activities	4,478,427	1,026,941	653,125	0	(2,798,361)	0	(2,798,361)
BUSINESS-TYPE ACTIVITIES							
Water	567,759	586,050				18,291	18,291
Sewer	888,399	808,772				(79,627)	(79,627)
Electric	4,024,159	4,055,022				30,863	30,863
Liquor	1,052,933	1,107,293				54,360	54,360
Sanitation	159,587	166,585				6,998	6,998
Total Business-Type Activities	6,692,837	6,723,722	0	0	0	30,885	30,885
Total	\$ 11,171,264	\$ 7,750,663	\$ 653,125	\$ 0	(2,798,361)	30,885	(2,767,476)
GENERAL REVENUES							
Taxes							
Property Taxes					1,447,322		1,447,322
Grants and Contributions Not Restricted to Specific Programs					1,069,426		1,069,426
Interest Income					62,662	69,179	131,841
Gain (Loss) on Disposal of Assets					68	24,800	24,868
Other					160,546	38,280	198,826
TRANSFERS					164,989	(164,989)	
Total General Revenues and Transfers					2,905,013	(32,730)	2,872,283
Change in Net Position					106,652	(1,845)	104,807
NET POSITION, BEGINNING OF YEAR, AS ORIGINALLY STATED					13,093,722	9,903,530	22,997,252
PRIOR PERIOD ADJUSTMENT					(1,181,856)	(268,125)	(1,449,981)
NET POSITION, BEGINNING OF YEAR, AS RESTATED					11,911,866	9,635,405	21,547,271
NET POSITION, END OF YEAR					\$ 12,018,518	\$ 9,633,560	\$ 21,652,078

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General	General Capital Outlay	G.O. Bonds, Series 2014A	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 1,542,375	\$ 669,175	\$ 55,619	\$ 959,102	\$ 3,226,271
Receivables					
Accounts	93,479	82,993			176,472
Property Taxes	19,059			3,326	22,385
Special Assessments	2,671			13,265	15,936
Notes				101,476	101,476
Loans				10,000	10,000
Interest	11,304			521	11,825
Inventories		32,508			32,508
Due from Other Funds	10,040			3,983	14,023
Prepaid Items	2,152				2,152
Land Held for Resale				52,731	52,731
	<u>1,681,080</u>	<u>784,676</u>	<u>55,619</u>	<u>1,144,404</u>	<u>3,665,779</u>
Total Assets	\$ 1,681,080	\$ 784,676	\$ 55,619	\$ 1,144,404	\$ 3,665,779
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 50,765	\$	\$ 86,678	\$ 277	\$ 137,720
Due to Other Funds				1,922	1,922
Total Liabilities	<u>50,765</u>	<u>0</u>	<u>86,678</u>	<u>2,199</u>	<u>139,642</u>
Deferred Inflows of Resources					
Special Assessments	1,641			13,265	14,906
Loans Receivable				111,476	111,476
Total Deferred Inflows of Resources	<u>1,641</u>	<u>0</u>	<u>0</u>	<u>124,741</u>	<u>126,382</u>
Fund Balance					
Nonspendable	2,152	32,508		52,731	87,391
Restricted				207,815	207,815
Committed				364,681	364,681
Assigned		752,168		392,237	1,144,405
Unassigned	1,626,522		(31,059)		1,595,463
Total Fund Balance	<u>1,628,674</u>	<u>784,676</u>	<u>(31,059)</u>	<u>1,017,464</u>	<u>3,399,755</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,681,080	\$ 784,676	\$ 55,619	\$ 1,144,404	\$ 3,665,779

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2015

Total Fund Balances - Governmental Funds	\$ 3,399,755
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	
Governmental Capital Assets	28,984,254
Less: Accumulated Depreciation	(17,759,714)
Certain receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
Special Assessments	14,906
Economic Development Loans and Notes	111,476
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred Outflows of Resources Related to Pensions	239,738
Deferred Inflows of Resources Related to Pensions	(152,319)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Bonds and Notes Payable	(1,275,000)
Compensated Absences	(140,118)
Accrued Interest Payable	(8,416)
Net OPEB Liability	(144,109)
Net Pension Liability	(1,251,935)
	<hr/>
Total Net Position - Governmental Activities	<u>\$ 12,018,518</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2015

	General	General Capital Outlay	G.O. Bonds, Series 2014A	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 1,468,549	\$	\$	\$ 185,145	\$ 1,653,694
Special Assessments	148			7,960	8,108
Licenses and Permits	23,266				23,266
Intergovernmental	1,322,899			314,732	1,637,631
Charges for Services	276,388			54,318	330,706
Fines and Forfeits	22,397				22,397
Investment Income	52,303		920	9,439	62,662
Miscellaneous					
Rents	66,411				66,411
Refunds and Reimbursements	427,049	82,993		10,177	520,219
Donations	23,427	11,150		1,831	36,408
Other	9,283	5,377		53,094	67,754
Total Revenues	<u>3,692,120</u>	<u>99,520</u>	<u>920</u>	<u>636,696</u>	<u>4,429,256</u>
EXPENDITURES					
Current					
General Government	626,614		413		627,027
Public Safety	1,011,341				1,011,341
Public Works	661,793			35,618	697,411
Culture and Recreation	669,550			101,490	771,040
Airport	56,174				56,174
Public Transit	177,532				177,532
Urban Development				361,438	361,438
Economic Development	17,425			43,830	61,255
Capital Outlay		649,164	843,772	7,301	1,500,237
Debt Service			7,933	67,562	75,495
Total Expenditures	<u>3,220,429</u>	<u>649,164</u>	<u>852,118</u>	<u>617,239</u>	<u>5,338,950</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	471,691	(549,644)	(851,198)	19,457	(909,694)
OTHER FINANCING SOURCES (USES)					
Transfers In	166,338	615,504	27,797	15,311	824,950
Transfers Out	(575,797)			(84,164)	(659,961)
Sale of Property	4,590				4,590
Total Other Financing Sources (Uses)	<u>(404,869)</u>	<u>615,504</u>	<u>27,797</u>	<u>(68,853)</u>	<u>169,579</u>
Net Change in Fund Balances	66,822	65,860	(823,401)	(49,396)	(740,115)
FUND BALANCE, BEGINNING OF YEAR, AS ORIGINALLY STATED	1,581,702	718,816	792,342	1,066,860	4,159,720
PRIOR PERIOD ADJUSTMENT	<u>(19,850)</u>				<u>(19,850)</u>
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>1,561,852</u>	<u>718,816</u>	<u>792,342</u>	<u>1,066,860</u>	<u>4,139,870</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,628,674</u>	<u>\$ 784,676</u>	<u>\$ (31,059)</u>	<u>\$ 1,017,464</u>	<u>\$ 3,399,755</u>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015

Total Net Change in Fund Balances - Governmental Funds	\$ (740,115)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.</p>	
Capital Outlay	1,518,510
Depreciation Expense	(681,389)
Capital Asset Disposals	(164,884)
Accumulated Depreciation Related to Capital Asset Disposals	160,362
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Special Assessments	(3,550)
Economic Development Loans and Notes	(10,000)
<p>In the Statement of Activities, certain operating expenses - other post-employment benefits and compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).</p>	
Compensated Absences	(7,175)
Net OPEB Liability	(17,314)
Net Pension Liability	(2,510)
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	
Principal Retirement of Long-Term Debt	60,000
Change in Interest Payable	(5,283)
	<hr/>
Change in Net Position - Governmental Activities	<u>\$ 106,652</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,468,310	\$ 1,468,310	\$ 1,468,549	\$ 239
Special Assessments			148	148
Licenses and Permits	28,500	28,500	23,266	(5,234)
Intergovernmental	1,229,290	1,229,290	1,322,899	93,609
Charges for Services	239,550	239,550	276,388	36,838
Fines and Forfeits	16,000	16,000	22,397	6,397
Investment Income	40,000	40,000	52,303	12,303
Miscellaneous				
Rents	45,100	45,100	66,411	21,311
Refunds and Reimbursements	397,492	397,492	427,049	29,557
Donations	2,500	2,500	23,427	20,927
Other	5,500	5,500	9,283	3,783
Total Revenues	<u>3,472,242</u>	<u>3,472,242</u>	<u>3,692,120</u>	<u>219,878</u>
EXPENDITURES				
Current				
General Government	616,450	616,450	626,614	10,164
Public Safety	960,350	960,350	1,011,341	50,991
Public Works	680,380	680,380	661,793	(18,587)
Culture and Recreation	567,237	567,237	669,550	102,313
Airport	56,100	56,100	56,174	74
Public Transit	182,125	182,125	177,532	(4,593)
Economic Development	20,000	20,000	17,425	(2,575)
Total Expenditures	<u>3,082,642</u>	<u>3,082,642</u>	<u>3,220,429</u>	<u>137,787</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	389,600	389,600	471,691	82,091
OTHER FINANCING SOURCES (USES)				
Transfers In	151,650	151,650	166,338	14,688
Transfers Out	(548,000)	(548,000)	(575,797)	(27,797)
Sale of Property			4,590	4,590
Total Other Financing Sources (Uses)	<u>(396,350)</u>	<u>(396,350)</u>	<u>(404,869)</u>	<u>(8,519)</u>
Net Change in Fund Balances	<u>\$ (6,750)</u>	<u>\$ (6,750)</u>	<u>66,822</u>	<u>\$ 73,572</u>
FUND BALANCE, BEGINNING OF YEAR, AS ORIGINALLY STATED			1,581,702	
PRIOR PERIOD ADJUSTMENT			(19,850)	
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED			<u>1,561,852</u>	
FUND BALANCE, END OF YEAR			<u>\$ 1,628,674</u>	
See Accompanying Notes to the Financial Statements				

CITY OF BENSON, MINNESOTA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2015

Business-Type Activities - Enterprise Funds

	Water	Sewer	Electric	Liquor	Sanitation	Totals
ASSETS AND DEFERRED						
OUTFLOWS OF RESOURCES						
Assets						
Current Assets						
Cash and Investments	\$ 639,332	\$ 15,876	\$ 3,865,779	\$ 208,603	\$ 145,039	\$ 4,874,629
Receivables						
Accounts	996	440	498,063	3,686		503,185
Special Assessments	1,993	21,720	60			23,773
Interest			15,634			15,634
Inventories	18,842	4,274	128,093	142,610		293,819
Due from Other Funds	40,629	59,380			12,747	112,756
Prepaid Items			58,391			58,391
Total Current Assets	701,792	101,690	4,566,020	354,899	157,786	5,882,187
Noncurrent Assets						
Capital Assets						
Assets Not Being Depreciated			64,157	37,941		102,098
Other Capital Assets,						
Net of Depreciation	4,640,260	4,611,609	6,362,998	41,998		15,656,865
Net Noncurrent Assets	4,640,260	4,611,609	6,427,155	79,939	0	15,758,963
Total Assets	5,342,052	4,713,299	10,993,175	434,838	157,786	21,641,150
Deferred Outflows of Resources						
Related to Pensions	11,542	1,282	10,259	16,670		39,753
Deferred Loss on Refunding			70,893			70,893
Total Deferred Outflows of Resources	11,542	1,282	81,152	16,670	0	110,646
Total Assets and Deferred Outflows of Resources	\$ 5,353,594	\$ 4,714,581	\$ 11,074,327	\$ 451,508	\$ 157,786	\$ 21,751,796
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Liabilities						
Current Liabilities						
Accounts Payable	\$ 8,971	\$ 795	\$ 290,178	\$ 16,032	\$	\$ 315,976
Accrued Interest Payable	21,766	22,147	21,904			65,817
Due to Other Funds			124,857			124,857
Current Portion of Long-Term Debt	212,036	292,535	372,102	4,023		880,696
Total Current Liabilities	242,773	315,477	809,041	20,055	0	1,387,346
Noncurrent Liabilities						
Note Payable	2,741,000	2,234,000				4,975,000
Bonds Payable	433,500	566,500	5,185,000			6,185,000
Compensated Absences	21,438	26,575	39,978	4,023		92,014
Net OPEB Liability	7,205	7,205	14,411	14,412		43,233
Net Pension Liability	83,510	9,278	74,231	120,623		287,642
Less Current Portion of Debt	(212,036)	(292,535)	(372,102)	(4,023)		(880,696)
Total Noncurrent Liabilities	3,074,617	2,551,023	4,941,518	135,035	0	10,702,193
Total Liabilities	3,317,390	2,866,500	5,750,559	155,090	0	12,089,539
Deferred Inflows of Resources						
Related to Pensions	8,331	926	7,406	12,034		28,697
Net Position						
Net Investment in Capital Assets	1,465,760	1,811,109	1,242,155	79,939		4,598,963
Unrestricted	562,113	36,046	4,074,207	204,445	157,786	5,034,597
Total Net Position	2,027,873	1,847,155	5,316,362	284,384	157,786	9,633,560
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 5,353,594	\$ 4,714,581	\$ 11,074,327	\$ 451,508	\$ 157,786	\$ 21,751,796

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities - Enterprise Funds					Totals
	Water	Sewer	Electric	Liquor	Sanitation	
OPERATING REVENUES						
Sales and Charges for Services	\$ 586,050	\$ 808,769	\$ 3,998,920	\$ 394,174	\$ 162,184	\$ 5,950,097
Interfund			33,735			33,735
Other		3	22,367	125	4,401	26,896
Total Operating Revenues	<u>586,050</u>	<u>808,772</u>	<u>4,055,022</u>	<u>394,299</u>	<u>166,585</u>	<u>6,010,728</u>
OPERATING EXPENSES						
Personal Services	147,571	12,825	132,878	198,240		491,514
Supplies	30,536	43,123	92,370	5,575	1,632	173,236
Other Services and Charges	120,778	413,311	3,035,516	130,617	157,955	3,858,177
Interfund	12,375	21,360				33,735
Depreciation	195,483	335,302	523,591	5,507		1,059,883
Total Operating Expenses	<u>506,743</u>	<u>825,921</u>	<u>3,784,355</u>	<u>339,939</u>	<u>159,587</u>	<u>5,616,545</u>
Operating Income (Loss)	<u>79,307</u>	<u>(17,149)</u>	<u>270,667</u>	<u>54,360</u>	<u>6,998</u>	<u>394,183</u>
NONOPERATING REVENUES						
(EXPENSES)						
Investment Income	9,214	1,354	56,310	108	2,193	69,179
Interest and Fiscal Charges	(60,677)	(62,171)	(239,804)			(362,652)
Rents			11,459	26,821		38,280
Gain (Loss) on Disposal of Assets	21,500		3,300			24,800
Amortization	(339)	(307)				(646)
Total Nonoperating Revenues (Expenses)	<u>(30,302)</u>	<u>(61,124)</u>	<u>(168,735)</u>	<u>26,929</u>	<u>2,193</u>	<u>(231,039)</u>
Income (Loss) before Transfers	49,005	(78,273)	101,932	81,289	9,191	163,144
TRANSFERS						
Transfers Out	(12,604)	(28,663)	(43,722)	(80,000)		(164,989)
Change in Net Position	<u>36,401</u>	<u>(106,936)</u>	<u>58,210</u>	<u>1,289</u>	<u>9,191</u>	<u>(1,845)</u>
NET POSITION, BEGINNING OF YEAR, AS ORIGINALLY STATED						
	2,069,315	1,962,740	5,327,346	395,534	148,595	9,903,530
PRIOR PERIOD ADJUSTMENT						
	<u>(77,843)</u>	<u>(8,649)</u>	<u>(69,194)</u>	<u>(112,439)</u>		<u>(268,125)</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED						
	<u>1,991,472</u>	<u>1,954,091</u>	<u>5,258,152</u>	<u>283,095</u>	<u>148,595</u>	<u>9,635,405</u>
NET POSITION, END OF YEAR						
	<u>\$ 2,027,873</u>	<u>\$ 1,847,155</u>	<u>\$ 5,316,362</u>	<u>\$ 284,384</u>	<u>\$ 157,786</u>	<u>\$ 9,633,560</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities - Enterprise Funds					Totals
	Water	Sewer	Electric	Liquor	Sanitation	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts From Customers	\$ 584,043	\$ 808,931	\$ 3,977,102	\$ 1,105,281	\$ 162,184	\$ 6,637,541
Payments Received From Other Sources	2,622	3,604	91,571	125	4,401	102,323
Payments to Suppliers	(174,122)	(475,753)	(3,157,743)	(851,775)	(159,652)	(4,819,045)
Payments to Employees	(142,932)	(10,416)	(128,809)	(194,413)		(476,570)
Net Cash Provided (Used) by Operating Activities	269,611	326,366	782,121	59,218	6,933	1,444,249
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers Out	(12,604)	(28,663)	(43,722)	(80,000)		(164,989)
Rents			11,459	26,821		38,280
Net Cash Provided (Used) by Noncapital Financing Activities	(12,604)	(28,663)	(32,263)	(53,179)	0	(126,709)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Long-Term Debt Principal Payments	(189,920)	(265,000)	(355,000)			(809,920)
Interest Paid on Bonds	(59,922)	(61,680)	(230,070)			(351,672)
Proceeds from Sale of Capital Assets	21,500		3,300			24,800
Acquisition and Construction of Capital Assets	(92,083)	(192,404)	(206,110)	(5,265)		(495,862)
Net Cash Provided (Used) by Capital and Related Financing Activities	(320,425)	(519,084)	(787,880)	(5,265)	0	(1,632,654)
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	9,214	1,354	58,540	108	2,193	71,409
Net Increase (Decrease) in Cash and Cash Equivalents	(54,204)	(220,027)	20,518	882	9,126	(243,705)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR						
	693,536	235,903	3,845,261	207,721	135,913	5,118,334
CASH AND CASH EQUIVALENTS, END OF YEAR						
	<u>\$ 639,332</u>	<u>\$ 15,876</u>	<u>\$ 3,865,779</u>	<u>\$ 208,603</u>	<u>\$ 145,039</u>	<u>\$ 4,874,629</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2015

Business-Type Activities - Enterprise Funds

	Water	Sewer	Electric	Liquor	Sanitation	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 79,307	\$ (17,149)	\$ 270,667	\$ 54,360	\$ 6,998	\$ 394,183
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Depreciation	195,483	335,302	523,591	5,507		1,059,883
Pension Related Adjustments	2,456	273	2,184	3,548		8,461
(Increase) Decrease in Assets						
Receivables	1,046	3,893	13,651	(1,887)		16,703
Due from Other Governments	(431)	(130)				(561)
Inventories	(1,646)	485	9,170	(1,391)		6,618
Prepaid Items			(44,569)			(44,569)
Due from Other Funds	(2,491)	4,348			(65)	1,792
Increase (Decrease) in Liabilities						
Accounts Payable	(6,176)	(1,864)	(1,929)	(1,198)		(11,167)
Customer Deposits	(120)		(2,814)			(2,934)
Due to Other Funds		(928)	10,285			9,357
Compensated Absences	1,016	969	(450)	(2,057)		(522)
Net OPEB Liability	1,167	1,167	2,335	2,336		7,005
Total Adjustments	190,304	343,515	511,454	4,858	(65)	1,050,066
Net Cash Provided (Used) by Operating Activities	\$ 269,611	\$ 326,366	\$ 782,121	\$ 59,218	\$ 6,933	\$ 1,444,249

CITY OF BENSON, MINNESOTA

STATEMENT OF FIDUCIARY NET POSITION
TRUST FUND
ECONOMIC DEVELOPMENT REVOLVING LOAN TRUST
DECEMBER 31, 2015

	<u>Private-Purpose Trust</u>
ASSETS	
Cash and Investments	\$ 914,809
Loans Receivable, Net of Allowance for Uncollectible Accounts	<u>329,038</u>
Total Assets	<u><u>\$ 1,243,847</u></u>
LIABILITIES AND NET POSITION	
Liabilities	
Accounts Payable	\$ 2,851
Net Position	
Funds Held in Trust	<u>1,240,996</u>
Total Liabilities and Net Position	<u><u>\$ 1,243,847</u></u>

See Accompanying Notes to the Financial Statements

CITY OF BENSON, MINNESOTA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TRUST FUND
ECONOMIC DEVELOPMENT REVOLVING LOAN TRUST
YEAR ENDED DECEMBER 31, 2015

	<u>Private-Purpose Trust</u>
ADDITIONS	
Interest	\$ 13,547
DEDUCTIONS	
Economic Development	12,491
Change in Net Position	<u>1,056</u>
NET POSITION, BEGINNING OF YEAR	<u>1,239,940</u>
NET POSITION, END OF YEAR	<u><u>\$ 1,240,996</u></u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Benson is a statutory city governed by an elected mayor and four council members. The accompanying financial statements present the government entities for which the government is considered to be financially accountable.

The financial statements present the City and its component units. The City includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate from such. Component units are legally separate organizations for which the City is financially accountable, or for which the exclusion of the component unit would render the financial statements of the City misleading.

The criteria used to determine if the City is financially accountable for a component unit includes whether or not 1) the City appoints the voting majority of the potential component unit's governing body and is able to impose its will on the potential component unit or is in a relationship of financial benefit or burden with the potential component unit, or 2) the potential component unit is fiscally dependent on and there is a potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, certain entities have been defined and are presented in this report as follows:

Blended Component Unit - Reported as if they were part of the City.

For the category above, the specific entity is identified as follows.

Blended Component Unit

The Benson Economic Development Authority (EDA) is a legal entity separate from the City. Although legally separate, the Benson EDA is reported as if it were part of the primary government because it provides services exclusively for the City. Separate financial statements are not prepared for the Benson EDA.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated revenues are reported as general revenues rather than program revenues.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Cont'd)

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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, special assessments, intergovernmental revenue, charges for services, 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The General Capital Outlay Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The G.O. Bonds, Series 2014A Debt Service Fund accounts for the debt service of the G.O. Bonds, Series 2014A.

The City reports the following major enterprise funds:

The Water Fund accounts for the operations of the City owned water utility system.

The Sewer Fund accounts for the operations of the City owned sewer utility system.

The Electric Fund accounts for the operations of the City owned electrical utility system.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION
(Cont'd)

The Liquor Fund accounts for the operations of the City owned municipal liquor store.

The Sanitation Fund is used to account for the fees received and expenses in relation to trash collection.

Additionally, the City reports as a Private-Purpose Trust Fiduciary Fund the Economic Development Revolving Loan Trust Fund. This fund is used to account for the repayment and earnings of the loan in accordance with the requirements of the agreement.

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 City's utility functions and various other functions of the City. Elimination of these charges would distort the direct costs and program 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 revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

It is generally the City's policy to use restricted resources first, then unrestricted resources as they are needed when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

D. DEPOSITS AND INVESTMENTS

The City's cash and cash equivalents are considered to be cash on hand, deposits and highly liquid debt instruments purchased with original maturities of three months or less from the date of acquisition.

The City may invest in the following types of investments as authorized by Minn. Stat. §§118A.04 and 118A.05:

- (1) securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. §118A.04, subd. 6;
- (2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. DEPOSITS AND INVESTMENTS (Cont'd)

- (4) time deposits that are fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United States bank;
- (5) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less; and
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

Cash and investments at December 31, 2015, were comprised of deposits, brokered certificates of deposits, government bonds, and commercial paper.

The City does not have an investment policy in place that addresses interest rate risk, credit risk, concentration of credit risk or custodial credit risk.

Custodial Credit Risk - Deposits: For deposits, this is the risk that in the event of bank failure, the City's deposits may not be returned to it. Minnesota Statutes require all City deposits be protected by federal deposit insurance, corporate surety bonds, or collateral. The market value of collateral pledged must be 110 percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by Federal Deposit Insurance Corporation (FDIC) insurance or corporate surety bonds. The City has no formal policy in place to address custodial credit risk for deposits.

Interest Rate Risk: This is the risk that market values of securities in a portfolio would decrease due to changes in market interest rates. The City minimizes its exposure to interest rate risk by investing in short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. However, the City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. Minnesota Statutes §118A.04 and §118A.05 limits investments that are in the top two ratings issued by nationally recognized statistical rating organizations. The City does not have an investment policy that further limits credit risk.

Custodial Credit Risk - Investments: For investments, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City was not exposed to custodial credit risk since all investment securities were insured or fully collateralized and are registered in the name of the City. The City does not have a formal policy to address custodial credit risk.

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments should be diversified to avoid incurring unreasonable risk inherent in over investing in specific instruments, individual financial institutions or maturities. The City does not have a formal policy to address concentration of credit risk.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. RECEIVABLES AND PAYABLES

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

All trade and property tax receivables are shown at a gross amount since both are assessable to the property taxes and are collectible upon the sale of property.

The City levies its property tax for the subsequent year during the month of December. December 30th is the last day the City can certify a tax levy to the County Auditor for collection the following year. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Swift County is the collecting agency for the levy and remits the collections to the City three times a year. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due on October 15. Taxes not collected by the City as of December 31 each year are shown as taxes receivable.

The County Auditor prepares the tax list for all taxable property in the City, applying the applicable tax rate to the tax capacity of individual properties, to arrive at the actual tax for each property. The County Auditor also collects all special assessments, except for certain prepayments paid directly to the City.

The County Auditor submits the list of taxes and special assessments to be collected on each parcel of property to the County Treasurer in January of each year.

F. PREPAID ITEMS

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

G. INVENTORIES

All inventories of governmental and proprietary funds are valued at the lower of cost, using the first-in, first-out method of accounting, or market value.

H. CAPITAL ASSETS

Capital assets, both tangible and intangible, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life in excess of one year and an initial, individual cost of more than \$5,000.

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 at the date of donation.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. CAPITAL ASSETS (Cont'd)

Based on the age of the majority of the City's infrastructure and an exception for small governments in GASB Statement No. 34, the City has determined it is not practical to capitalize infrastructure retroactively. The current value of the infrastructure includes projects completed during the year ended December 31, 1977 and prospectively from that date.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current period, the City did not have any capitalized interest.

Tangible and intangible assets of the City are depreciated using the straight-line, full month convention method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Improvements Other than Buildings	20-50
Vehicles	10
Machinery and Equipment	10

The City does not possess any material amounts of intangible assets.

I. DEFERRED OUTFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future reporting period. During that future period, it will be recognized as an outflow of resources (expense/expenditure). The City has items that qualify for reporting in this category on the government-wide Statement of Net Position which are related to pensions and a deferred loss on refunding.

J. UNEARNED REVENUE

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and certain other payments received before eligibility requirements are met are also recorded as unearned revenue.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. COMPENSATED ABSENCES

The liability for compensated absences reported in the financial statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability for compensated absences is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. The government-wide and proprietary funds Statement of Net Position reports both current and noncurrent portions of compensated absences using full accrual accounting. The current portion consists of an amount based on a trend analysis of current usage of vacation and vested sick leave. The noncurrent portion consists of the remaining amount of vacation and total vested sick leave.

Full and part-time employees earn vacation days based upon the number of completed years of service. The City compensates employees for unused vacation upon termination of employment. Accordingly, the expenditure for vacation is recognized when earned in the government-wide and the proprietary fund statements. In the governmental fund statements, expenditures for vacation are recognized when paid. Full and part-time employees earn paid sick leave at the rate of one day per month, or pro-rata, up to a total of 125 days. Employees who have accumulated 125 days have one day of sick leave per month credited to a deferred sick leave account to be utilized in the event of an extended illness or injury after their 125 days of regular sick leave are depleted. When police officers hired prior to January 1, 1996, and all others hired prior to January 1, 1991, retire or leave in good standing, the regular accumulated sick leave, up to 125 days will be paid out at a rate established by the City benefit policy and is reported as a liability in the Statement of Net Position. For employees hired after these dates and who retire or otherwise separate employment, no payment for accumulated sick leave is due.

L. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Employees of the City pay premiums based on amounts negotiated in employment contracts. Since the insurance rates are not aged based, the City has an implicit rate subsidy factor in postemployment health care expenses. Additionally, Minnesota Statutes require the City to allow retired employees to stay on the health care plan with the retiree responsible to pay the entire premium for continuation coverage (except as otherwise provided in a collective bargaining agreement or personnel policy.) The City's personnel policy does not provide for any contributions upon employee retirement.

M. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the Benson Fire Relief Association and additions to/deductions from PERA's and the Benson Fire Relief Association's fiduciary net position have been determined on the same basis as they are reported by PERA and the Benson Fire Relief Association. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

N. LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position.

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

O. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represents an acquisition of net position that applies to a future reporting period. During that future period, it will be recognized as an inflow of resources (revenue). The City has items that qualify for reporting in this category on both the government-wide Statement of Net Position and the governmental fund financial statements related to special assessments, pensions and loans receivable.

P. FUND BALANCE

In the governmental fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in governmental funds. These classifications are as follows:

Nonspendable - consists of amounts that cannot be spent because it is not in spendable form or are legally or contractually required to be maintained intact, such as inventories and prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of amounts that are constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned - consists of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority.

Unassigned - is the residual classification for the General Fund and also reflects negative residual amounts in other funds.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. FUND BALANCE (Cont'd)

The City requires restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Q. NET POSITION

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources in the governmental-wide, proprietary fund, and fiduciary fund financial statements. Net investment in capital assets 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 position is reported as restricted in the government-wide, proprietary fund, and fiduciary fund financial statements when there are limitations on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position consists of all other net position that does not meet the definition of restricted or net investment in capital assets.

R. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

The City Council adopts an annual budget. The amounts shown in the financial statements as "budget" represent the original budgeted amounts and all revisions made during the year. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budget requests are submitted by all department heads to the City Finance Director. The City Finance Director compiles the budget requests into an overall preliminary City budget. The City Administrator presents the proposed budget to the City Council.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution after obtaining taxpayer comments. The budget resolution adopted by the City Council sets forth the budgets at the function level for the General and Special Revenue Funds.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Cont'd)

A. BUDGETARY INFORMATION (Cont'd)

5. Expenditures may not legally exceed budgeted appropriations at the department level. No fund's budget can be increased without City Council approval. The City Council may authorize transfer of budgeted amounts between departments within any fund. Management may amend budgets within a department level, so long as the total department budget is not changed.
6. Annual appropriated budgets are adopted during the year for the General and Special Revenue Funds. Annual appropriated budgets are not adopted for Debt Service Funds because effective budgetary control is alternatively achieved through bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls and formal appropriated budgets are not adopted.
7. Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original amounts budgeted. Budgeted expenditure appropriations lapse at year-end.

Encumbrances outstanding at year-end expire and outstanding purchase orders are canceled and not reported in the financial statements.

B. FUND DEFICITS

The following fund had a deficit fund balance:

G.O. Bonds, Series 2014A	\$ 31,059
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C. EXPENDITURES EXCEEDING BUDGET

The following funds had expenditures that exceeded budget:

	<u>Budget</u>	<u>Actual</u>
General Fund	\$ 3,082,642	\$ 3,220,429
Special Revenue Fund		
Community Development Revolving Loan	38,000	46,706

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 3. DEPOSITS AND INVESTMENTS

A. DEPOSITS

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

Custodial Credit Risk - Deposits: The City's bank balances were not exposed to custodial credit risk because they were fully insured through the FDIC as well as collateralized with securities held by the pledging financial institution's trust department or agent and in the City's name.

Checking	\$ 262,908
Money Market Accounts at Depositories	2,278,807
Nonnegotiable Certificates of Deposit	<u>191,435</u>
Total Deposits	<u><u>\$ 2,733,150</u></u>

B. INVESTMENTS

The City had the following investments:

	Fair Value	Credit Ratings	
		S & P	Moody
Brokered Certificates of Deposit	\$ 3,081,860	N/A	N/A
Government Securities	3,146,149	AA+	AAA
Commercial Paper	<u>50,000</u>	N/A	N/A
Total Investments	<u><u>\$ 6,278,009</u></u>		

The following is a summary of total deposits and investments:

Petty Cash	\$ 4,550
Deposits (Note 3.A.)	2,733,150
Investments (Note 3.B.)	<u>6,278,009</u>
Total Deposits and Investments	<u><u>\$ 9,015,709</u></u>

Deposits and investments are presented in the basic financial statements as follows:

Statement of Net Position	
Governmental Activities	
Cash and Investments	\$ 3,226,271
Business-Type Activities	
Cash and Investments	4,874,629
Statement of Fiduciary Net Position	
Cash and Investments	<u>914,809</u>
Total Cash and Investments	<u><u>\$ 9,015,709</u></u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 4. RECEIVABLES

Receivables for the City's governmental activities and business-type activities are as follows:

	Total Receivables	Amounts not Scheduled for Collection During the Subsequent Year
Governmental Activities		
Accounts	\$ 176,472	\$
Property Taxes	22,385	
Special Assessments	15,936	13,134
Notes	101,476	101,476
Loans	10,000	
Interest	11,825	
	<hr/>	<hr/>
Total Governmental Activities	<u>\$ 338,094</u>	<u>\$ 114,610</u>
Business-Type Activities		
Accounts	\$ 503,185	\$
Special Assessments	23,773	20,074
Interest	15,634	
	<hr/>	<hr/>
Total Business-Type Activities	<u>\$ 542,592</u>	<u>\$ 20,074</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated				
Land	\$ 1,176,334	\$	\$	\$ 1,176,334
Construction in Progress	29,334		(29,334)	0
Total Capital Assets, Not Being Depreciated	1,205,668	0	(29,334)	1,176,334
Capital Assets, Being Depreciated				
Buildings	4,707,589	693,558		5,401,147
Improvements Other than Buildings	2,220,551	312,077		2,532,628
Infrastructure	15,509,427	140,225		15,649,652
Machinery and Equipment	3,987,393	401,984	(164,884)	4,224,493
Total Capital Assets, Being Depreciated	26,424,960	1,547,844	(164,884)	27,807,920
Less Accumulated Depreciation for				
Buildings	1,639,035	112,372		1,751,407
Improvements Other than Buildings	1,333,700	90,236		1,423,936
Infrastructure	11,719,188	251,272		11,970,460
Machinery and Equipment	2,546,764	227,509	(160,362)	2,613,911
Total Accumulated Depreciation	17,238,687	681,389	(160,362)	17,759,714
Total Capital Assets, Being Depreciated, Net	9,186,273	866,455	(4,522)	10,048,206
Governmental Activities Net Capital Assets	<u>\$ 10,391,941</u>	<u>\$ 866,455</u>	<u>\$ (33,856)</u>	<u>\$ 11,224,540</u>
<u>Business-Type Activities</u>				
Capital Assets, Not Being Depreciated				
Land	\$ 93,427	\$	\$	\$ 93,427
Construction in Progress		8,671		8,671
Total Capital Assets, Not Being Depreciated	93,427	8,671	0	102,098
Capital Assets, Being Depreciated				
Buildings	8,100,215			8,100,215
Generator and Treatment Plant	7,988,330			7,988,330
Improvements Other than Buildings	13,239,726	331,944		13,571,670
Machinery and Equipment	2,189,485	159,623	(93,499)	2,255,609
Total Capital Assets, Being Depreciated	31,517,756	491,567	(93,499)	31,915,824

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 5. CAPITAL ASSETS (Cont'd)

	Beginning Balance	Increase	Decrease	Ending Balance
<u>Business-Type Activities</u> (Cont'd)				
Less Accumulated Depreciation for				
Buildings	\$ 4,635,110	\$ 219,021	\$	\$ 4,854,131
Generator and Treatment Plant	3,384,704	284,395		3,669,099
Improvements Other than Buildings	5,696,557	436,907		6,133,464
Machinery and Equipment	<u>1,571,828</u>	<u>119,560</u>	<u>(89,123)</u>	<u>1,602,265</u>
Total Accumulated Depreciation	<u>15,288,199</u>	<u>1,059,883</u>	<u>(89,123)</u>	<u>16,258,959</u>
Total Capital Assets, Being Depreciated, Net	<u>16,229,557</u>	<u>(568,316)</u>	<u>(4,376)</u>	<u>15,656,865</u>
 Business-Type Activities Net Capital Assets	 <u>\$ 16,322,984</u>	 <u>\$ (559,645)</u>	 <u>\$ (4,376)</u>	 <u>\$ 15,758,963</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities		
General Government		\$ 8,967
Public Safety		103,451
Public Works		340,851
Culture and Recreation		133,012
Airport and Public Transit		<u>95,108</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 681,389</u>
Business-Type Activities		
Water		\$ 195,483
Sewer		335,302
Electric		523,591
Liquor		<u>5,507</u>
Total Depreciation Expense - Business-Type Activities		<u>\$ 1,059,883</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
General	Electric	\$ 10,040
Nonmajor Governmental Funds	Electric	3,983
Water	Electric	40,629
Sewer	Nonmajor Governmental Funds	1,922
Sewer	Electric	57,458
Sanitation	Electric	12,747
Total Interfund Balances		\$ 126,779

The purpose of the above interfund loans was to provide financing for operating purposes and to cover deficit cash balances.

B. INTERFUND TRANSFERS

The composition of interfund transfers is as follows:

Transfers Out	Transfers In				Total
	General	General Capital Outlay	G.O. Bonds, Series 2014A	Nonmajor Governmental Funds	
General	\$	\$ 533,000	\$ 27,797	\$ 15,000	\$ 575,797
Water	12,604				12,604
Sewer	28,663				28,663
Electric	43,722				43,722
Liquor	80,000				80,000
Nonmajor Governmental Funds	1,349	82,504		311	84,164
Total Interfund Transfers	\$ 166,338	\$ 615,504	\$ 27,797	\$ 15,311	\$ 824,950

The purpose of the above transfers was to provide funding for capital improvement projects, capital outlay, and operating purposes.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7. LONG-TERM DEBT

A. GENERAL OBLIGATION BONDS

The City issues General Obligation (G.O.) Bonds to provide financing for street improvements, facility construction and tax increment projects. Debt service is covered respectively by special assessments, property taxes and tax increments against benefited properties with any shortfalls being paid from general taxes.

G.O. Bonds are direct obligations and pledge the full faith and credit of the City. These G.O. Bonds generally are issued as 15 year Serial Bonds with equal debt service payments each year.

B. COMPONENTS OF LONG-TERM DEBT

	Interest Rates	Final Maturity Date	Balance Outstanding
<u>Governmental Activities</u>			
G.O. Bonds			
G.O. Bonds, Series 2012A	0.50-2.10%	02/01/2022	\$ 455,000
G.O. Bonds, Series 2014A	0.70-2.875%	02/01/2030	820,000
Compensated Absences			140,118
Other Postemployment Benefits			144,109
Net Pension Liability			<u>1,251,935</u>
Total Governmental Activities			<u>\$ 2,811,162</u>

	Interest Rates	Final Maturity Date	Balance Outstanding
<u>Business-Type Activities</u>			
G.O. Bonds			
Electric Revenue Bonds, Series 2007A	4.375-4.70%	06/01/2027	\$ 4,795,000
G.O. Water and Sewer Revenue Bonds, Series 2009A	2.50-4.00%	02/01/2020	370,000
G.O. Bonds, Series 2012A - Electric Portion	0.40-2.10%	02/01/2022	390,000
G.O. Bonds, Series 2014A - Water and Sewer Portion	0.70-2.88%	02/01/2030	630,000
Notes			
PFA Wastewater Revenue Note	1.98%	08/20/2024	2,234,000
PFA Drinking Water Revenue Note	1.74%	08/20/2030	2,741,000
Compensated Absences			92,014
Other Postemployment Benefits			43,233
Net Pension Liability			<u>287,642</u>
Total Business-Type Activities			<u>\$ 11,582,889</u>

Debt service funds are used to liquidate the governmental activities outstanding bonded indebtedness. The General Fund has historically been used to liquidate the outstanding governmental activities, compensated absences and other postemployment benefits. The Water, Sewer, Electric and Liquor Funds are used to liquidate the outstanding business-type activities bonded indebtedness, notes, compensated absences, and other postemployment benefits.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7. LONG-TERM DEBT (Cont'd)

B. COMPONENTS OF LONG-TERM DEBT (Cont'd)

On April 26, 2012, the City issued \$1,130,000 G.O. Bonds, Series 2012A, with an interest rate of .40% to 2.10%. The City issued the Bonds to refund the G.O. Swimming Pool Bonds, Series 2003A in the amount of \$635,000 and to finance the purchase of various items of capital equipment for the City in the amount of \$495,000. The City completed the refunding portion to reduce its debt service payment over the next ten years by \$92,428. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$86,329.

C. MINIMUM DEBT PAYMENTS

Year Ending December 31	Governmental Activities			
	G.O. Bonds, Series 2012A		G.O. Bonds, Series 2014A	
	Principal	Interest	Principal	Interest
2016	\$ 65,000	\$ 6,791	\$ 40,000	\$ 12,960
2017	60,000	6,138	100,000	12,420
2018	65,000	5,338	100,000	11,495
2019	65,000	4,362	100,000	10,320
2020	65,000	3,274	105,000	8,883
2021-2025	135,000	2,822	310,000	25,596
2026-2030			65,000	829
	<u>\$ 455,000</u>	<u>\$ 28,725</u>	<u>\$ 820,000</u>	<u>\$ 82,503</u>
Year Ending December 31	Business-Type Activities			
	Electric Revenue Bonds, Series 2007A		G.O. Water and Sewer Revenue Bonds, Series 2009A	
	Principal	Interest	Principal	Interest
2016	\$ 310,000	\$ 209,814	\$ 70,000	\$ 12,300
2017	325,000	195,923	75,000	9,938
2018	340,000	181,376	75,000	7,312
2019	355,000	166,173	75,000	4,500
2020	370,000	150,314	75,000	1,500
2021-2025	2,110,000	482,663		
2026-2029	985,000	46,882		
	<u>\$ 4,795,000</u>	<u>\$ 1,433,145</u>	<u>\$ 370,000</u>	<u>\$ 35,550</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7. LONG-TERM DEBT (Cont'd)

C. MINIMUM DEBT PAYMENTS (Cont'd)

Year Ending December 31	Business-Type Activities			
	G.O. Bonds, Series 2012A - Electric Portion		G.O. Bonds, Series 2014A - Water and Sewer Portion	
	Principal	Interest	Principal	Interest
2016	\$ 55,000	\$ 5,811	\$ 35,000	\$ 12,706
2017	55,000	5,234	40,000	12,424
2018	55,000	4,533	40,000	12,054
2019	55,000	3,708	40,000	11,584
2020	55,000	2,786	40,000	11,024
2021-2025	115,000	2,413	205,000	43,790
2026-2030			230,000	16,746
2031-2034				
	<u>\$ 390,000</u>	<u>\$ 24,485</u>	<u>\$ 630,000</u>	<u>\$ 120,328</u>

Year Ending December 31	Business-Type Activities			
	PFA Wastewater Revenue Note		PFA Drinking Water Revenue Note	
	Principal	Interest	Principal	Interest
2016	\$ 229,000	\$ 44,233	\$ 162,000	\$ 47,666
2017	234,000	39,699	164,000	44,849
2018	238,000	35,066	167,000	41,997
2019	243,000	30,353	170,000	39,093
2020	248,000	25,542	173,000	36,136
2021-2025	1,042,000	52,074	911,000	134,511
2026-2030			994,000	52,466
	<u>\$ 2,234,000</u>	<u>\$ 226,967</u>	<u>\$ 2,741,000</u>	<u>\$ 396,718</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7. LONG-TERM DEBT (Cont'd)

D. CHANGES IN LONG-TERM LIABILITIES

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
G.O. Bonds, Series 2012A	\$ 515,000	\$	\$ (60,000)	\$ 455,000	\$ 65,000
G.O. Bonds, Series 2014A	820,000			820,000	40,000
Compensated Absences	132,943	57,699	(50,524)	140,118	83,613
Other Postemployment Benefits	126,795	17,314		144,109	
Net Pension Liability**		2,190,464	(938,529)	1,251,935	
	<u>\$ 1,594,738</u>	<u>\$ 2,265,477</u>	<u>\$ (1,049,053)</u>	<u>\$ 2,811,162</u>	<u>\$ 188,613</u>
Total Governmental Activities	<u>\$ 1,594,738</u>	<u>\$ 2,265,477</u>	<u>\$ (1,049,053)</u>	<u>\$ 2,811,162</u>	<u>\$ 188,613</u>

** Additions include change in accounting principle of \$1,218,959. See Note 21 for additional information.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Business-Type Activities</u>					
Electric Revenue Bonds, Series 2007A	\$ 5,095,000	\$	\$ (300,000)	\$ 4,795,000	\$ 310,000
G.O. Water and Sewer Revenue Bonds, Series 2009A	440,000		(70,000)	370,000	70,000
G.O. Bonds, Series 2012A - Electric Portion	445,000		(55,000)	390,000	55,000
G.O. Bonds, Series 2014A - Water and Sewer Portion	630,000			630,000	35,000
PFA Wastewater Revenue Note	2,459,000		(225,000)	2,234,000	229,000
PFA Drinking Water Revenue Note	2,900,920		(159,920)	2,741,000	162,000
Compensated Absences	92,535	16,624	(17,145)	92,014	19,696
Other Postemployment Benefits	36,227	7,006		43,233	
Net Pension Liability**		477,350	(189,708)	287,642	
	<u>\$ 12,098,682</u>	<u>\$ 500,980</u>	<u>\$ (1,016,773)</u>	<u>\$ 11,582,889</u>	<u>\$ 880,696</u>
Total Business-Type Activities	<u>\$ 12,098,682</u>	<u>\$ 500,980</u>	<u>\$ (1,016,773)</u>	<u>\$ 11,582,889</u>	<u>\$ 880,696</u>

** Additions include change in accounting principle of \$279,595. See Note 21 for additional information.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7. LONG-TERM DEBT (Cont'd)

E. PLEGGED REVENUES

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue/ Use of Proceeds/ Type	Percent of Total Debt Service	Term of Pledge	Remaining Principal and Interest	Principal and Interest Paid	Pledged Revenue Received
G.O. Water and Sewer Revenue Bonds, Series 2009A					
Site Improvements					
Water Utility Revenues				\$ 35,850	\$ 586,050
Sewer Utility Revenues				48,550	808,772
Utility Charges	100%	2010-2020	\$ 405,550	84,400	1,394,822
G.O. Electric Revenue Bonds, Series 2007A					
Site Improvements					
Utility Charges	100%	2008-2027	\$ 6,228,145	\$ 523,158	\$ 4,055,022

NOTE 8. DEFERRED LOSS ON REFUNDING

Bond discounts and deferred charges for proprietary fund types and business-type activities are deferred and amortized over the term of the bonds using the bonds outstanding method.

Business-Type Activities	
Electric Fund	
Issuance Costs	\$ 457,752
Accumulated Amortization	(386,859)
Total Deferred Loss on Refunding	<u>\$ 70,893</u>

NOTE 9. LEASE AGREEMENTS

The City leases the north end of the Benson Civic Center to another local company for inventory storage. The lease calls for monthly payments of \$3,125 and the term of the lease is from June 1, 2015 through May 31, 2018 with automatic renewals of one year increments until terminated by either party.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 10. RISK MANAGEMENT

The City purchases commercial insurance coverage through the League of Minnesota Cities Insurance Trust (LMCIT), which is a public entity risk pool currently operating as a common risk management and insurance program, with other cities in the state and also through St. Paul Travelers. The City pays an annual premium to the LMCIT for workers compensation insurance and to St. Paul Travelers for property and casualty insurance coverage. The LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, but retains risk for the deductible portion of its insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

At year end, there are no other claims liabilities reported in the funds based on the requirements of accounting standards, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE

At December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. This implementation allows the City to report its proportionate share of collective net pension liability, deferred inflows of resources and deferred outflows of resources, and pension expense and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees less the pension plan's fiduciary net position on the financial statements.

A. PLAN DESCRIPTION

The City participates in the following cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Fund (GERF):

All full-time and certain part-time employees of the City are covered by GERF. 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. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

Public Employees Police and Fire Fund (PEPFF):

The PEPFF, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Cont'd)

B. BENEFITS PROVIDED

PERA provides retirement, disability and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90% funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

The benefit provisions stated in the following paragraphs 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.

GERF Benefits:

Benefits are based on a member's highest average salary for any five successive years of allowable service, age and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a 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% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. Disability benefits are available for vested members, and are based upon years of service and average high-five salary.

PEPFF Benefits:

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFF who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

C. CONTRIBUTIONS

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Cont'd)

C. CONTRIBUTIONS (Cont'd)

GERF Contributions:

Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.50%, respectively, of their annual covered salary in calendar year 2015. The City was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2015. The City's contributions to the GERF for the year ended December 31, 2015, were \$81,095. The City's contributions were equal to the required contributions for each year as set by state statute.

PEPFF Contributions:

Plan members were required to contribute 10.80% of their annual covered salary in calendar year 2015. The City was required to contribute 16.20% of pay for PEPFF members in calendar year 2015. The City's contributions to the PEPFF for the year ended December 31, 2015, were \$72,540. The City's contributions were equal to the required contributions for each year as set by state statute.

D. PENSION COSTS

GERF Pension Costs:

At December 31, 2015, the City reported a liability of \$927,671 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportion was 0.0179%.

For the year ended December 31, 2015, the City recognized pension expense of \$108,389 for its proportionate share of GERF's pension expense.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Cont'd)

D. PENSION COSTS (Cont'd)

GERF Pension Costs: (Cont'd)

At December 31, 2015, the City reported its proportionate share of GERF's deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$	\$ 46,770
Differences between projected and actual investment earnings	87,818	
Changes in proportion and differences between contributions made and City's proportionate share of contributions		45,801
Contributions paid to PERA subsequent to measurement date	<u>40,417</u>	
Totals	<u>\$ 128,235</u>	<u>\$ 92,571</u>

\$40,417 reported as deferred outflows of resources related to pensions resulting from City contributions to GERF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

<u>Year ended June</u>	<u>Pension Expense Amount</u>
2016	\$ (8,903)
2017	(8,903)
2018	(8,902)
2019	21,955
2020	
Thereafter	

PEPFF Pension Cost:

At December 31, 2015, the City reported a liability of \$545,392 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportion was 0.048%.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Cont'd)

D. PENSION COSTS (Cont'd)

PEPFF Pension Cost: (Cont'd)

At December 31, 2015, the City recognized pension expense of \$95,784 for its proportionate share of the PEPFF's pension expense. The City also recognized \$4,320 for the year ended December 31, 2015, of pension expense (and grant revenue) for its proportionate share of the State of Minnesota's on-behalf contributions to PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

At December 31, 2015 the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$	\$ 88,445
Differences between projected and actual investment earnings	95,026	
Changes in proportion and differences between contributions made and City's proportionate share of contributions	9,000	
Contributions paid to PERA subsequent to measurement date	<u>35,397</u>	
Totals	<u>\$ 139,423</u>	<u>\$ 88,445</u>

\$35,397 reported as deferred outflows of resources related to pensions resulting from City contributions to PEPFF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to PEPFF will be recognized in pension expense as follows:

<u>Year ended June</u>	<u>Pension Expense Amount</u>
2016	\$ 7,868
2017	7,868
2018	7,867
2019	7,867
2020	(15,889)

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Cont'd)

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2015 actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.75% per year
Active Member Payroll Growth	3.50% per year
Investment Rate of Return	7.90%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Benefit increases for retirees are assumed to be 1% effective every January 1 through 2026 and 2.5% thereafter.

Actuarial assumptions used in the June 30, 2015, valuations were based on the results of actuarial experience studies. The experience study in the GERS was for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014. Experience studies have not been prepared for PERA's other plans, but assumptions are reviewed annually.

The following changes in actuarial assumptions occurred in 2015:

The long-term expected rate of return on pension plan investments is 7.9%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rates of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Stocks	45%	5.50%
International	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%

F. DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.9%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at a rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 11. DEFINED BENEFIT PENSION PLANS - STATEWIDE (Cont'd)

G. PENSION LIABILITY SENSITIVITY

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate (6.9%)</u>	<u>Discount Rate (7.9%)</u>	<u>1% Increase in Discount Rate (8.9%)</u>
City's proportionate share of the GERF net pension liability	\$ 1,458,628	\$ 927,671	\$ 489,182
City's proportionate share of the PEPFF net pension liability	1,062,975	545,392	117,779

H. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

NOTE 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION

A. PLAN DESCRIPTION

The City operates a single-employer defined benefit plan ("the Plan") that provides health insurance to eligible employees and their spouses through the City's commercial insurance plan. There are 23 active participants and 2 retired participants. Benefit and eligibility provisions are established through negotiations between the City and employee groups including two unions. The union contracts are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

B. FUNDING POLICY

Contribution requirements are also negotiated between the City and employees. The City contributes 0% of the cost of current-year premiums for eligible retired plan members and their spouses. The City contributed \$16,368 to the Plan. The Plan is financed on a pay-as-you-go basis.

C. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 based on the alternative measurement method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually paid from the plan, and changes in the City's net OPEB obligation.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Cont'd)

C. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION (Cont'd)

Annual Required Contribution (ARC)	\$ 43,595
Interest on Net OPEB Obligation	6,521
Adjustment to Annual Required Contribution	(9,428)
Annual OPEB Cost (Expense)	<u>40,688</u>
Contributions Made	<u>(16,368)</u>
Increase (Decrease) in Net OPEB Obligation	24,320
Net OPEB Obligation, Beginning of Year	<u>163,022</u>
Net OPEB Obligation, End of Year	<u>\$ 187,342</u>

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan and the net OPEB obligation for the current and preceding two years was:

Fiscal Year Ended	Annual OPEB Cost	Annual Plan Sponsor Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	\$ 40,688	\$ 16,368	40.23%	\$ 187,342
12/31/2014	39,860	13,957	35.02%	163,022
12/31/2013	27,541	18,190	66.05%	137,119

D. FUNDED STATUS AND FUNDING PROGRESS

As of January 1, 2014, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$323,251 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$323,251. The covered payroll (annual payroll of active employees covered by the Plan) was \$1,645,900 and the ratio of the UAAL to the covered payroll of 19.64%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Cont'd)

E. ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation using the alternative measurement method, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date. The initial healthcare trend rate was 7.50% reduced by decrements to an ultimate rate of 5.0% after eight years. The inflation rate is 3.0%. The UAAL is being amortized as a level dollar amount on an open basis. The remaining amortization period at December 31, 2014 was 30 years.

NOTE 13. FUND BALANCE

Portions of the City's fund balance are nonspendable, restricted due to legal restrictions, committed by Council action, assigned by City management, or unassigned. The following is a summary of fund balance components:

	General	General Capital Outlay	G.O. Bonds, Series 2014A	Nonmajor Governmental Funds	Total
Nonspendable					
Inventories	\$	\$ 32,508	\$	\$	\$ 32,508
Prepaid Items	2,152				2,152
Land Held for Resale				52,731	52,731
Total Nonspendable	2,152	32,508	0	52,731	87,391
Restricted for					
Debt Service				96,168	96,168
Revolving Loans				111,647	111,647
Total Restricted	0	0	0	207,815	207,815
Committed					
Industrial Property Investments				364,681	364,681
Assigned					
Fund Operations		752,168		392,237	1,144,405
Unassigned	1,626,522		(31,059)		1,595,463
Total	\$ 1,628,674	\$ 784,676	\$ (31,059)	\$ 1,017,464	\$ 3,399,755

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 14. ECONOMIC DEVELOPMENT REVOLVING LOANS

The City has made economic development revolving loans which are recorded in a trust fund. The purpose of this fund is to provide economic development loans to local businesses, utilizing City funds. The outstanding balance at year end was \$413,381.

These loans are made to assist companies whose ability to secure conventional financing from financial institutions is limited due to various financial factors and other circumstances.

An allowance is provided for possible uncollectible accounts. At year end, this amount was \$84,343.

NOTE 15. GENERAL FUND REIMBURSEMENTS

The Enterprise Funds reimbursed the General Fund for various shared expenditures of management. These expenditures are charged as management fees in the Enterprise Funds and as reimbursement revenue in the General Fund.

NOTE 16. HOUSING REHABILITATION LOANS

During the three-year period 1981 to 1983, the City of Benson made housing rehabilitation loans to qualifying citizens. The loan disbursements have been recorded in the Community Development Revolving Loan Special Revenue Fund as expenditures.

If the owners sell, transfer, otherwise convey, or cease to occupy their real property as their principal place of residence, they are required to repay the loan in its entirety.

The total balance due from these loans, of \$101,476, is recorded as notes receivable and unearned revenue due to the uncertainty and timing of future payments.

NOTE 17. DEFERRED COMPENSATION PLAN

The City has made available to its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The assets of the plan are not available to general creditors. Consequently, they are not included in the financial statements.

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES

A. SWIFT COUNTY/BENSON HOSPITAL

The City and Swift County have established and operate a joint city-county hospital pursuant to a hospital agreement signed by the City and the County in 1947. Swift County-Benson Hospital is a 31 bed facility which provides acute health care services to the City of Benson and Swift County. The members of the Swift County - Benson Hospital Board of Directors (of which six are appointed by the Swift County Board of Commissioners, three by the Benson City Council and one municipal staff member appointed jointly by the County and the City) are responsible for the overall operations of the Hospital. The Hospital's operational and financial relationships with the City are not significant enough to require its inclusion as a component unit in the City's financial statements.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES (Cont'd)

B. CITY OF BENSON FIRE RELIEF ASSOCIATION

The City engaged an actuary to determine the City's liability for its supplemental pension plan in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68 as of December 31, 2015.

1. GENERAL INFORMATION ABOUT THE PENSION PLAN

Plan Description:

Firefighters of the City of Benson are members of the Association. The Association is the administrator of a single-employer defined benefit pension plan available to firefighters. The plan is administered by the Association pursuant to Minnesota Statutes Chapter 69, Chapter 424A and the Association's by-laws.

Benefits Provided:

Any active firefighter member of the Benson Fire Department is eligible for participation. A participant shall accumulate a lump sum benefit payable at normal retirement date based on \$1,100 per year of credited service with a maximum of \$33,000. Normal retirement eligibility is at age 50 and completion of 20 years of service with accrued benefits. Early retirement is at age 50 and completion of 10 years of service with a nonforfeitable percentage of accrued benefits. The nonforfeitable percentage is 50% at 10 years of service increasing by 5% until the participant is 100% vested at 20 years of service. Death before retirement has accrued benefits. Disability is upon total and permanent disability which prevents the member from performing a substantial part of their duties with accrued benefits.

Employees Covered by Benefit Terms:

At December 31, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	10
Inactive employees entitled to but not yet receiving benefits	4
Active employees	22

Contributions:

Contributions by the City of Benson are determined in accordance with Minnesota Statutes as follows:

Normal Cost for Next Year (Increase in Pension Benefit Obligation)
Plus: Estimated Expenses for Next Year and 10% of Any Deficits
Less: Anticipated Income Next Year and 10% for Any Surplus

The State of Minnesota contributes the two percent fire aid in accordance with state statute requirements. Plan members are not required to contribute to the Plan. The State Legislature may amend contribution requirements of the City and State.

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES (Cont'd)

B. CITY OF BENSON FIRE RELIEF ASSOCIATION (Cont'd)

1. GENERAL INFORMATION ABOUT THE PENSION PLAN (Cont'd)

Contributions: (Cont'd)

The State of Minnesota, in accordance with state statute requirements, made contributions totaling \$41,979 for the year then ended.

2. NET PENSION LIABILITY

The City's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement:

Discount Rate	5.00 percent
Expected Long Term Rate of Return	5.00 percent

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females as appropriate, with adjustments for mortality improvements based on Scale BB.

The actuarial assumptions used for retirement is 100% retirement at the later of age 50 and 20 years of service.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2015 to December 31, 2015 based on data as of December 31, 2014.

The long-term expected rate of return on pension plan investments as determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Supplemental Investment Fund	60%	5.00%
Real Estate	10%	1.00%
Cash	30%	0.00%

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES (Cont'd)

B. CITY OF BENSON FIRE RELIEF ASSOCIATION (Cont'd)

2. NET PENSION LIABILITY (Cont'd)

Discount Rate:

The discount rate used to measure the total pension liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 1/1/15	\$ 438,110	\$ 349,095	\$ 89,015
Changes for the Year:			
Service Cost	7,200		7,200
Interest	21,724		21,724
Contributions - Association		2,363	(2,363)
Contributions - Employee		214	(214)
Contributions - State		41,979	(41,979)
Contributions - City		11,000	(11,000)
Net Investment Income		1,975	(1,975)
Benefit Payments, Including Refunds of Employee Contributions	(21,665)	(21,665)	
Administrative Expense		(6,106)	6,106
Net Change	<u>7,259</u>	<u>29,760</u>	<u>(22,501)</u>
Balances at 12/31/15	<u>\$ 445,369</u>	<u>\$ 378,855</u>	<u>\$ 66,514</u>

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES (Cont'd)

B. CITY OF BENSON FIRE RELIEF ASSOCIATION (Cont'd)

2. NET PENSION LIABILITY (Cont'd)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability calculated using the discount rate of 5.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (4.00%)	Discount Rate (5.00%)	1% Increase in Discount Rate (6.00%)
City's Net Pension Liability	\$ 84,329	\$ 66,514	\$ 49,384

Pension Plan Fiduciary Net Position:

Separately-issued Benson Fire Relief Association financial reports are not available.

3. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended December 31, 2015, the City recognized pension expense of \$2,958. At December 31, 2015, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual earnings on pension plan investments	\$ 11,833	\$

Amounts reported as deferred outflows and inflows of resources related to pension plans will be recognized in pension expense as follows:

Year ended June	Pension Expense Amount
2016	\$ 2,958
2017	2,958
2018	2,958
2019	2,959
2020	

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 19. CLAIMS AND JUDGMENTS

The City participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of December 31, 2015, significant amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

NOTE 20. RECLASSIFICATIONS

Certain immaterial prior year financial statement amounts have been reclassified to conform to current year's presentation. There was no affect on total Net Position or Fund Balance.

NOTE 21. PRIOR PERIOD ADJUSTMENT

The beginning net position of the governmental activities has been decreased to reflect a change in accounting principle. As mentioned in Note 11, the City implemented GASB 68 and GASB 71 which records the City's proportionate share of collective net pension liability, deferred inflows of resources and deferred outflows of resources, and pension expense on the City's government-wide financial statements. Beginning governmental activities net position has been restated from \$13,093,722 to \$11,931,716 (a decrease of \$1,162,006). Prior year partial comparative information does not reflect this change in accounting principle because the cost-sharing multiple-employer defined benefit pension plans in which the City participates have not made this information available.

The beginning net position of the governmental activities has been adjusted to reflect a correction of error for overstatement of accounts receivable. Beginning net position for governmental activities has been restated from \$13,093,722 to \$13,073,872 (a decrease of \$19,850).

The net position, beginning of year as originally stated, prior period adjustment, and net position, beginning of year as restated are summarized in the following table:

	Net Position, Beginning of Year as Originally Stated	Prior Period Adjustment	Net Position, Beginning of Year as Restated
Governmental Activities	\$ 13,093,722	\$ (1,181,856)	\$ 11,911,866
Business-Type Activities			
Water Fund	2,069,315	(77,843)	1,991,472
Sewer Fund	1,962,740	(8,649)	1,954,091
Electric Fund	5,327,346	(69,194)	5,258,152
Liquor Fund	395,534	(112,439)	283,095
Sanitation Fund	148,595		148,595
Total	\$ 9,903,530	\$ (268,125)	\$ 9,635,405

CITY OF BENSON, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 22. SUBSEQUENT EVENT

On February 1, 2016, the City approved a bid for the Fire Truck Aerial Platform Quint in the amount of \$799,674. Payments will be due in five months, nine months and a final payment due upon delivery. The truck will be delivered in one year.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BENSON, MINNESOTA

SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>Other Postemployment Benefits</u>						
12/31/2014	\$	\$ 323,251	\$ 323,251	0.00%	\$ 1,645,900	19.64%
12/31/2011		216,331	216,331	0.00%	1,496,855	14.45%
12/31/2008		198,451	198,451	0.00%	1,600,665	12.40%

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Employer Contribution	Percentage Contributed	Net Obligation
2015	\$ 43,595	\$ 16,368	37.55%	\$ 187,342
2014	42,305	13,957	32.99%	163,022
2013	29,819	18,190	61.00%	137,119
2012	29,342	18,964	64.63%	127,768
2011	28,392	10,129	35.68%	119,521
2010	41,474	11,386	27.45%	103,096
2009	41,474	4,160	10.03%	74,334
2008	41,474	3,782	9.12%	37,692

The City implemented GASB Statement No. 45 for fiscal year ended December 31, 2008. Information for prior years is not available.

CITY OF BENSON, MINNESOTA

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND
EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2015

Schedule of Proportionate Share of the Net Pension Liability

Actuarial Valuation Date	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Employer's Covered- Employee Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<u>Pensions</u>					
<u>PERA - GERF</u> 6/30/2015	0.0179%	\$ 927,671	\$ 1,052,706	88.1%	78.2%
<u>Pensions</u>					
<u>PERA - PEPFF</u> 6/30/2015	0.048%	545,392	435,380	125.3%	86.6%

Schedule of Employer Contributions

Year Ended December 31,	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered- Employee Payroll (d)	Contributions as a Percentage of Covered- Employee Payroll (b/d)
<u>Pensions</u>					
<u>PERA - GERF</u> 2015	\$ 81,095	\$ 81,095	\$	\$ 1,081,262	7.50%
<u>Pensions</u>					
<u>PERA - PEPFF</u> 2015	72,540	72,540		448,496	16.17%

The City implemented GASB Statement No. 68 for fiscal year ended December 31, 2015. Information for prior years is not available.

CITY OF BENSON, MINNESOTA

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2015

Service Cost	\$ 7,200
Interest	21,724
Benefit Payments, Including Refunds of Member Contributions	<u>(21,665)</u>
Net Change in Total Pension Liability	7,259
Total Pension Liability - Beginning of Year 12/31/2014	<u>438,110</u>
Total Pension Liability - End of Year 12/31/2015	<u><u>\$ 445,369</u></u>
Contributions - Association	\$ 2,363
Contributions - Member	214
Contributions - State of Minnesota	41,979
Contributions - City of Benson	11,000
Net Investment Income	1,975
Benefit Payments, Including Refunds of Member Contributions	(21,665)
Administrative Expense	<u>(6,106)</u>
Net Change in Plan Fiduciary Net Position	29,760
Total Plan Fiduciary Net Position - Beginning of Year 12/31/2014	<u>349,095</u>
Total Plan Fiduciary Net Position - End of Year 12/31/2015	<u><u>\$ 378,855</u></u>
City's Net Pension Liability - Ending 12/31/2015	<u><u>\$ 66,514</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.07%

The City implemented GASB Statement No. 68 for the year ended December 31, 2015. Information for prior years is not available.

SUPPLEMENTARY INFORMATION

CITY OF BENSON, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 742,644	\$ 121,932	\$ 94,526	\$ 959,102
Receivables				
Property Taxes	1,684		1,642	3,326
Special Assessments		13,265		13,265
Notes	101,476			101,476
Loans	10,000			10,000
Interest	521			521
Due from Other Funds		3,983		3,983
Land Held for Resale	52,731			52,731
	<u>52,731</u>	<u>3,983</u>	<u>0</u>	<u>52,731</u>
Total Assets	<u>\$ 909,056</u>	<u>\$ 139,180</u>	<u>\$ 96,168</u>	<u>\$ 1,144,404</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities				
Accounts Payable	\$ 277	\$ 0	\$ 0	\$ 277
Due to Other Funds		1,922		1,922
Total Liabilities	<u>277</u>	<u>1,922</u>	<u>0</u>	<u>2,199</u>
Deferred Inflows of Resources				
Unavailable Revenues				
Special Assessments		13,265		13,265
Loans Receivable	111,476			111,476
Total Deferred Inflows of Resources	<u>111,476</u>	<u>13,265</u>	<u>0</u>	<u>124,741</u>
Fund Balance				
Nonspendable	52,731			52,731
Restricted	111,647		96,168	207,815
Committed	364,681			364,681
Assigned	268,244	123,993		392,237
Total Fund Balance	<u>797,303</u>	<u>123,993</u>	<u>96,168</u>	<u>1,017,464</u>
	<u>\$ 909,056</u>	<u>\$ 139,180</u>	<u>\$ 96,168</u>	<u>\$ 1,144,404</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 909,056</u>	<u>\$ 139,180</u>	<u>\$ 96,168</u>	<u>\$ 1,144,404</u>

CITY OF BENSON, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2015

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 109,579	\$	\$ 75,566	\$ 185,145
Special Assessments		7,960		7,960
Intergovernmental	314,732			314,732
Charges for Services		54,318		54,318
Investment Income	7,650	1,049	740	9,439
Miscellaneous				
Refunds and Reimbursements	10,177			10,177
Donations	1,831			1,831
Other	53,094			53,094
Total Revenues	<u>497,063</u>	<u>63,327</u>	<u>76,306</u>	<u>636,696</u>
EXPENDITURES				
Current				
Public Works		32,893	2,725	35,618
Culture and Recreation	101,490			101,490
Urban Development	361,438			361,438
Economic Development	43,830			43,830
Capital Outlay				
Culture and Recreation	7,301			7,301
Debt Service				
Principal			60,000	60,000
Interest and Fiscal Costs			7,562	7,562
Total Expenditures	<u>514,059</u>	<u>32,893</u>	<u>70,287</u>	<u>617,239</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,996)	30,434	6,019	19,457
OTHER FINANCING SOURCES (USES)				
Transfers In	311	15,000		15,311
Transfers Out	(1,660)	(82,504)		(84,164)
Total Other Financing Sources (Uses)	<u>(1,349)</u>	<u>(67,504)</u>	<u>0</u>	<u>(68,853)</u>
Net Change in Fund Balances	(18,345)	(37,070)	6,019	(49,396)
FUND BALANCE, BEGINNING OF YEAR	<u>815,648</u>	<u>161,063</u>	<u>90,149</u>	<u>1,066,860</u>
FUND BALANCE, END OF YEAR	<u>\$ 797,303</u>	<u>\$ 123,993</u>	<u>\$ 96,168</u>	<u>\$ 1,017,464</u>

CITY OF BENSON, MINNESOTA

COMBINING BALANCE SHEET
SPECIAL REVENUE NONMAJOR FUNDS
DECEMBER 31, 2015

	Library	Library Endowment	Cemetery Perpetual Care	Community Development Revolving Loan	2005 Small Cities Grant	2009 Small Cities Grant	2011 Small Cities Grant	Economic Development Authority	Development District	Totals
ASSETS										
Cash and Investments	\$ 49,701	\$ 19,533	\$ 86,210	\$ 110,526	\$ 62,768	\$ 40,101	\$ 8,778	\$ 364,238	\$ 789	\$ 742,644
Receivables										
Property Taxes	1,684									1,684
Notes				101,476						101,476
Loans							10,000			10,000
Interest							521			521
Land Held for Resale							52,731			52,731
Total Assets	\$ 51,385	\$ 19,533	\$ 86,210	\$ 212,002	\$ 62,768	\$ 40,101	\$ 8,778	\$ 427,490	\$ 789	\$ 909,056
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE										
Liabilities										
Accounts Payable	\$ 199	\$	\$	\$	\$	\$	\$	\$ 78	\$	\$ 277
Deferred Inflows of Resources										
Unavailable Revenues										
Loans Receivable				101,476				10,000		111,476
Fund Balance										
Nonspendable								52,731		52,731
Restricted					62,768	40,101	8,778			111,647
Committed								364,681		364,681
Assigned	51,186	19,533	86,210	110,526					789	268,244
Total Fund Balance	51,186	19,533	86,210	110,526	62,768	40,101	8,778	417,412	789	797,303
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 51,385	\$ 19,533	\$ 86,210	\$ 212,002	\$ 62,768	\$ 40,101	\$ 8,778	\$ 427,490	\$ 789	\$ 909,056

CITY OF BENSON, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE NONMAJOR FUNDS
DECEMBER 31, 2015

	Library	Library Endowment	Cemetery Perpetual Care	Community Development Revolving Loan	2005 Small Cities Grant	2009 Small Cities Grant	2011 Small Cities Grant	2013 Small Cities Grant	Economic Development Authority	Development District	Totals
REVENUES											
Taxes	\$ 109,579	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 109,579
Intergovernmental								314,732			314,732
Investment Income		311	1,349		91	141			5,758		7,650
Miscellaneous											
Refunds and Reimbursements	2,448				3,002	4,727					10,177
Donations	1,831										1,831
Other			1,120						51,974		53,094
Total Revenues	113,858	311	2,469	0	3,093	4,868	0	314,732	57,732	0	497,063
EXPENDITURES											
Current											
Culture and Recreation											
Supplies	7,429										7,429
Utilities	4,872										4,872
Contracted Services	83,755										83,755
Other	5,434										5,434
Urban Development											
Supplies				128							128
Contracted Services				46,578				314,732			361,310
Economic Development											
Management Fees									4,248		4,248
Special Projects									29,995		29,995
Contracted Services									3,996		3,996
Other									5,591		5,591
Capital Outlay											
Culture and Recreation	4,119	3,182									7,301
Total Expenditures	105,609	3,182	0	46,706	0	0	0	314,732	43,830	0	514,059
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,249	(2,871)	2,469	(46,706)	3,093	4,868	0	0	13,902	0	(16,996)
OTHER FINANCING SOURCES (USES)											
Transfers In	311										311
Transfers Out		(311)	(1,349)								(1,660)
Total Other Financing Sources (Uses)	311	(311)	(1,349)	0	0	0	0	0	0	0	(1,349)
Net Change in Fund Balances	8,560	(3,182)	1,120	(46,706)	3,093	4,868	0	0	13,902	0	(18,345)
FUND BALANCE, BEGINNING OF YEAR	42,626	22,715	85,090	157,232	59,675	35,233	8,778		403,510	789	815,648
FUND BALANCE, END OF YEAR	\$ 51,186	\$ 19,533	\$ 86,210	\$ 110,526	\$ 62,768	\$ 40,101	\$ 8,778	\$ 0	\$ 417,412	\$ 789	\$ 797,303

CITY OF BENSON, MINNESOTA

COMBINING BALANCE SHEET
CAPITAL PROJECTS AND DEBT SERVICE NONMAJOR FUNDS
DECEMBER 31, 2015

	<u>Concrete Projects</u>	<u>Storm Water</u>	<u>Total Capital Projects</u>	<u>GO Refunding Bonds-2012</u>	<u>Total Debt Service</u>
ASSETS					
Cash and Investments	\$ 75,963	\$ 45,969	\$ 121,932	\$ 94,526	\$ 94,526
Receivables					
Property Taxes				1,642	1,642
Special Assessments	7,460	5,805	13,265		
Due from Other Funds		3,983	3,983		
	<u>75,963</u>	<u>51,774</u>	<u>127,738</u>	<u>96,168</u>	<u>96,168</u>
Total Assets	<u>\$ 83,423</u>	<u>\$ 55,757</u>	<u>\$ 139,180</u>	<u>\$ 96,168</u>	<u>\$ 96,168</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities					
Due to Other Funds	\$	\$ 1,922	\$ 1,922	\$	\$
Deferred Inflows of Resources					
Unavailable Revenue					
Special Assessments	7,460	5,805	13,265		
Fund Balance					
Restricted				96,168	96,168
Assigned	75,963	48,030	123,993		
Total Fund Balance	<u>75,963</u>	<u>48,030</u>	<u>123,993</u>	<u>96,168</u>	<u>96,168</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 83,423</u>	<u>\$ 55,757</u>	<u>\$ 139,180</u>	<u>\$ 96,168</u>	<u>\$ 96,168</u>

CITY OF BENSON, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 CAPITAL PROJECTS AND DEBT SERVICE NONMAJOR FUNDS
 DECEMBER 31, 2015

	<u>Concrete Projects</u>	<u>Storm Water</u>	<u>Total Capital Projects</u>	<u>GO Refunding Bonds-2012</u>	<u>Total Debt Service</u>
REVENUES					
General Property Taxes	\$	\$	\$	\$ 75,566	\$ 75,566
Special Assessments	7,960		7,960		
Charges for Services		54,318	54,318		
Investment Income	1,049		1,049	740	740
Total Revenues	<u>9,009</u>	<u>54,318</u>	<u>63,327</u>	<u>76,306</u>	<u>76,306</u>
EXPENDITURES					
Current					
Public Works					
Supplies		13	13		
Contracted Services	12,508	5,029	17,537	2,725	2,725
Other		15,343	15,343		
Debt Service					
Principal				60,000	60,000
Interest and Fiscal Costs				7,562	7,562
Total Expenditures	<u>12,508</u>	<u>20,385</u>	<u>32,893</u>	<u>70,287</u>	<u>70,287</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,499)	33,933	30,434	6,019	6,019
OTHER FINANCING SOURCES (USES)					
Transfers In	15,000		15,000		
Transfers Out		(82,504)	(82,504)		
Net Change in Fund Balances	<u>11,501</u>	<u>(48,571)</u>	<u>(37,070)</u>	<u>6,019</u>	<u>6,019</u>
FUND BALANCE, BEGINNING OF YEAR					
	<u>64,462</u>	<u>96,601</u>	<u>161,063</u>	<u>90,149</u>	<u>90,149</u>
FUND BALANCE, END OF YEAR					
	<u>\$ 75,963</u>	<u>\$ 48,030</u>	<u>\$ 123,993</u>	<u>\$ 96,168</u>	<u>\$ 96,168</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL FUND
 DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Taxes					
Property Taxes	\$ 1,238,310	\$ 1,238,310	\$ 1,236,771	\$ (1,539)	\$ 1,214,625
Franchise Fees	205,000	205,000	206,704	1,704	79,718
Lodging Tax	25,000	25,000	25,074	74	29,302
Total Taxes	1,468,310	1,468,310	1,468,549	239	1,323,645
Special Assessments			148	148	116
Licenses and Permits					
Business	7,500	7,500	8,033	533	7,915
Non-business	21,000	21,000	15,233	(5,767)	25,846
Total Licenses and Permits	28,500	28,500	23,266	(5,234)	33,761
Intergovernmental					
Local Government Aid	980,033	980,033	980,033		952,025
Public Transit	140,000	140,000	145,600	5,600	140,000
Market Value Credit			310	310	142
Airport Maintenance	24,257	24,257	25,363	1,106	32,233
Other	85,000	85,000	171,593	86,593	120,288
Total Intergovernmental	1,229,290	1,229,290	1,322,899	93,609	1,244,688
Charges for Services					
Weed and Tree Removal	4,000	4,000	7,608	3,608	5,700
Park Fees	16,000	16,000	20,412	4,412	20,143
Swimming Pool	54,000	54,000	61,503	7,503	49,595
Transportation	35,600	35,600	36,174	574	37,775
Police Services	38,500	38,500	40,714	2,214	45,712
Fire Contracts	63,550	63,550	63,522	(28)	61,669
Fire and Rescue Calls	22,000	22,000	32,975	10,975	28,502
Other Charges	5,900	5,900	13,480	7,580	4,648
Total Charges for Services	239,550	239,550	276,388	36,838	253,744
Fines and Forfeits	16,000	16,000	22,397	6,397	19,962
Investment Income	40,000	40,000	52,303	12,303	59,345

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL FUND
 DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES (Cont'd)					
Miscellaneous					
Rent	\$ 45,100	\$ 45,100	\$ 66,411	\$ 21,311	\$ 57,644
Refunds and Reimbursements	397,492	397,492	427,049	29,557	431,324
Donations	2,500	2,500	23,427	20,927	5,966
Other	5,500	5,500	9,283	3,783	8,637
Total Miscellaneous	450,592	450,592	526,170	75,578	503,571
Total Revenues	3,472,242	3,472,242	3,692,120	219,878	3,438,832
EXPENDITURES					
Current					
General Government					
Mayor and Council					
Personal Services	17,200	17,200	17,057	(143)	16,718
Supplies	100	100	141	41	
Other Services	2,350	2,350	1,704	(646)	6,854
Other Charges	22,500	22,500	22,482	(18)	22,264
Total Mayor and Council	42,150	42,150	41,384	(766)	45,836
Administration and Finance					
Personal Services	375,400	375,400	386,175	10,775	376,259
Supplies	21,500	21,500	13,178	(8,322)	20,868
Other Services	58,400	58,400	80,364	21,964	73,581
Other Charges	2,200	2,200	2,941	741	2,170
Total Administration and Finance	457,500	457,500	482,658	25,158	472,878
Election and Voters' Registration					
Personal Services	1,500	1,500	862	(638)	1,882
Supplies	3,500	3,500	2,835	(665)	601
Total Election and Voters' Registration	5,000	5,000	3,697	(1,303)	2,483
Accounting and Auditing	21,500	21,500	21,550	50	20,675
Assessor	17,500	17,500	17,292	(208)	17,292
Legal					
Supplies	800	800	470	(330)	401
Other Services	26,000	26,000	20,297	(5,703)	21,153
Total Legal	26,800	26,800	20,767	(6,033)	21,554

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL FUND
 DECEMBER 31, 2015

WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
EXPENDITURES (Cont'd)					
Current (Cont'd)					
General Government (Cont'd)					
Other					
Other Charges	\$ 10,000	\$ 10,000	\$ 14,665	\$ 4,665	\$ 15,631
City Buildings					
Supplies	8,000	8,000	5,532	(2,468)	7,052
Other Services	28,000	28,000	19,069	(8,931)	22,761
Total City Buildings	36,000	36,000	24,601	(11,399)	29,813
Total General Government	616,450	616,450	626,614	10,164	626,162
Public Safety					
Police Department					
Personal Services	648,500	648,500	676,757	28,257	656,916
Supplies	71,500	71,500	77,190	5,690	83,136
Other Services	82,500	82,500	76,917	(5,583)	74,013
Other Charges	6,100	6,100	7,008	908	4,860
Total Police Department	808,600	808,600	837,872	29,272	818,925
Fire Department					
Personal Services	48,000	48,000	57,758	9,758	42,709
Supplies	17,350	17,350	12,803	(4,547)	11,429
Other Services	49,900	49,900	49,251	(649)	50,523
Fire Relief	36,000	36,000	52,979	16,979	50,563
Other Charges	500	500	678	178	509
Total Fire Department	151,750	151,750	173,469	21,719	155,733
Total Public Safety	960,350	960,350	1,011,341	50,991	974,658
Public Works					
Building, Planning and Zoning					
Personal Services	69,200	69,200	70,227	1,027	67,932
Supplies	2,300	2,300	1,784	(516)	3,171
Other Services	6,350	6,350	6,792	442	10,441
Other Charges	100	100	75	(25)	60
Total Building, Planning and Zoning	77,950	77,950	78,878	928	81,604

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL FUND
 DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
EXPENDITURES (Cont'd)					
Current (Cont'd)					
Public Works (Cont'd)					
Highways, Streets, and Roads					
Personal Services	\$ 268,000	\$ 268,000	\$ 293,776	\$ 25,776	\$ 279,804
Supplies	225,580	225,580	186,946	(38,634)	115,278
Other Services	107,850	107,850	101,317	(6,533)	100,886
Other Charges	1,000	1,000	876	(124)	950
Total Highways, Streets, and Roads	602,430	602,430	582,915	(19,515)	496,918
Total Public Works	680,380	680,380	661,793	(18,587)	578,522
Culture and Recreation					
Organized Recreation					
Summer Recreation	19,500	19,500	18,583	(917)	18,431
Civic Center	60,837	60,837	32,708	(28,129)	26,000
Senior Citizen Center	10,500	10,500	15,939	5,439	10,766
Total Organized Recreation	90,837	90,837	67,230	(23,607)	55,197
Swimming Pool					
Personal Services	46,300	46,300	47,641	1,341	42,015
Supplies	39,200	39,200	30,875	(8,325)	33,651
Other Services	27,950	27,950	29,803	1,853	26,764
Total Swimming Pool	113,450	113,450	108,319	(5,131)	102,430
Parks					
Personal Services	98,000	98,000	126,406	28,406	118,168
Supplies	56,500	56,500	56,026	(474)	44,996
Other Services	20,300	20,300	19,950	(350)	21,889
Other Charges	151,400	151,400	255,383	103,983	100,349
Cemetery	5,000	5,000	7,371	2,371	12,076
Total Parks	331,200	331,200	465,136	133,936	297,478
Tourism	31,750	31,750	28,865	(2,885)	22,971
Total Culture and Recreation	567,237	567,237	669,550	102,313	478,076
Airport					
Personal Services	3,000	3,000	2,692	(308)	2,692
Supplies	26,000	26,000	25,850	(150)	38,621
Other Services	27,100	27,100	27,632	532	36,252
Total Airport	56,100	56,100	56,174	74	77,565

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL FUND
 DECEMBER 31, 2015

WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
EXPENDITURES (Cont'd)					
Current (Cont'd)					
Public Transit					
Personal Services	\$ 126,725	\$ 126,725	\$ 132,197	\$ 5,472	\$ 121,394
Supplies	35,500	35,500	30,311	(5,189)	34,850
Other Services	15,400	15,400	10,524	(4,876)	14,206
Other Charges	4,500	4,500	4,500		4,500
Total Public Transit	<u>182,125</u>	<u>182,125</u>	<u>177,532</u>	<u>(4,593)</u>	<u>174,950</u>
Economic Development					
Other Charges	20,000	20,000	17,425	(2,575)	26,864
Total Expenditures	<u>3,082,642</u>	<u>3,082,642</u>	<u>3,220,429</u>	<u>137,787</u>	<u>2,936,797</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	389,600	389,600	471,691	82,091	502,035
OTHER FINANCING SOURCES (USES)					
Transfers In	151,650	151,650	166,338	14,688	186,252
Transfers Out	(548,000)	(548,000)	(575,797)	(27,797)	(535,000)
Sale of Property			4,590	4,590	2,926
Total Other Financing Sources (Uses)	<u>(396,350)</u>	<u>(396,350)</u>	<u>(404,869)</u>	<u>(8,519)</u>	<u>(345,822)</u>
Net Change in Fund Balances	<u>\$ (6,750)</u>	<u>\$ (6,750)</u>	66,822	<u>\$ 73,572</u>	156,213
FUND BALANCE, BEGINNING OF YEAR			<u>1,561,852</u>		<u>1,405,639</u>
FUND BALANCE, END OF YEAR			<u>\$ 1,628,674</u>		<u>\$ 1,561,852</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 LIBRARY SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Taxes	\$ 109,710	\$ 109,710	\$ 109,579	\$ (131)	\$ 106,766
Miscellaneous					
Refunds and Reimbursements	2,000	2,000	2,448	448	2,793
Donations			1,831	1,831	1,052
Total Revenues	<u>111,710</u>	<u>111,710</u>	<u>113,858</u>	<u>2,148</u>	<u>110,611</u>
EXPENDITURES					
Current					
Culture and Recreation					
Supplies	11,500	11,500	7,429	(4,071)	13,624
Utilities	7,500	7,500	4,872	(2,628)	5,038
Contracted Services	84,410	84,410	83,755	(655)	81,837
Travel	750	750	110	(640)	357
Telephone	1,000	1,000	924	(76)	903
Insurance	3,900	3,900	4,400	500	3,864
Capital Outlay					
Culture and Recreation	<u>8,100</u>	<u>8,100</u>	<u>4,119</u>	<u>(3,981)</u>	<u>45,007</u>
Total Expenditures	<u>117,160</u>	<u>117,160</u>	<u>105,609</u>	<u>(11,551)</u>	<u>150,630</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,450)	(5,450)	8,249	13,699	(40,019)
OTHER FINANCING SOURCES (USES)					
Transfers In	<u>450</u>	<u>450</u>	<u>311</u>	<u>(139)</u>	<u>364</u>
Net Change in Fund Balances	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	<u>8,560</u>	<u>\$ 13,560</u>	<u>(39,655)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>42,626</u>		<u>82,281</u>
FUND BALANCE, END OF YEAR			<u>\$ 51,186</u>		<u>\$ 42,626</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 LIBRARY ENDOWMENT SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015				2014
	Budgeted Amounts		Actual	Over (Under) Final Budget	Actual
	Original	Final			
REVENUES					
Investment Income	\$ 450	\$ 450	\$ 311	\$ (139)	\$ 364
EXPENDITURES					
Capital Outlay	3,500	3,500	3,182	(318)	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,050)	(3,050)	(2,871)	179	364
OTHER FINANCING SOURCES (USES)					
Transfers Out	(450)	(450)	(311)	139	(364)
Net Change in Fund Balances	<u>\$ (3,500)</u>	<u>\$ (3,500)</u>	(3,182)	<u>\$ 318</u>	
FUND BALANCE, BEGINNING OF YEAR			22,715		22,715
FUND BALANCE, END OF YEAR			<u>\$ 19,533</u>		<u>\$ 22,715</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 CEMETERY PERPETUAL CARE SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Investment Income	\$ 1,400	\$ 1,400	\$ 1,349	\$ (51)	\$ 1,354
Miscellaneous					
Other	1,500	1,500	1,120	(380)	1,260
Total Revenues	<u>2,900</u>	<u>2,900</u>	<u>2,469</u>	<u>(431)</u>	<u>2,614</u>
EXPENDITURES					
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,900	2,900	2,469	(431)	2,614
OTHER FINANCING SOURCES (USES)					
Transfers Out	<u>(1,400)</u>	<u>(1,400)</u>	<u>(1,349)</u>	<u>51</u>	<u>(1,354)</u>
Net Change in Fund Balances	<u>\$ 1,500</u>	<u>\$ 1,500</u>	1,120	<u>\$ (380)</u>	1,260
FUND BALANCE, BEGINNING OF YEAR			<u>85,090</u>		<u>83,830</u>
FUND BALANCE, END OF YEAR			<u>\$ 86,210</u>		<u>\$ 85,090</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 COMMUNITY DEVELOPMENT REVOLVING LOAN SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Miscellaneous					
Refunds and Reimbursements	\$ 2,000	\$ 2,000	\$	\$ (2,000)	\$
EXPENDITURES					
Current					
Urban Development					
Supplies	500	500	128	(372)	138
Contracted Services	37,500	37,500	46,578	9,078	11,738
Total Expenditures	<u>38,000</u>	<u>38,000</u>	<u>46,706</u>	<u>8,706</u>	<u>11,876</u>
Net Change in Fund Balances	<u>\$ (36,000)</u>	<u>\$ (36,000)</u>	(46,706)	<u>\$ (10,706)</u>	(11,876)
FUND BALANCE, BEGINNING OF YEAR			<u>157,232</u>		<u>169,108</u>
FUND BALANCE, END OF YEAR			<u>\$ 110,526</u>		<u>\$ 157,232</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 2005 SMALL CITIES GRANT SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015				2014
	Budgeted Amounts		Actual	Over (Under) Final Budget	Actual
	Original	Final			
REVENUES					
Investment Income	\$ 150	\$ 150	\$ 91	\$ (59)	\$ 156
Miscellaneous					
Refunds and Reimbursements	3,800	3,800	3,002	(798)	5,129
Total Revenues	<u>3,950</u>	<u>3,950</u>	<u>3,093</u>	<u>(857)</u>	<u>5,285</u>
EXPENDITURES					
Current					
Urban Development					
Supplies					1,114
Contracted Services	50,000	50,000		(50,000)	
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>(50,000)</u>	<u>1,114</u>
Net Change in Fund Balances	<u>\$ (46,050)</u>	<u>\$ (46,050)</u>	3,093	<u>\$ 49,143</u>	4,171
FUND BALANCE, BEGINNING OF YEAR			<u>59,675</u>		<u>55,504</u>
FUND BALANCE, END OF YEAR			<u>\$ 62,768</u>		<u>\$ 59,675</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 2009 SMALL CITIES GRANT SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Investment Income	\$ 175	\$ 175	\$ 141	\$ (34)	\$ 188
Miscellaneous					
Refunds and Reimbursements	<u>4,692</u>	<u>4,692</u>	<u>4,727</u>	<u>35</u>	<u>11,737</u>
Total Revenues	<u>4,867</u>	<u>4,867</u>	<u>4,868</u>	<u>1</u>	<u>11,925</u>
EXPENDITURES					
Current					
Urban Development					
Contracted Services	<u>8,800</u>	<u>8,800</u>		<u>(8,800)</u>	
Net Change in Fund Balances	<u>\$ (3,933)</u>	<u>\$ (3,933)</u>	4,868	<u>\$ 8,801</u>	11,925
FUND BALANCE, BEGINNING OF YEAR			<u>35,233</u>		<u>23,308</u>
FUND BALANCE, END OF YEAR			<u>\$ 40,101</u>		<u>\$ 35,233</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

2011 SMALL CITIES GRANT SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2015

WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			2014
	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
REVENUES	\$	\$	\$	\$
EXPENDITURES				
Net Change in Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>		<u>\$ 0</u>
FUND BALANCE, BEGINNING OF YEAR			<u>8,778</u>	<u>8,778</u>
FUND BALANCE, END OF YEAR			<u>\$ 8,778</u>	<u>\$ 8,778</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

2013 SMALL CITIES GRANT SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2015

WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Intergovernmental	\$ 413,240	\$ 413,240	\$ 314,732	\$ (98,508)	\$ 180,450
EXPENDITURES					
Current					
Urban Development					
Contracted Services	413,240	413,240	314,732	(98,508)	180,450
Net Change in Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>		<u>\$ 0</u>	
FUND BALANCE, BEGINNING OF YEAR					
FUND BALANCE, END OF YEAR			<u>\$ 0</u>		<u>\$ 0</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 ECONOMIC DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			Over (Under) Final Budget	2014
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Investment Income	\$ 2,000	\$ 2,000	\$ 5,758	\$ 3,758	\$ 8,650
Miscellaneous					
Other	<u>25,000</u>	<u>25,000</u>	<u>51,974</u>	<u>26,974</u>	<u>216,251</u>
Total Revenues	<u>27,000</u>	<u>27,000</u>	<u>57,732</u>	<u>30,732</u>	<u>224,901</u>
EXPENDITURES					
Current					
Economic Development					
Advertising	5,000	5,000	3,184	(1,816)	2,356
Management Fees	3,600	3,600	4,248	648	3,392
Special Projects	10,000	10,000	29,995	19,995	16,782
Supplies					114
Contracted Services			3,996	3,996	
Travel			<u>2,407</u>	<u>2,407</u>	<u>4,433</u>
Total Current	<u>18,600</u>	<u>18,600</u>	<u>43,830</u>	<u>25,230</u>	<u>27,077</u>
Capital Outlay					
Economic Development	<u>150,000</u>	<u>150,000</u>		(150,000)	100,996
Total Expenditures	<u>168,600</u>	<u>168,600</u>	<u>43,830</u>	<u>(124,770)</u>	<u>128,073</u>
Net Change in Fund Balances	<u>\$ (141,600)</u>	<u>\$ (141,600)</u>	13,902	<u>\$ 155,502</u>	96,828
FUND BALANCE, BEGINNING OF YEAR			<u>403,510</u>		<u>306,682</u>
FUND BALANCE, END OF YEAR			<u>\$ 417,412</u>		<u>\$ 403,510</u>

CITY OF BENSON, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 DEVELOPMENT DISTRICT
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	2015			2014
	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
REVENUES	\$	\$	\$	\$
EXPENDITURES				
Net Change in Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>		<u>\$ 0</u>
FUND BALANCE, BEGINNING OF YEAR			<u>789</u>	<u>789</u>
FUND BALANCE, END OF YEAR			<u>\$ 789</u>	<u>\$ 789</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	Water	Sewer	Electric	Liquor	Sanitation	Totals	
						2015	2014
OPERATING REVENUES							
Sales and Cost of Sales							
Sales	\$	\$	\$	\$ 1,105,459	\$	\$ 1,105,459	\$ 1,109,387
Cost of Sales				712,994		712,994	718,890
Gross Profit	0	0	0	392,465	0	392,465	390,497
Other Revenues							
Charges for Services	573,428	805,168	3,963,451		162,184	5,504,231	5,618,643
Outside Charges	10,000		14,400			24,400	22,000
Interfund			33,735			33,735	33,735
Refunds and Reimbursements	2,622	3,601	21,069			27,292	32,313
Vending Machine Commissions				1,709		1,709	1,736
Miscellaneous Revenue		3	22,367	125	4,401	26,896	49,171
Total Other Revenues	586,050	808,772	4,055,022	1,834	166,585	5,618,263	5,757,598
Total Operating Revenues	586,050	808,772	4,055,022	394,299	166,585	6,010,728	6,148,095
OPERATING EXPENSES							
Freight				4,483		4,483	4,553
Salaries	103,334	7,905	89,100	149,687		350,026	337,238
Earned Benefits	2,184	2,137	1,898	278		6,497	2,253
Pension	21,415	1,718	18,387	28,885		70,405	58,375
Supplies	2,895	730	16,071	5,128	1,632	26,456	30,876
Contracted Services	7,570	242,147	584,819	9,792	103,944	948,272	929,209
Load Management			4,015			4,015	1,955
Purchased Electricity and Wheeling			2,003,630			2,003,630	2,026,858
Utilities	25,192	54,820	68,157	14,321		162,490	153,953
System Maintenance	10,770	27,894	49,785			88,449	148,463
Building Repair and Maintenance	1,007	5,076	6,701	17,520		30,304	24,196
Equipment Repair and Maintenance	10,824	16,332	67,220			94,376	99,749
Insurance	9,518	10,711	28,845	18,341		67,415	64,590
Depreciation	195,483	335,302	523,591	5,507		1,059,883	1,045,486
Interdepartmental Charges	12,375	21,360				33,735	33,735
Management Fees	38,556	50,052	173,441	25,606	8,838	296,493	290,679
Bad Debts	2,237	3,765	11,468	858	1,274	19,602	37,799
Gas and Oil	2,617	1,502	19,882			24,001	16,138
Travel and Training	1,011	767	18,364	30		20,172	21,746
Office Supplies	144	219	56,417	447		57,227	60,314
Miscellaneous	13,484	1,747	9,602	29,646		54,479	53,285
Health and Life Insurance	20,638	1,065	23,493	19,390		64,586	63,844
Lab Supplies and Chemicals	24,880	40,672				65,552	52,320
Advertising	609		9,469	10,020		20,098	19,781
Refuse Disposal					43,899	43,899	43,957
Total Operating Expenses	506,743	825,921	3,784,355	339,939	159,587	5,616,545	5,621,352
Operating Income (Loss)	79,307	(17,149)	270,667	54,360	6,998	394,183	526,743

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2015
 WITH PARTIAL COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2014

	Water	Sewer	Electric	Liquor	Sanitation	Totals	
						2015	2014
NONOPERATING REVENUES (EXPENSES)							
Investment Income	\$ 9,214	\$ 1,354	\$ 56,310	\$ 108	\$ 2,193	\$ 69,179	\$ 162,851
Interest and Fiscal Charges	(60,677)	(62,171)	(239,804)			(362,652)	(371,780)
Rent			11,459	26,821		38,280	25,694
Gain (Loss) on Disposal of Assets	21,500		3,300			24,800	(196)
Amortization	(339)	(307)				(646)	(27,592)
Total Nonoperating Revenues (Expenses)	(30,302)	(61,124)	(168,735)	26,929	2,193	(231,039)	(211,023)
Income (Loss) Before Transfers	49,005	(78,273)	101,932	81,289	9,191	163,144	315,720
TRANSFERS							
Transfers Out	(12,604)	(28,663)	(43,722)	(80,000)		(164,989)	(184,898)
Change in Net Position	36,401	(106,936)	58,210	1,289	9,191	(1,845)	130,822
NET POSITION, BEGINNING OF YEAR, AS ORIGINALLY STATED	2,069,315	1,962,740	5,327,346	395,534	148,595	9,903,530	9,772,708
PRIOR PERIOD ADJUSTMENT	(77,843)	(8,649)	(69,194)	(112,439)		(268,125)	
NET POSITION, BEGINNING OF YEAR, AS RESTATED	1,991,472	1,954,091	5,258,152	283,095	148,595	9,635,405	9,772,708
NET POSITION, END OF YEAR	<u>\$ 2,027,873</u>	<u>\$ 1,847,155</u>	<u>\$ 5,316,362</u>	<u>\$ 284,384</u>	<u>\$ 157,786</u>	<u>\$ 9,633,560</u>	<u>\$ 9,903,530</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF NET POSITION
ELECTRIC FUND
DECEMBER 31, 2015

ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES

Capital Assets	
Electric Production Plant	\$ 4,277,310
Electric Transmission Plant	676,121
Electric Distribution System	8,847,753
Electric Transportation and General	418,134
	<u>14,219,318</u>
Less: Accumulated Depreciation	7,792,163
Net Capital Assets	<u>6,427,155</u>
Current Assets	
Cash and Investments	3,321,491
Receivables	
Accounts	498,063
Special Assessments	60
Interest	15,634
Inventories	128,093
Due from Other Funds	
Prepaid Items	58,391
Total Current Assets	<u>4,021,732</u>
Noncurrent Assets	
Restricted Assets	
Debt Service Reserve	531,751
Construction Fund	12,537
Total Restricted Assets	<u>544,288</u>
Deferred Outflows of Resources	
Related to Pensions	10,259
Deferred Loss on Refunding	70,893
Total Deferred Outflows of Resources	<u>81,152</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 11,074,327</u>

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND NET POSITION

Long Term Debt	
Bonds Payable	\$ 5,185,000
Less Current Portion	<u>(372,102)</u>
Total Long Term Debt	4,812,898
Current Liabilities	
Current Portion of Long-Term Debt	372,102
Accounts Payable	290,178
Interest Payable	21,904
Due to Other Funds	124,857
Total Current Liabilities	<u>809,041</u>
Other Noncurrent Liabilities	
Compensated Absences	39,978
Net OPEB Liability	14,411
Net Pension Liability	74,231
Total Other Noncurrent	<u>128,620</u>
Total Liabilities	5,750,559
Deferred Inflows of Resources	
Related to Pensions	7,406
Net Position	
Net Investment in Capital Assets	1,242,155
Unrestricted	4,074,207
Total Net Position	<u>5,316,362</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 11,074,327</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ELECTRIC FUND
YEAR ENDED DECEMBER 31, 2015

Total Operating Revenues	\$ 4,055,022
Operating Expense	
Power Production	
Operation Supervision Salary	7,599
Fuel Expense	13,650
Utilities	39,563
Management Fees	17,344
Building Maintenance	1,451
Maintenance of Generating Equipment	47,697
Maintenance of Generating Equip Salary	15,981
Total Power Production	<u>143,285</u>
Purchased Power Supply	2,003,630
Transmission	
Operation Supervision Salary	1,436
Management Fees	17,344
Total Transmission	<u>18,780</u>
Distribution	
Fuel Expense - Vehicles	6,169
Equipment Maintenance	19,523
Maintenance of Lines	42,260
Maintenance of Street Lighting	7,525
Building Maintenance	5,177
Management Fees	52,033
Office Supplies	32,165
Operating Supplies	16,071
Station Salary	31,772
Equipment Maintenance Salary	45,930
Street Lights Salary	32,001
Meter Salary	71,440
Maintenance Supervision Salary	1,635
Maintenance Lines Salary	231,975
Other Contracted Services	18,803
Telephone	4,291
Travel and Meals	7,675
Education/Training	8,010
Miscellaneous	52
Utilities	16,879
Total Distribution	<u>651,386</u>
Demand Side Management	
Conservation Rebates	9,550
Other Contracted Services	7,510
Management Fees	8,671
Load Management Salary	11,929
Load Management	4,015
Total Demand Side Management	<u>41,675</u>

CITY OF BENSON, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (Cont'd)
 ELECTRIC FUND
 YEAR ENDED DECEMBER 31, 2015

Customer Accounts and Service	
Customer Records and Collection Salary	\$ 129,228
Meter Reading Salary	3,459
Office Supplies	17,327
Postage	962
Management Fees	17,344
Data Processing Services	18,341
Other Contracted Services	648
Bill Print Services	13,833
Travel and Meals	445
Education/Training	585
Bad Debts	11,468
Total Customer Accounts and Service	<u>213,640</u>
Administration and General	
Gas	63
Advertising	9,224
Management Fees - Administration	26,017
Management Fees - Finance	17,344
Management Fees - Sales	17,344
Non Utility Salary	68,908
Other Contracted Services	5,587
Travel and Meals	977
Education/Training	672
Insurance	28,845
Dues, Fees, Memberships	5,963
Telephone	7,424
Total Administration and General	<u>188,368</u>
Depreciation	<u>523,591</u>
Total Operating Expense	<u>3,784,355</u>
Operating Income (Loss)	270,667
Non Operating Revenues (Expenses)	
Investment Income	56,310
Interest Expense and Fiscal Charges	(239,804)
Rent	11,459
Gain (Loss) on Disposal of Assets	3,300
Income (Loss) Before Transfers	<u>101,932</u>
Transfer to General Fund	<u>43,722</u>
Change in Net Position	<u><u>\$ 58,210</u></u>

STATISTICAL SECTION

CITY OF BENSON, MINNESOTA

TAX CAPACITY, TAX LEVY, AND TAX CAPACITY RATES

	Budgeted Tax Levy	Total Capacity Rates
<u>2015 TAX CAPACITY \$1,929,242</u>		
Revenue	\$ 631,310	32.723 %
Police Levy	587,000	30.426
Library Fund	109,710	5.687
Abatement	20,000	1.037
G.O. Swimming Pool of 2003 (Market Referendum)	75,705	0.045
	<u>\$ 1,423,725</u>	<u>69.918 %</u>
<u>2014 TAX CAPACITY \$1,825,866</u>		
Revenue	\$ 578,921	31.707 %
Police Levy	616,260	33.752
Library Fund	106,800	5.849
Abatement	20,000	1.095
G.O. Swimming Pool of 2003 (Market Referendum)	70,896	0.044
	<u>\$ 1,392,877</u>	<u>72.447 %</u>
<u>2013 TAX CAPACITY \$1,785,030</u>		
Revenue	\$ 578,000	32.380 %
Police Levy	556,500	31.176
Library Fund	104,450	5.851
Abatement	22,000	1.232
G.O. Swimming Pool of 2003 (Market Referendum)	71,211	0.045
	<u>\$ 1,332,161</u>	<u>70.685 %</u>
<u>2012 TAX CAPACITY \$1,744,237</u>		
Revenue	\$ 721,915	41.389 %
Police Levy	534,081	30.620
Library Fund	116,311	6.668
2006 Capital Street Equipment Bonds	35,516	2.036
Abatement	22,000	1.261
G.O. Swimming Pool of 2003 (Market Referendum)	79,562	0.051
	<u>\$ 1,509,385</u>	<u>82.025 %</u>
<u>2011 TAX CAPACITY \$1,952,534</u>		
Revenue	\$ 707,515	36.236 %
Police Levy	485,379	24.859
Library Fund	100,496	5.147
2006 Capital Street Equipment Bonds	35,025	1.794
Abatement	18,700	0.958
G.O. Swimming Pool of 2003 (Market Referendum)	81,320	0.052
	<u>\$ 1,428,435</u>	<u>69.045 %</u>

CITY OF BENSON, MINNESOTA

LIQUOR FUND
GROSS PROFIT SCHEDULE
FOR THE YEARS ENDED DECEMBER 31,

2015

	Sales	Cost of Sales	Gross Profit	%
OFF SALE				
Liquor and Wine	\$ 358,755	\$ 246,510	\$ 112,245	31.3 %
Beer	533,809	392,160	141,649	26.5
Total Off Sale	892,564	638,670	253,894	28.4
ON SALE				
Liquor and Wine	74,320	13,484	60,836	81.9
Beer	91,183	25,535	65,648	72.0
Total On Sale	165,503	39,019	126,484	76.4
MISCELLANEOUS	47,391	35,305	12,086	25.5
Total	\$ 1,105,458	\$ 712,994	\$ 392,464	35.5 %

2014

	Sales	Cost of Sales	Gross Profit	%
OFF SALE				
Liquor and Wine	\$ 361,092	\$ 249,451	\$ 111,641	30.9 %
Beer	548,913	394,934	153,979	28.1
Total Off Sale	910,005	644,385	265,620	29.2
ON SALE				
Liquor and Wine	71,323	13,077	58,246	81.7
Beer	80,111	23,066	57,045	71.2
Total On Sale	151,434	36,143	115,291	76.1
MISCELLANEOUS	47,948	38,362	9,586	20.0
Total	\$ 1,109,387	\$ 718,890	\$ 390,497	35.2 %

2013

	Sales	Cost of Sales	Gross Profit	%
OFF SALE				
Liquor and Wine	\$ 351,937	\$ 247,449	\$ 104,488	29.7 %
Beer	568,975	421,227	147,748	26.0
Total Off Sale	920,912	668,676	252,236	27.4
ON SALE				
Liquor and Wine	71,132	12,512	58,620	82.4
Beer	97,499	26,771	70,728	72.5
Total On Sale	168,631	39,283	129,348	76.7
MISCELLANEOUS	49,180	39,642	9,538	19.4
Total	\$ 1,138,723	\$ 747,601	\$ 391,122	34.3 %

CITY OF BENSON, MINNESOTA

ELECTRIC FUND
FIVE-YEAR COMPARISON - GROSS INCOME PER KWH

	KWH Sold	Gross Income	Income Per KWH
<u>2015</u>			
Residential	13,140,638	\$ 1,311,556	9.98 Cents
Interruptible	1,911,615	82,255	4.30 Cents
Municipal	2,989,778	300,104	10.04 Cents
Commercial	3,572,691	364,311	10.20 Cents
Large Power	<u>12,704,565</u>	<u>1,026,691</u>	8.08 Cents
Totals	<u><u>34,319,287</u></u>	<u><u>\$ 3,084,917</u></u>	8.99 Cents
<u>2014</u>			
Residential	13,285,934	\$ 1,300,831	9.79 Cents
Interruptible	2,243,560	93,692	4.18 Cents
Municipal	3,239,292	304,400	9.40 Cents
Commercial	3,863,629	382,474	9.90 Cents
Large Power	<u>12,911,163</u>	<u>1,007,636</u>	7.80 Cents
Totals	<u><u>35,543,578</u></u>	<u><u>\$ 3,089,034</u></u>	8.69 Cents
<u>2013</u>			
Residential	13,581,338	\$ 1,331,517	9.80 Cents
Interruptible	2,214,534	91,244	4.12 Cents
Municipal	3,146,174	300,223	9.54 Cents
Commercial	3,752,617	372,541	9.93 Cents
Large Power	<u>13,329,445</u>	<u>1,044,293</u>	7.83 Cents
Totals	<u><u>36,024,108</u></u>	<u><u>\$ 3,139,818</u></u>	8.72 Cents
<u>2012</u>			
Residential	13,276,703	\$ 1,299,443	9.79 Cents
Interruptible	1,693,217	68,373	4.04 Cents
Municipal	2,903,720	289,269	9.96 Cents
Commercial	3,633,256	360,464	9.92 Cents
Large Power	<u>14,943,830</u>	<u>1,130,883</u>	7.57 Cents
Totals	<u><u>36,450,726</u></u>	<u><u>\$ 3,148,432</u></u>	8.64 Cents
<u>2011</u>			
Residential	13,838,402	\$ 1,343,964	9.71 Cents
Interruptible	2,075,262	84,802	4.09 Cents
Municipal	3,337,431	319,399	9.57 Cents
Commercial	3,595,658	351,724	9.78 Cents
Large Power	<u>15,592,511</u>	<u>1,169,106</u>	7.50 Cents
Totals	<u><u>38,439,264</u></u>	<u><u>\$ 3,268,995</u></u>	8.50 Cents

COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated June 6, 2016.

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. §6.65, contains 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 audit considered all of the listed categories, except that we did not test for compliance in tax increment financing because the City does not have any tax increment financing.

In connection with our audit, nothing came to our attention that caused us to believe that City failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Conway, Deuth & Schmiesing, PLLP

CONWAY, DEUTH & SCHMIESING, PLLP
Certified Public Accountants
Benson, Minnesota

June 6, 2016



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benson, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 6, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings as finding 2006-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Conway, Deuth & Schmiesing, PLLP

CONWAY, DEUTH & SCHMIESING, PLLP
Certified Public Accountants
Benson, Minnesota

June 6, 2016

CITY OF BENSON, MINNESOTA

SCHEDULE OF FINDINGS

DECEMBER 31, 2015

I. FINDINGS RELATED TO FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

PREVIOUSLY REPORTED ITEM NOT RESOLVED

FINDING: 2006-001 LIMITED SEGREGATION OF DUTIES

Condition: There is an absence of appropriate segregation of duties consistent with appropriate control objectives due to a limited number of employees.

Criteria: The basic premise is that no one person should have access to both physical assets and the related accounting records or to all phases of a transaction. The lack of such controls could result in the occurrence of a material error or fraud in relation to the financial statements not being detected by management.

Cause: The City has assigned duties to staff based on a cost-benefit relationship to the City and the practicality of the level of staffing the City maintains.

Effect: The lack of adequate segregation of duties could adversely affect the City's ability to initiate, record, process and report financial data consistent with the assertions of management in the financial statements.

Recommendation: The City should continue to monitor and evaluate the job responsibilities assigned to staff to determine whether there is an unacceptable risk.

MANAGEMENT'S RESPONSE

The City is aware of the limited segregation of duties and will continue to review internal controls and make changes when they can be made.

City of Benson, Minnesota

www.cdscpa.com

CDS

CONWAY, DEUTH & SCHMIESING

Audit Report

December 31, 2015

Independent Auditor's Report

Pages 2-4:

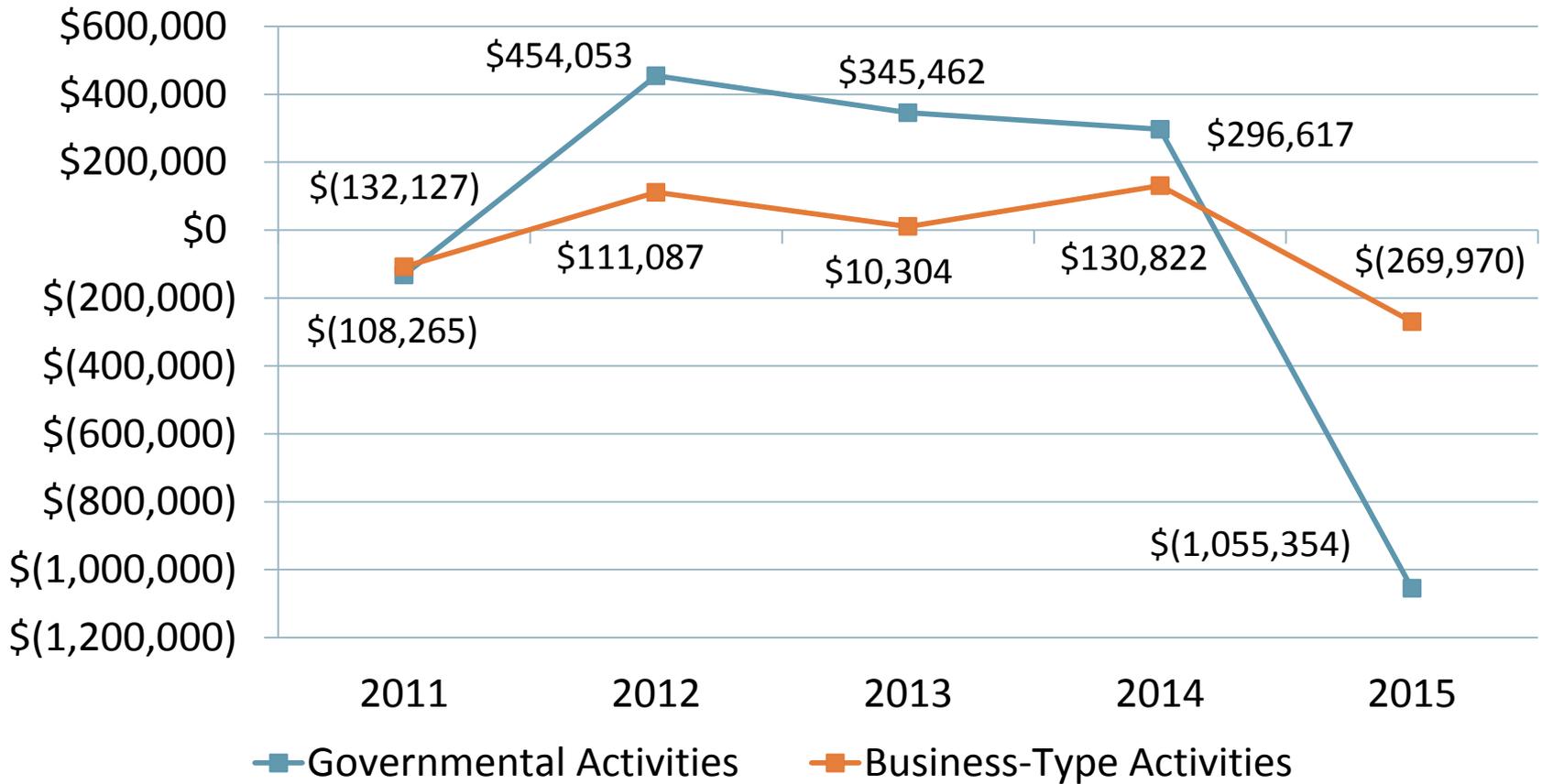
- Financial statements are the responsibility of the City's management
- Our responsibility is to express opinions on these financial statements based on our audit
- Conducted audit in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*
- Obtain reasonable assurance financials are free of material misstatement

Independent Auditor's Report (Cont'd)

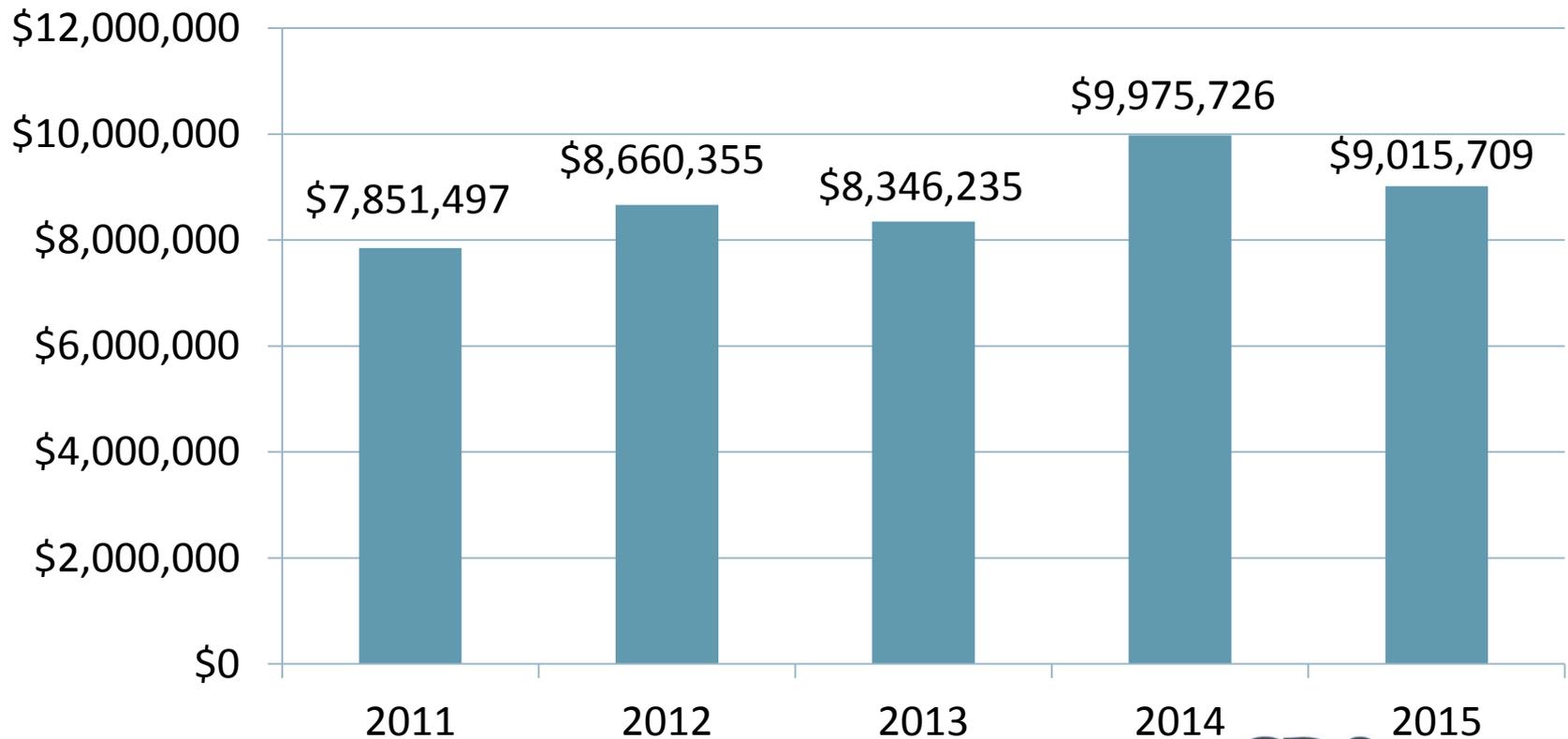
Pages 2-4:

- **Financial statements are presented fairly in our opinion**
- MD&A (pages 5-14), Schedules of Funding Progress and Employer Contributions (page 64), Schedules of Proportionate Share of the Net Pension Liability and Employer Contributions (page 65) and the Schedule of Changes in the City's Net Pension Liability and Related Ratios (page 66) are required supplementary information and unaudited
- Internal control letter on pages 97-98

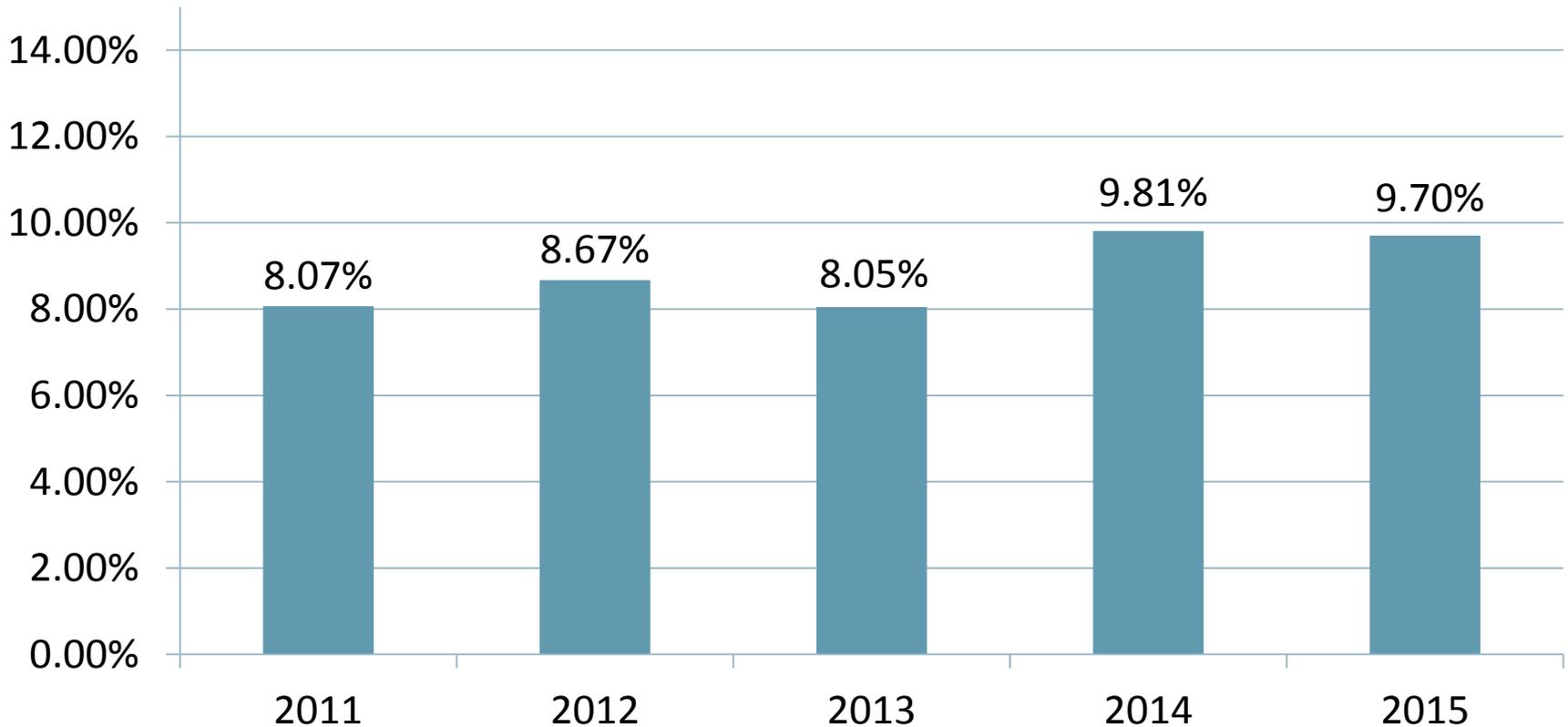
Change in Net Position



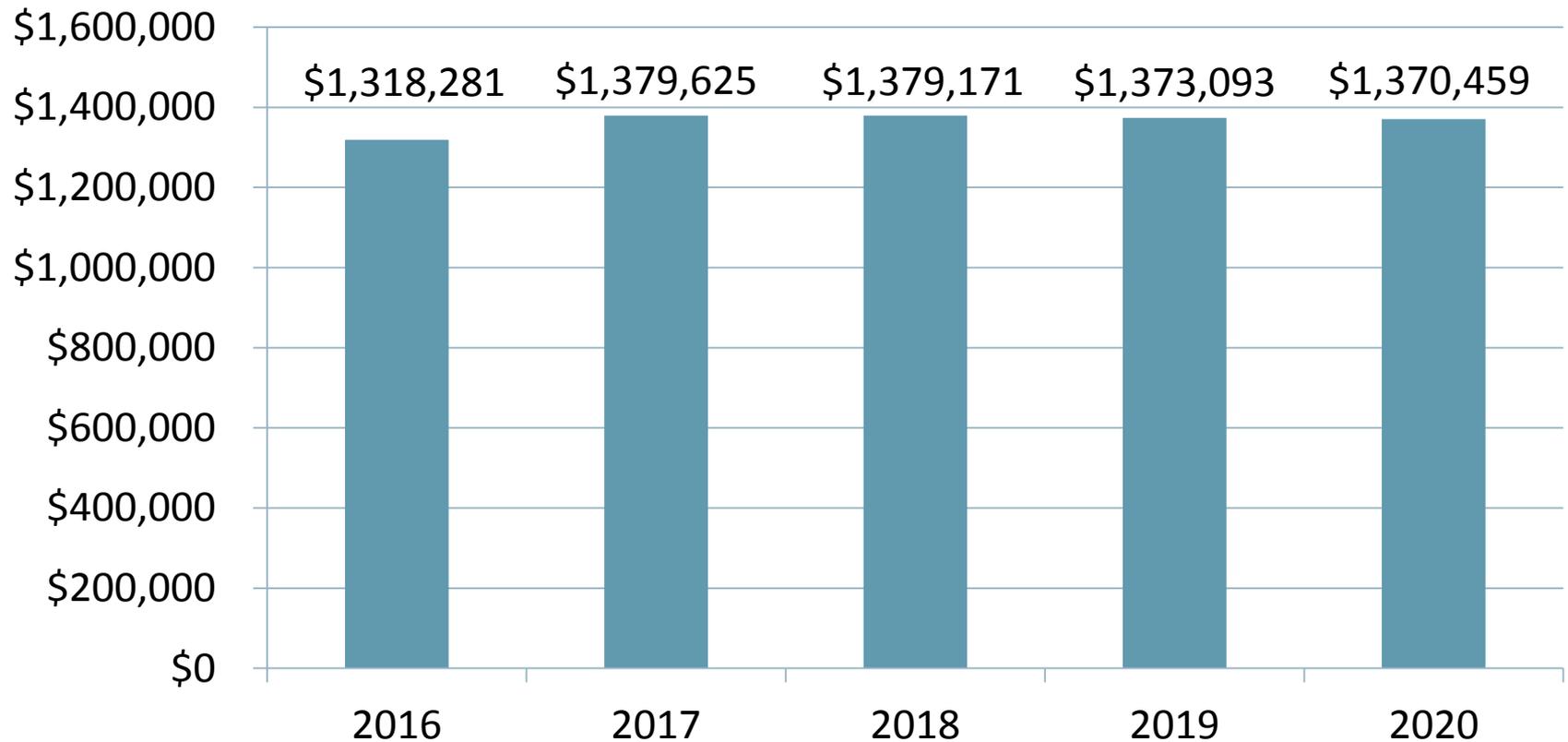
Cash and Investment Balances



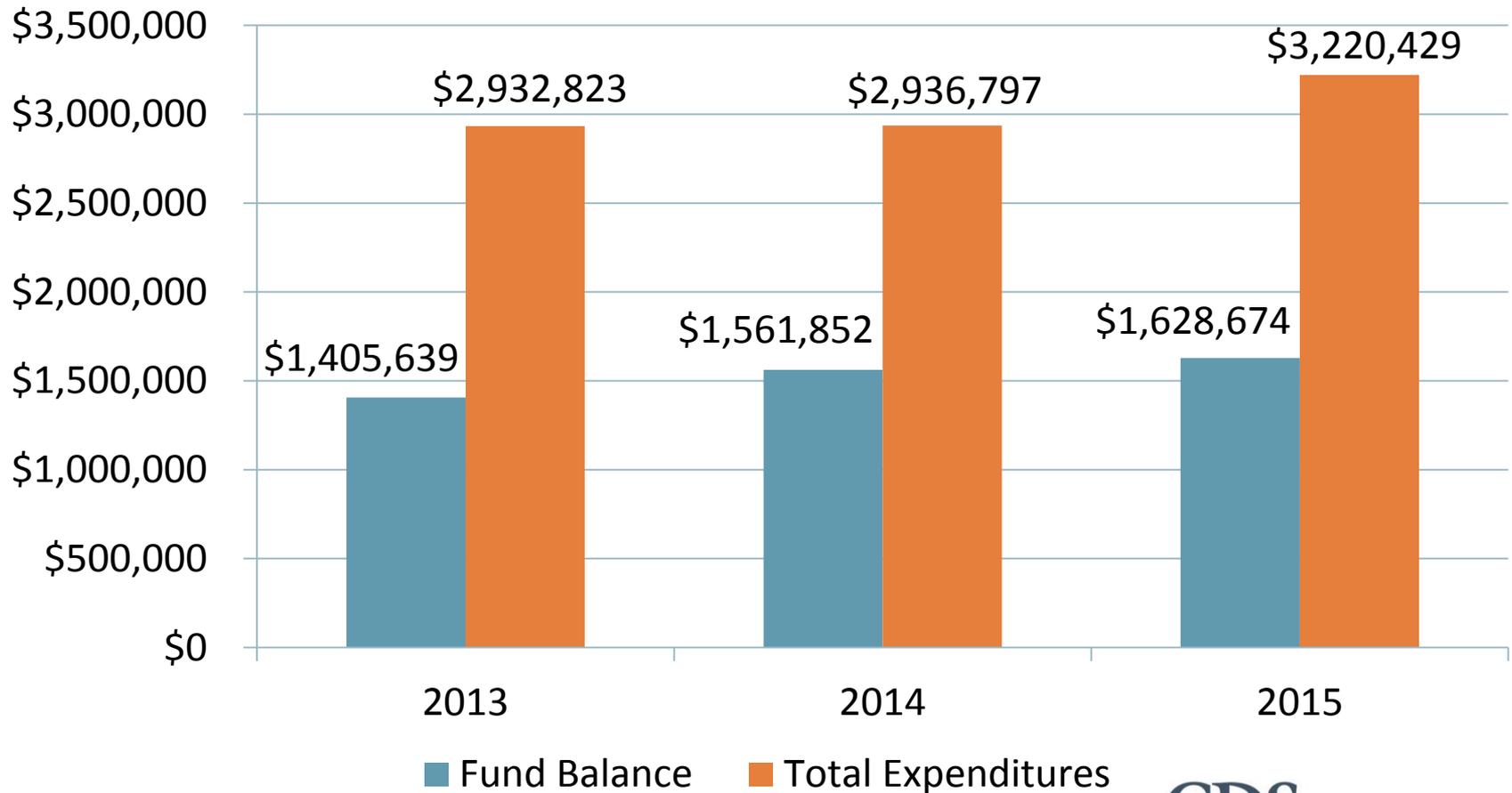
Long Term Debt Valuation



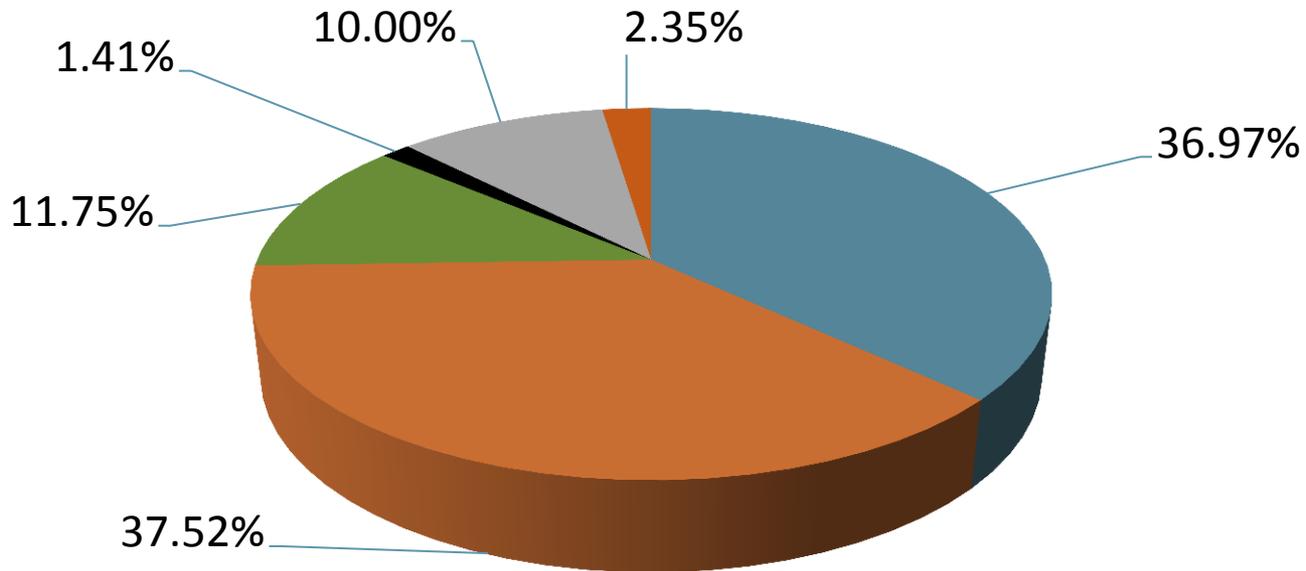
Future Debt Service (Principal & Interest) – Bonded Debt



General Fund Balance vs. Expenditures

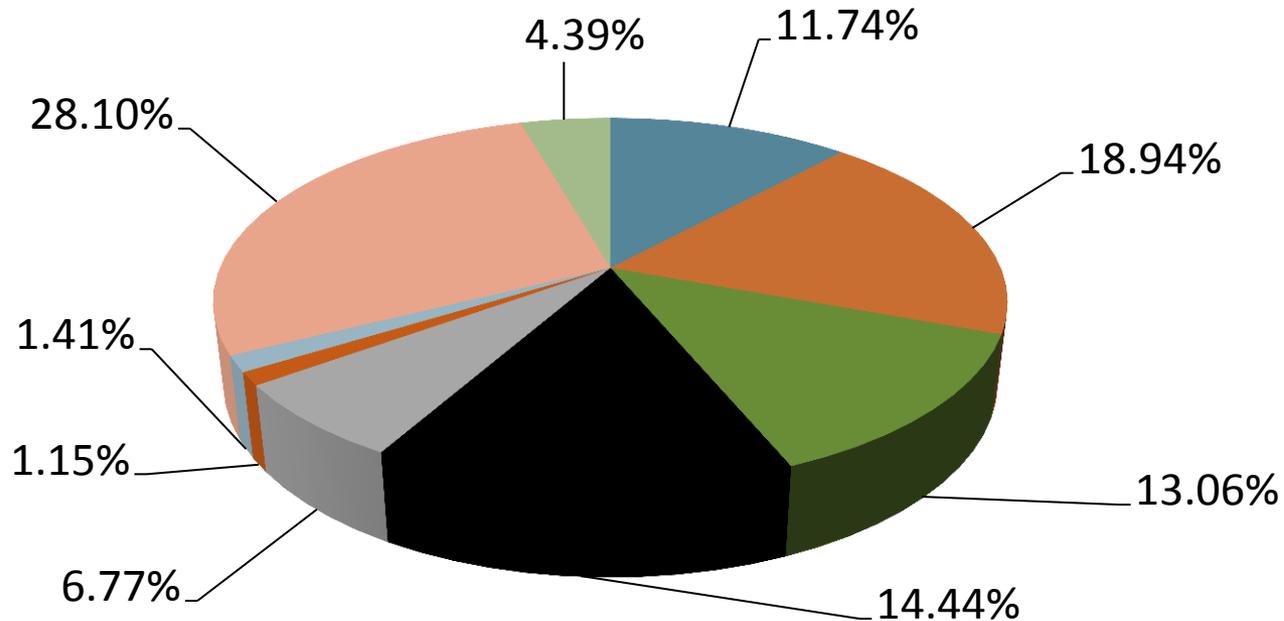


2015 Governmental Revenue Breakdown



- Intergovernmental
- Taxes & Special Assessments
- Refunds & Reimbursements
- Investment Income
- Charges, Licenses, Rents & Fines
- Other

2015 Governmental Expenditure Breakdown

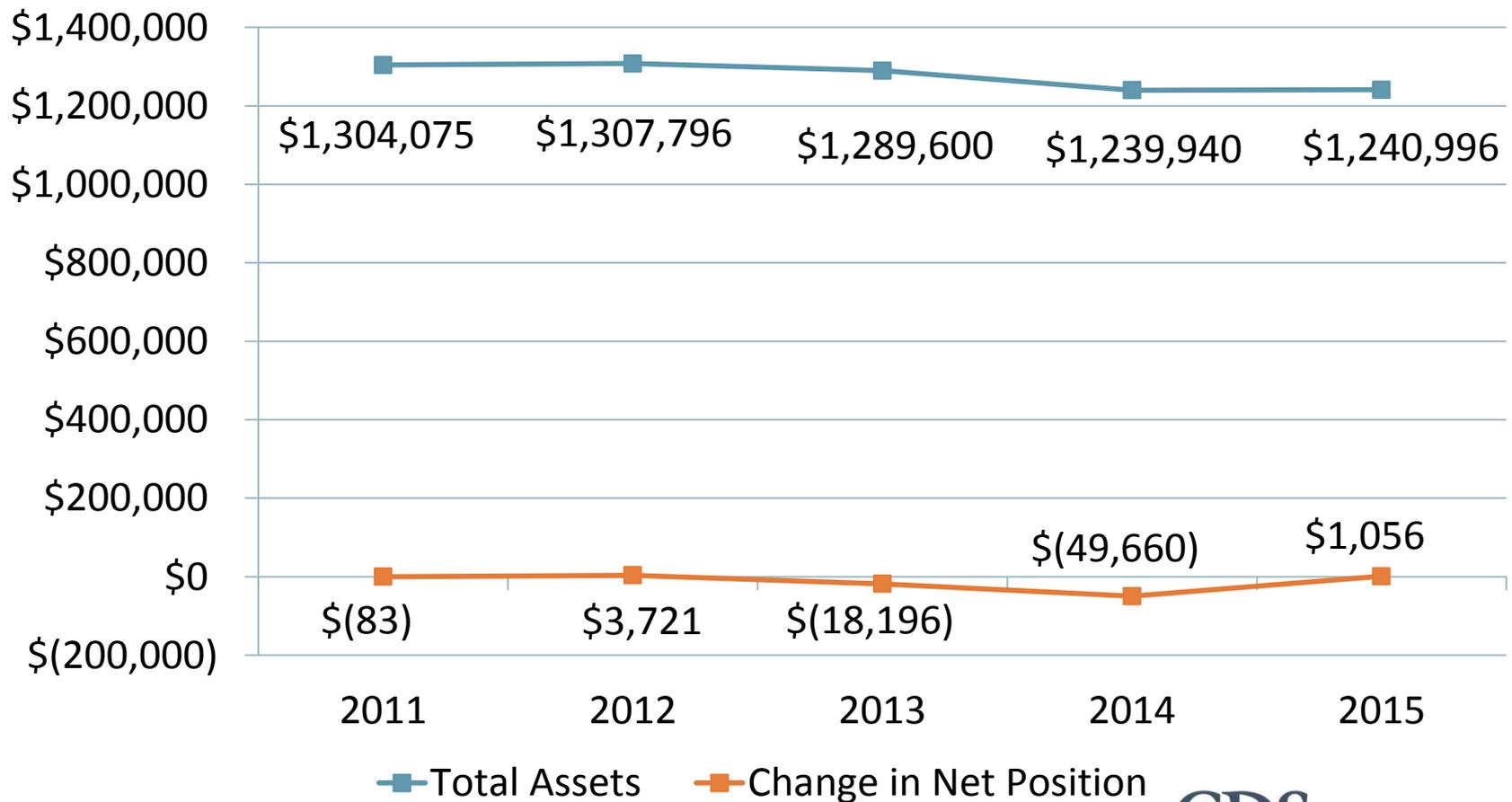


- General Government
- Public Safety
- Public Works
- Culture and Recreation
- Urban Development
- Economic Development
- Debt Service
- Capital Projects
- Other

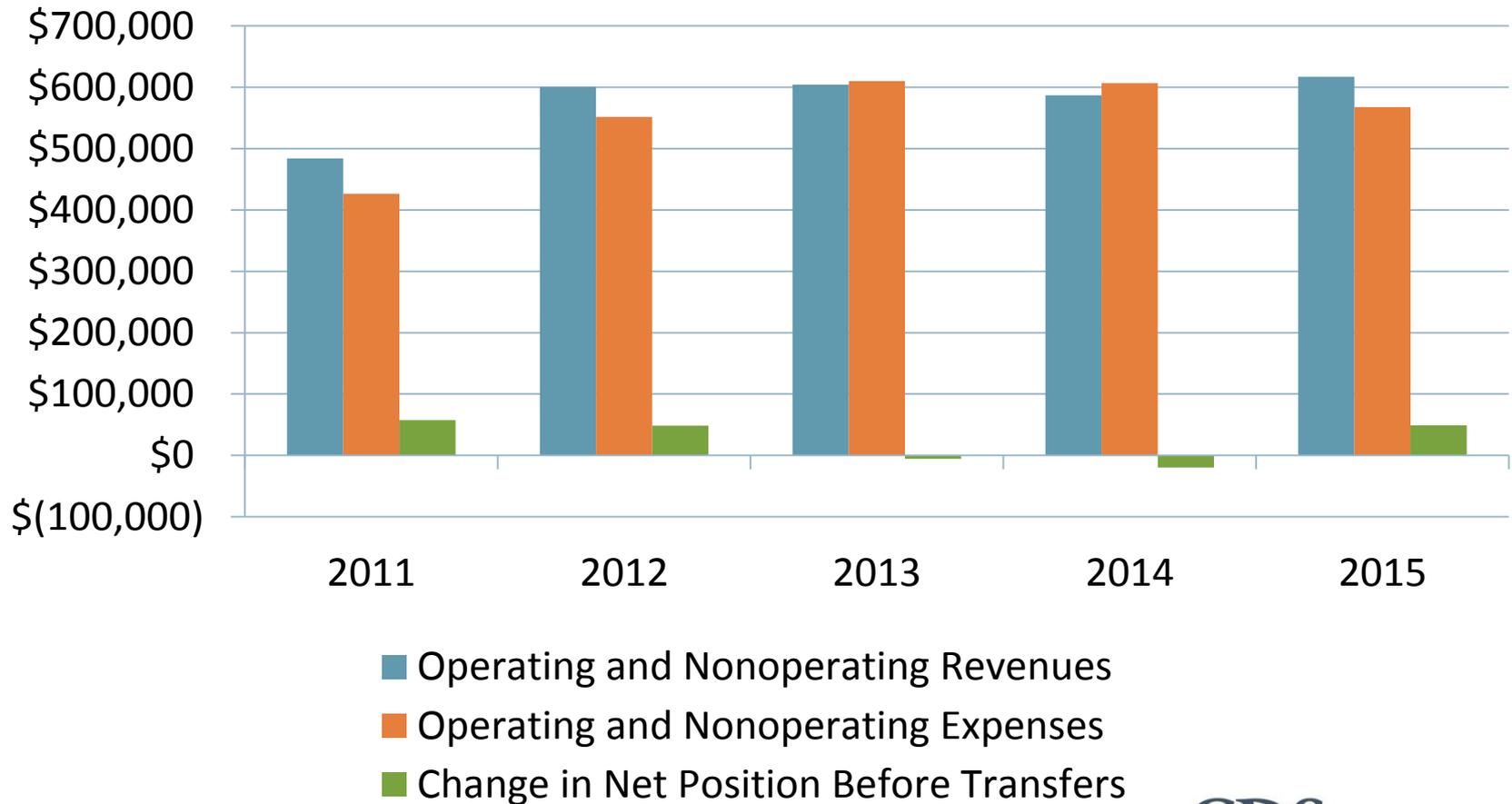
General Fund Revenues vs. Expenditures

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,468,310	\$ 1,468,310	\$ 1,468,549	\$ 239
Special Assessments			148	148
Licenses and Permits	28,500	28,500	23,266	(5,234)
Intergovernmental	1,229,290	1,229,290	1,322,899	93,609
Charges for Services	239,550	239,550	276,388	36,838
Fines and Forfeits	16,000	16,000	22,397	6,397
Investment Income	40,000	40,000	52,303	12,303
Miscellaneous				
Rents	45,100	45,100	66,411	21,311
Refunds and Reimbursements	397,492	397,492	427,049	29,557
Donations	2,500	2,500	23,427	20,927
Other	5,500	5,500	9,283	3,783
Total Revenues	3,472,242	3,472,242	3,692,120	219,878
EXPENDITURES				
Current				
General Government	616,450	616,450	626,614	10,164
Public Safety	960,350	960,350	1,011,341	50,991
Public Works	680,380	680,380	661,793	(18,587)
Culture and Recreation	567,237	567,237	669,550	102,313
Airport	56,100	56,100	56,174	74
Public Transit	182,125	182,125	177,532	(4,593)
Economic Development	20,000	20,000	17,425	(2,575)
Total Expenditures	3,082,642	3,082,642	3,220,429	137,787
Excess (Deficiency) of Revenues Over (Under) Expenditures	389,600	389,600	471,691	82,091
OTHER FINANCING SOURCES (USES)				
Transfers In	151,650	151,650	166,338	14,688
Transfers Out	(548,000)	(548,000)	(575,797)	(27,797)
Sale of Property			4,590	4,590
Total Other Financing Sources (Uses)	(396,350)	(396,350)	(404,869)	(8,519)
Net Change in Fund Balances	\$ (6,750)	\$ (6,750)	\$ 66,822	\$ 73,572

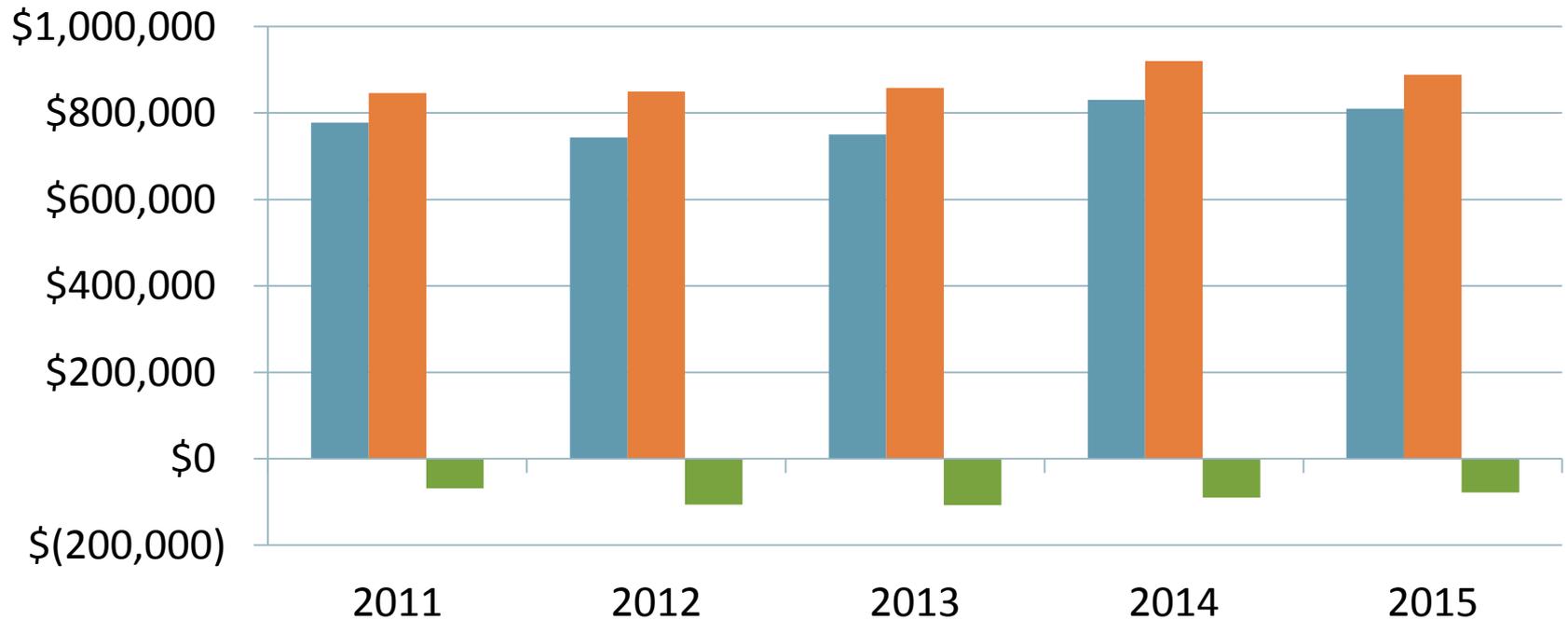
Economic Development Revolving Trust Fund



Water Fund

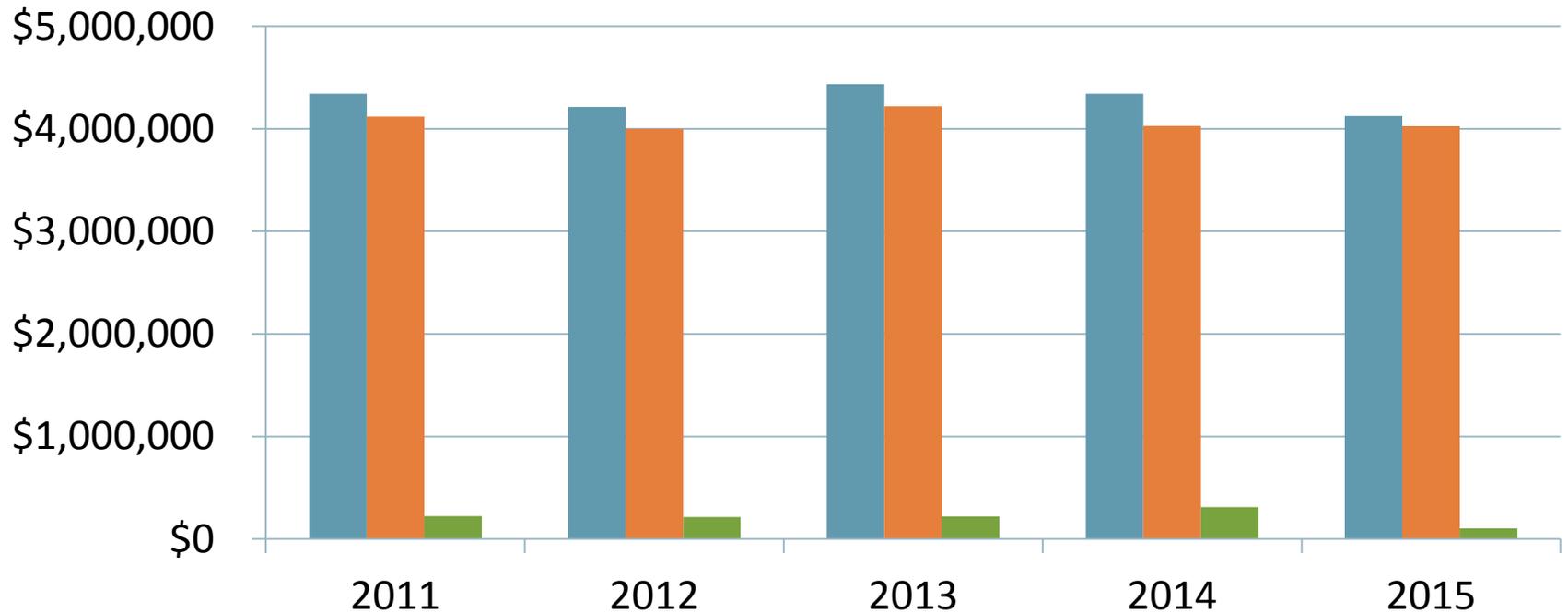


Sewer Fund



- Operating and Nonoperating Revenues
- Operating and Nonoperating Expenses
- Change in Net Position Before Transfers

Electric Fund

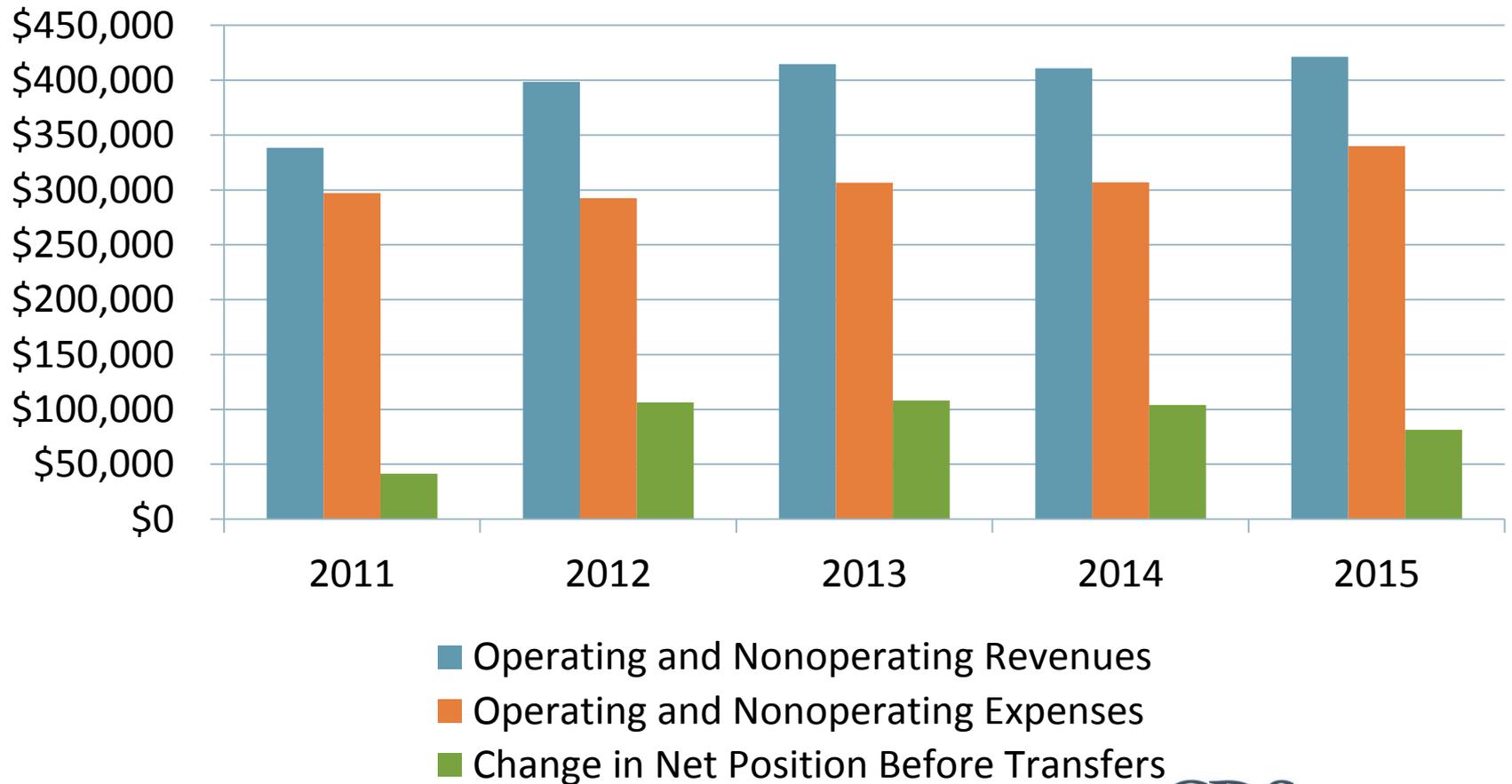


- Operating and Nonoperating Revenues
- Operating and Nonoperating Expenses
- Change in Net Position Before Transfers

CDS

CONWAY, DEUTH & SCHMIESING

Liquor Fund



Compliance Section

Minnesota Legal Compliance (page 96)

- In accordance with Audit Guide issued by OSA
- No compliance issues noted

Government Auditing Standards (pages 97-98)

- Internal Control
 - One material weakness noted:
 - Limited Segregation of Duties
- Compliance and Other Matters
 - No instances of noncompliance or other matters noted

Required Communications

- Accounting Practices
- Difficulties Encountered
- Corrected and Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Accountants
- Other Audit Findings or Issues

Questions or Comments:

Contact Information:

Darrin Ogdahl, CPA

dogdahl@cdscpa.com

320-214-2908

Kari Steinbeisser, CPA

ksteinbeisser@cdscpa.com

320-214-2916

Rob Wolfington

From: Dan Kobbermann <kobbermannfarms@hotmail.com>
Sent: Monday, May 16, 2016 6:10 PM
To: rob.wolfington@co.swift.mn.us
Subject: Benson Rodeo
Attachments: Rodeo.jpg

*Vol,
Please add to cc PAX.
Rob*

Benson Rodeo Event

July 16- Kid Day Weekend

Gates open at 5pm Event Starts at 7pm

Location: Shamrock Hest Horse Arena Benson, MN

Hosted by MT Bucking Bulls (Traxler Family) Kobbermann Farms (Dan and Tiffany Family)

Bull Riding and Barrell Racing by registered contestants (all sign liability waiver)

Kid Events- Mutton Busting and Calf Scramble (all sign liability waiver)

Beer Gardens and Food Booths- All have state of MN Liquor License and Catering License (which will be submitted to the city)

Mechanical Bull- Must sign liability waiver

MT Bucking Bulls carries a 1 million dollar liability insurance for spectators (all participants sign liability waivers) the City of Benson, Kobbermann Farms and Saddle Club are also listed.

Additional insurance information can be obtained from Jenny Thelen 320-266-1533

There will be an ambulance on site from Benson

There will be traffic/parking attendants

Included is the Event Flyer

Dan Kobbermann 320-808-4553

AND KOBBERMAN FARMS (K)

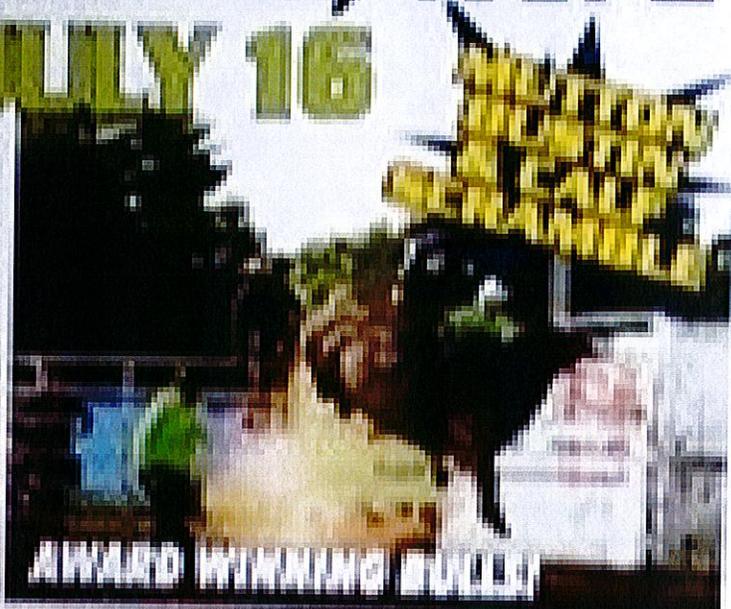
PRESENTS

BULLS & BARRELS

BENSON, MIN

SATURDAY, JULY 16

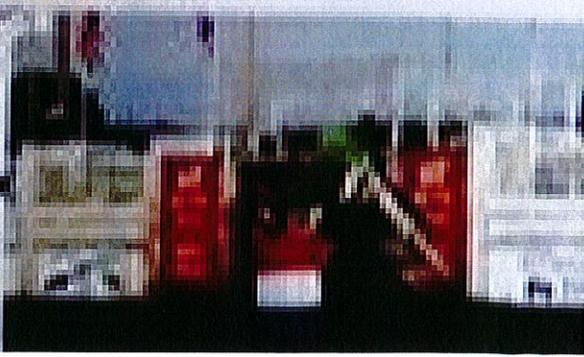
GATES OPEN AT 5 PM
EVENT STARTS AT 7 PM
BEER GARDENS
AND FOOD



TICKETS ARE \$15 ADULTS
\$10 CHILD 4-11, UNDER 3 FREE

LOCATED AT THE SHAMROCK FEST RIDING CLUB
NEXT TO THE CIVIC CENTER OFF HWY 12

FOR MORE INFO CALL 1-800-368-5272
OR 1-620-222-1234 AT 1-800-368-5272



Rob Wolfington

From: Dan Kobbermann <kobbermannfarms@hotmail.com>
Sent: Monday, May 16, 2016 6:15 PM
To: rob.wolfington@co.swift.mn.us
Subject: Re: Rodeo Insurance from M.T. Bucking Bulls (Just a Sample)
Attachments: insurance sample.pdf

Here is a sample of an insurance policy

Tiffany Kobbermann

From: JENNY THELEN <jenny101@outlook.com>
Sent: Monday, May 16, 2016 5:47 PM
To: kobbermannfarms@hotmail.com
Subject: Fw: Rodeo Insurance from M.T. Bucking Bulls (Just a Sample)

From: JENNY THELEN <jenny101@outlook.com>
Sent: Thursday, July 23, 2015 9:53 PM
To: fairofficestaff@scottcountyfair.com
Subject: Rodeo Insurance from M.T. Bucking Bulls

Hi, Rob Edberg told me to send you the copy of our insurance for the rodeo. I will also be bringing a copy with to give you tomorrow should you not be able to open this. I will come and make sure with you when I get to the fairgrounds.

Thanks

Jenny Thelen

ACE American Insurance Company
436 Walnut Street, WA07C
Philadelphia, PA. 19106-3703

CERTIFICATE OF INSURANCE

CERTIFICATE NO.: G21448825-0715-016

THIS CERTIFICATE OF INSURANCE IS ISSUED AS NOTICE OF INSURANCE FOR THE "INSURED MEMBER" FOR THE SCHEDULE OF EVENTS REFERENCED HEREIN. THIS CERTIFICATE AND THE INSURANCE POLICY ISSUED TO THE NAMED INSURED FORM THE ENTIRE CONTRACT WITH RESPECT TO THE "INSURED MEMBER". THIS CERTIFICATE IS FURNISHED IN ACCORDANCE WITH AND IN ALL RESPECTS IS SUBJECT TO THE TERMS OF THE POLICY.

Item 1a. "Insured Member" M.T. Bucking Bulls, LLC

A Member of the Entertainment Services, Inc.
conducting events onto this policy.

Mailing Address 25864 County 48 Long
Prairie, MN 56347

Item 1b. Named Insured Entertainment Services, Inc. a risk purchasing
group organized under the laws of the
State of Kansas

Mailing Address 4300 Shawnee Mission Parkway
Shawnee Mission, KS 66205

Policy Number: G21448825

Item 2. Policy Period: FROM: March 1, 2015 TO: March 1, 2016
AT 12:01 A.M. TIME AT THE ADDRESS SHOWN IN ITEM 1a. ABOVE

Item 3. Limits of Insurance \$ 1,000,000 Each Occurrence
\$ 1,000,000 Personal Injury/ Advertising Injury
\$ 2,000,000 Products/ Completed Operations aggregate
\$ 2,000,000 General Aggregate *
\$ 250,000 Fire Damage
\$ EXCLUDED Medical Expense

Item 4. Premium: \$854

*** Aggregate Applies Per Event**

Item 5. Schedule of Events

Bulls & Barrels, 7/24/15

(Holding Pens: Same as Event)

Effective: 7/24/15

Event dates: 7/24/15

Coverage under this policy for a scheduled "rodeo event or horse/ stock show event will cease after the premises of the "rodeo event or horse/ stock show event " are vacated by the Insured Member.

Item 6. Additional Insured (s)

All Stock Contractors Providing Stock
Scott County Fairgrounds; Jordan, MN

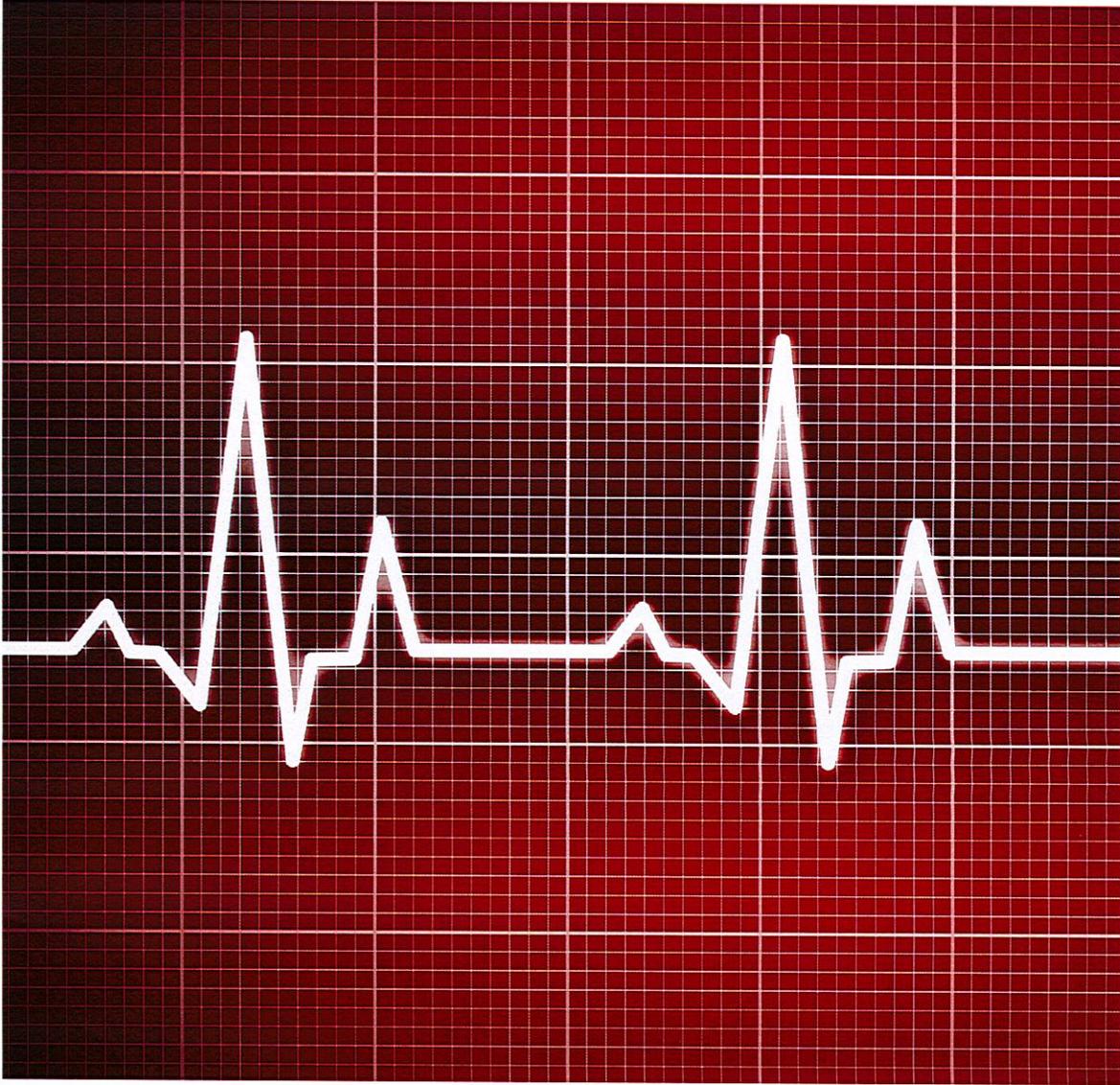
Forms and Endorsements attached to the policy at inception:

CG001, CG0062, CG0160, GC2144, GC2174, IL0017, IL0021, IL0252, LD3R16, LD7F23, LD7X82, LD7Y82, LD8U21b, LD20936, LD9Z24, TRIA15

William R. Nelheron IV

Authorized Agent

SCBH Building Projects



SCBH Building Projects

Scope of Projects

1) Construction of 75 units of senior housing attached to the hospital to compliment the existing Scofield units. Together these facilities will provide the Benson/Swift County area a comprehensive solution to meeting the needs for Senior Housing covering the spectrum of:

- **Independent Living**
- **Assisted Living**
- **Assisted Living Plus**
- **Memory Care**

2) Remodel portions of the hospital to address a variety of operational issues while supporting the industry and local trend towards growth in outpatient services.

SCBH Building Projects

Reasons

1) Both projects are key elements of SCBH's financial turnaround plan which consists of three main components:

- **Partnership with ACMC to create a Rural Health Clinic**
- **Senior Housing Project**
- **Hospital Upgrade/Remodel**

2) Diversification of SCBH revenue sources

3) Strong and consistent financial performance is essential for SCBH to address the current and future health care needs of the community

SCBH Building Projects

Senior Housing

- **Addresses community need identified in 2002 and validated in 2014 by market studies.**
- **Idea originated from SCBH Foundation as an offsite facility built and managed by a 3rd party developer.**
- **Direction was changed to an on-campus facility under the control of SCBH. The new construction will be integrated into the hospital and Scofield Place allowing for the utilization of existing staff and resources.**
- **Financial analysis shows the project has the ability to generate significant profits and consistent cash flow.**
- **Retaining financial benefits with SCBH, rather than a 3rd party, helps us to continue to offer a range of community services such as mental health programs, meals on wheels, and home health.**

SCBH Building Projects

Senior Housing

- **Two story 10,000 sq. ft. facility**
- **First floor consists of 25 assisted living rooms with a mix of two bedroom, one bedroom, one bedroom plus, and studio apartments**
- **Second floor consists of 16 memory care units and 34 assisted living plus units which can be interchangeable based on demand**
- **Basement would include storage, facilities management, and a central kitchen for the entire campus**
- **Estimated cost of \$12.5M**

SCBH Building Projects

Hospital Remodel/Update

Plans include following elements:

- New main entrance - Provides central registration for entire campus and promotes intuitive wayfinding to provide ease of access and a better patient experience
- New emergency department with a separate entrance to increase safety and security of our patients and staff
- New inpatient rooms that are up to the latest ADA standards
- Central nursing station to support all service areas and increase efficiency – ED, Surgical, and Inpatient
- Configuration that supports collaboration between departments to increase efficiency and delivery of patient care
- Create new ambulance entrance and decontamination space
- Expand therapy department
- Estimated cost of \$5.8M

SCBH Building Projects

Financing Options

- For the senior housing project, the intention of SCBH is to fund as much as possible utilizing existing equity and Scofield contribution
- Currently researching what can be done for senior housing project within existing debt agreements and proposed 501c3 ownership structure
- Most likely fit for County is assistance with hospital remodel/update project

SCBH Building Project

Questions?

CITY OF

BENSON MINNESOTA

June 2, 2016

TO: CITY OF BENSON MAYOR AND CITY COUNCIL
RE: TAX ABATEMENT REQUEST

As requested, the City Manager and I have investigated the facts relating to the proposed building project of Do-Mats and the related request that has been made to the City of Benson for a tax abatement. The purpose of this investigation was to determine whether the proposed project is one that qualifies for an abatement.

In order to qualify the following criteria must be met:

1. The council must expect that the benefits to the city of the proposed abatement will at least equal the costs to the city of the abatement or the council intends that the abatement will phase in a property tax increase caused by an increase in the estimated value of the property of 50% or more in one year.

AND

2. The council must find that granting the abatement is in the public interest because one of the following will happen:
 - a. The tax base will be increased or preserved
 - b. The abatement will provide, help acquire or construct public facilities
 - c. The abatement will help redevelop or renew blighted areas
 - d. The abatement will provide access to services for residents of the city
 - e. The abatement will finance or provide public infrastructure
 - f. The abatement will phase in a property tax increase on the parcel resulting from an increase in the estimated value of the property of 50% or more in one year.

AND

3. The property proposed for development cannot be located in a tax increment financing district.

In addition, due to the estimated total amount of the requested abatement the Business Subsidy Act and the City's Business Subsidy Policy also apply. As a result, there is an additional requirement that the recipient will create and retain at least one full-time living wage job with employer paid basic health insurance.

If these threshold requirements are met, then the council may, if it desires, schedule a public hearing on the matter. This public hearing would satisfy both the requirements of the tax

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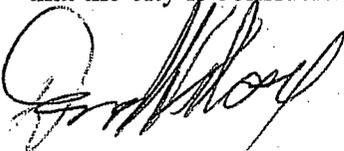
abatement statute and the business subsidy act. Only after this public hearing may the council approve a tax abatement.

The relevant facts concerning this project are as follows:

1. The cost of the improvements to the real property are expected to be approximately \$2,700,000.00 and are scheduled to be completed before year end. These improvements will cause the total annual real estate tax on the property to be \$30,000.00 to \$35,000.00 per year commencing with the taxes payable in 2018. The local share of those taxes will be \$10,000.00 to \$12,000.00 per year.
2. The abatement requested is the entire local share for 15 years which would, over the life of the abatement total between \$150,000.00 to \$180,000.00. It should be noted however that requests have been, or will be, made to the school district and the county for similar abatements. If both of these entities decides not to participate then the city could, if it wishes, extend the abatement period to 20 years thereby increasing the total to \$200,000.00 to \$240,000.00.
3. Current employment of Do-Mats is 15 full-time and 15-17 part-time. They anticipate adding 1 to 5 additional employees at a wage of about \$10.00 which does not meet the business subsidy policy requirement of living wage. However, they also anticipate that the tenants which will occupy a portion of the building will add at least 2 professional positions which would meet the requirement.
4. The cost of the property was \$395,000.00. Since the projected value after completion of the property will exceed \$2,700,000.00 it is clear that if the abatement was intended to phase in the tax increase then the statutory requirements would be met. However, the request is for a total abatement as opposed to a phase-in of the tax increase so that requirement is not relevant unless the council, of its own volition, decides that a phase-in is the type of abatement that it would consider.

So, for a total abatement of the type requested, the council must find that the benefits to the city of the proposed abatement will equal the cost to the city of the abatement (\$150,000.00 at the low end). While it is difficult to quantify the benefits it appears that it is reasonable to assume that the overall benefits will reach that amount and therefore, coupled with the fact that the tax base will certainly be increased, the project does qualify for an abatement.

If the council agrees, then the next step in the process is to schedule a public hearing the notice of which must contain a description of the property and the estimated amount of the abatement that the city is considering. A summary of the statutory requirements is attached.



Donald A. Wilcox
City of Benson Attorney

TAX ABATEMENT PROCESS

(MN Statutes 469.1812 – 469.1815)

The city council may grant an abatement of real estate taxes imposed on a parcel of property (which could also be a deferral of tax with an abatement of interest and penalties that would have applied to late payment) only if the following criteria are met:

1. The council expects the benefits to the city of the proposed abatement will at least equal the costs to the city of the abatement or it intends that the abatement will phase in a property tax increase caused by an increase in the estimated value of the property of 50 percent or more in one year

AND

2. The council finds that granting the abatement is in the public interest because one of the following will happen:
 - A. The tax base will be increased or preserved
 - B. The abatement will provide, help acquire or construct public facilities
 - C. The abatement will help redevelop or renew blighted areas
 - D. The abatement will provide access to services for residents of the city
 - E. The abatement will finance or provide public infrastructure
 - F. The abatement will phase in a property tax increase on the parcel resulting from an increase in the estimated value of the property of 50 percent or more in one year.

An abatement can only be approved after a public hearing. Notice of the hearing must be published once no less than 10 days and no more than 30 days before the hearing date. The notice must state that the city will consider granting an abatement, must identify the property and must include the estimated amount of the abatement.

After the public hearing an abatement can be approved only by a resolution of the council which includes the specific terms of the abatement and a specific statement as to the nature and extent of the public benefits which are expected to result. The maximum annual abatement equals the total local tax rate multiplied by the total net tax capacity for the parcel. However the abatement can be limited in any of the following ways:

- A. To a specific dollar amount per year
- B. To the increase in property taxes resulting from improvement of the property
- C. To the increases in property taxes resulting from increases in the market value or tax capacity of the property
- D. To interest and penalty otherwise due on deferred taxes
- E. Any other way the council determines to be appropriate

If the council approves the abatement then an abatement agreement is signed by the city and the taxpayer setting out the terms of the abatement.

Other restrictions or conditions that apply:

- A. Tax abatements are not allowed on property located in a tax increment financing district
- B. Total abatements in the city in any one year are limited to 10% of net tax capacity or \$200,000.00, whichever is greater
- C. A tax abatement can be granted for up to 15 years but may be set for a lesser number of years. Also, if a request is made in writing to the county and school district to participate and either declines in writing or does not respond within 90 days then the abatement could be granted for up to 20 years.
- D. The city could, if it wishes issue G.O. bonds for an amount up to the total estimated sum of the abatement. Then the annual abatement is used to pay the bonds. Otherwise, the taxpayer pays the tax each year and the abated portion is refunded to the taxpayer.
- E. The abatement agreement can include a provision stating that it cannot be changed during the term of the abatement. Otherwise, it can be modified every 2 years if the council desires.

If the total abatement is estimated to exceed \$150,000.00 then it is a business subsidy covered by the business subsidy act and is subject to the criteria adopted by the city for business subsidies and a business subsidy agreement must be made along with the tax abatement agreement.

**RESOLUTION NO. 2016-
A RESOLUTION ADOPTING A SCHEDULE OF FEES AND CHARGES
FOR VARIOUS SERVICES, LICENSES AND PERMITS
FOR THE CITY OF BENSON, MINNESOTA**

Now Therefore, the City Council of the City of Benson, Minnesota, resolves:

Section 1. All fees and charges in effect as of the date of the adoption of the city code for the city shall remain in effect unless otherwise modified by the provisions of this resolution. All citations below are to various sections of the city code unless otherwise indicated.

Section 2. The following are the fees and charges for the permits, licenses and services listed below which are referenced to the section of the city code which authorizes their establishment:

1. Pursuant to § 30.01, an inexcusable absence of a Council Member or the Mayor from any meetings, special or regular, shall result in a fine of \$10.00 levied against the absent member upon majority vote of those members of the Council present.
2. Pursuant to § 33.34, if any item of unclaimed property in possession of the city appears to have a value of \$25.00 or less, is hazardous to store, or is perishable, the Chief of Police or his or her authorized representative may sell or otherwise dispose of such property in whatever manner the Chief of Police determines reasonable and appropriate.
3. Pursuant to Ch. 50: Appendix: Utility Rates, Ch. 52: Appendix: Sewer Service Charges, Ch. 53 & Ch. 55, the utility rates are as follows:

RESIDENTIAL SERVICE

Customer charge	\$10.00
Energy charge per KWH	\$.089
Minimum monthly charge shall be the customer charge	
Controlled water heating credit	\$4.00

COMMERCIAL ELECTRIC SERVICE

Customer charge single phase	\$14.00
Customer charge three phase	\$20.00
Energy charge per kWh	\$.091
Minimum monthly charge shall be the customer charge	

LARGE POWER SERVICE The Utilities Board may adopt regulations by resolution governing the eligibility requirements, use of special equipment, type of materials, and other items that it deems desirable.

Customer charge	\$40.00
Demand charge	\$12.50
Energy charge per kWh	\$.041
Minimum monthly charge is the customer charge	

INTERRUPTIBLE RATE

Energy charge	\$.045 per kWh
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STREET LIGHTING

Monthly rate energy charge	\$.15 per kWh
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SECURITY LIGHT RENTAL AND OTHER FLAT RATE CHARGES The following charges shall be made for security lighting unless energy is furnished by the consumer:

Units	Flat Rate Charge
100 Watt	\$6.00 per month
150 Watt	\$7.50 per month
250 Watt	\$12.00 per month
400 Watt	\$15.00 per month
1000 Watt	\$28.00 per month

POWER COST ADJUSTMENT BASE PER KWH. \$0.053

ELECTRIC SERVICE CONNECTION FEE: A flat rate of \$35 for each temporary service shall be charged and collected prior to installation of any temporary service.

RESIDENTIAL GARBAGE

Hauling rate: Includes a weekly pickup service of one 30 gallon container not to exceed 40 pounds \$11.00 per month
Additional container charge \$1.25 per container
Charge for overage/unsorted garbage \$4.00 per bag

WATER RATE

Residential service charge \$20.00
Consumption:
0-3 units \$1.70 per 100 cu. ft.
4-7 units \$1.95 per 100 cu. ft.
Over 7 units \$2.30 per 100 cu. ft.

Commercial service charge:
5/8" - 1" meter \$25.00
1 1/4" - 2" meter \$37.00
Larger than 2" meter \$70.00
Consumption \$1.95 per 100 cu. ft.

Water main connection fee:
5/8" - 1" meter \$250.00
1 1/4" - 2" meter \$350.00
Larger than 2" meter \$500.00
Water meter tap fee \$40.00/hr.
Water meter remote installation fee \$35.00

All water meters are read and billed monthly. Meters will be estimated if readings are not received. All water is billed in units of 100 cu. ft. which is equal to approximately 750 gallons.

SEWER RATE

Minimum charge \$28.00 per month
Unit rate \$6.10 per 100 cu. ft. of water usage

STORM WATER RATE. \$2.00 Base Rate

The maximum penalty assessed for all utility services is 1.5%.

Fee for disconnection and reconnection is \$75.00.

- 4. Pursuant to § 51.06, the fee for garbage collectors license shall be \$100.00 per year.
- 5. Pursuant to § 52.16, before commencement of construction of a private sewage disposal system, a permit and inspection fee of \$100.00 shall be paid to the Building Inspector at the time the application is filed.
- 6. Pursuant to § 52.17(A), a special use permit fee of \$50.00 shall be paid to the City Manager at the time the application is filed.
- 7. Pursuant to § 52.17(F), a charge shall be levied to the holder of a valid permit for each discharge made in the following manner:

Type	Rate
Septic Tank & Port-a-Potty Sludge & Holding Tank Sewage	\$35.00 per 1,000 gals.
Commercial, Industrial, Agricultural waste & other high concentration waste (rate based on analysis of	

BOD, TSS & chemical content

8. Pursuant to § 52.30, the fee to connect to the city sewer system and an inspection fee shall be payable to the City at the time the application is filed:

Residential: \$2,000.00 per Residential Unit of Service

Commercial: Calculated on an estimated water usage divided by residential equivalent unit use of 172 gallons per day, raised to the 0.7th power and multiplied times \$2,000.00. After one year, the actual water consumption shall be used to determine any refund or additional charge due.

9. Pursuant to § 52.38, no sewer tap license shall be issued to any person as aforesaid until he or she shall have paid to the City Manager a license fee of \$50.00.
10. Pursuant to § 90.04(B)(4), a dog license shall be valid for a period of one year commencing January 1 and expiring December 31 of the year issued; and, except as hereinafter provided, shall be issued only upon payment to the city a license fee of \$5.00.
11. Pursuant to § 90.04(B)(5), upon payment of fees, the city shall furnish each licensee with a metallic tag upon which the licensee shall have stamped or engraved the registered number of the dog, the word "Benson", and the year registered. The design of the tag shall be changed from year to year. In case the metallic tag is lost or stolen after having been regularly issued as herein provided, the licensee, upon presenting to the city the license or receipt issued when the dog was registered, shall receive a duplicate tag and license upon the payment of \$.50 to the city.
12. Pursuant to § 90.07(C), any dog may be reclaimed from the animal shelter by its owner within the time specified in the notice by the payment to the city of the license fee (if not paid for the current year) and a fee of \$15.00 for each day or fraction of a day that said dog has been confined as the cost of boarding.
13. Pursuant to § 92.03, no person shall place or suffer to remain any farming implements or any agricultural or other machinery in or upon any street, lane, alley, sidewalk, or other public place in the city. No person shall in any manner or with any article or thing encumber or obstruct any street, lane, alley, sidewalk, or other public place in the city, provided, however, that any person owning or operating a business establishment for the retail sale of merchandise in the city may use the sidewalk adjacent to his or her business premises for the purpose of displaying and selling merchandise, and also, a person or organization may use all or a portion of a street, lane, alley, sidewalk, or other public place in the city for temporary use for special events, but only after such person or organization first obtains a written permit allowing such use from the City Manager. The City Manager shall have the authority to grant or deny such permit and if granted he or she shall have the authority to determine the terms, conditions, and duration of such special use permit. The City Council may revoke such permit at any time if such person receiving the permit violates the terms and conditions thereof. The person receiving such permit shall be required to pay a fee of \$5.00 to the city upon receipt thereof.
14. Pursuant to § 92.23, each excavation permit application shall be accompanied by a deposit fee of \$300.00 to be paid by the applicant.
15. Pursuant to § 95, the amount of the first citation of an abandoned vehicle shall be \$25.00.
16. Pursuant to § 111.05, the annual fee for a raffle license shall be \$5.00. The annual fee for a pull-tab license shall be \$100.00. The fee for a single event pull-tab license shall be \$20.00.
17. Pursuant to § 111.22, no bingo occasion shall be conducted except by an eligible organization which has secured a license for that purpose as provided in this subchapter. A license shall be valid for 12 calendar months from the date of issuance. The annual license fee shall be \$10.00.
18. Pursuant to § 111.25, no person shall receive more than \$12.00 as compensation for any duties in connection with any bingo occasion.
19. Pursuant to § 111.28, prizes for a single bingo game shall not exceed \$100.00, except prizes for a game of the type commonly known as a "cover-all" game. "Cover-all" prizes may exceed \$100.00 provided that the aggregate value of such prizes for a bingo occasion shall not exceed \$2,500.00, except that in the case of a

bingo occasion during which a “cover-all” game is played for a maximum prize of more than \$100.00 but less than \$500.00, the aggregate value of prizes for the bingo occasion shall not exceed \$3,000.00. Merchandise prizes shall be valued at fair market retail value.

20. Pursuant to § 111.29, gross receipts shall be compared to the checkers’ records for the bingo occasion by a person who did not sell cards for the bingo occasion. If a discrepancy exceeding \$20.00 is found between the amount of gross receipts for a bingo occasion as determined by the checkers’ records, and the amount of gross receipts as determined by totaling the cash receipts, the discrepancy shall be reported to and investigated by the Council.
21. Pursuant to § 112.05, the fee for every such tobacco license shall be \$250.00 per year. Every license shall expire on December 31 after its issuance. For any license issued after January 31 in any year the fee shall be computed at the rate of \$125.00 plus \$15.00 for each month covered by the license, not to exceed the annual license amount. Licenses shall not be transferable from one person to another.
22. Pursuant to § 113.03, the annual license fee for a roller-skating rink shall be \$30.00, payable in advance with the application, for each year or portion of a year.
23. Pursuant to § 114.03(D), the fee for a peddler’s license shall be \$20.00.
24. Pursuant to § 115.03, the license fee shall be \$15.00 for each vehicle (taxi cab) to be operated.
25. Pursuant to § 116.03, before an auction permit shall be issued, the applicant shall pay to the Treasurer the sum of \$25.00 as a license fee. In addition to the above-mentioned fee, there shall be paid to the Treasurer for the use of the city by every auctioneer or the owner of any goods, wares, and merchandise sold by auction, except household goods which have been used as such, 10% of the gross receipts accruing from said sale except in when the sale is made.
26. Pursuant to § 117.17 (A), the initial license and annual renewal fees for sexually oriented business licenses shall be as follows:

Type I License	\$1,000.00
[Adult Cabaret, Adult Motel, Adult Motion Picture Adult Theater, Escort Agency, Exotic Dance Service, and Massage Center]	

Type II License	\$100.00
[Adult arcade, Adult bookstore, Adult Novelty, Adult Video Store, Semi-Nude Modeling Studio, and other Sexually Oriented Businesses]	

27. Pursuant to § 117.17 (B), the fee for the application for issuance or renewal of a sexually oriented business employee card shall be \$20.00. The fee is non-refundable. There is no additional fee or charge upon issuance of the card after the completion of the application or renewal process.
28. Pursuant to § 150.33, prior to connection of any municipal utility to a manufactured home placed on any lot or within any manufactured home park within the city, said manufactured home shall be inspected by the City Building Inspector and shall be in compliance with the provisions of § 150.32. The owner or occupant of said manufactured home shall make application in writing to the city hall for inspection prior to locating said manufactured home within the city, which application shall be accompanied by an inspection fee of \$50.00.
29. Pursuant to § 153.22, before dividing any tract of land into two or more lots or parcels, an owner or subdivider shall, unless a variance is authorized, file with the City Manager: four copies of the preliminary plan; a cash fee of \$25.00 plus \$1.00 for each lot up to a maximum amount of \$150.00. This fee will be used for the expenses of the city in connection with the approval or disapproval of said plan and any final plat which may thereafter be submitted.
30. Pursuant to § 154.030, relocations shall require a conditional use permit from the Council wherein the following provisions shall be met: application in the form of a building permit shall be made on forms provided by the City Clerk; and a fee of \$21.00 plus any necessary public costs will be made to the Treasurer, and a receipt for same shall be attached to the application and submitted to the Clerk with proof of the mover’s financial responsibility.

Section 3. The following miscellaneous fees and charges are not addressed in the city code but are hereby established with adoption of this resolution:

BUILDING PERMIT FEES

TOTAL VALUATION	FEE
\$1.00 to \$500	\$21.00
\$501 to \$2,000	\$21.00 for the first \$500.00 plus \$2.75 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
\$2,001 to \$25,000	\$62.25 for the first \$2,000.00 plus \$12.50 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001 to \$50,000	\$349.75 for the first \$25,000.00 plus \$9.00 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001 to \$100,000	\$574.75 for the first \$50,000.00 plus \$6.25 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001 to \$500,000	\$887.25 for the first \$100,000.00 plus \$5.00 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,001 to \$1,000,000	\$2887.25 for the first \$500,000.00 plus \$4.25 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001 and up	\$5012.25 for the first \$1,000,000.00 plus \$2.75 for each additional \$1,000.00 or fraction thereof
Other Inspections and Fees:	
1. Inspections outside of normal business hours	\$42.00 per hour*
2. Re-inspection fees assessed under provisions of Section 305.8	\$42.00 per hour*
3. Inspections for which no fee is specifically indicated (minimum charge-one-half hour)	\$42.00 per hour*
4. Additional plan review required by changes, additions or revisions to plans	\$42.00 per hour*
5. For use of outside consultants for plan checking and inspections, or both	Actual costs**
* Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages, and fringe benefits of the employees involved.	
** Actual costs include administrative and overhead costs.	

LICENSE AND PERMITS

Golf Cart and Mini Truck Permit	\$25.00 [Annual]
Kennel License	\$10.00 [Annual]

LIQUOR LICENSES

- On-Sale Liquor \$1,000.00 [Annual]
- On-Sale Club Liquor License \$500.00 [Annual]
- Sunday Liquor License \$50.00 [Annual]
- Consumption & Display License \$50.00 [Annual]
- Off-Sale Beer License \$15.00 [Annual]
- On-Sale Beer License \$50.00 [Annual]
- On-Sale Wine License \$50.00 [Annual]
- Sidewalk Café Endorsement \$100.00 [Annual]

AIRPORT

Airport Land Lot Lease	\$200.00 per year
AV Fuel	20% over cost

HANGAR RENT:

- 12 Month Lease \$55.00 per month (includes 10% AV fuel discount)
- Monthly Rate \$70.00 per month (No AV fuel discount)
- Daily Rate \$10.00 per day

TEE HANGAR:

- 12 Month Lease \$90.00 per month (includes 10% AV fuel discount)
- Monthly Rate \$110.00 per month (No AV fuel discount)

CEMETERY

Grave Lot.....	\$350.00 /grave \$500.00 effective January 1, 2017
Staking Fee.....	\$20.00 \$50.00 Effective January 1, 2017
Monument Fee.....	\$25.00 \$50.00 Effective January 1, 2017
Columbarium Niche.....	\$3,000.00 \$3,500 Effective January 1, 2017

CITY PARKS

Community Sign Rental.....	\$5.00 per week
Shelter Reservation Fee.....	\$20.00 plus tax

CAMPING FEES: (sales tax not included)

- Tents, Non-hookup site..... \$15.00 per night or \$80.00 per week
- Hookup site [includes water, sewer & electric]..... \$20.00 per night or \$120.00 per week or \$450.00 per month
- Reservation Fee..... \$5.00 per site
- Cancellation Fee..... \$5.00 (non-taxable)

SWIMMING POOL RATES: (sales tax included)

- Daily Admission – Adult [18 & over]..... \$6.00
- Daily Admission – Teen [13 to 17]..... \$5.00
- Daily Admission Child [12 & under]..... \$4.00
- Resident Family Pass..... \$140.00 [limited to 5 immediate family members]
- Non-Resident Family Pass..... \$175.00 [limited to 5 immediate family members]
- Additional Family Members – Resident..... \$25.00
- Additional Family Members – Non-Resident..... \$35.00
- Resident Individual Pass..... \$100.00
- Non-Resident Individual Pass..... \$125.00
- Punch Pass – Adult..... \$50.00
- Punch Pass – Teen..... \$42.00
- Punch Pass – Child..... \$30.00
- AM Swim..... \$2.00
- PM Swim..... \$2.00
- One Hour Pool Rental..... \$138.94 [\$130.00 w/o tax]
- Party Room Rental..... \$30.00 per hour
- Family Swim..... ½ of daily admission

FIRE DEPARTMENT

Fire Call.....	\$750.00 per call plus \$350 per hour for the 2 nd and subsequent hours
Residential Smoke False Alarms.....	\$350.00 per call
Rescue Squad Call.....	\$130.50 per 15 min. plus \$6.25 per mile

PLANNING AND ZONING APPLICATION FEES

Conditional Use Permit.....	\$250.00 per application
Conditional Use Permit-Home Occupation.....	\$250.00 per application
Variance Permit.....	\$250.00 per application
Demolition Permit.....	\$15.00 [Per Building]

TRANSIT Effective 8/1/2016

FARES:

- Regular One Way Ride..... \$1.00
- Sr. Citizen One Way Ride..... \$1.00
- Regular Token Pack (6 rides)..... \$5.00
- Sr. Citizen Token Pack (7 rides)..... \$5.00
- Regular 1 Month Pass (unlimited rides)..... \$28.00
- Sr. Citizen 1 Month Pass (unlimited rides)..... \$25.00
- Regular 3 Month Pass (3 consecutive months)..... \$75.00
- Sr. Citizen 3 Month Pass (3 consecutive months)..... \$65.00
- Individual Summer Youth Pass (June July August)..... \$40.00
- Maximum Family Summer Youth Pass..... \$85.00

SIGN RENT:

- Back of Bus..... \$60.00 per month per sign

MISCELLANEOUS FEES

Armory Rent.....	\$35.00 per hour / \$300.00 per day
Copy of Ordinance Book.....	\$50.00

City Council Chambers.....	\$25.00 per day (free to non-profit groups)
Bad Check Fee.....	\$30.00
Current Service Assessment Fee.....	\$50.00
Solicitor's Permit.....	\$20.00

DISEASED ELM TREE REMOVAL -

Tree located:

- On property owner's front, side & rear yard..... 100% property owner cost
- On side yard boulevard..... 100% City cost
- On front yard boulevard..... 50% City/50% property owner cost

NOTE: Property owner has option of hiring someone other than the City's tree contractor to remove a diseased elm tree on the front yard blvd. but then the City will not participate in the cost to remove the tree.

FAX CHARGES:

- To Send..... \$1.00 per page
- To Receive..... 50¢/page to receive

PARKING FEES:

- Overtime Parking..... \$5.00
- Parking in Yellow..... \$10.00
- Other Illegal or Improper Parking..... \$15.00
- Snow Emergency..... \$25.00

PHOTOCOPIES AND PRINTING:

- 8½ x 11, 8½ x 14 & 11 x 17..... 20¢ per side
- Color 8½ x 11, 8½ x 14 & 11 x 17..... 50¢ per side
- Plotter..... \$4.00 per page

EQUIPMENT & MATERIALS

Labor for Public Works & Line Crew	\$40.00 per hour
All Public Works Pickups	\$10.00 per hour or \$50.00 per day + Current IRS Mileage Rate

ELECTRIC DEPARTMENT:

- Sul Air Compressor 225 cfm \$125.00 per day plus fuel [without operator]
- Ringomatic Potholer Vac Machine..... \$125.00 per day [without operator]
- Electric Pole Rent (CenturyLink)..... \$4.50 per pole [Annual]
- Trailer Mounted Diesel Generator 40 kw 3Ø 208V... \$125.00 per day plus fuel [without operator]
- Kubota Portable Diesel Gen. 6.5 kw 1Ø 120/240..... \$125.00 per day plus fuel [without operator]
- Sauber Tensioner on Trailer..... \$40.00 per day-MRES Member, \$60.00 per day-Non MRES Member
- Felling Pole Trailer..... \$40.00 per day-MRES Member, \$60.00 per day-Non MRES Member
- Reel Trailer..... \$40.00 per day-MRES Member, \$60.00 per day-Non MRES Member
- 2007 Ford F550 SD Small Bucket Truck..... \$50.00 per hour-MRES Member, \$80.00 per hour-Non MRES Member plus Current IRS Mileage Rate member & non member
- 2009 International 4400 Altec AM50E..... \$50.00 per hour-MRES Member, \$80.00 per hour-Non MRES Member plus Current IRS Mileage Rate member & non member
- 1997 Ford F350 1 Ton Dump Truck..... \$50.00 per day -MRES Member, \$65.00 per day -Non MRES Member plus Current IRS Mileage Rate member & non-member
- 2001 Freightliner Versa Lift Digger/Derrick..... \$50.00 per hour-MRES Member, \$80.00 per hour-Non MRES Member plus Current IRS Mileage Rate member & non-member
- Panel Van..... \$50.00 per day-MRES Member, \$50.00 per day-Non MRES Member plus Current IRS Mileage Rate member & non-member
- Case 560 Trencher with operator..... \$55.00 per hour-MRES Member, \$65.00 per hour-Non MRES Member
- Trenching: 1999 Case 560 Chain Trencher..... \$1.10 per foot or \$100.00 per hour [MRES Mbr] \$120.00 [Non-MRES Mbr] –whichever is higher [includes operator]
- Boring: 2007 Ditch Witch 2020 Boring Machine..... \$4.00 per foot or \$150.00 per hour–whichever is higher [includes optr]
- 1992 Vermeer Wood Chipper..... \$50.00 per hour-MRES Member, \$65.00 per hour-Non MRES Member

PARKS DEPARTMENT:

- Mosquito Spraying..... \$70.00 per hour [man & pickup]
- Mosquito Spray..... \$42.00 per gallon
- Mowing Fees (includes equipment)..... \$80.00 per hour [minimum charge of \$80.00]
- Vermeer Tree Spade..... \$85.00 per hour [includes operator]
- 2008 Case Dx45 Utility Tractor w/attach..... \$80.00 per hour plus materials

STREET DEPARTMENT:

• 2007 Edco 14" Concrete Saw.....	\$65.00 per hour plus saw blades [includes operator]
• Misc. Saws.....	\$65.00 per hour plus blades or chains [includes operator]
• Router.....	\$105.00 per hour [includes operator]
• Tar Kettle.....	\$80.00 per hour plus materials [includes operator]
• Tack Wagon.....	\$105.00 per hour plus materials [includes operator]
• 2007 Linelazer 3900 Striper.....	\$105.00 per hour plus materials [includes operator]
• Self Propelled Steel Roller Packer.....	\$60.00 per hour [includes operator]
• 1984 Freuhoff Dump Trailer.....	\$20.00 per hour
• Rubber Tire Roller Compactor.....	\$75.00 per day [without operator]
• 2001 Elgin Pelican Sweeper.....	\$125.00 per hour [includes operator]
• 2002 John Deere 544H Loader.....	\$125.00 per hour [includes operator with bucket or plow]
• 1990 Case Loader.....	\$125.00 per hour [includes operator]
• 2006 John Deere 624 Loader.....	\$125.00 per hour [includes operator with bucket or plow]
• Tandem Dump Truck – 12 yd. Box.....	\$125.00 per hour [includes operator]
• Tandem Truck with Sander.....	\$125.00 per hour [includes operator] plus \$55.00 per yd for sand salt
• 1971 International Truck w/mud pumper.....	\$110.00 per hour [includes two operators & labor]
• 2000 Chevy 1 Ton w/Plow & Utility Dump.....	\$65.00 per hour 1 ton, \$80.00 with Plow [with operator]
• 1985 Ford Tandem Water Truck.....	\$125.00 per hour [includes operator] [2,000 gallons]
• 1991 John Deere 770BH Motor Grader.....	\$125.00 per hour [includes operator with blade or plow & wing]
• 2005 John Deere 317 Skid Steer.....	\$80.00 per hour [includes operator]
• 2005 Wildcat Snowblower.....	\$80.00 per hour [includes operator]
• 1988 John Deere 550G Dozer.....	\$125.00 per hour [includes operator]
WATER DEPARTMENT:	
• Backhoe – Ford 555 or Ford 675D.....	\$90.00 per hour [includes operator]
• Tanaka Trash Pump.....	\$75.00 per day [without operator]
WASTEWATER DEPARTMENT:	
• Ford LN 8000 Jet-Vac.....	\$140.00 per hour [includes operator]
• 1983 Ag-Chem Sludge Truck.....	\$140.00 per hour

Adopt this 17th day of December, 2012.

Goff Masonry & Concrete Construction Inc

708 10th st s
MN 56215

Invoice

Date	Invoice #
5/31/2016	8

Bill To
Benson Civic Center

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
15,200	4" Concrete with 1/2" rebar 2' o.c. both ways and a power trowel finish labor 15,500.00 materials 30,150 This price is with association members helping do the setup	3.00329	45,650.01
Thank you for your business.		Total	\$45,650.01



May 24, 2016

Rob Wolfington, City Manager
City of Benson
1410 Kansas Ave
Benson, MN 56215

RE: Golf Course Irrigation System Upgrade
Benson, Minnesota
Landteam Project No.: BE1502

Rob:

Enclosed please find the following item for final payment:

- Final Payment Application
- Completed IC 134 form

I have reviewed with Sally Jones, Course Superintendent the requirements for the completion of this contract and we agree that all the terms have been met for final payment.

The contract provides for a one year warranty period starting at substantial completion which was November 25, 2015.

If you have any questions, please contact me at 320-763-5784.

Respectfully,

LANDTEAM, INC.

Michael A. Bakken, P.E.
Project Engineer

enclosures

FINAL APPLICATION FOR PAYMENT

To: City of Benson (OWNER)
From: Midwest Irrigation of Illinois, LLC (CONTRACTOR)
Contract: Irrigation System Upgrade
For Work accomplished through the date of: 5/16/2016

1	Original Contract Price:	<u>\$224,800.00</u>
2	Net change by Change Orders and Written Amendments(+or-):	<u>\$4,447.00</u>
3	Current Contract Price (1 plus 2):	<u>\$229,247.00</u>
4	Total completed to date	<u>\$229,247.00</u>
5	Total stored to date	<u>\$0.00</u>
6	Retainage (per Agreement):	
	Contract and Changes 0%	<u>\$0.00</u>
	Materials Stored 0%	<u>\$0.00</u>
	Total Retainage:	<u>\$0.00</u>
7	Total completed and stored to date less retainage:	<u>\$229,247.00</u>
8	Less previous Application for Payments:	<u>\$218,007.00</u>
9	DUE THIS APPLICATION	<u>\$11,240.00</u>

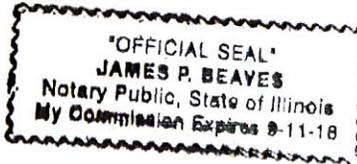
CONTRACTOR'S Certification:

The undersigned CONTRACTOR certifies that (1) all previous progress payments received from OWNER on account of Work done under the Contract referred to above have been applied on account to discharge CONTRACTOR'S legitimate obligations incurred in connection with Work covered by prior Applications; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to OWNER indemnifying OWNER against any such Lien, security interest or encumbrance); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

Dated: 5/16/16

CONTRACTOR
 By: *Peter P. Beaves*
 Midwest Irrigation of Illinois, LLC

State of IL
 County of Jo Daviess
 Subscribed and sworn to before me this 17
 day of May 2016
[Signature]
 Notary Public
 My Commission expires: 9/11/18



Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Dated 5/17/16 Michael A. Bakken, PE LANDTEAM, INC.
 ENGINEER

By: *Michael A. Bakken*

EJCDC No. 1910-8-E (1996 Edition)
 Prepared by the Engineers Joint Contract Documents Committee and endorsed by The Associated General

Doug's Service & Marine, Inc.

Invoice

122 1st Street East
Canby, MN 56220

Date Invoice #
3/22/2016 25641

Bill To

Benson Golf Club City
2323 Atlantic Ave
Benson, MN 56215

P.O. No. Terms Sales Person Project
30 days Dave

Item	Quantity	Description	Rate	Amount
1552	1	Toro RM5510 08' Ser #280000334	16,995.00	16,995.00T
1554	1	Toro 3300 Workman 00' Ser#20000127	3,995.00	3,995.00T
1557	1	Toro GM3500 11' Ser#311000293	14,995.00	14,995.00T
1558	1	Toro GR3150 08' 11Bl6 DPA Ser#280000853	12,989.00	12,989.00T
		Sales Tax	6.875%	3,366.96

	Total	\$53,340.96
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ALL INVOICES NOT PAID IN 30 DAYS WILL LOSE FUTURE CHARGING PRIVILEGES

05/18/16
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CITY OF BENSON
BUDGET REPORT
FOR MONTH ENDED 30Apr2016

PAGE # 1

DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
GENERAL FUND REVENUES						
TAXES	1,194,655.01	1,216,655.41	6,520.71	5,158.49	1,198,531.00	0
ABATEMENTS	19,969.55	20,115.83	109.15	85.03		
LODGING TAXES	29,302.47	25,074.29	4,761.43	4,339.85	25,000.00	17
FRANCHISE FEES	79,717.57	206,704.15	43,047.38	54,767.78	205,000.00	27
BUSINESS LICENSES	7,915.00	8,032.50	8,995.00	7,995.00	7,500.00	107
NON-BUSINESS LICENSES	715.00	340.00	125.00	175.00	800.00	22
BUILDING PERMITS	25,130.60	14,893.08	7,740.60	1,024.75	20,000.00	5
LOCAL GOVERNMENT AID	952,025.00	980,033.00			988,807.00	
HOMESTEAD & AG CREDIT AID	142.32	310.09				
POLICE TRAINING REIMBURSEMENT	1,930.86	2,332.26			2,000.00	
INSURANCE PREMIUM TAX-FIRE	38,760.48	41,979.08		1,845.00	35,000.00	5
INSURANCE PREMIUM TAX-POLICE	51,407.90	53,170.71			40,000.00	
AIRPORT MAINTENANCE	32,232.62	25,362.73		64.94	24,257.00	0
TRANSIT REFUNDS	140,000.00	145,600.00	36,550.00	74,400.00	148,800.00	50
OTHER FED/STATE/LOCAL GRANTS	48,038.96	74,110.85	(16,852.18)		18,000.00	
POLICE SERVICES	5,478.96	1,200.00		11,430.90	5,500.00	208
DARE REVENUES	36.00	30.00			1,500.00	
DOG POUND REVENUES	700.00	580.00	60.00	150.00	500.00	30
COPS IN SCHOOLS REIMBURSEMENT	39,532.50	38,934.00		378.00	33,000.00	1
TOWNSHIP FIRE CONTRACTS	61,669.00	63,522.00	63,522.00	48,487.00	65,460.00	74
FIRE DEPARTMENT CALLS	27,436.66	28,365.00	4,880.00	2,650.00	20,000.00	13
RESQUE SQUAD CALLS	1,065.25	4,609.51		(462.75)	2,000.00	(23)
BUILDING INSPECTIONS SERVICES	35,875.83	37,797.59	5,843.41	9,717.24	40,000.00	24
STREET REPAIR FEES	3,600.00	4,800.00	2,400.00	1,200.00	3,000.00	40
EQUIPMENT RENTALS	2,662.50				3,000.00	
WEED REMOVAL CHARGES	1,255.03	1,947.59			2,000.00	
SWIMMING POOL RECEIPTS	41,701.80	50,319.88	135.68	135.68	50,000.00	0
POOL CONCESSION SALES	7,893.02	11,183.46			11,000.00	
ARMORY USE FEES	7,885.00	9,132.50	3,358.75	3,091.25	8,000.00	39
PARK FEES	20,143.02	20,412.47	4,063.33	4,639.41	18,000.00	26
TREE REMOVAL RECEIPTS	4,445.43	5,660.00	550.00	(330.00)	2,000.00	(17)
BUS FARES	37,054.72	35,433.91	10,430.50	12,446.40	35,000.00	36
BUS SIGN ADVERTISING	720.00	740.00	240.00	200.00	600.00	33
HANGER RENTALS - AIRPORT	11,760.00	12,811.85	6,605.00	7,660.00	12,000.00	64
AIRPORT LAND REVENUES	7,196.00	7,790.00	6,995.00	6,995.00	7,000.00	100
SALE OF LOTS - CEMETERY	5,040.00	4,480.00	1,120.00	560.00	3,500.00	16
SODDING FEES - CEMETERY	720.00	640.00	160.00	240.00	600.00	40
CEMETERY MEMORIALS						
CEMETERY MONUMENT FEES	275.00	475.00	100.00	50.00	300.00	17
PARK SIGN RENTALS	255.00	190.00	40.00	85.00	200.00	43
COURT FINES	19,686.83	21,696.94	7,349.92	8,445.27	18,000.00	47
PARKING FINES	275.00	700.00	275.00	460.00	500.00	92

CITY OF BENSON
BUDGET REPORT
FOR MONTH ENDED 30Apr2016

DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD.	2016 YTD	ADOPTED BUDGET	PERCENT
SPECIAL ASSESSMENTS	116.42	147.60				
INTEREST EARNINGS	49,506.05	47,951.15	12,822.41	15,965.83	50,000.00	32
UNREALIZED GAIN (LOSS) ON INVEST	9,838.64	4,352.47	3,796.00	(624.75)		
PROPERTY RENTS	50.00					
CIVIC CENTER RENT	27,835.37	36,486.35	8,666.68	15,625.00	39,500.00	40
DONATIONS	5,930.00	23,397.24	2,422.24	2,575.00	1,000.00	258
SALE OF PROPERTY	2,925.53	4,590.00	4,590.00			
REFUNDS & REIMBURSEMENTS	53,927.22	51,164.59	12,016.77	12,537.40	20,000.00	63
REIMBURSEMENTS - GAS & OIL	34,553.69	24,947.18	3,298.37	6,475.10	25,000.00	26
OTHER REVENUE	3,652.72	12,364.72	609.78	989.57	5,000.00	20
MANAGEMENT FEE-EDA & RL FUND	16,288.00	16,647.00			16,000.00	
MANAGEMENT FEES - GARBAGE FUND	8,664.00	8,838.27	2,946.03	3,006.00	9,014.00	33
MANAGEMENT FEE - WATER FUND	37,800.00	38,555.91	12,851.99	13,109.00	39,327.00	33
MANAGEMENT FEE - ELECTRIC FUND	170,040.00	173,439.91	57,815.99	59,010.70	176,908.00	33
MANAGEMENT FEE - LIQUOR FUND	25,104.00	25,606.00	8,535.60	8,706.00	26,118.00	33
MANAGEMENT FEE - SEWER FUND	49,071.00	50,051.91	16,683.99	17,017.80	51,053.00	33
MANAGEMENT FEES - TAX INCREMENT						
TRANSFER FROM OTHER FUNDS	1,354.00	1,349.00			1,650.00	
TRANSFER FROM LIQUOR FUND	80,000.00	80,000.00	80,000.00		80,000.00	
TRANSFER FROM UTILITY FUND	104,898.00	84,989.00			90,000.00	
TOTAL GENERAL FUND REVENUES	3,647,860.53	3,863,043.98	436,181.53	422,476.89	3,686,925.00	11
GENERAL FUND EXPENDITURES						
MAYOR & COUNCIL						
SALARIES - CITY COUNCIL	15,530.00	15,845.00	5,080.00	5,440.00	16,000.00	34
PENSIONS	1,188.11	1,212.20	388.64	416.18	1,200.00	35
OFFICE SUPPLIES		140.92		203.77	100.00	204
MAYOR & COUNCIL CONTINGENCY	4,578.73				500.00	
TRAVEL EXPENSE	1,165.37	1,078.96	229.53	524.85	1,500.00	35
TRAINING & INSTRUCTION	1,110.00	625.00	65.00	1,244.71	1,000.00	124
PRINTING & PUBLISHING	4,129.16	4,443.16	1,659.00	1,045.69	4,500.00	23
OTHER INS - PUBLIC OFF LIAB	9,660.00	9,068.00	9,068.00	9,724.26	10,000.00	97
DUES & SUBSCRIPTIONS	8,475.00	8,971.00	5,596.00	5,596.00	8,500.00	66
TOTAL: MAYOR & COUNCIL	45,836.37	41,384.24	22,086.17	24,195.46	43,300.00	56
ADMINISTRATION & FINANCE						
SALARIES	271,435.66	275,398.18	93,961.37	96,573.24	274,000.00	35
PENSIONS	46,476.66	49,623.58	18,044.47	18,403.80	51,800.00	36
HEALTH, LIFE, DISB + CAFETERIA	58,347.64	61,152.64	19,435.57	27,734.68	64,400.00	43
OFFICE SUPPLIES	4,997.17	4,000.73	1,681.08	821.81	5,000.00	16
DUPLICATING & COPYING	2,791.10	2,938.31	976.38	947.30	4,000.00	24

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CITY OF BENSON
BUDGET REPORT
FOR MONTH ENDED 30Apr2016

PAGE # 3

DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
POSTAGE	1,425.24	963.45	49.04	922.52	2,000.00	46
SAFETY AND DRUG TESTING	579.72	417.69		750.00	500.00	150
GAS & OIL	2,704.90	1,944.96	591.14	511.25	3,000.00	17
EQUIPMENT REPAIR PARTS	2,694.92	2,550.79	(687.99)	561.88	1,500.00	37
SMALL TOOLS AND EQUIPMENT	6,254.87	780.18		1,800.09	4,000.00	45
UTILITY CONTRACTED SERVICES	12,000.00	14,400.00	4,800.00	4,800.00	14,400.00	33
OTHER CONTRACTED SERVICES	8,902.06	12,373.45	5,253.00	3,964.75	15,000.00	26
CONSULTING SERVICES	27,791.81	31,091.26	16,271.76	12,312.11	20,000.00	62
TELEPHONE	8,998.61	8,942.67	2,976.93	3,019.27	10,000.00	30
TRAVEL EXPENSE	5,084.14	3,714.32	1,337.00	1,884.73	7,000.00	27
TRAINING & INSTRUCTION	2,092.73	1,393.52	1,153.52	1,346.43	2,500.00	54
PUBLIC INFORMATION		125.00				
INSURANCE	6,320.00	6,366.00	5,991.00	7,485.00	6,300.00	119
WORKERS COMPENSATION	1,811.00	1,540.00	1,540.00	1,893.22	2,000.00	95
DUES & SUBSCRIPTIONS	2,169.98	2,941.28	1,123.84	913.94	2,800.00	33
TOTAL: ADMINISTRATION & FINANCE	472,878.21	482,658.01	174,498.11	186,646.02	490,200.00	38
ELECTIONS						
TEMPORARY SALARIES	1,881.11	861.34			2,000.00	
OFFICE SUPPLIES	600.90	2,834.58		179.98	1,000.00	18
TOTAL: ELECTIONS	2,482.01	3,695.92		179.98	3,000.00	6
AUDITING & ACCTING SERVICES	20,675.00	21,550.00			22,500.00	
ASSESSING SERVICES CONTRACTED	17,292.00	17,292.00		18,832.00	17,500.00	108
CITY ATTORNEY						
OFFICE SUPPLIES	401.27	470.36	70.78	956.31	500.00	191
CITY ATTORNEY CONTRACT	21,152.50	20,297.00	6,988.00	10,173.00	25,000.00	41
TOTAL: CITY ATTORNEY	21,553.77	20,767.36	7,058.78	11,129.31	25,500.00	44
CITY HALL						
BUILDING MAINTENANCE & SUPPL	7,052.22	5,532.24	1,692.16	3,797.48	8,000.00	47
CONTRACTED SERV - CLEANING	3,835.30	3,980.40	1,360.00	1,608.38	4,000.00	40
INSURANCE	4,543.00	4,600.00	4,600.00		5,000.00	
UTILITIES	8,823.18	7,430.16	2,565.64	2,484.89	9,000.00	28
HEATING COST	5,560.28	3,059.35	1,874.54	1,710.61	5,000.00	34
TOTAL: CITY HALL	29,813.98	24,602.15	12,092.34	9,601.36	31,000.00	31

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CITY OF BENSON
BUDGET REPORT
FOR MONTH ENDED 30Apr2016

PAGE # 4

DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
POLICE DEPARTMENT						
SALARIES	465,526.46	491,167.44	159,141.45	148,545.05	502,000.00	30
PENSIONS	85,082.75	97,759.59	32,629.73	30,762.57	98,300.00	31
HEALTH, LIFE & DISB INSURANCE	106,307.31	87,830.48	28,810.94	42,012.40	92,100.00	46
OFFICE SUPPLIES	4,853.73	5,805.64	1,850.03	3,124.42	5,000.00	62
GAS & OIL	26,165.30	18,807.98	6,098.28	4,563.14	22,000.00	21
OPERATING SUPPLIES	18,383.39	19,034.14	6,846.42	7,047.30	17,500.00	40
UNIFORM ALLOWANCE	13,966.04	7,733.81	3,010.51	1,367.69	10,000.00	14
PERSONNEL TESTING & RECRUIT		319.47	525.00	308.35	1,500.00	21
INVESTIGATIONS	32,262.03	30,284.84	9,397.66	11,330.12	32,000.00	35
EQUIPMENT REPAIR PARTS	3,350.32	2,194.43	350.00	704.84	2,600.00	27
EQUIPMENT REPAIRS CONTRACTED	5,291.30	11,795.01	2,009.05	2,168.30	8,000.00	27
SMALL TOOLS & EQUIPMENT	8,031.46	14,665.99	3,054.83	6,285.69	8,000.00	79
CONTRACTED RECORDS MAINT					4,000.00	
TELEPHONE	8,387.00	8,946.71	2,896.22	3,138.04	9,000.00	35
DRUG EDUCATION & ENFORCEMENT	915.75	818.65	665.09		2,600.00	
DARE EXPENDITURES	1,928.08	1,805.65	1,540.24	1,739.18	2,000.00	87
TRAVEL EXPENSE	6,404.92	3,902.40	314.95	1,122.64	4,000.00	28
TRAINING & INSTRUCTION	6,387.57	6,209.93	643.30	3,707.22	6,000.00	62
INSURANCE	7,958.00	10,797.00	10,797.00	12,564.00	11,000.00	114
WORKERS COMPENSATION	12,546.00	10,778.00	10,778.00	13,956.82	11,000.00	127
RENTS	1,680.00	1,680.00	400.00	400.00	1,600.00	25
DUES & SUBSCRIPTIONS	2,161.00	3,457.00	2,999.00	2,164.00	3,000.00	72
DOG POUND EXPENSES	1,018.58	1,870.56	404.00	130.00	1,700.00	8
TOTAL: POLICE DEPARTMENT	818,926.46	837,870.25	285,161.70	297,141.77	854,900.00	35
FIRE DEPARTMENT						
PART TIME - SALARIES	42,708.76	57,757.86	1,399.45	2,260.64	48,000.00	5
OFFICE SUPPLIES	384.53	184.79	23.80	252.03	500.00	50
GAS & OIL	2,050.28	1,949.12	350.81	543.94	2,600.00	21
OPERATING SUPPLIES	3,099.07	3,526.07	1,101.79	163.90	4,000.00	4
EQUIPMENT REPAIR PARTS	502.76	3,167.77	764.53	165.67	4,000.00	4
EQUIPMENT REPAIR CONTRACTUAL	6,046.65	3,021.68	437.43	4,282.68	5,000.00	86
RADIO REPAIRS CONTRACTED		1,792.95	231.98	1,148.25	1,000.00	115
BUILDING MAINTENANCE & SUPPL	2,885.04	4,535.98	1,197.95	3,018.32	3,000.00	101
BUILDING REPAIRS CONTRACTED	1,395.94					
SMALL TOOLS & EQUIPMENT	5,392.28	3,975.45		39.83	4,500.00	1
TELEPHONE	172.19	70.18	57.50			
CONTRACTED SERVICES	934.04	475.42	110.26	194.78		
TRAVEL EXPENSE	1,982.29	1,546.02	913.67	2,364.05	3,000.00	79
TRAINING & INSTRUCTION	3,752.80	5,308.64	2,085.00	1,895.00	5,000.00	38

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CITY OF BENSON
BUDGET REPORT
FOR MONTH ENDED 30Apr2016

PAGE # 5

DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
INSURANCE	9,274.00	10,250.00	10,250.00	6,516.00	10,500.00	62
WORKERS COMPENSATION	6,390.00	5,773.00	5,773.00	6,495.44	6,000.00	108
UTILITIES	3,814.08	4,210.26	1,407.78	1,794.93	4,000.00	45
HEATING COST	3,876.26	2,267.33	1,516.58	1,104.99	4,000.00	28
HYDRANT RENTALS/FIRE SERVICE	10,000.00	10,000.00	3,333.32	3,333.32	10,000.00	33
DUES & SUBSCRIPTIONS	509.00	678.00	678.00	557.00	600.00	93
TOTAL: FIRE DEPARTMENT	105,169.97	120,490.52	31,632.85	36,130.77	115,700.00	31
BUILDING DEPARTMENT						
SALARIES	47,200.56	48,546.52	15,219.72	15,257.60	49,000.00	31
PENSIONS	9,193.66	9,814.28	3,128.33	3,038.94	9,300.00	33
HEALTH, LIFE AND DISABILITY	11,537.44	11,866.60	3,948.16	5,604.87	14,490.00	39
GAS	637.66	294.86	73.02	65.82	500.00	13
OPERATING SUPPLIES	2,532.96	1,488.80	590.67	49.42	1,600.00	3
CONTRACTED SERV.-OTHER EXPENSE	4,976.50	327.00	327.00		1,000.00	
TELEPHONE	721.07	770.65	364.17	203.06	750.00	27
TRAVEL EXPENSE	4,272.90	4,714.44	1,826.80	1,673.18	4,000.00	42
TRAINING & INSTRUCTION	469.59	979.79	790.79	1,066.00	600.00	178
DUES & SUBSCRIPTIONS	60.00	75.00	75.00	75.00	100.00	75
TOTAL: BUILDING DEPARTMENT	81,602.34	78,877.94	26,343.66	27,033.89	81,340.00	33
HIGHWAY STREETS & ROADS						
SALARIES	214,917.23	227,546.22	64,872.73	64,133.90	241,800.00	27
PENSIONS	38,859.67	41,984.89	12,183.71	12,160.81	43,600.00	28
HEALTH, LIFE & DISB INSURANCE	26,026.27	24,244.67	8,428.32	12,791.81	28,950.00	44
OFFICE SUPPLIES	28.71	5.99	5.99		80.00	
GAS & OIL	42,920.95	35,319.31	9,906.96	7,515.34	28,000.00	27
OPERATING SUPPLIES	8,886.12	12,036.76	2,109.80	5,018.55	11,000.00	46
STREET MARKINGS & SIGNS	7,932.16	2,707.45	967.60	542.50	6,000.00	9
SHOP SUPPLIES	495.18	1,144.39	466.48	998.97	1,000.00	100
EQUIPMENT REPAIR PARTS	16,089.90	9,325.59	2,802.03	2,399.54	20,000.00	12
TIRES	5,273.39	5,262.72		4,832.50	10,000.00	48
EQUIPMENT REPAIRS CONTRACTED	4,553.23	11,228.01	2,515.98	598.56	8,000.00	7
STREET MAINTENANCE-MATERIALS	7,857.94	15,170.57	324.00	558.90	30,000.00	2
STREET MAINT.- SEALCOATING		77,705.54	5,730.00	5,134.08	50,000.00	10
SNOW REMOVAL	13,845.11	2,101.62		5,797.01	15,000.00	39
FLOOD CONTROL						
BUILDING MAINTENANCE & SUPPL	1,318.18	9,107.01	6,260.09	3,379.56	2,500.00	135
SMALL TOOLS & EQUIPMENT	6,078.39	5,829.78	4,729.78	1,133.35	5,000.00	23
TELEPHONE	900.00	900.00	300.00	300.00	900.00	33
TRAVEL EXPENSE	310.38	76.73			450.00	

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
TRAINING & INSTRUCTION	1,009.34	968.31	798.31	618.91	1,000.00	62
INSURANCE	14,871.00	14,400.00	14,400.00	11,599.00	15,000.00	77
WORKERS COMPENSATION	14,202.00	15,191.55	15,191.55	13,781.34	16,000.00	86
UTILITIES	5,787.08	4,485.23	1,960.53	2,265.25	5,000.00	45
HEATING COST	3,480.42	2,367.88	1,390.66	1,910.05	3,000.00	64
STREET LIGHTING UTILITIES	60,326.58	62,926.74	22,453.01	21,009.74	62,000.00	34
LAUNDRY	949.62	876.35	291.25	363.06	1,000.00	36
TOTAL: STREET DEPARTMENT	496,918.85	582,913.31	178,088.78	178,842.73	605,280.00	30
ORGANIZED RECREATION						
MANAGEMENT FEES	18,430.99	18,582.60			19,500.00	
SENIOR CITIZEN PROGRAM	10,766.49	15,938.65	4,453.15	16,982.06	10,500.00	162
TOTAL: ORGANIZED RECREATION	29,197.48	34,521.25	4,453.15	16,982.06	30,000.00	57
SWIMMING POOL						
TEMPORARY SALARIES	39,028.96	44,254.69		68.00	46,000.00	0
PENSIONS	2,985.72	3,385.56		5.21	3,600.00	0
OPERATING SUPPLIES	6,236.94	10,003.65	3,234.00	1,080.00	8,200.00	13
BUILDING MAINTENANCE & SUPPL	18,932.87	11,558.10		6,377.18	22,000.00	29
BUILDING REPAIRS CONTRACTED	767.15	5,378.30			1,000.00	
CONCESSION SUPPLIES	8,480.53	9,313.34			10,000.00	
TELEPHONE	556.58	590.63	265.90	129.33	600.00	22
INSURANCE	7,657.00	7,963.00	7,963.00	12,521.79	8,300.00	151
UTILITIES	9,989.60	10,351.54	442.26	973.04	11,500.00	8
HEATING COST	7,793.11	5,518.99	86.50		8,000.00	
TOTAL: SWIMMING POOL	102,428.46	108,317.80	11,991.66	21,154.55	119,200.00	18
ARMORY						
OPERATING SUPPLIES	129.79	10.40	10.40	41.94	500.00	8
BUILDING MAINT & SUPPLIES	1,512.86	2,620.24	993.93	356.66	3,000.00	12
CONTRACTED SERVICES	13,049.93	11,986.30	11,649.37	158.18	2,000.00	8
TELEPHONE	484.34	492.25	163.04	166.35	500.00	33
INSURANCE	1,610.00	1,960.00	1,960.00	2,761.00	2,000.00	138
UTILITIES	1,891.83	2,361.95	883.40	758.78	2,000.00	38
HEATING COST	3,053.42	1,349.54	749.48	880.87	2,500.00	35
TOTAL: ARMORY	21,732.17	20,780.68	16,409.62	5,123.78	12,500.00	41

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
PARKS						
SALARIES	91,719.42	99,199.20	28,901.88	28,741.61	93,300.00	31
PENSIONS	13,830.19	14,430.67	4,948.08	4,776.19	14,700.00	32
HEALTH, LIFE & DISB INSURANCE	12,618.57	12,776.41	3,790.79	6,849.37	15,460.00	44
MOSQUITO SPRAY & SUPPLIES	4,148.71	8,697.40	8,697.40	12,000.00	8,000.00	150
CHEMICALS & CHEM SUPPLIES	725.68	2,286.95		5,438.53	8,000.00	68
GAS & OIL	10,242.06	8,208.66	1,126.70	524.62	10,000.00	5
OPERATING SUPPLIES	14,308.35	17,458.67	3,353.57	4,276.31	15,000.00	29
LANDSCAPING MATERIALS	2,151.86	5,047.70	2,867.87	349.91	7,000.00	5
EQUIPMENT REPAIR PARTS	11,852.83	11,695.61	4,416.69	2,581.95	12,000.00	22
EQUIPMENT REPAIRS CONTRACTED	2,076.15	1,526.31	400.61	616.03	2,000.00	31
BUILDING REPAIR AND MAINT	6,411.66	31,436.31	13,413.47	7,529.19	3,500.00	215
SMALL TOOLS & EQUIPMENT	20,885.18	12,536.33	5,205.58	725.64	18,000.00	4
CONTRACTED SERVICES-MOWING	5,622.08	7,530.60			5,500.00	
CONTRACTED SERVICES-TREE REMOV	25,801.06	29,645.63		3,000.00	28,000.00	11
CONTRACTED SERVICES-OTHER	7,030.00	5,995.00			5,000.00	
TELEPHONE	794.91	884.79	266.24	270.81	800.00	34
TRAVEL EXPENSE	390.76	183.38	123.00	107.77	500.00	22
TRAINING & INSTRUCTION	776.64	111.00	31.00	131.47	500.00	26
INSURANCE	17,132.00	16,843.25	16,843.25	28,175.64	17,800.00	158
UTILITIES	9,171.47	8,222.09	2,370.22	2,012.13	8,000.00	25
RENT	1,800.00	1,800.00	600.00			
CEMETERY	12,076.49	7,370.97	4,866.88	175.33	5,000.00	4
TOTAL: PARK DEPARTMENT	271,566.07	303,886.93	102,223.23	108,282.50	278,060.00	39
LODGING TAX EXPENSES	22,970.84	28,865.04	5,125.50	2,006.13	31,750.00	6
PROPERTY TAX ABATEMENTS	26,863.55	17,425.08				
NOT ALLOCATED	15,630.88	14,664.96	8,187.60	7,145.91	10,000.00	71
PUBLIC TRANSIT						
SALARIES	90,627.63	99,195.21	30,842.03	31,992.85	100,000.00	32
PENSIONS	13,921.33	15,956.28	5,042.47	5,173.68	16,000.00	32
HEALTH, LIFE & DISB INSURANCE	16,845.77	17,044.18	6,459.24	8,167.37	18,225.00	45
GAS & OIL	23,453.97	14,609.42	5,307.45	4,816.72	23,000.00	21
PERSONNEL TESTING	1,125.00					
OPERATING SUPPLIES	1,013.18	2,348.06	766.71	602.03	1,500.00	40
EQUIPMENT REPAIR PARTS	7,124.87	11,761.84	4,906.08	4,881.16	8,000.00	61
TIRES	2,133.36	1,592.10		1,683.00	3,000.00	56
TELEPHONE	498.07	507.69	169.10	171.76	600.00	29
TRAVEL EXPENSE	681.63	159.88		416.60	600.00	69

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TRAINING & INSTRUCTION	155.00	155.00	155.00	155.00	200.00	78
ADVERTISING					500.00	
INSURANCE	8,540.11	5,450.00	5,450.00	5,850.00	5,500.00	106
WORKERS COMPENSATION	4,331.00	4,250.70	4,250.70	3,670.43	4,500.00	82
RENT	4,500.00	4,500.00	1,500.00			
DUES AND SUBSCRIPTIONS						
TOTAL: PUBLIC TRANSIT	174,950.92	177,530.36	64,848.78	67,580.60	181,625.00	37
AIRPORT						
SALARIES	2,500.00	2,500.00			2,500.00	
PENSIONS	192.00	192.00			500.00	
GAS	36,217.03	25,243.30			23,000.00	
OPERATING SUPPLIES	2,404.07	607.28	550.00	208.86	3,000.00	7
BUILDING MAINTENANCE & SUPPL	12,151.63	8,138.13	2,314.88	1,992.84	5,000.00	40
MANAGEMENT FEES	4,390.00	4,200.00	1,400.00	1,400.00	4,500.00	31
CONTRACTED SERVICES	3,720.38	30.00			500.00	
TELEPHONE	871.60	896.32	297.38	303.42	900.00	34
INSURANCE	5,273.00	5,683.00	5,683.00	2,529.00	5,600.00	45
UTILITIES	8,565.99	7,875.94	2,812.28	3,186.66	9,000.00	35
HEATING COST	1,279.27	809.00	329.57	433.79	1,000.00	43
TOTAL: AIRPORT	77,564.97	56,174.97	13,387.11	10,054.57	55,500.00	18
TRANSFERS						
TRANSFER TO LIBRARY FUND						
TRANSFER TO FIRE DEPT BOND FND						
TRANS TO CAPITAL OUTLAY FUND	520,000.00	533,000.00			500,000.00	
TRANS TO GOLF CLUB	4,180.00	140,469.31		40,000.00	60,000.00	67
TRANSFER TO CONCRETE PROJECTS	15,000.00	15,000.00			15,000.00	
TRANS TO STORM WATER FUND						
TRANS TO FIRE RELIEF FUND	50,563.48	52,979.08		1,845.00	45,000.00	4
TRANS TO OTHER FUNDS		27,796.58		43,451.15		
TRANS TO CIVIC CENTER	26,000.04	32,708.35	8,666.68	12,500.00	37,500.00	33
TOTAL GENERAL FUND EXPENDITURES	3,471,797.82	3,796,222.09	972,255.72	1,125,859.54	3,666,355.00	31
TOTAL REVENUES LESS EXPENDITURES	176,062.71	66,821.89	(536,074.19)	(703,382.65)	20,570.00	(3419)

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
LIBRARY FUND						
TAXES	106,765.61	109,579.28	582.75	464.48	112,142.00	0
INTEREST EARNINGS						
RENTALS						
DONATIONS	1,052.44	1,830.52	569.90	500.05		
BUILDING DONATIONS						
SALE OF PROPERTY						
REFUNDS & REIMBURSEMENTS	2,792.72	2,448.79	754.72	705.17	2,000.00	35
TRANSFER FROM GENERAL FUND						
TRANSFER FROM OTHER FUNDS	364.00	310.98			400.00	
TOTAL LIBRARY FUND REVENUES	110,974.77	114,169.57	1,907.37	1,669.70	114,542.00	1
EXPENDITURES						
OFFICE & OPERATING SUPPLIES	5,101.08	3,299.49	1,176.35	831.43	5,000.00	17
EQUIPMENT REPAIRS						
BUILDING MAINTENANCE & SUPPL	8,523.06	4,130.47	1,285.13	2,736.52	6,000.00	46
BUILDING REPAIRS CONTRACTED						
MANAGEMENT FEES-PIONEERLAND	77,097.00	79,410.00	19,852.50	20,448.00	81,792.00	25
CONTRACTED SERV - CLEANING	4,740.00	4,345.00	1,580.00	1,975.00	5,000.00	40
TELEPHONE	903.24	923.85	307.33	311.13	1,000.00	31
TRAVEL	357.36	109.63			750.00	
INSURANCE	3,864.00	4,400.00	4,400.00	4,186.00	4,500.00	93
UTILITIES	2,452.37	2,526.30	704.39	800.40	5,000.00	16
HEATING COST	2,585.72	2,345.91	1,111.52	696.37	2,500.00	28
CAPITAL OUTLAY	41,468.85					
CAPITAL OUTLAY - BOOKS	3,538.23	4,119.09			3,000.00	
TOTAL LIBRARY FUND EXPENDITURES	150,630.91	105,609.74	30,417.22	31,984.85	114,542.00	28
TOTAL REVENUES LESS EXPENDITURES	(39,656.14)	8,559.83	(28,509.85)	(30,315.15)		

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
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*** WATER FUND ***						
SALE OF SERVICE	563,912.47	572,678.48	178,461.52	188,430.24	592,000.00	32
CONNECTION FEES	250.00	750.00	750.00		250.00	
FIRE SERVICE FEE	10,000.00	10,000.00	3,333.32	3,333.32	10,000.00	33
REFUNDS & REIMBURSEMENTS	4,851.06	2,622.46	2,181.39	12,761.34	3,500.00	365
TOTAL REVENUES	579,013.53	586,050.94	184,726.23	204,524.90	605,750.00	34
EXPENDITURES						
SALARIES	109,447.75	103,334.84	32,070.76	33,165.03	119,000.00	28
EARNED BENEFITS	1,077.65	2,184.18			1,400.00	
FRINGE BENEFITS	39,111.23	42,053.41	12,542.06	16,538.70	45,620.00	36
OFFICE SUPPLIES	334.35	143.80	57.48	85.03	500.00	17
CHEMICALS & CHEMICAL SUPPLIES	17,830.85	24,503.24	9,009.25	4,160.48	25,000.00	17
GAS & OIL	3,698.41	2,616.64	937.46	758.52	3,500.00	22
OPERATING SUPPLIES	7,636.77	2,895.05	504.53	2,459.88	5,500.00	45
LABORATORY AND TESTING	1,398.00	377.01	182.79	1,092.93	4,000.00	27
EQUIPMENT REPAIR & MAINTENANCE	3,707.28	329.18	(948.67)	1,352.84	5,500.00	25
MAINTAIN SYSTEM	65,319.34	28,834.57	4,152.81	5,671.82	39,000.00	15
BUILDING REPAIR & MAINTENANCE	1,224.62	1,007.06	140.74	451.82	2,000.00	23
MANAGEMENT FEES	37,800.00	38,556.00	12,852.00	13,109.00	39,327.00	33
TELEPHONE	2,017.28	1,961.64	647.65	644.43	2,000.00	32
TRAVEL	698.59	411.27	388.19	603.27	1,000.00	60
TRAINING	1,341.60	599.52	599.52	536.27	2,000.00	27
MARKETING	569.02	608.66			600.00	
INSURANCE	8,630.00	8,751.20	2,880.00	1,403.80	6,800.00	21
WORK COMP INSURANCE	145.00	766.80		1,254.85	3,500.00	36
ELECTRIC UTILITIES	26,063.68	25,192.40	9,265.03	9,036.53	25,000.00	36
DEPRECIATION	190,169.86	195,483.23	62,277.88	64,414.12	190,000.00	34
MISCELLANEOUS	5,724.72	13,758.91	1,512.43	2,799.82	5,000.00	56
INTERDEPARTMENTAL CHARGES	12,375.00	12,375.00	4,125.00	4,125.00	12,375.00	33
TOTAL EXPENDITURES	536,321.00	506,743.61	153,196.91	163,664.14	538,622.00	30
OPERATING PROFIT/(LOSS)	42,692.53	79,307.33	31,529.32	40,860.76	67,128.00	61

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
OTHER INCOME & EXPENSE						
INTEREST INCOME	7,723.94	9,213.27	2,958.61	3,395.95	9,000.00	38
CONTRIBUTED CAPITAL DEPRECIAT'N						
GAIN/LOSS ON FIXED ASSET SALE	340.99	21,500.00				
INTEREST EXPENSE	(70,437.92)	(61,016.01)	(7,604.58)	(7,653.76)	(62,268.00)	12
GRANTS & CONTRIBUTED CAPITAL						
NET INCOME/(LOSS)	(19,680.46)	49,004.59	26,883.35	36,602.95	13,860.00	264

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
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*** SEWER FUND ***						
SALE OF SERVICE	825,195.71	799,168.05	274,720.75	273,825.07	884,800.00	31
CONNECTION FEES	2,500.00	6,000.00	6,000.00		2,000.00	
REFUNDS & REIMBURSEMENTS	1,570.65	3,601.39	1,093.81	391.44	2,700.00	14
TOTAL REVENUES	829,266.36	808,769.44	281,814.56	274,216.51	889,500.00	31
EXPENDITURES						
SALARIES	6,036.69	7,904.36	2,462.06	1,957.42	14,800.00	13
EARNED BENEFITS	1,225.71	2,136.96			1,200.00	
FRINGE BENEFITS	2,126.96	2,781.76	666.01	918.22	4,725.00	19
OFFICE SUPPLIES					200.00	
CHEMICALS & CHEMICAL SUPPLIES	33,090.80	39,488.72	7,661.16	5,797.66	35,000.00	17
GAS & OIL	3,117.38	1,502.08	146.04	403.37	3,000.00	13
OPERATING SUPPLIES	1,166.78	729.59	243.18	594.79	1,200.00	50
LABORATORY AND TESTING		1,182.56	326.59	675.23		
CONTRACTED SERVICES-TESTING	356.50					
EQUIPMENT REPAIR & MAINTENANCE	12,781.76	16,332.12	10,952.70	5,543.77	15,000.00	37
MAINTAIN SYSTEM	52,092.62	28,709.58	6,289.17	13,091.99	34,000.00	39
BUILDING REPAIR & MAINTENANCE	5,395.52	5,075.96	1,050.89	346.80	6,000.00	6
CONTRACTED OPERATIONS	256,505.00	241,332.00	80,444.00	80,444.00	243,000.00	33
MANAGEMENT FEES	49,071.00	50,052.00	16,684.00	17,017.80	51,053.00	33
TELEPHONE	234.64	219.25	73.06	63.39	300.00	21
TRAVEL	163.26	434.24	40.55	379.44	300.00	126
TRAINING	330.43	333.00	323.00	823.33	500.00	165
INSURANCE	12,951.00	10,711.00	4,317.00	5,975.20	12,000.00	50
WORK COMP INSURANCE				151.26		
ELECTRIC UTILITIES	45,452.50	50,641.47	17,518.18	17,691.87	52,500.00	34
HEAT	6,291.40	4,178.50	2,221.10	1,772.98	6,500.00	27
DEPRECIATION	328,486.16	335,302.46	106,080.60	109,623.99	328,000.00	33
MISCELLANEOUS	5,973.53	5,511.23	1,682.88	2,868.26	4,000.00	72
INTERDEPARTMENTAL CHARGES	21,360.00	21,360.00	7,120.00	7,120.00	21,360.00	33
TOTAL EXPENDITURES	844,209.64	825,918.84	266,302.17	273,260.77	834,638.00	33
OPERATING PROFIT/(LOSS)	(14,943.28)	(17,149.40)	15,512.39	955.74	54,862.00	2

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
OTHER INCOME & EXPENSE						
SPECIAL ASSESSMENTS						
INTEREST INCOME	1,035.63	1,354.15	459.21	21.84	1,000.00	2
CONTRIBUTED CAPITAL DEPRECIAT'N						
INTEREST EXPENSE	(75,877.57)	(62,478.03)	(7,569.95)	(7,472.68)	(64,426.00)	12
GAIN/LOSS ON DISPOSAL OF ASSET						
GRANTS & CONTRIBUTED CAPITAL						
NET INCOME/(LOSS)	(89,785.22)	(78,273.28)	8,401.65	(6,495.10)	(8,564.00)	76

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
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*** GARBAGE COLLECTION FUND ***						
REVENUES						
SALE OF GARBAGE TAGS	3,671.86	4,214.48	751.73	731.32	3,500.00	21
GARBAGE BILLINGS	162,333.75	162,183.99	54,018.99	54,659.74	163,000.00	34
OTHER REVENUE	435.59	188.02	111.46	66.31	200.00	33
TOTAL REVENUES	166,441.20	166,586.49	54,882.18	55,457.37	166,700.00	33
EXPENDITURES						
OPERATING SUPPLIES	1,195.20	1,632.48	1,265.91	953.70	1,100.00	87
MANAGEMENT FEES	8,664.00	8,838.00	2,946.00	3,006.00	9,014.00	33
CONTRACTED GARBAGE PICKUP	103,944.00	103,944.00	34,648.00	34,648.00	114,000.00	30
REFUSE DISPOSAL	43,956.80	43,899.40	13,127.20	13,150.70	105,300.00	12
UNCOLLECTABLE ACCOUNTS	762.40	1,273.86			1,000.00	
TOTAL EXPENDITURES	158,522.40	159,587.74	51,987.11	51,758.40	230,414.00	22
OPERATING PROFIT/(LOSS)	7,918.80	6,998.75	2,895.07	3,698.97	(63,714.00)	(6)
INTEREST INCOME	2,079.30	2,192.64	718.31	803.85	2,000.00	40
NET INCOME/(LOSS)	9,998.10	9,191.39	3,613.38	4,502.82	(61,714.00)	(7)
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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
*** ELECTRIC FUND ***						
REVENUES						
SALE OF SERVICE	3,089,034.35	3,084,915.90	1,098,475.12	1,010,211.57	3,085,000.00	33
MISCELLANEOUS	41,247.24	36,286.31	9,125.01	8,051.31	32,000.00	25
ADMINISTRATIVE SERVICES	12,000.00	14,400.00	4,800.01	3,600.00	14,400.00	25
INTERDEPARTMENTAL CHARGES	33,735.00	33,735.00	11,245.00	11,245.00	33,735.00	33
REFUNDS AND REIMBURSEMENTS	25,810.72	21,069.25	971.66	2,321.48	10,000.00	23
CONSERVATION REBATES	26,529.00	9,048.00	620.00	7,684.20	12,000.00	64
TRANSMISSION REVENUE	5,577.41	4,330.63	591.85	3,143.55	82,000.00	4
GENERATION CAPACITY REVENUE	16,910.00					
DEDICATED CAPACITY REVENUE	313,000.00	324,400.00	107,200.00	108,800.00	325,000.00	33
GENERATION SALES	9,074.21	8,407.89	2,263.09	1,361.28	9,000.00	15
BACKUP POWER AGREEMENT	610,634.97	529,888.11	123,171.72	201,042.49	550,000.00	37
TOTAL REVENUES	4,183,552.90	4,066,481.09	1,358,463.46	1,357,460.88	4,153,135.00	33
EXPENDITURES						
POWER PRODUCTION						
GAS & OIL	174.00	13,650.00			30,000.00	
OPERATING SUPPLIES						
EQUIPMENT REPAIR & MAINTENANCE	54,537.73	47,697.09	14,208.03	15,758.20	65,000.00	24
BUILDING REPAIR & MAINT	4,886.29	1,451.35	827.91	329.06	2,500.00	13
MANAGEMENT FEES-POWER PRODUCT	17,004.00	17,344.10	5,781.70	5,896.80	17,690.00	33
MRES-OPERATION & MAINT	21,703.19	23,580.14	7,083.21	6,976.63	23,000.00	30
CONTRACTED SERVICES						
UTILITIES	34,197.21	39,563.02	18,107.26	13,503.55	35,000.00	39
MISCELLANEOUS						
TOTAL POWER PRODUCTION	132,502.42	143,285.70	46,008.11	42,464.24	173,190.00	25
PURCHASED POWER						
PURCHASED POWER	1,499,408.78	1,451,753.31	522,575.52	459,024.27	1,470,000.00	31
WHEELING	268,671.70	280,504.09	93,322.18	112,638.16	355,000.00	32
BACKUP POWER AGREEMENT COSTS	258,777.47	271,373.09	80,917.89	92,429.04	350,000.00	26
TOTAL PURCHASED POWER	2,026,857.95	2,003,630.49	696,815.59	664,091.47	2,175,000.00	31

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TRANSMISSION						
MAINTENANCE OF TRANS LINE					1,000.00	
MANAGEMENT FEES-TRANSMISSION	17,004.00	17,344.10	5,781.70	5,896.80	17,690.00	33
MRES-STATION & MAINT	755.85	1,436.58	416.66	593.76	2,500.00	24
OTHER CONTRACTED SERVICES						
TOTAL TRANSMISSION	17,759.85	18,780.68	6,198.36	6,490.56	21,190.00	31
DISTRIBUTION						
MRES - OFFICE ADDER	38,615.77	32,165.01	8,622.09	8,907.87	32,000.00	28
GAS & OIL	8,962.12	6,169.39	2,143.65	1,232.13	8,000.00	15
OPERATING SUPPLIES	15,902.44	15,198.41	4,455.07	3,846.02	14,000.00	27
EQUIPMENT REPAIRS & MAINT	30,795.30	19,522.52	9,950.12	8,615.84	22,000.00	39
MAINTAIN SYSTEM	31,937.99	42,260.11	5,224.73	6,138.27	38,000.00	16
MAINTAIN STREET LIGHTS	27,335.38	7,525.01	2,879.04	1,474.06	20,000.00	7
BUILDING REPAIR & MAINTENANCE	1,268.04	5,250.29	3,050.42	553.59	7,000.00	8
MANAGEMENT FEES-DIST	51,012.00	52,032.50	17,344.50	17,690.80	53,072.00	33
MISSOURI RIVER CLEARING			40,000.00	43,000.00		
MRES DISTRIBUTION	373,542.47	414,563.03	101,671.88	101,836.51	410,000.00	25
OTHER CONTRACTED SERVICES	8,419.52	18,802.63	5,735.38	1,108.86	15,000.00	7
TELEPHONE	3,555.71	4,291.25	1,221.75	1,185.49	5,000.00	24
TRAVEL EXPENSE	6,348.42	7,675.09	2,085.16	3,671.16	8,000.00	46
TRAINING	10,263.81	8,010.20	2,944.86	4,188.65	7,500.00	56
ELECTRIC UTILITIES	16,258.96	13,955.02	8,693.96	2,925.34	13,000.00	23
HEAT	1,073.04	2,923.64	2,024.60	1,350.76	3,000.00	45
MISCELLANEOUS	310.31	51.62	18.62		1,000.00	
TOTAL DISTRIBUTION	625,601.28	650,395.72	218,065.83	207,725.35	656,572.00	32
ADMINISTRATION						
SALARIES	84,263.50	89,099.93	28,332.98	29,023.74	94,700.00	31
EARNED BENEFITS	(3,045.71)	1,885.18			1,550.00	
FRINGE BENEFITS	37,824.30	41,890.55	14,067.37	16,207.27	43,785.00	37
OFFICE SUPPLIES	13,274.29	17,326.89	5,055.41	5,334.19	16,000.00	33
POSTAGE	1,350.95	962.46	225.40	823.40	2,000.00	41
GAS	187.45	63.26		40.97	500.00	8
MANAGEMENT FEES	76,518.00	78,048.80	26,017.60	26,535.60	79,606.00	33
MRES-NON UTILITY CHARGES	62,283.20	68,907.66	27,853.69	30,860.44	65,000.00	47
CONTRACTED SERVICES	7,192.62	6,162.07	3,249.37	1,193.89	11,000.00	11
DATA PROCESSING SERVICES	20,829.79	18,341.02	1,033.60	8,297.78	25,000.00	33
BILL PRINT SERVICES	13,347.21	13,832.61	4,548.68	4,453.10	14,400.00	31
TELEPHONE	7,037.84	7,424.08	2,569.25	2,435.47	8,000.00	30
TRAVEL EXPENSE	1,775.63	1,422.36	84.93	1,032.43	2,000.00	52

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TRAINING & INSTRUCTION	425.00	1,257.00		585.00	1,800.00	33
MARKETING	7,633.69	9,224.29	1,631.90	1,989.21	9,000.00	22
INSURANCE	27,721.00	28,845.00	9,307.00	13,527.10	28,000.00	48
DEPRECIATION	521,585.45	524,463.47	155,762.92	165,011.98	510,000.00	32
MISCELLANEOUS						
BAD DEBTS	28,625.45	11,468.28		100.00	12,000.00	1
DUES & SUBSCRIPTIONS	6,151.33	5,963.00	5,913.00	5,936.00	6,500.00	91
MRES-LOAD MANAGEMENT	9,276.39	11,929.15	2,986.06	2,894.56	12,000.00	24
LOAD MANAGEMENT/CONSERVATION	48,444.86	29,745.50	8,571.00	14,628.50	35,846.00	41
TOTAL ADMINISTRATION	972,702.24	968,262.56	297,210.16	330,910.63	978,687.00	34
GRAND TOTAL EXPENSES	3,775,423.74	3,784,355.15	1,264,298.05	1,251,682.25	4,004,639.00	31
OPERATING PROFIT/(LOSS)	408,129.16	282,125.94	94,165.41	105,778.63	148,496.00	71
OTHER INCOME & EXPENSE						
INTEREST INCOME	72,048.03	57,602.26	15,218.63	20,242.56	55,000.00	37
UNREALIZED GAIN (LOSS) ON INVS	79,860.78	(1,292.24)	640.05	3,000.00		
INTEREST EXPENSE	(253,057.48)	(239,803.92)	16,203.61	14,939.51	(227,000.00)	(7)
GAIN/LOSS ON DISPOSAL/ASSET	(537.09)	3,299.63				
SALE OF PROPERTY	4,867.50			6,550.00		
NET INCOME/(LOSS)	311,310.90	101,931.67	126,227.70	150,510.70	(23,504.00)	(640)
*** SALE OF SERVICE BREAKDOWN ***						
RESIDENTIAL LIGHTING	1,300,831.32	1,311,556.05	447,235.86	417,182.81	1,310,000.00	32
INTERRUPTIBLE SERVICE	93,692.22	82,255.20	53,720.15	42,554.24	85,000.00	50
MUNICIPAL SERVICE	220,769.45	214,857.75	91,362.01	78,609.19	215,000.00	37
COMMERCIAL LIGHTING	382,474.31	364,310.56	140,469.53	125,131.04	370,000.00	34
INDUSTRIAL SERVICE	1,007,636.10	1,026,690.52	335,785.85	318,438.17	1,020,000.00	31
STREET LIGHTING & SECURITY LIGHTS	83,630.95	85,245.82	29,901.72	28,296.12	85,000.00	33
TOTAL SALES OF SERVICE	3,089,034.35	3,084,915.90	1,098,475.12	1,010,211.57	3,085,000.00	33

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
*** LIQUOR FUND ***						
REVENUES						
SALES	1,109,386.82	1,105,459.58	305,817.48	297,046.32	1,122,000.00	26
COST OF SALES	718,888.99	712,993.52	194,527.59	190,422.92	721,380.00	26
GROSS PROFIT	390,497.83	392,466.06	111,289.89	106,623.40	400,620.00	27
RENTAL INCOME	17,984.00	26,821.20	5,513.00	9,457.60	26,000.00	36
MACHINE COMMISSIONS	1,736.23	1,709.41	822.52	663.77	2,000.00	33
MISCELLANEOUS INCOME	428.55	122.50	28.00		500.00	
TOTAL GROSS PROFIT	410,646.61	421,119.17	117,653.41	116,744.77	429,120.00	27
EXPENDITURES						
SALARIES	140,412.40	149,964.82	44,388.72	41,463.71	145,000.00	29
FRINGE BENEFITS	43,228.10	48,274.28	16,469.56	19,455.59	53,350.00	36
OFFICE SUPPLIES	352.58	447.13	394.15	370.12	500.00	74
OPERATING SUPPLIES	4,974.86	5,128.11	1,310.28	1,561.58	6,000.00	26
BUILDING MAINTENANCE & SUPPLIES	11,421.34	17,519.83	5,396.79	3,547.90	10,000.00	35
MANAGEMENT FEES	25,104.00	25,606.00	8,535.60	8,706.00	26,118.00	33
CONTRACTED SERVICES - CLEANING	9,307.37	9,792.30	3,519.62	4,351.84	11,000.00	40
TELEPHONE EXPENSE	1,282.84	1,331.41	435.90	482.87	1,300.00	37
TRAVEL EXPENSE					450.00	
TRAINING & INSTRUCTION	399.00	30.00			500.00	
FREIGHT ON LIQUOR	4,553.45	4,483.20	1,452.30	1,385.75	4,200.00	33
ADVERTISING	11,352.68	10,019.88	4,269.80	2,573.56	13,000.00	20
INSURANCE	15,143.00	18,340.50	5,429.50	7,703.85	18,500.00	42
UTILITIES	12,748.33	13,277.78	4,136.94	3,771.26	13,000.00	29
HEATING COST	1,274.08	1,043.44	792.84	695.40	1,300.00	53
DEPRECIATION	5,243.60	5,506.79	1,768.00	1,768.00	6,000.00	29
MISCELLANEOUS	5,670.60	13,526.36	5,280.81	1,162.27	5,700.00	20
CREDIT CARD DISCOUNT	12,264.50	13,476.00	4,036.86	4,355.53	13,000.00	34
BAD DEBTS	807.30	858.16	447.31	(64.47)	500.00	(13)
LAUNDRY EXPENSE	1,331.45	1,313.03	393.81	377.26	1,400.00	27
TOTAL EXPENDITURES	306,871.48	339,939.02	108,458.79	103,668.02	330,818.00	31
OPERATING PROFIT/(LOSS)	103,775.13	81,180.15	9,194.62	13,076.75	98,302.00	13
INTEREST INCOME	100.66	108.48	29.97	60.53	100.00	61
GAIN/LOSS ON DISPOSAL/ASSET						
NET INCOME/(LOSS)	103,875.79	81,288.63	9,224.59	13,137.28	98,402.00	13

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DESCRIPTION	2014 YEAR END	2015 YEAR END	2015 YTD FOR SAME TIME PERIOD	2016 YTD	ADOPTED BUDGET	PERCENT
*** LIQUOR SALES ANALYSIS ***						
OFF SALE LIQUOR & WINE SALES	361,091.89	358,755.49	100,445.01	99,373.39	370,000.00	27
COST OF SALES	(249,451.48)	(246,510.20)	(68,788.05)	(68,840.79)	(249,000.00)	28
GROSS PROFIT	111,640.41	112,245.29	31,656.96	30,532.60	121,000.00	25
OFF SALE BEER SALES	548,913.09	533,809.03	136,417.50	128,143.96	540,000.00	24
COST OF SALES	(394,933.66)	(392,159.58)	(100,433.93)	(97,562.03)	(400,680.00)	24
GROSS PROFIT	153,979.43	141,649.45	35,983.57	30,581.93	139,320.00	22
ON SALE LIQUOR & WINE SALES	71,322.80	74,320.49	26,413.94	23,759.45	75,000.00	32
COST OF SALES	(13,076.72)	(13,483.71)	(4,960.78)	(4,014.74)	(13,500.00)	30
GROSS PROFIT	58,246.08	60,836.78	21,453.16	19,744.71	61,500.00	32
ON SALE BEER SALES	80,110.88	91,183.08	29,750.17	33,629.49	90,000.00	37
COST OF SALES	(23,065.59)	(25,534.90)	(8,154.29)	(9,681.66)	(25,200.00)	38
GROSS PROFIT	57,045.29	65,648.18	21,595.88	23,947.83	64,800.00	37
MISCELLANEOUS SALES	47,948.16	47,391.49	12,790.86	12,140.03	47,000.00	26
COST OF SALES	(38,361.54)	(35,305.13)	(12,190.54)	(10,323.70)	(33,000.00)	31
GROSS PROFIT	9,586.62	12,086.36	600.32	1,816.33	14,000.00	13
TOTAL SALES	1,109,386.82	1,105,459.58	305,817.48	297,046.32	1,122,000.00	26
TOTAL COST OF SALES	(718,888.99)	(712,993.52)	(194,527.59)	(190,422.92)	(721,380.00)	26
TOTAL GROSS PROFIT	390,497.83	392,466.06	111,289.89	106,623.40	400,620.00	27

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK	DATA-JE-ID	LINE#
101.20210 2)SALES TAX PAYABLE	1)GENERAL FUND CAMPING CANCELLATION	7.81	LINDSTROM/JULIE		D-05162016-330	226
101.34780 2)PARK FEES	1)GENERAL FUND CAMPING CANCELLATION	113.54	LINDSTROM/JULIE		D-05162016-330	225
101.34940 2)SALE OF LOTS - CEMETERY	1)GENERAL FUND REFUND COLUMBARIUM	300.00	MILLS/ORIE	047528	M-05312016-337	1
101.41300.332 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)TRAINING & INSTRUCTION TYPE 40 CERT FEE-GENS	15.00	MN POLLUTION CONTROL AGE	047529	M-05312016-337	2
101.41300.433 2)ADMINISTRATION & FINANCE	1)GENERAL FUND 3)DUES & SUBSCRIPTIONS MEMBERSHIP-WOLFINGTON	727.38	ICMA	047530	M-05312016-337	3
101.41610.201 2)CITY ATTORNEY	1)GENERAL FUND 3)OFFICE SUPPLIES POSTAGE, FILINGS, PUBL	874.84	WILCOX LAW OFFICE, P.A.		D-05162016-330	219
101.41610.304 2)CITY ATTORNEY	1)GENERAL FUND 3)CITY ATTORNEY CONTRACT CITY ATTORNEY FEES	2,661.50	WILCOX LAW OFFICE, P.A.		D-05162016-330	220
101.41940.235 2)CITY HALL	1)GENERAL FUND 3)BUILDING MAINTENANCE & SUPPL GARBAGE SERVICE	35.10	MATTHEISEN DISPOSAL, INC		D-05162016-330	165
101.41940.383 2)CITY HALL	1)GENERAL FUND 3)HEATING COST NATURAL GAS	117.71	CENTER POINT ENERGY		D-05162016-330	159
101.42100.210 2)POLICE DEPARTMENT	1)GENERAL FUND 3)OPERATING SUPPLIES WATER	22.90	CULLIGAN SOFT WATER		D-05162016-330	231
101.42100.219 2)POLICE DEPARTMENT	1)GENERAL FUND 3)INVESTIGATIONS PROSECUTION FEES PROSECUTION SERVICES	2,462.11 70.00	WILCOX LAW OFFICE, P.A. HOHMAN LAW FIRM, LTD.		D-05162016-330 D-05162016-330	221 234
101.42200.235 2)FIRE DEPARTMENT	1)GENERAL FUND 3)BUILDING MAINTENANCE & SUPPL GARBAGE SERVICE	26.68	MATTHEISEN DISPOSAL, INC		D-05162016-330	166
101.42200.383 2)FIRE DEPARTMENT	1)GENERAL FUND 3)HEATING COST NATURAL GAS	125.04	CENTER POINT ENERGY		D-05162016-330	160
101.43100.210 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)OPERATING SUPPLIES WELDING GAS	128.95	AMERICAN WELDING & GAS I		D-05162016-330	196
101.43100.224 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)STREET MAINTENANCE-MATERIALS OMEGA MIX	558.90	BITUMINOUS PAVING, INC.		D-05162016-330	230
101.43100.235 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)BUILDING MAINTENANCE & SUPPL GARBAGE SERVICE	99.81	MATTHEISEN DISPOSAL, INC		D-05162016-330	167
101.43100.381 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)UTILITIES ELECTRIC SERVICE	83.91	AGRALITE ELECTRIC COOPER		D-05162016-330	227
101.43100.383 2)HIGHWAY STREETS & ROADS	1)GENERAL FUND 3)HEATING COST NATURAL GAS	184.17	CENTER POINT ENERGY		D-05162016-330	161

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
101.45124.235 2)SWIMMING POOL	1)GENERAL FUND 3)BUILDING MAINTENANCE & SUPPL GARBAGE SERVICE	4.68	MATTHEISEN DISPOSAL, INC	D-05162016-330	233
101.45181.383 2)ARMORY	1)GENERAL FUND 3)HEATING COST NATURAL GAS	104.11	CENTER POINT ENERGY	D-05162016-330	163
101.45200.210 2)PARKS	1)GENERAL FUND 3)OPERATING SUPPLIES GARBAGE SERVICE	372.35	MATTHEISEN DISPOSAL, INC	D-05162016-330	168
101.49810.235 2)AIRPORT	1)GENERAL FUND 3)BUILDING MAINTENANCE & SUPPL WATER GARBAGE SERVICE	31.87 4.68	CULLIGAN SOFT WATER MATTHEISEN DISPOSAL, INC	D-05162016-330 D-05162016-330	71 169
101.49810.381 2)AIRPORT	1)GENERAL FUND 3)UTILITIES ELECTRIC SERVICE	724.68	AGRALITE ELECTRIC COOPER	D-05162016-330	228
101.49810.383 2)AIRPORT	1)GENERAL FUND 3)HEATING COST NATURAL GAS	89.72	CENTER POINT ENERGY	D-05162016-330	164
211.45500.235 2)LIBRARY	1)LIBRARY FUND 3)BUILDING MAINTENANCE & SUPPL GARBAGE SERVICE	37.44	MATTHEISEN DISPOSAL, INC	D-05162016-330	170
227.46500.310 2)ECONOMIC DEVELOPEMENT	1)COMMUNITY DEV REVOLVING FUND 3)CONTRACTED SERVICES(DESCRIB) DEMO PROGRAM	2,500.00	GEYER/KAREN	D-05162016-330	236
401.45200.501 2)PARKS	1)GENERAL CAPITAL OUTLAY FUND 3)CAPITAL OUTLAY 80 NICHE CANTERBURY	34,770.00	EICKHOF COLUMBARIA INC	D-05162016-330	235
602.43250.311 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)PEOPLESERVICE CONTRACT MAY CONTRACT AMOUNT	20,111.00	PEOPLE SERVICE INC.	036603 M-05312016-337	4
602.43250.381 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)UTILITIES ELECTRIC SERVICE	54.61	AGRALITE ELECTRIC COOPER	D-05162016-330	229
602.43250.383 2)SEWAGE COLLECTION & DISPOSAL	1)SEWER COLLECTION & DISPOSAL 3)HEATING COST NATURAL GAS	312.19	CENTER POINT ENERGY	D-05162016-330	191
604.49640.235 2)DISTRIBUTION	1)ELECTRIC FUND 3)BUILDING MAINTENANCE GARBAGE SERVICE GARBAGE SERVICE	38.84 11.70	MATTHEISEN DISPOSAL, INC MATTHEISEN DISPOSAL, INC	D-05162016-330 D-05162016-330	171 172
604.49655.201 2)CUSTOMER ACCOUNTS	1)ELECTRIC FUND 3)OFFICE SUPPLIES COPIER MAINT	56.32	COPIER BUSINESS SOLUTION	D-05162016-330	192
604.49660.343 2)ADMINISTRATION AND GENERAL	1)ELECTRIC FUND 3)ADVERTISING REG ADS	366.50	K S C R - FM	D-05162016-330	136
609.14200 2)OFF SALE LIQUOR INVENTORY	1)LIQUOR FUND LIQUOR LIQUOR	253.70 1,274.49	PHILLIPS WINE & SPIRITS JOHNSON BROTHERS LIQUOR	D-05162016-330 D-05162016-330	239 241
609.14205 2)OFF SALE WINE INVENTORY	1)LIQUOR FUND WINE WINE WINE	600.00 320.00 1,930.80	WINE MERCHANTS PHILLIPS WINE & SPIRITS JOHNSON BROTHERS LIQUOR	D-05162016-330 D-05162016-330 D-05162016-330	237 238 240

Disb. Validation Listing

FUND & ACCOUNT.....	DESCRIPTION.....	AMOUNT	VEND/CUST/EXPL.....	REF/REC/CHK DATA-JE-ID	LINE#
609.14210	1) LIQUOR FUND				
2) OFF SALE BEER INVENTORY	BEER	2,376.85	BEVERAGE WHOLESALERS INC	D-05162016-330	116
	BEER	11,168.38	H. BOYD NELSON	D-05162016-330	134
	BEER	2,756.70	BEVERAGE WHOLESALERS INC	D-05162016-330	242
	BEER	2,708.43	H. BOYD NELSON	D-05162016-330	243
609.49750.235	1) LIQUOR FUND				
2) LIQUOR	3) BUILDING MAINTENANCE & SUPPL				
	SALT	22.80	CULLIGAN SOFT WATER	D-05162016-330	121
	GARBAGE SERVICE	214.26	MATTHEISEN DISPOSAL, INC	D-05162016-330	173
609.49750.343	1) LIQUOR FUND				
2) LIQUOR	3) ADVERTISING				
	LIQUOR ADS	119.00	K B M O	D-05162016-330	137
	LIQUOR ADS	165.00	K S C R - FM	D-05162016-330	232

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TOTAL NUMBER OF RECORDS PRINTED

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Disb. Validation Listing

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Disb. Validation Listing

CITY OF BENSON
GL060S-V08.00 RECAPPAGE
GL304LD

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	9,947.44
211	LIBRARY FUND	37.44
227	COMMUNITY DEV REVOLVING FUND	2,500.00
401	GENERAL CAPITAL OUTLAY FUND	34,770.00
602	SEWER COLLECTION & DISPOSAL	20,477.80
604	ELECTRIC FUND	473.36
609	LIQUOR FUND	23,910.41
TOTAL ALL FUNDS		92,116.45

BANK RECAP:

BANK	NAME	DISBURSEMENTS
GRN	GENERAL BANK CHECKING ACCT	47,254.88
LQR	LIQUOR FUND	23,910.41
NAVY	ENTERPRISE FUNDS	20,951.16
TOTAL ALL BANKS		92,116.45